Brighton & Hove City Council

Policy & Resources Committee

Date:	**5 December 2019**
Time:	**4.00pm**
Venue	**Council Chamber - Brighton Town Hall**
Members:	**Councillors:**Platts (Chair), Yates (Deputy Chair), Mac Cafferty (Opposition Spokesperson), Bell (Group Spokesperson), Allcock, Clare, Gibson, Moonan, Miller and Shanks
Contact:	**Lisa Johnson** Democratic Services Manager 01273 291228 lisa.johnson@brighton-hove.gov.uk

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AGENDA

PART ONE **Page**

PROCEDURAL MATTERS

71 PROCEDURAL BUSINESS

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

(b) Declarations of Interest:

(a) Disclosable pecuniary interests;
(b) Any other interests required to be registered under the local code;
(c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare
(i) the item on the agenda the interest relates to;
(ii) the nature of the interest; and
(iii) whether it is a disclosable pecuniary interest or some other interest.

If unsure, Members should seek advice from the committee lawyer or administrator preferably before the meeting.

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

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

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

72 MINUTES **11 - 32**

To consider the minutes of the meeting held on 10 October 2019 (copy attached).

73 CHAIR'S COMMUNICATIONS

74 CALL OVER

(a) Items (77 - 100) will be read out at the meeting and Members invited to reserve the items for consideration.

(b) Those items not reserved will be taken as having been received and the reports' recommendations agreed.

75 PUBLIC INVOLVEMENT

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

(a) **Petitions:** to receive any petitions presented by members of the public to the full Council or as notified for presentation at the meeting by the due of 21 November 2019;

(b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 29 November 2019;

(c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 29 November 2019.

76 MEMBER INVOLVEMENT 33 - 46

To consider the following matters raised by councillors:

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

(b) **Written Questions:** to consider any written questions;

(i) Preston Park Reserve – Cllr Hugh-Jones
(ii) Energy Efficient Measures, Housing Stock – Cllr Hugh-Jones
(iii) BHCC Loans – Cllr Gibson
(iv) Temporary Accommodation – Cllr Gibson
(v) Income from Car Permits - Cllr Gibson
(vi) Low and high emission car permits - Cllr Gibson
(vii) Rent collection BHCC - Cllr Gibson
(viii) Salaries and Living Wage BHCC - Cllr Gibson
(ix) Additional Funding for Sustainability Team - Cllr Gibson
(x) Borrowing for new homes for neighbourhoods - Cllr Gibson
(xi) Percentage spend on Section 117 - Cllr Mac Cafferty
(xii) Community Clean-Up Fund – Cllr Mac Cafferty
(xiii) Waste PFI resources – Cllr Mac Cafferty
(xiv) Insurance fund cover – Cllr Mac Cafferty
(xv) Carry Forward figure in TBM – Cllr Mac Cafferty

(c) **Letters:** to consider any letters;

(i) Councillor Osborne – Cash Point Machines

(d) **Notices of Motion:** to consider any Notices of Motion referred from Council or submitted directly to the Committee.

(i) Fur Free City

77 TARGETED BUDGET MANAGEMENT (TBM) 2019/20: MONTH 7 **47 - 102**

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

Contact Officer: *Jeff Coates* *Tel: 01273 292364*
Ward Affected: *All Wards*

78 TREASURY MANAGEMENT STRATEGY STATEMENT 2019/20 - MID YEAR REVIEW **103 - 124**

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

Contact Officer: *James Hengeveld* *Tel: 01273 291242*
Ward Affected: *All Wards*

79 DRAFT GENERAL FUND REVENUE BUDGET AND CAPITAL STRATEGY 2020/21 **125 - 228**

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

Contact Officer: *James Hengeveld* *Tel: 01273 291242*
Ward Affected: *All Wards*

80 COUNCIL TAX REDUCTION REVIEW **229 - 268**

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

Contact Officer: *Paul Ross-Dale* *Tel: 01273 291969*
Ward Affected: *All Wards*

81 BLACK ROCK ENABLING WORKS **269 - 282**

Report of the Executive Director Economy Environment & Culture (copy attached)

Contact Officer: *Katharine Pearce* *Tel: 01273 292553*
Ward Affected: *Rottingdean Coastal*

82 WATERFRONT PROJECT **283 - 290**

Report of the Executive Director Economy Environment & Culture (copy attached0

Contact Officer: *Katharine Pearce* *Tel: 01273 292553*
Ward Affected: *Regency*

83 BRIGHTON I360 LOAN RESTRUCTURE **291 - 336**

Report of the Executive Director Economy Environment & Culture (copy attached)

Contact Officer: *Max Woodford*
Ward Affected: *All Wards*

84 GOVERNANCE OF MAJOR REGENERATION & INFRASTRUCTURE PROJECTS **337 - 360**

Report of the Executive Director Economy Environment & Culture (copy attached)

Contact Officer: *Sam Smith* *Tel: 01273 291383*

85 NEW ENGLAND HOUSE **361 - 370**

Report of the Executive Director Economy Environment & Culture (copy attached)

Contact Officer: *Alan Buck* *Tel: 01273 292287*
Ward Affected: *St Peter's & North Laine*

86 ROYAL PAVILION AND MUSEUMS - TRANSFER TO RPM TRUST **371 - 528**

Report of the Executive Director Economy Environment & Culture (copy attached)

Contact Officer: *Steve Foster* *Tel: 01273 291646*
Ward Affected: *All Wards*

87 CORPORATE PLAN 2020-2023 **529 - 548**

Report of the Executive Lead Strategy Governance & Law (copy attached)

Contact Officer: *Steve Morton*
Ward Affected: *All Wards*

88 CLIMATE ASSEMBLY **549 - 582**

Report of the Executive Director Economy Environment & Culture (copy attached)

Contact Officer: *Chloe Sands* *Tel: 01273 290353*
Ward Affected: *All Wards*

89 CORPORATE ENFORCEMENT FRAMEWORK **583 - 634**

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

Contact Officer: *Graham Bourne* *Tel: 01273 291800*
Ward Affected: *All Wards*

90 CUSTOMER EXPERIENCE STRATEGY **635 - 676**

Report of the Executive Lead Strategy Governance & Law (copy attached)

Contact Officer: *Rima Desai* *Tel: 01273 291268*
Ward Affected: *All Wards*

91 Q2 PROGRESS UPDATE CORPORATE KEY PERFORMANCE INDICATORS 2019-20 **677 - 736**

Report of the Executive Lead Strategy Governance & Law (copy attached)

Contact Officer: *Richard Miles* *Tel: 01273 292344*
Ward Affected: *All Wards*

92 REVIEW OF THE CONSTITUTION - DECEMBER 2019 **737 - 770**

Report of the Executive Lead Strategy Governance & Law (copy attached)

Contact Officer: *Abraham Ghebre-Ghiorghis, Elizabeth Culbert, Victoria Simpson* *Tel: 01273 291500 , Tel: 01273 291515 , Tel: 01273 294687*
Ward Affected: *All Wards*

93 WOMEN IN LOCAL GOVERNMENT **771 - 784**

Report of the Executive Lead Strategy Governance & Law (copy attached)

Contact Officer: *Giles Rossington, Abraham Ghebre-Ghiorghis* *Tel: 01273 295514 , Tel: 01273 291500*
Ward Affected: *All Wards*

94 PROCUREMENT OF SHORT TERM AND EMERGENCY TEMPORARY ACCOMMODATION **785 - 806**

Report of the Executive Director Housing, Neighbourhoods & Communities (copy attached)

Contact Officer: *Sylvia Peckham* *Tel: 01273 293318*
Ward Affected: *All Wards*

95 COMMITTEE TIME TABLE 2020/21 **807 - 824**

Report of the Executive Lead Strategy Governance & Law (copy attached)

Contact Officer: *Mark Wall* *Tel: 01273 291006*
Ward Affected: *All Wards*

96 DEED OF VARIATION TO THE INTEGRATED WASTE MANGEMENT SERVICES CONTRACT **825 - 828**

Report of the Executive Director Economy Environment & Culture (copy attached)

Contact Officer: *Steven Bedford* *Tel: 01273 293047*
Ward Affected: *All Wards*

97 ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 19 December 2019 Council meeting for information.

PART TWO

98 PART TWO MINUTES **829 - 830**

To consider the part two minutes of the meeting held on 10 October 2019 (copy attached).

Contact Officer: Lisa Johnson Tel: 01273 291228

99 DEED OF VARIATION TO THE INTEGRATED WASTE MANAGEMENT SERVICE CONTRACT **831 - 836**

Report of the Executive Director Economy Environment & Culture (copy attached)

100 CITY CLEAN AND FUTURE INDUSTRIAL RELATIONS **837 - 884**

Report of the Executive Lead Strategy Governance & Law (copy attached)

101 PART TWO PROCEEDINGS

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

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FURTHER INFORMATION
For further details and general enquiries about this meeting contact Lisa Johnson, (01273 291228, email lisa.johnson@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

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Date of Publication - Wednesday, 27 November 2019

BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES COMMITTEE

4.00pm 10 OCTOBER 2019

HOVE TOWN HALL, - COUNCIL CHAMBER

MINUTES

Present: Councillor Platts (Chair) Yates (Deputy Chair), Mac Cafferty (Opposition Spokesperson), Bell (Group Spokesperson), Allcock, Clare, Gibson, Moonan, Nemeth and Shanks

PART ONE

36 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

36.1 Councillor Nemeth was present in substitution for Councillor Janio.

(b) Declarations of Interest

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

(c) Exclusion of Press and Public

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

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

37 MINUTES

37.1 **RESOLVED:**

(i) That the Minutes of the meeting held on 11 July 2019 be agreed and signed as a correct record

(ii) That the Minutes of the meeting held on 11 July 2019 be agreed and signed as a correct record

(iii) That the Outcome of the Urgency Sub-Committee held on 12 September 2019 be noted.

38 CHAIR'S COMMUNICATIONS

38.1 The Chair gave the following communication:

I'd like to inform those present that this meeting will be webcast live and will be capable of repeated viewing.

October is UK Black History Month, where the country recognises and celebrates the legacy and contribution of Britain's black communities. We're all here in this room because we love our city and everything it represents. Brighton & Hove is a diverse city with a rich multi-cultural heritage, so I'm really proud to be wearing one of our Black History badges. The five people featured in the badges all have a historical connection to our city and the surrounding region. The badges are being worn by council staff to celebrate their legacies, and start conversations about Brighton & Hove's black history and our diverse communities today. I hope all Members proudly wear badges too, and join me in thanking our very own BME Workers' Forum and also the Communities, Equality & Third Sector team for all their work on this.There's lots of events and activities happening both across the city and internally for our staff to mark Black History Month and I'd encourage everyone here to find out more and show their support.

On a procedural matter, I have agreed to accept a late report regarding the change of title for an Executive Director and this has been circulated in Addendum 4.

39 CALL OVER

39.1 The following items were reserved for discussion:

Item 42	Targeted Budget Management 2019/20 Month 5
Item 49	Proposals Arising from the Pay and Reward Review 2019
Item 50	Working Towards a Fair and Inclusive Workplace
Item 51	Self-Supply Water Licence
Item 52	Full Review of Polling Districts and Polling Places 2019
Item 55	Attendance Policy and Procedures
Item 56	King Alfred Development
Item 57	Housing Supply Update Report 2019-2023
Item 60	Home Purchase Policy Opportunity
Item 68	Hollingdean Depot Vehicles Operators Licence (Part Two)

39.2 The following items were approved without discussion:

Item 43	Orbis Insurance Tender 2020
Item 44	Adoption of Shoreham Harbour Joint Area Action Plan
Item 45	Collaborative Procurement of Hard Facilities Management Contracts
Item 46	Adoption South East
Item 47	Annual Waiver Report
Item 48	Procurement of a Corporate Office Supplies Contract
Item 53	Frederick Street Scheme Approval
Item 54	Disposal of Two Sites at Dunster Close
Item 58	Royal Pavilion Estate Capital Project Phase 1

Item 59	EU Withdrawal: Response to Full Council Notice of Motion
Item 61	RPM Trust
Item 62	Site Purchase – Valley Social Centre
Item 63	Lease Surrender – Oakley Motors Ltd
Item 64	Appointment of Councillors to Outside Bodies
Item 64a	Amendment to Executive Director and Directorate Title

40 PUBLIC INVOLVEMENT

40(a) Petitions

40.1 There were two petitions, one new and one referred from Full Council:

(i) Change the Disabled Bus Time
(ii) Stop the Theft of Brighton General Hospital Site: Keep it Public !

40.2 Ms A Smith presented a petition signed by 415 people which asked:
Request that the hours to be extended to 24/7 for those with a disabled bus pass - instead of its current time which is after 9:30am.

40.3 The Chair gave the following response:

The new arrangement for a three-year contract with Brighton & Hove Buses will be presented to members of this Committee for discussion at the next meeting on 5th December. This report will include the consideration of 24/7 travel for those with a disabled concessionary travel pass. Officers in the service have been working with service users to establish the social benefits of increasing the concession over the last year. The report, which officers have been working on for the last few months; will include costs and outline the benefits. This proposal will allow members to make an informed decision on the way forward alongside the new contract which will start from April 2020.

40.4 The Committee agreed to note the petition and that a report would come to its next meeting.

40.5 The Committee considered the petition which had been debated at Full Council on 25 July 2019. The petition had been signed by 1800 people and asked that the Council:

1. Conduct a more meaningful and extensive public consultation on the potential uses for this site - NHS, housing and community.
2. Explore further NHS uses for this site - such as community beds.
3. Brighton and Hove city to purchase the site.
4. Ensure any housing built on this site includes housing for social rent, keyworker housing and addresses the needs of homeless people in the city.

40.6 The Chair confirmed that the Full Council had agreed the following:

1. That Policy & Resources Committee be requested to commission a report to explore the options to buy the general hospital site, including obtaining preferred buyer status, subject to OJEU regulations;

2. That this report seek to consider:

   - how to embed the acquisition of the site under the departmental Plans detailed in the forthcoming corporate strategy; and

   - how to maximise the amount of council housing at the site, available at the lowest possible rents, once health provision needs have been fully addressed.

40.7 The Committee agreed to call for a report.

40 (b) Written Questions

40.8 Ms Valerie Paynter asked the following question:

King Alfred

After Karis lost their finance to redevelop the King Alfred, the Council had to write off its incurred expenses and put £1m into keeping King Alfred going. 12 years on....well....here we go again!

If Cllrs agree to terminate the existing procurement of the Crest Nicholson/Starr Trust scheme, there is a cost to the Council in abandoning work already done, along with many more years of repair and maintenance of the King Alfred? Surely Cllrs need to know what the financial cost of their decision is going to be. Have officers made a ballpark calculation of what that is?

40.9 The Chair gave the following response:

Embarking on a major development such as the King Alfred, one of the city's most important schemes, entails considerable cost to both the Council and bidders. All parties enter the process in full knowledge of this and it is a risk that all accept.

As stated in the report, the council has spent in the order of £420,000 on external costs during the current procurement. It is hugely disappointing, after 5 years of working closely with Crest Nicholson and the Starr Trust, to have reached this point. Indeed, had it been possible to conclude the deal within months, as was the Council's stated intention, the Councils costs would have been a fraction of this. The Council was however keen to give the developers every opportunity to conclude the deal and has agreed numerous extensions in the hope of finally unlocking the project. Crest Nicholson's withdrawal is fundamental to the current procurement. The committee will shortly be considering a report on this matter. Subject to the committee's agreement to recommendations under Agenda Item 56, it may be that the current project is ended.

We recognise that this brings more uncertainty and the Council will be exploring all opportunities to deliver what the city needs: a new Sports Centre and much needed new homes. The council is currently in the process of appointing consultants to undertake condition surveys and identify lifecycle costs of the council's sports facilities including the King Alfred Leisure Centre. This work is part of a Sport Facilities Modernisation Programme and will give an indication of the future maintenance costs of the King Alfred Leisure Centre.

40.10 Ms Paynter asked the following supplementary question:
Why do you feel that you do not need to have proper costing before you make a decision?

40.11 The Executive Director Economy Environment & Culture said that legally the Council could not continue with the project as it had now finished, and the costs were a separate issue.

40(c) Deputations

40.12 There were no Deputations.

41 MEMBER INVOLVEMENT

41 (a) **Petitions**

41.1 There were none

41 (b) **Written Questions**

41.2 There were none

41 (c) **Letters**

41.3 There were none

41 (d) **Notices of Motion**

(i) Reducing Our Internet Carbon Impact

41.4 The Chair asked Cllr Clare to propose the Notice of Motion

41.5 Councillor Clare said that she had been inspired by the University of Sussex who switched their default search engine last year to Ecosia. Ecosia were a search engine who used money generated from advert revenue to plant trees. Since 2009 they had planted more than 70 million trees around the world including areas of deforestation. The Notice of Motion asked officers to investigate the possibility of using Ecosia as the default engine for the Council and to report back to this Committee. Ecosia would provide a tracking link to show how many trees had been planted as a result of the searches made through the Council. The internet is the biggest coal fired machine on earth and with experts suggesting we use around 14.5g of CO2 for every 10mb of pages loaded for the first time. In August we had around 500,000 page views across the

Council's website, which was around 4 million grams of CO2. It was important to look at new ways to make the Council's website more environmentally friendly and using Ecosia which would plant trees would be a positive step.

41.6 Councillor Mac Cafferty seconded the Notice of Motion.

41.7 The Chair said that the Administration's support for the Declaration of a Climate and Biodiversity Emergency in December 2018 showed that we were serious about responding to the challenges set out in this Notice of Motion. Indeed my preference was that all councillors work jointly to identify and implement those initiatives that we can afford, and that will have the maximum impact. Part of this certainly involved maintaining awareness of the work that organisations such as Ecosia do, and where it makes sense, using them to support our delivery in the most carbon neutral way possible. In doing so it is also worth remembering that the council already uses places Social Value at the heart of its procurement processes, and that this includes sustainability. As set out in the Labour Manifesto, we are also working hard on our community wealth building strategy that reaches across all that we do. The Council spends almost £800 million per year, and the more that spend that is ethical and that benefits the local community, the better.

On the specific ask here, I am advised that once the significant cross-council Windows 10 roll-out is completed, then this is an option to consider – and I thank my colleague for bringing it to the Council's attention. To this end, I have asked the Executive Director, Finance & Resources to work with officers from the IT & Digital team to provide a report to a subsequent meeting of this Committee. This will include clarity over any impact on the Council's residents, on officers' work, and of the cost of the benefits that can be delivered.

41.8 **RESOLVED:** The Committee agreed to call for a report.

42 TARGETED BUDGET MANAGEMENT (TBM) 2019/20: MONTH 5

42.1 The Committee considered the report of the Executive Director Finance & Resources which set out an early indication of forecast risks as at Month 5 on the Council's revenue and capital budgets for the financial year 2019/20.

42.2 Councillor Shanks referred to Adult Social Care and asked if the savings which were supposed to take place were ever realistic. The Executive Director Finance & Resources said that budgets were set on the best information available. Savings had to be made, but the cost of care packages had increased more than expected, the health service put pressure on our service to get people out of hospital, and there was some impact from the historical way the service had been run but that was now being modernised. The Executive Director Health & Adult Social Care said that the Authority placed more people in residential care than would be expected, and the Council's policy was to avoid people going into care where possible. A new operating model was being introduced for social care and to help people live an independent life for as long as possible.

42.3 Councillor Clare noted the overspend on home to school transport had been based on the old contract and asked if that included the issues with the fuel price. She noted that there was an underspend in the Dedicated Schools Grant (DSG) and asked if that could

be used to cover the school back pay issue. The Executive Director Families, Children & Learning said that the information in TBM 5 for home to school transport was out of date as it was based on previous information but the next report on TBM 6 should be accurate. With regard to the DSG he said that there were always peaks and troughs and it was unlikely that there would be a large underspend by the end of the year, but in any event it would not be possible to move money between different blocks.

42.4 Councillor Gibson referred to the demand-led budget forecasts and asked why the one for temporary accommodation had flatlined whereas other demand led budgets varied month to month. Officers said the Council were committed to reducing temporary accommodation but there was increased demand but overall the numbers hadn't risen. He noted that the report said that the number of households in temporary accommodation had reduced by 200 units by the end of 2019/20 and questioned the wording as the year end had not yet been reached. He referred to the Environmental Improvements within Appendix 6 and asked for confirmation that the adjustment had been included in the projected underspend of £80k in the HRA in TBM 5. Officers confirmed that it had. He noted that Right to Buy (RTB) money had funded the Corporate Capital Programme by around £500k and was aware that some HRA RTB receipts had been used to support the joint venture by around £170k and asked for clarification on where he would find that reduction. The Executive Director Finance & Resources said he would have to provide a written answer after the meeting.

42.5 Councillor Shanks noted that the Council used to be able to fine drivers for sitting on double yellow lines, but the Government had removed that ability and suggested that the Authority put pressure on them to allow the Council to reinstate that and asked that the Leader write to the Government. The Chair agreed to do that.

42.6 Councillor Yates noted that 97% of projected savings had been met and thanked both officers within each directorate and the finance team for their work in achieving that. Councillor Bell agreed and thanked officers for their work.

42.7 **RESOLVED:** That the Committee

(i) Noted the forecast risk position for the General Fund, which indicates a budget pressure of £4.100m. This includes an overspend of £0.121m on the council's share of the NHS managed Section 75 services.

(ii) Noted that the one-off financial risk safety net of £0.855m is available to mitigate the forecast risk if the risks cannot be completely eliminated by year-end.

(iii) Noted the forecast for the Housing Revenue Account (HRA), which is currently an underspend of £0.080m.

(iv) Noted the forecast risk position for the Dedicated Schools Grant which is an underspend of £0.145m.

(v) Noted the forecast outturn position on the capital programme and approve the variations and slippage in Appendix 6 and the new schemes as set out in Appendix 7.

(vi) Approved the use of £0.158m Modernisation Fund resources to support implementation of the Community Infrastructure Levy charging scheme as endorsed by the Tourism, Economy, Communities & Culture Committee.

43 ORBIS INSURANCE TENDER 2020

43.1 **RESOLVED:** That the Committee

(i) Approved the procurement of insurance policies via an Orbis wide joint procedure with East Sussex and Surrey County Council.

(ii) Granted delegated authority to the Executive Director of Finance & Resources to procure and award contracts for the provision insurance as set out in section 1.3 of this report each with a term of up to 7 years.

44 ADOPTION OF THE SHOREHAM HARBOUR JOINT AREA ACTION PLAN

44.1 **RESOLVED:** That the Committee

(i) Noted the responses to the consultation on the main modifications to the JAAP and the contents of the Inspector's Report with her conclusion that the JAAP is legally compliant and 'sound';

(ii) Recommended to Council that the JAAP be adopted, incorporating the main modifications and minor modifications, as part of the Development Plan for the City, subject to the Head of Planning agreeing any further minor non-material changes to the text with Adur District Council and West Sussex County Council;

(iii) Recommended to Council that the currently adopted west area Policies Map be revised to additionally display policies contained within the JAAP;

(iv) Recommended to Council that the Development Brief for South Portslade Industrial Estate & Aldrington Basin be revoked.

45 COLLABORATIVE PROCUREMENT OF HARD FACILITIES MANAGEMENT CONTRACTS - PLANNED, TERM AND REACTIVE MAINTENANCE

45.1 **RESOLVED:** That the Committee

(i) Approved the award of the council's BHCC Reactive Fabric Repairs framework agreement for a duration of three years and an option to extend by up to one year.

(ii) Approved the procurement of the other Hard Facilities Management services not awarded by working in partnership with East Sussex County Council (ESCC) led by the BHCC Orbis Procurement Team.

(iii) Granted delegated authority to the Executive Director Economy, Environment & Culture:

- To procure the planned maintenance framework agreements set out in Appendix 3, term maintenance contracts set out in Appendix 4 and standalone procurements set out in Appendix 5. All as referred to in (ii) above, including the award of term contracts and places on framework lots.
- To enter into any subsequent call-off contracts to the framework agreements referred to in 2.1(ii) above should it be considered appropriate at the relevant time; and
- To approve the extension to the framework lot agreements and term contracts, if required, dependent upon satisfactory performance.

46 ADOPTION SOUTH EAST

46.1 **RESOLVED:** That the Committee

(i) Approved the arrangement for Brighton & Hove City Council's Adoption Service to join a partnership arrangement with East Sussex; West Sussex and Surrey County Councils in forming Adoption South East, a RAA.

(ii) Gave delegated authority to the Executive Director of Families Children & Learning, in consultation with the Lead Member for Children and Skills to implement the arrangements for Adoption South East, including entering into and signing off the Partnership Agreement and any other agreement between Brighton & Hove City Council and the other participating authorities, in order for the RAA to be implemented in April 2020.

47 ANNUAL WAIVER REPORT

47.1 **RESOLVED:** That the Committee noted the number and value of waivers authorised under Contract Standing Orders 20.2, 20.3 and 20.4 during the financial years 2017/18 and 2018/19 and the improvements made to the waiver process following Member involvement.

48 PROCUREMENT OF A CORPORATE OFFICE SUPPLIES CONTRACT

48.1 **RESOLVED:** That the Committee

(i) Approved the procurement and award of a contract for the provision of office stationery, office sundries, food and drink sundries, computer consumables, office furniture, cleaning consumables and paper ("Office Supplies") with an initial term of three years and the option to extend by one year (the "Contract").

(ii) Granted delegated authority to the Executive Director for Finances & Resources –

(i) To carry out the procurement of the contract referred to in 2.1 above including the award of the contract; and

(ii) To grant the optional extension to the contract referred to in 2.1 of one year should they consider it appropriate at the relevant time.

49 PROPOSALS ARISING FROM THE PAY AND REWARD REVIEW 2019

49.1 The Committee considered the report of the Executive Director Finance & Resources regarding proposals arising from the Pay and Reward Review 2019.

49.2 The Executive Director Finance & Resources advised that Recommendation 2.1 should read '*Approves* the Reward proposals outlined in Section 3 for implementation on or before April 2020 rather than '*Considers'.*

49.3 Councillor Clare thanked officers for their work on the People Promise and highlighted the Rental Deposit Scheme for staff and for the encouragement for officers to join the Pension Scheme.

49.4 Councillor Shanks noted that social workers pay was relatively low and asked if it was something which needed to be looked at. Officers advised that the Council paid a market supplement to bring it more in line with neighbouring authorities, however staff preferred the working environment here even though the pay was slightly lower.

49.5 Councillor Mac Cafferty noted that only 98 Councillors and staff who were on the Credit Union's Payroll Deduction Scheme and asked if there was some way that more people could be encouraged to use it. The Executive Director Finance & Resources said it was something which could be looked at during the next review.

49.6 **RESOLVED:** That the Committee

(i) Approved the Reward proposals outlined in Section 3 for implementation on or before April 2020.

(ii) Noted the report including continuing work to support and consult on changes to the pay line.

50 WORKING TOWARDS A FAIR AND INCLUSIVE WORKPLACE

50.1 The Committee considered the report of the Executive Director Finance & Resources which provided Members with the findings from the
Global HPO (GHPO) review 2018 and updated the Committee on the
collaborative development of the Fair & Inclusive Action Plan

50.2 Councillor Mac Cafferty noted that at the meeting in July he had suggested that there be a BME representative on this Committee. The Monitoring Officer said that the Constitutional Working Group were considering this, and whilst they could not have voting rights it may be possible that they could be a co-optee but it was necessary to ensure that that complied with the Equalities Act.

50.3 Councillor Clare said that the report referred to reporting racism and was concerned that people felt that there were no consequences from doing that. Officers referred to the appendices to the report which set out the framework for what behaviour was

acceptable and what wasn't and what actions would be taken when it was reported. It was important that senior officers take the lead, and that specialist equality training was being provided to HR staff.

50.4 Councillor Yates said that significant change was needed and it was good that the Constitutional Working Group were looking at this. It was important that there was visible representation from minority groups and was something which needed to be taken seriously.

50.5 **RESOLVED:** That the Committee

(i) Noted the findings in the Global HPO report and endorses the co-created Fair & Inclusive Action Plan to support the council's aim to establish a fair and inclusive culture where expectations around how we work are clear and consistently met;

(ii) Commits to supporting and championing the aims and actions of the Fair & Inclusive Action Plan;

(iii) Instructs officers to bring a progress report in 12 months as part of the governance of the Fair & Inclusive Action Plan.

51 SELF-SUPPLY WATER LICENCE

51.1 The Committee considered the report of the Executive Director Economy Environment & Culture regarding the costs and benefits of a self-supply licence and the potential impact on residents' water bills and improved environmental outcomes which was written in response to the Green Group's Notice of Motion presented at the meeting held on 18 July 2019.

51.2 Councillor Mac Cafferty said that the report focused on the financial aspects of a self-supply water licence, but the environmental issues should also be considered and this was a missed opportunity to do that.

51.3 Councillor Yates understood Councillor Mac Cafferty's comments but said that the Notice of Motion was about the financial savings of having a self-supply water licence, and due to the cost issue it would be necessary to demonstrate significant environmental benefits to take this further.

51.4 **RESOLVED:** That the Committee approved the decision not to apply for a self-supply licence at this time as there is no justifiable business case for doing so and the council has already entered into a contract for the provision of the water retail services covered by a self-supply licence with Castle Water until 31 January 2021 with a possibility to extend this to 31 January 2022.

52 FULL REVIEW OF POLLING DISTRICTS AND POLLING PLACES 2019

52.1 The Committee considered the report of the Executive Lead Strategy Governance & Law regarding the statutory review of all polling places and polling districts within the City of Brighton & Hove.

52.2 Councillor Clare noted that the polling station at Queens Park Primary School would be moving to Brighton Youth Centre and asked what steps were in place to help residents who lived close to the school and may not be able to get to the new polling station. Officers advised that Brighton Youth Centre was only 500m from the school, and postal votes were available for those who requested it.

52.3 Councillor Mac Cafferty said that it might be useful to consult with those who used buildings which acted as polling stations, and as the Brighton Youth Centre was being used for the elections he suggested it may be a good opportunity to promote democracy for the young people who used that centre.

52.4 Councillor Clare when the changes would be implemented. Officers advised that it would depend on when an election was called. If there was no election within the next four to six weeks it would be implemented on 1 December 2019, and if an election was called before that it would be implemented in January 2020.

52.5 **RESOLVED:** That the Committee

(i) Approved polling district boundaries outlined in Appendix 1 including changes to the following polling districts:

a) AT and AU districts merged to form a new AU/KRCA district.
b) EU and EX districts merged to form a new EX/KQPD district.
c) Boundaries for GX/PHSE, GY/PHSF and GZ/PHSG districts redrawn.
d) HZ district split amongst the surrounding districts.
e) KT and KZ districts merged to form a new KZ/PKT district.
f) Boundaries for NV/HGOA, NY/HGOD and NZ/HGOE districts redrawn.

(ii) Approved the recording of polling districts using a Parliamentary Constituency, Ward, Polling District Reference format as outlined in Appendix 1.

(iii) Approved the polling place schedule outlined in Appendix 1 including changes to the following venues:

a) The polling place for EU&E/KQPD as Brighton Youth Centre.
b) The polling place for GY/PHSF as City Gate @ The Dip, 119d Hollingdean Terrace.
c) The polling place for HT/PPAA as St Thomas More Church Hall.
d) The polling place for KT &KZ/PSPB as Brighthelm Church & Community Centre.
e) The polling place for LZ/PRED as Brighton Town Hall.
f) The polling place for NV/HGOA as Ajex Hall.
g) The polling place for NY/HGOD and OZ/HHPD as Hove Rugby Club Pavilion.
h) The polling place for NZ/HGOE as Possibility Place.
i) The polling place for QZ/HNPE as Hill Park School (formerly Hillside).
j) The polling place for RX/HSPD as St Nicholas Parish Centre

(iv) That the Executive Lead – Strategy Governance and Law, acting following consultation with the Council's Returning Officer, be authorised to take measures,

as required by law, to bring the changes indicated in para 2.1 – 2.3; with the authority to make these changes at a time that best fits with any election timetable.

(v) Delegated to the Returning Officer, following consultation with the Group Leaders and respective ward councillors, authority to designate one or more alternative polling places in the event of any polling place not being available at any elections taking place prior to the end of 2020 and before the next full or partial review of polling places

53 FREDERICK STREET - SCHEME APPROVAL

53.1 **RESOLVED:** That the Committee

(i) To appropriate the Frederick Street car park site (7-9, Frederick Street, Brighton, BN1 4TA) for planning purposes and delegate authority to the Executive Director for Neighbourhoods, Communities & Housing to appropriate for housing once the development is complete.

(ii) Approved the appropriation of land at Frederick Street from the General Fund to the Housing Revenue Account for £0.300m, being the best consideration reasonably obtainable.

(iii) Approved the use of £0.300m of commuted sums held for housing purposes as a contribution to the total scheme costs.

54 DISPOSAL BY LEASE OF TWO SITES AT DUNSTER CLOSE, HOLLINGDEAN

54.1 **RESOLVED:** That the Committee agreed to the disposal by lease of two areas of land identified at Dunster Close (Site A and Site B), to Bunker Housing Co-operative for a 125-year period with the freehold retained by the council's Housing Revenue Account (HRA). The granting of the lease for the site was on the basis that best consideration could take the form of an annual ground rent instead of an initial capital payment, and was subject to Bunker obtaining planning consent, securing funding and entering into a nominations agreement with the council.

55 ATTENDANCE SUPPORT PROCEDURE

55.1 The Committee considered the report of the Executive Director Finance & Resources which briefed them on the new attendance policy and procedure and sought authority to proceed with its implementation across the whole council.

55.2 Councillor Clare supported the new procedure and said that as today was World Mental Health Day she was pleased to note the changes to support staff who were suffering from mental health issues, as well as the 'Dying to Work Charter' which supported staff with terminal illnesses. She said it was a valuable piece of work and thanked all officers who had been involved in drafting the new policy and procedure.

55.3 **RESOLVED:** That the Committee

(i) Approved the implementation of the new Attendance Policy and Procedure for all staff across the council as part of our work on Our People Promise.

(ii) Gave delegated authority to the Executive Director, Finance & Resources to decide on an implementation timetable for the new Attendance Policy and Procedure.

(iii) Recommended to Full Council that the council signs up to the TUC's *Dying to Work Charter,* which supports staff with terminal illness to either remain in work as long as they are able, or to help them to access their pension early, depending on their wishes.

56 KING ALFRED DEVELOPMENT

56.1 The Committee considered the report of the Executive Director Economy Environment & Culture which formally advised the Committee of the Preferred Developer's withdrawal from the King Alfred Development project. The Council appointed Crest Nicholson in partnership with the Starr Trust (Crest) as Preferred Developer in January 2016. As a consequence of Crest's withdrawal, it was proposed that the current procurement was ended, and the current project was closed pending initiation of a new project in revised form. The report also provided a high-level summary of the work proposed for the next stage to establish a new project, together with new governance arrangements to support that process.

56.2 Chair said that Mr Starr (Chairman of Starr Trust) and Mr Michael Jacobs (Trustee and Chief Operating Officer Starr Trust) were at the meeting, and she had agreed that they could address the Committee.

56.3 Mr Starr said that in partnership with Crest Nicholson he had won the bid in 2016 to redevelop the King Alfred. Today he was in partnership with Legal and General and was now in a better position to provide the same scheme to develop a new leisure centre, community spaces and new homes. In his view the report the Committee were considering was incomplete and misleading as it implied that Crest Nicholson and the Starr Trust had withdrawn but that was incorrect, and the Starr Trust had not withdrawn. The report said that there was a definitive legal position that gave no chance of a way forward, but procurement law did not account for every eventuality. Procurement law relied on interpretation and risk assessment and for it to fail it needed to be successfully challenged. Officers had not confirmed to the Committee that the procurement could remain open whilst they investigated the alternative uses for the site and evaluated whether the winning bid could continue with a new delivery partner. We would like to give the Council an alternative way forward, confirmed by our lawyers and those of Legal and General, that mitigated and reduced the risk and provides an alternative procurement strategy. The Council should meet with us and Legal and General to hear in detail the alternatives before making any final decision. The reason for the legal difference was that officers had briefed their lawyers on what they saw as essentially a new award. However, we were not looking for a new award but saying that the question posed to lawyers was incomplete and their analysis was therefore formed on a badly formed brief. Our lawyers view was that our status as joint winners allowed the original award to continue in certain circumstances. This interpretation needed to be fairly

evaluated and you should wait to see what challenges were made rather than ceasing the procurement now in case there was a challenge in the future. Officers had said that they did not want to put their name to a scheme which could result in a number of challenges and other stakeholders were worried that such an award would appear illegal or corrupt. However, there was nothing illegal or corrupt in offering an alternative solution to an existing procurement. This was about understanding the challenge risks associated with one path or another and to do this is was necessary to understand both paths. The question was whether the Council wanted the King Alfred to be delivered now or for the building to collapse without a replacement in place, and to explain why a £15m housing grant would be lost and having to write off the money already spent on this development and to embark on another exercise without properly56.3 listening to all the options. He asked that he and Legal and General be given time to meet with the Council to deliver the winning scheme.

56.4 The Executive Director Economy Environment & Culture said that Members would be aware of the many faced in delivering the King Alfred project, and that the process had taken far longer than was envisaged at the time the Council began the process. At the time of appointing Crest Nicholson in partnership with the Starr Trust as Preferred Bidder in January 2016, it was anticipated that the contract would be entered into within 6 months. Construction was expected to commence by the end of 2017 and, had that been achieved, the development would now be at an advanced stage. Unfortunately, within months of appointment the developers alerted the Council to increasing financial pressures. There followed 3 years of discussions aimed at addressing these and returning the scheme to viability. This work included a successful £15.2m bid to the Housing Infrastructure Fund and the Council's agreement in December 2018 to revised arrangements relating to the delivery of affordable housing. Together this was expected to overcome the problems and was to be the final opportunity to move forward with Crest Nicholson and the Starr Trust. At the January 2019 committee meeting the draft terms of the Development Agreement were agreed and it was hoped that the agreement would be entered into shortly thereafter. At the time of the January meeting Crest Nicholson advised the Council that it was unwilling to enter the Development Agreement due to ongoing Brexit uncertainty. Although frustrated by further delay, the Committee was mindful of the impact that Brexit was having on business decisions and therefore agreed a final deadline of 30th March 2019. Despite continued Council efforts, Crest Nicholson remained unwilling to enter the contract by the 30th March deadline. The Council was however committed to allowing the developer team every opportunity to sign and continued to work with them.

In August this year Crest Nicholson advised the Council of its withdrawal from the project. As the party with whom the Council was to enter into a contract with, Crest Nicholson's withdrawal effectively represents the withdrawal of the Crest/Starr Consortium and its bid. In view of this and taking account of the passage of time since commencement of the procurement in 2014, the Council officers had concluded that it was necessary to end the current procurement. The report therefore presented recommendations for the way forward and set out the planned next steps towards establishing a new project.

The Starr Trust was disappointed at the withdrawal of its development partner and the severe impact this had on the procurement. It considered that it should be given the opportunity to continue the project with a replacement partner. The Council officers had given the Starr Trust's outline proposition full consideration and had treated it with the

seriousness that it deserved. The Council acknowledged the Starr Trust's role in establishing the partnership with Crest, and that the Starr Trust has been a committed partner. Both Rob and Michael had been passionate and committed to this project and that should be acknowledged. However, the Starr Trust was not the organisation with whom the Council would have entered into contract, nor the basis on which the evaluation was conducted. Legal advice had been taken and it had been concluded that Procurement Regulations did not allow this. The Council has sought a formal legal opinion from a leading QC specialising in public procurement law. The QC's Opinion fully supported the Council's view. It was definitive that to allow the Starr Trust to continue the Project in conjunction with another Party was not lawfully possible. It was extremely disappointing to have reached this point, but it was considered to be the only option available to the Council.

The Executive Director acknowledged the passion, enthusiasm and drive that both Rob Starr and Michael Jacobs of the Starr Trust brought to the project over several years

56.5 The Chair noted that there was an amendment to the report's recommendations from the Green Group and asked Councillor Mac Cafferty to move the amendment.

56.6 Councillor Mac Cafferty said that the Green Group agreed that unfortunately it was necessary to start the procurement process again. He said that there had been some problems with the initial scheme including potential overdevelopment on the site, and this would be a good opportunity to review that. The amendment included the call for an exploration of multi-site approaches, to reaffirm that the Council should play a key part in the running of the but also to look at possible alternative sites in the in the city which may be more accessible by public transport.

The following amendment was moved, changes in italics:

2.1 Note Crest's withdrawal from the King Alfred Development project.

2.2 Agrees that the procurement should be closed, that the current project should be ended and that the Council should serve a notice under Regulation 55 of the Public Contracts Regulations 2015 confirming that the Council will not be awarding a contract.

2.3 Confirms that provision of a modern Sports Centre in the west of the city remains a Council priority and agrees that new plans should be formulated.

2.4 Notes the outline of key activities proposed as part of the next stage to establish the new project; *and seeks to*

- establish new delivery methods for key aspects of the scheme, including: the exploration of multi-site approaches; reaffirmation of developing elements of the scheme 'in-house'; public transport infrastructure connectivity for residents

2.5 Agrees to the establishment of a new cross-party Project Board to oversee the new project; notes that the membership of the Board will be on the basis of nominations from each political group; and notes that terms of reference will be brought to a future meeting of this Committee for approval.

2.6 Agrees that a detailed report with proposals for the way forward, *including project delivery timescales for the next five years* be brought to a future meeting of this Committee.

56.7 Councillor Gibson seconded the amendment.

56.8 Councillor Yates said that the report did say that all options would be considered, but he felt that the amendment did bring some clarity and so he would support it.

56.9 Councillor Moonan said that it was regrettable that the matter was before the Committee and thanked the officers who had worked so hard on the scheme, but on the advice of a specialist QC it was clear that the matter could not proceed. She said she was keen to see a first-class sports facility and affordable housing in the new scheme and was happy to support the amendment.

56.10 Councillor Nemeth noted that there would have been £15m funding from Central Government and asked why that was not in the Financial Implications in the report. The Executive Director Economy Environment & Culture advised that the Council had secured £15.2m towards the project but as no development agreement had been entered into there were no financial implications. Councillor Nemeth said that the Starr Trust had rebutted the Council's legal advice and asked what consideration the Council had given to that rebuttal. The Head of Commercial Law said that she agreed in part with some of the legal advice given to the Starr Trust. The focus of that advice was how the Council may mitigate the risks and only one suggested it would be lawful to award a contract to someone who hadn't won the procurement. To do so would be a clear breach of procurement rules and there was a risk of a challenge from any operator in Europe.

56.11 The Committee voted on the amendment and it was agreed.

56.12 **RESOLVED:** That the Committee

(i) Noted Crest's withdrawal from the King Alfred Development project.

(ii) Agreed that the procurement should be closed, that the current project should be ended and that the Council should serve a notice under Regulation 55 of the Public Contracts Regulations 2015 confirming that the Council will not be awarding a contract.

(iii) Confirmed that provision of a modern Sports Centre in the west of the city remains a Council priority and agrees that new plans should be formulated.

(iv) Noted the outline of key activities proposed as part of the next stage to establish the new project; and seeks to - establish new delivery methods for key aspects of the scheme, including: the
exploration of multi-site approaches; reaffirmation of developing elements of the scheme 'in-house'; public transport infrastructure connectivity for residents.

(v) Agreed to the establishment of a new cross-party Project Board to oversee the new project; notes that the membership of the Board will be on the basis of nominations from each political group; and notes that terms of reference will be brought to a future meeting of this Committee for approval.

(vi) Agreed that a detailed report with proposals for the way forward, including project delivery timescales for the next five years be brought to a future meeting of this Committee.

57 HOUSING SUPPLY UPDATE REPORT 2019-2023

57.1 The Committee considered the report of the Executive Director Neighbourhoods, Communities & Hosing which updated the Committee on the delivery of new affordable housing by the council, and future plans to escalate delivery by utilising the Housing Revenue Account (HRA) borrowing flexibilities and revenue underspends in the HRA.

57.2 Councillor Gibson welcomed the report and that the different political parties were working together on a programme for new affordable homes and hoped that the Committee would support the report.

57.3 Councillor Allcock agreed with the comments of Councillor Gibson and said that new affordable housing was urgently needed. The regeneration team had come up with many innovate suggestions for additional housing in both new and existing sites which would create homes for many people.

57.4 **RESOLVED:** That the Committee agreed that for 2019/20, any new revenue costs (estimated at £0.100m) arising from the increased support for delivery of housing supply, should be met from HRA general reserves (current balance £6.980m).

58 ROYAL PAVILION ESTATE CAPITAL PROJECT PHASE 1

58.1 **RESOLVED:** That the Committee

(i) Noted that the decision to appoint a contractor to complete the stage 1 emergency and remedial works required to the buildings has been taken by the Executive Director for Economy, Environment & Culture.

(ii) Noted the recommendation of the Procurement Advisory Board set out in paragraph 3.7.

(iii) Granted delegated authority to the Executive Director for Economy, Environment & Culture to procure and award a contract for the stage 2 works required to complete the project as set out in paragraph 3.6.

(iv) Noted that Policy & Resources Committee approval to vary the capital budget, via the Targeted Budget Management (TBM) reporting process, would be required as set out in paragraph 7.1.

59 EU WITHDRAWAL: RESPONSE TO FULL COUNCIL NOTICE OF MOTION

59.1 **RESOLVED:** That the Committee

(i) Noted the content of this report and appendices.

(ii) Agreed to the continuation of BHCC's contingency planning for Brexit, which will continue to be informed by national best practice and include developing key resilience building opportunities for the council and city aligned with the council's strategic priorities.

60 HOME PURCHASE POLICY OPPORTUNITY - PURCHASE OF A PORTFOLIO OF PROPERTIES

60.1 The Committee considered the report of the Executive Director Neighbourhoods Communities & Housing which sought approval for the purchase of three residential properties at 1 Rugby Place, Brighton which would be delivered through the Home Purchase Policy.

60.2 Councillor Gibson said that the Home Purchase Policy was going very well, and it was essential that the target for 800 new homes was met and this was a way of achieving that without the time delay for new build homes.

60.3 Councillor Bell said that he supported the recommendations which help provide homes for those in need.

60.4 Councillor Allcock said rents were very high in the city and providing affordable homes was important.

60.5 **RESOLVED:** That the Committee

(i) Agreed to purchase the three flats at 1 Rugby Road, Brighton at a total value of £0.550m

(ii) Approved a HRA capital budget of £0.590m inclusive of all fees and statutory taxes to be funded by Right to Buy Receipts and HRA Borrowing.

61 RPM TRUST

61.1 **RESOLVED:** That the Committee

(i) Agreed the in-principle decision of the Tourism, Development & Culture Committee in June 2019 that the Royal Pavilion & Museums service transfers to the Royal Pavilion & Museums Trust.

(ii) Noted the positive progress to date and that the final legal agreements between the council and the Trust will be brought to the December Policy & Resources Committee for approval.

(iii) Noted the governance arrangements, that Member nominations will be proposed via the December Policy and Resources Committee

(iv) Noted the financial model, including the anticipated council contributions and consequent short term draw on council reserves.

(v) Noted the commitment to retain staff membership in the local government pension scheme (LGPS) at the time of transfer, and that discussions are continuing over the pensions proposals for other transferred and new staff.

(vi) Noted the proposed commitments to staff made by the Trust;

(vii) Agreed that the Thompson Bequest, Royal Pavilion Renewal Fund, Brighton & Hove Natural History Society Reserve, Museums Objects Reserves and James Green Foundation Reserve are transferred to the RPM Trust on transfer of the management of the RPM as detailed in paragraph 3.9.1.

(viii) Noted that the intention is for the service to transfer by 1 April 2020.

62 SITE PURCHASE - VALLEY SOCIAL CENTRE

62.1 **RESOLVED:** That the Committee

(i) Authorised the freehold acquisition of Valley Social Centre at the appropriate price following independent valuation advice.

(ii) Approved budget for this acquisition will be added to the 2019/20 HRA capital programme and will be funded from commuted resources held by the council. Further detail is included in the part 2 report.

(iii) Agreed that delegated powers be given to the Executive Director of Neighbourhoods Communities & Housing, the Executive Director Economy, Environment & Culture and the Executive Lead of Strategy, Governance and Law to agree terms for the acquisition.

63 LEASE SURRENDER - OAKLEY MOTOR UNITS LTD, OAKLEY HOUSE, EDWARD ST, BRIGHTON

63.1 **RESOLVED:** That the Committee agreed to the lease surrender for the agreed lease premium detailed in the Part 2 report, and authorises that delegated powers be given to the Executive Director Neighbourhoods, Communities & Housing, and the Head of Legal Services to agree terms.

64 APPOINTMENT OF COUNCILLORS TO OUTSIDE BODIES

64.1 **RESOLVED:** That the Committee agreed the appointment of Councillors to the Following:

(i) Councillor Knight to be a member of Brighton & Hove Seaside Community Homes Ltd

(ii) Councillor Williams to be a member of the Homes for the City of Brighton & Hove Ltd

(iii) Councillor Williams be a Director of the Homes for City of Brighton & Hove Design & Build Company Ltd

64a AMENDMENT TO EXECUTIVE DIRECTOR AND DIRECTORATE TITLE

64a.1 **RESOLVED:** That the Committee agreed

(i) To change the title of the current role of Executive Director for Neighbourhoods, Communities and Housing to Executive Director for Housing, Neighbourhoods and Communities

(ii) That the name change be effective for the purposes of advertisement to the post and the commencement of the newly appointed Executive Director.

65 ITEMS REFERRED FOR COUNCIL

65.1 No Items were referred to Full Council on 24 October 2019

Part Two Summary

66 APPENDIX 1 TO ITEM 63 - LEASE SURRENDER – OAKLEY MOTOR UNITS LTD, OAKLEY HOUSE, EDWARD ST, BRIGHTON - EXEMPT CATEGORY 3

66.1 This item was linked with Item 63 (Part One) and the Committee agreed the recommendations without discussion.

66.2 **RESOLVED:** That the Committee agreed to the lease surrender for the agreed lease premium detailed in the Part 2 appendix and authorises that delegated powers be given to the Executive Director Neighbourhoods, Communities & Housing, and the Head of Legal Services to agree terms.

67 SITE PURCHASE - VALLEY SOCIAL CENTRE - EXEMPT CATEGORY 3

67.1 This item was linked with Item 62 (Part One) and the Committee agreed the recommendations without discussion.

68 HOLLINGDEAN DEPOT VEHICLE OPERATORS LICENCE - EXEMPT CATEGORIES 1, 2, 3, 4 & 5

68.5 **RESOLVED:** That the Committee noted the steps being taken to ensure that the City Council met the requirements of the Traffic Commissioner to ensure that our vehicles were operated in accordance with the terms of our Operator's Licence and all relevant legislative requirements.

69 PART TWO MINUTES - EXEMPT CATEGORIES 1, 2, 3 4 & 5

69.1 **RESOLVED:** That the Decision of the Urgency Sub Committees held on 11 July 2019 and 24 July 2019 were noted.

70 PART TWO PROCEEDINGS

70.1 **RESOLVED:** That Items 66 – 69 listed in Part Two of the agenda and the decisions thereon should remain exempt from disclosure to the press and public.

The meeting concluded at 6.50pm

Signed Chair

Dated this day of

MEMBER INVOLVEMENT - WRITTEN QUESTIONS

The following written question has been submitted:

1. What plans are there, if any, to use funds from the Preston Park reserve in the next year and, if there are any, by how much will they deplete the reserve?

   Councillor Hugh-Jones

2. What provision is there in the budget currently for energy efficiency measures in relation to existing housing stock?

   Councillor Hugh-Jones

3. How much interest is currently payable to BHCC on lending to other local authorities on loans for 3, 6, 9, 12 and 18 months?

   Councillor Gibson

4. What is the estimated annual difference in cost to the council between a 1 bed buy back property used as temporary accommodation (and let at LHA rents) and an average 1 bed property leased from a private landlord and an average 1 bed unit of short term temporary accommodation?

   Councillor Gibson

5. What was the annual income obtained by the council in 2018/19 for each of 2nd, 3rd and 4th car permits in CPZ?

   Councillor Gibson

6. Can you breakdown the numbers of vehicles in CPZs issued with low emission permits and higher emission permits and provide the total income for each of low emission and high emission permits to date?

   Councillor Gibson

7. How much rent has BHCC collected (expressed as a % of rent due) to date in 2019/20? (and if this collection rate continues for the rest of the year how much will BHCC be required to pay seaside homes under the rent guarantee agreement?)

   Councillor Gibson

8. Can a table be provided for each of the years 2011 to 2019 inclusive setting out:
   a) The pay ratio between the highest paid council officer to the lowest paid for BHCC
   b) Indicating the number of employers in the city signed up to the Brighton Living wage on a voluntary basis each year

   Councillor Gibson

9. Can you provide a detailed breakdown on how much of the £129K additional funding for the sustainability team (agreed at budget council in February 2019) for the staff and resources has been spent to date, giving indication of what additional activity any staff and resources provided by the money has enabled to take place?

   Councillor Gibson

10. For the answer provided on 24th October full council to the question on actual borrowing in new homes for neighbourhoods modelling in which an average actual borrowing rate of 2.17% was applied to the models can you clarify if this average rate was applied to the modelled borrowing amounts at the time of scheme approval or to the actual quantity of borrowing that was undertaken in practice?

    Councillor Gibson

11. What is our officers' understanding of percentage spend on section 117 between that for BHCC and other comparable authorities; what is our officers' understanding of percentage spend on hospital discharge costs compared to other comparator authorities. If neither of these are available, what is the projected percentage increase in spend in the next year?

    Councillor Mac Cafferty

12. With regard to adopted Green Group amendments for budget council in February, can we have detail on the implementation of the agreed £0.033m to create a recurring Community Clean-up Fund – to be used for anti-graffiti and other community clean up work?

    Councillor Mac Cafferty

13. Further to an oral question at P&R in the summer, I received some information about waste PFI one off resources being used to inflate the base budget. Are they being used elsewhere?

    Councillor Mac Cafferty

14. I asked about the insurance fund in the summer. A full list of what the insurance fund covered wasn't available can I have the list of what is covered.

    Councillor Mac Cafferty

15. In July's P&R I raised concerns about carry overs, specifically that sums could be carried over for a number of years with the rationale for spending changing dramatically over time. Although I was given some information that BHCC does indeed have a 'Carry Forward' figure which is part of the TBM provisional outturn report, in terms of good financial housekeeping I would be interested in more detail on the totals especially for very large amounts and what budget lines those relate to.

    Councillor Mac Cafferty

Dear Geoff Raw,

I am submitting the following letter under Council Procedure Rule 23.3 to be included on the agenda for the Policy & Resources Committee meeting on 5 December 2019.

I'd like to raise a few points regarding the lack of free cash points in the ward I represent.

In Hollingdean, there are no free cash points that I am aware of and this is also the same situation for Coldean and Bates Estate, also in the Hollingdean and Stanmer ward. As a result, there is a charge to get money out, effectively a fine, which some have referred to as a 'poverty premium' for living in an area that doesn't have many shops or restaurants/bars and generally suffers from deprivation. This is not to say that people don't use the shops that are present and in fact the shops that do exist are well used. However, with card machines in these shops charging to get money out and with minimum spends existing on any card payments it means people who are struggling are unfairly punished and financially excluded.

In addition to the lack of free to use ATMs, there is a wider issue of financial exclusion to be tackled by the council with other services. There has been a trend to move away from cash which is excluding those who don't like to use cards (predominantly the elderly and poorest), and also those without bank accounts at all (4% of UK population) are being left behind. Furthermore, without good financial advice and access to safe credit schemes, these communities are not being supported as well as they could or should be.

I welcome the positive work done by local organisations such as the Credit Union and Citizens Advice Bureau to address issues of financial exclusion, as well as the work done as part of the council's own financial inclusion strategy. However, it is clear that many residents, both in my ward, and throughout the city, are without easy access to free cash points and other services.

Given this, I ask for the committee to consider how this council can:

- analyse where free cash points exist to identify distances between each and where there are 'cold spots'.
- apply for funding from Link's 'Community Access to Cash Delivery Fund' to install free to use ATMs in the 'cold spots'. Further info:https://inews.co.uk/news/consumer/atm-free-request-cash-machine-link-area-near-me-641261
- Report on other areas where people are excluded from financial services, e.g access to banks, access to credit, access to financial advice etc; as part of planned reviews of the council's Financial Inclusion Strategy
- work with other stakeholders in the city to make the existing cash points free at the point of use. For example, the ATMs at the train station all levy a charge.

Your sincerely,

Martin Osborne

Councillor for Hollingdean and Stanmer

Extra info about financial exclusion below:

https://www.resolutionfoundation.org/app/uploads/2014/08/Financial-exclusion.pdf

POLICY & RESOURCES COMMITTEE	Agenda Item 76(d) Brighton & Hove City Council

Subject:		**Items referred from the Council meeting held on the 24 October 2019**		
Date of Meeting:		**5 December 2019**		
Report of:		**Executive Lead Officer for Strategy, Governance & Law**		
Contact Officer:	**Name:**	**Mark Wall**	**Tel:**	**01273 291006**
	E-mail:	**mark.wall@brighton-hove.gov.uk**		
Wards Affected:	**All**			

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

1.1 To receive the following Notice of Motion which was debated at and referred from the full Council meeting held on the 24 October 2019.

2. RECOMMENDATIONS:

2.1 That the Committee responds to the motion either by noting it or where it is considered more appropriate, calls for an officer report on the matter as requested, which may give consideration to a range of options.

3. CONTEXT / BACKGROND INFORMATION

3.1 To receive the following extract from the minutes of the full council meeting held on the 24 October 2019 setting out the motion and recommendation for the committee to consider as detailed below:

(1) Fur Free City

This Council resolves to request the Policy & Resources Committee:

- To consider the introduction of a policy to prohibit the sale of any product wholly or partially made with real animal fur on Council owned land and at Council run or Council leased markets. This ban to cover such items as fur coats, vintage fur, fur shawls, garments with fur trim, fur pompom hats, and fur accessories and trinkets.
- To explore the viability of extending said policy to the sale of leather.
- To support the Fur Free Markets campaign of the animal welfare charity, Respect for Animals, the UK's leading anti-fur organisation, by:
  a) Becoming a signatory to the initiative; and
  b) Seeking the advice and assistance of the charity in the enforcement of this ban.

3.2 The extract from the full Council meeting is detailed below:

COUNCIL

4.30pm 24 OCTOBER 2019

HOVE TOWN HALL - COUNCIL CHAMBER

MINUTES

Present: Councillors Phillips (Chair), Robins (Deputy Chair), Simson, Allcock, Bagaeen, Barnett, Bell, Brennan, Brown, Childs, Clare, Davis, Deane, Druitt, Ebel, Evans, Fishleigh, Fowler, Gibson, Grimshaw, Hamilton, Heley, Hill, Hills, Hugh-Jones, Janio, Knight, Lewry, Lloyd, Mac Cafferty, Mears, McNair, Miller, Moonan, Nemeth, Nield, O'Quinn, Osborne, Peltzer Dunn, Pissaridou, Platts, Powell, Rainey, Shanks, C Theobald, West, Wilkinson and Williams.

PART ONE

45. NOTICES OF MOTION

(1) FUR FREE CITY

45.1 The Notice of Motion as listed in the agenda was proposed by Councillor Fowler on behalf of the Labour Group. Councillor Fowler noted that fur farming had been banned by the Parliament Act 2000 and yet the fashion continued as the practice was allowed to operate in other countries and imports of goods meant it was difficult for consumers to differentiate between real and fake fur products. She was aware that many cities around the world had taken action to ban fur and councils has amended street trading licences to prevent the sale of fur. She hoped that councillors would support the motion and enable the council to take a lead on this issue and hopefully achieve a total ban.

45.2 The Mayor noted that it was Councillor Fowler's maiden speech and congratulated her on behalf of the council.

45.3 Councillor Evans formally seconded the motion and stated that the use of fur had become an important consideration for people and they wanted clearer labelling and for retailers to stop miss-selling goods. It was an important issue and Brighton and Hove should be a fur free city.

45.4 Councillor O'Quinn supported the motion and noted that the EU had the largest fur farms producing 50% of the global trade. She believed that fur looked better on live animals and hoped that the motion would be supported.

45.5 Councillor Druitt welcomed the motion and questioned why the importing of fur was still permitted as it made no sense. He believed it was important for the council to support the principle and ensure that it controlled what was available on its own land and in its properties and any change of policy to enable that should be supported.

45.6 Councillor Miller stated that he supported the intention to protect animals but questioned how the objective of the motion could be achieved and enforced. It would be difficult to take action against local businesses and to ensure that products were not being mislabelled.

45.7 Councillor Fowler thanked everyone for their comments and the support for the aims of the motion and hoped that animal welfare standards could be improved by taking action and making a positive stand against this trade.

45.8 The Mayor then put the following motion to the vote:

This Council resolves to request the Policy & Resources Committee:

- To consider the introduction of a policy to prohibit the sale of any product wholly or partially made with real animal fur on Council owned land and at Council run or Council leased markets. This ban to cover such items as fur coats, vintage fur, fur shawls, garments with fur trim, fur pompom hats, and fur accessories and trinkets.
- To explore the viability of extending said policy to the sale of leather.
- To support the Fur Free Markets campaign of the animal welfare charity, Respect for Animals, the UK's leading anti-fur organisation, by:
  a) Becoming a signatory to the initiative; and
  b) Seeking the advice and assistance of the charity in the enforcement of this ban.

45.9 The Mayor confirmed that the motion had been carried unanimously.

Council	Agenda Item 45 (1)
24 October 2019	Brighton & Hove City Council

NOTICE OF MOTION

FUR FREE CITY

This Council resolves to request the Policy & Resources Committee:

- To consider the introduction of a policy to prohibit the sale of any product wholly or partially made with real animal fur on Council owned land and at Council run or Council leased markets. This ban to cover such items as fur coats, vintage fur, fur shawls, garments with fur trim, fur pompom hats, and fur accessories and trinkets.
- To explore the viability of extending said policy to the sale of leather.
- To support the Fur Free Markets campaign of the animal welfare charity, Respect for Animals, the UK's leading anti-fur organisation, by:
  a) Becoming a signatory to the initiative; and
  b) Seeking the advice and assistance of the charity in the enforcement of this ban.

Supporting information

- The United Kingdom has outlawed the farming of animals for their fur on ethical grounds since 2000 and that the use of one of the most common traps used to catch animals for their fur has been illegal for many years.
- Nonetheless fur products are imported from overseas nations, particularly China, where such bans do not operate and where there is virtually no animal welfare legislation in force.
- Real fur comes from animals raised in deplorable conditions or trapped in the wild and killed inhumanely.

Regrettably these products are often found for sale on public markets in the UK and customers can inadvertently buy them thinking they are synthetics.

POLICY, RESOURCES & GROWTH COMMITTEE	Agenda Item 77 Brighton & Hove City Council

Subject:		**Targeted Budget Management (TBM) 2019/20: Month 7 (October)**
Date of Meeting:		**5 December 2019**
Report of:		**Executive Director of Finance & Resources**
Contact Officer:	**Name:**	**Nigel Manvell** **Tel: 29-3104**
	Email:	**Nigel.manvell@brighton-hove.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1 PURPOSE OF REPORT AND POLICY CONTEXT:

1.1 The Targeted Budget Monitoring (TBM) report is a key component of the council's overall performance monitoring and control framework. This report sets out the forecast risks as at Month 7 (October) on the council's revenue and capital budgets for the financial year 2019/20.

1.2 As set out in the General Fund Revenue Budget 2019/20 report to Budget Council, £11.567m was provided for in the budget for reinvestment in identified service pressures across social care and £3.194m for pressures in other services. These sums were expected to meet identified demand-led, cost and income pressures in 2019/20. However, excluding EU withdrawal funding, the council has set aside risk provisions of £0.855m to mitigate potential demand risks and/or any difficulties in delivering savings targets. This risk provision is held as a one-off "financial risk safety net" as part of general reserves.

1.3 The forecast risk for 2019/20 at Month 7 has reduced since Month 5 to a projected £3.974m overspend on the General Fund revenue budget. This includes a forecast overspend of £0.061m on the council's share of the NHS managed Section 75 services. As noted above, the council set aside a £0.855m one-off financial risk safety net to mitigate identified risks if absolutely necessary. After taking this into consideration, the council's financial position remains challenging and therefore temporary spending and vacancy controls are necessary to aid financial recovery and ensure the position improves over the remainder of the financial year.

1.4 The report also indicates that a significant element of the substantial savings package in 2019/20 of £12.236m is expected to be deliverable with £11.435m either achieved or anticipated to be achieved. Savings at risk (£0.801m) are included in the overall service forecasts.

2 RECOMMENDATIONS:

2.1 That the Committee note the forecast risk position for the General Fund, which indicates a budget pressure of £3.974m. This includes an overspend of £0.061m on the council's share of the NHS managed Section 75 services.

2.2 That the Committee note that the one-off financial risk safety net of £0.855m is available to mitigate the forecast risk if the risks cannot be completely eliminated by year-end.

2.3 That the Committee note the forecast for the Housing Revenue Account (HRA), which is currently an underspend of £0.200m.

2.4 That the Committee note the forecast risk position for the Dedicated Schools Grant which is an underspend of £0.297m.

2.5 That the Committee note the forecast outturn position on the capital programme and approve the variations in Appendix 6 and the new schemes as set out in Appendix 7.

2.6 That the Committee approve the creation of a cemeteries maintenance reserve as set out in paragraph 9.9.

3 CONTEXT / BACKGROUND INFORMATION

Targeted Budget Management (TBM) Reporting Framework

3.1 The TBM framework focuses on identifying and managing financial risks on a regular basis throughout the year. This is applied at all levels of the organisation from Budget Managers through to Policy, Resources & Growth 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 through effective financial recovery planning together with more regular monitoring of high risk demand-led areas as detailed below.

3.2 The TBM report is normally divided into the following sections:

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 and Changes

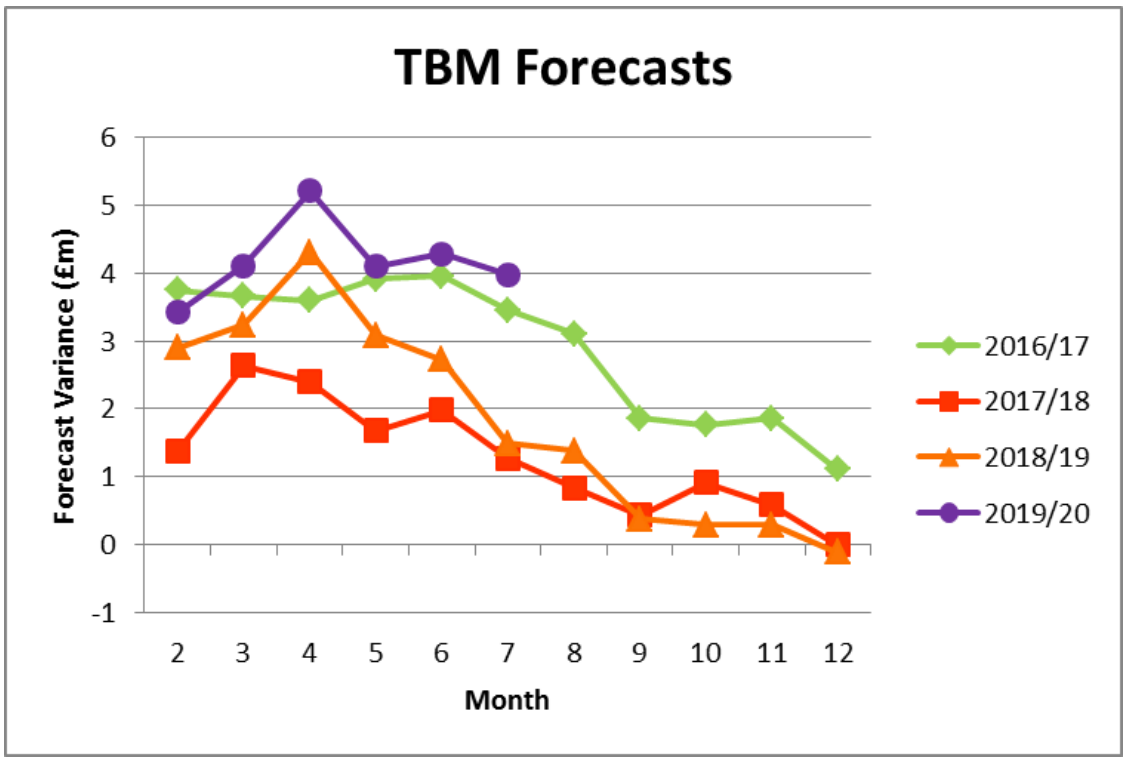
vi) Implications for the Medium Term Financial Strategy (MTFS)

4 GENERAL FUND REVENUE BUDGET PERFORMANCE (APPENDIX 4)

4.1 The table below shows the provisional outturn for Council controlled revenue budgets within the General Fund. These are budgets under the direct control and management of the Executive Leadership Team. More detailed explanation of the variances can be found in Appendix 4.

Forecast Variance Month 5 £'000	Directorate	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
(376)	Families, Children & Learning	89,381	88,625	(756)	-0.8%
3,785	Health & Adult Social Care	58,467	62,616	4,149	7.1%
0	Economy, Environment & Culture	37,845	37,830	(15)	0.0%
(30)	Housing, Neighbourhoods & Communities	15,380	15,350	(30)	-0.2%
370	Finance & Resources	24,024	24,239	215	0.9%
359	Strategy, Governance & Law	5,625	5,904	279	5.0%
4,108	Sub Total	230,722	234,564	3,842	1.7%
(8)	Corporately-held Budgets	(10,347)	(10,215)	132	1.3%
4,100	Total General Fund	220,375	224,349	3,974	1.8%

4.2 The General Fund includes general council services, corporate budgets and central support services. Corporate Budgets include centrally held provisions and budgets (e.g. insurance) as well as some cross-cutting value for money savings targets. Note that General Fund services are accounted for separately to the Housing Revenue Account (Council Housing). Note also that although part of the General Fund, financial information for the Dedicated Schools Grant is shown separately as this is ring-fenced to education provision (i.e. Schools). The chart below shows the monthly forecast variances for 2019/20 and the previous three years for comparative purposes.

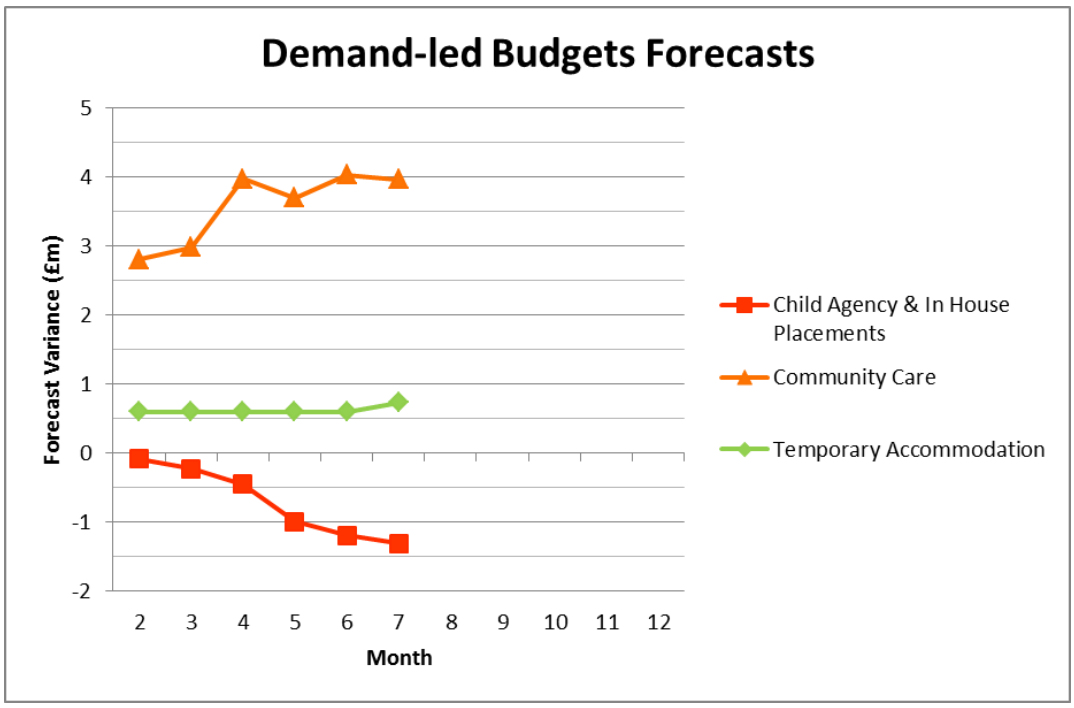


Demand-led Budgets

4.3 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 budgets of corporate significance 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 can include income related budgets. These therefore undergo more frequent and detailed analysis.

Forecast Variance Month 5 £'000	Demand-led Budget	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
(1,191)	Child Agency & In House Placements	22,117	20,803	(1,314)	-5.9%
4,033	Community Care	64,885	68,852	3,967	6.1%
600	Temporary Accommodation	2,606	3,336	730	28.0%
3,442	Total Demand-led Budget	89,608	92,991	3,383	3.8%

The chart below shows the monthly forecast variances on the demand-led budgets for 2019/20.



Focus Areas

The main pressures identified at Month 7 are across Families, Children & Learning and Health & Adult Social Care while other pressures are also being contained as summarised below:

4.4 **Families, Children & Learning:** The current projected position identifies potentially significant cost pressures: £0.473m on Services for Children with

Disabilities; £0.303m on Services for Adults with Learning Disabilities; and £0.842m on Home to School Transport. However, there are services with forecast underspends such as Children in Care (£1.551m) and Preventive/s17 payments (£0.245m) together with other variances (£0.578m). This results in an overall forecast (£0.756m) underspend as at Month 7.

4.5 **Adults Services:** The service is facing significant challenges in 2019/20 in mitigating the risks arising from increasing demands from client needs, supporting more people to be discharged from hospital when they are ready and maintaining a resilient local provider market. This is alongside delivering a significant budget savings programme and developing integration plans through the Better Care Fund.

- Service pressure funding of over £9.000m, including Better Care and Winter Pressure funding, has been applied in 2019/20 and used to fund budget pressures resulting from the increased demands and complexity in the city. However, £1.563m was needed to offset the reduction in iBCF funding, £0.383m to backfill the withdrawal of CCG funding contributions and £0.500m for the reduction in the Public Health grant. Over the last two years there has been an overall £3.750m reduction in CCG funding, this has all been borne by HASC although the CCG funds services in other Directorates.
- Work is ongoing to deliver the total approved budget savings of £4.354m and mitigate the unfunded identified budget pressures of £1.702m in 2019/20.
- HASC is currently forecasting an overspend of £4.149m at Month 7 after the implementation of a number of initiatives to improve the financial stability of the directorate, which have helped to contain the forecast risk. The recovery measures focus on attempting to manage demands on and costs of community care placements across Assessment Services and making the most efficient use of available funds. The current forecast overspend is a result of:
    - Care home placements and home care packages for Older People relating to pressure from hospital discharge £2.323m;
    - CCG funding reductions £0.800m;
    - Physical Support shortfall in Section 117 funding of £0.586m;
    - Unachieved savings from the Sustainable Social Care Programme of £0.440m.
- The HASC directorate is beginning a transformation programme called ‘Better Lives, Stronger Communities’ which aims to implement a consistent approach of adopting strengths based practice, ensuring robust pathways are in place, developing a community reablement offer and re-designing the front door service. This new way of working across the directorate will be reliant on a corporate and city-wide approach.
- There is focus nationally on improving rates of hospital discharge in preparation for winter that leads to increasing financial pressure. This pressure is expected to increase over the winter months. There are also continued potential forecast risks concerning increased complexity of need and pressures on the in house older people resource centres. Service

pressure funding and improved Better Care funding have partly mitigated the risk for this financial year.

The funding of all care packages is scrutinised for Value for Money, ensuring that eligible needs are met in the most cost-effective manner which will not always meet people's aspirations. Established safeguards are in place to provide assurance within this process.

4.6 **Housing Services and Temporary Accommodation:** The outturn position for 2018/19 was an overspend of £1.030m. The 2018/19 overspend was made up of £0.592m on Temporary Accommodation, £0.388m on Seaside Homes and £0.050m across the service. This was met from the release of Flexible Support Homelessness Grant.

The Temporary Accommodation 2019/20 forecast overspend of £0.730m is driven by higher than budgeted volumes and costs of temporary accommodation due to the continuing local pressures and bedding in the statutory requirements of the Housing Reduction Act. The number of households in temporary accommodation reduced by over 200 units by the end of 2018/19 and the budget was set on the basis that this trend would continue but the forecast is indicating that volumes and costs will not decrease to the levels expected.

The £1.300m trailblazer project has delivered some reductions in accommodation volumes in 2018/19 as mentioned above. This has been extended into 2019/20 and, combined with the funding the council has received from the government's Private Rented Sector Access Programme, should deliver more reductions in 2019/20 and beyond once the new approach to preventing homelessness is embedded within the service. The aim is to both deliver a further reduction in the numbers of households in temporary accommodation and shift the accommodation provided away from higher cost units (such as spot purchase or emergency accommodation).

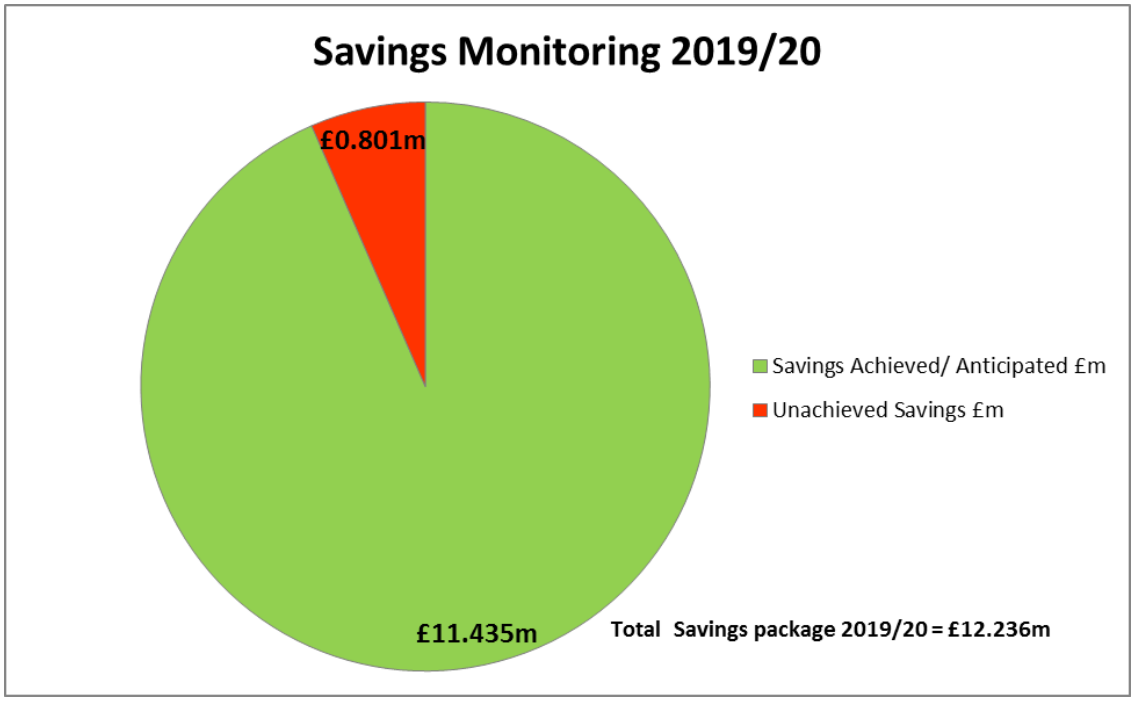
The Seaside Homes forecast overspend of £0.250m (after service pressure funding of £0.150m) is due to lower income collection following the impact of Universal Credit and void losses due to higher churn, as households are moved on from temporary accommodation. The service is focusing on how to improve income collection which may become more difficult as Universal Credit is rolled out (the benefit payment for rent is not always paid directly to the landlord).

4.7 **Environment, Economy & Culture:** The directorate is experiencing a number of pressures, particularly in the City Clean service concerning increasing employee costs and fleet related costs to meet service requirements, income pressures relating to commercial activity and additional costs as a result of a fire at the Hollingdean Waste Transfer Station. Pressures are partially offset by overachievement of various income streams, particularly within the Transport service. The directorate is undertaking a number Financial Recovery Plans to address the net overspend position, such as a comprehensive modernisation programme within the City Clean service, reviewing all significant income streams with finance officers to develop robust forecasts and a review of non-urgent expenditure.

Monitoring Savings (General Fund)

4.8 The savings package approved by full Council to support the revenue budget position in 2019/20 was £12.236m following directly on from a £12.678m savings package in 2018/19. This is very significant and follows 7 years of substantial packages totalling over £130m that have been necessary to enable cost and demand increases to be funded alongside managing reductions in central government grant funding.

4.9 Appendix 4 provides a summary of savings in each directorate and indicates in total what is anticipated/achieved or is at risk. Appendix 5 summarises the position across all directorates and presents the entire savings programme. The graph below provides a summary of the position as at Month 7 which is an early indication. This shows that a substantial element is on track with £0.801m (6%) currently at risk. Mitigation of these risks is included in the development of services' financial recovery actions.



5 HOUSING REVENUE ACCOUNT PERFORMANCE (APPENDIX 4)

5.1 The Housing Revenue Account is a separate ring-fenced account within the General Fund that covers income and expenditure related to the management and operation of the council's housing stock. Expenditure is generally funded by Council Tenants' rents and housing benefits. The forecast outturn is currently an underspend of £0.200m and more details are provided in Appendix 4.

6 DEDICATED SCHOOLS GRANT PERFORMANCE (APPENDIX 4)

6.1 The Dedicated Schools Grant (DSG) is a ring-fenced grant within the General Fund 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 forecast outturn is an underspend of £0.297m and more details are provided in Appendix 4. Under the Schools Finance Regulations any underspend or overspend must be carried forward to support the schools budget in future years.

7 NHS MANAGED S75 PARTNERSHIP PERFORMANCE (APPENDIX 4)

7.1 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 include health and social care services for Adult Mental Health and Memory and Cognitive Support Services.

7.2 This partnership is 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 result in financial implications for the council where a partnership is underspent or overspent at year-end and hence the performance of the partnership is included within the forecast outturn for the Health & Adult Social Care directorate. An overspend of £0.061m is currently forecast and more details are provided in Appendix 4.

8 CAPITAL PROGRAMME PERFORMANCE AND CHANGES

8.1 The table below provides a summary of capital programme performance by Directorate and shows that there is a forecast underspend of £0.724m at this early stage. More details are provided in Appendix 6.

Forecast Variance Month 5 £'000	Directorate	Reported Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Families, Children & Learning	37,611	37,611	0	0.0%
0	Health & Adult Social Care	1,119	1,119	0	0.0%
0	Economy, Environment & Culture	73,050	73,050	0	0.0%
0	Housing, Neighbourhoods & Communities	4,786	4,786	0	0.0%
(167)	Housing Revenue Account	51,748	51,024	(724)	-1.4%
0	Finance & Resources	3,826	3,826	0	0.0%
0	Strategy, Governance & Law	1,813	1,813	0	0.0%
(167)	Total Capital	173,953	173,229	(724)	-0.4%

(Note: Summary may include minor rounding differences to Appendix 6)

8.2 Appendix 6 shows the changes to the capital budget and Appendix 7 provides details of new schemes for 2019/20 to be added to the capital programme which are included in the budget figures above. The approval of Policy & Resources Committee is required for these changes under the council's Financial

Regulations. The following table shows the movement in the capital budget since approval at Budget Council.

Summary of Capital Budget Movement	Reported Budget Month 7 £'000
Budget approved as at TBM Month 5	159,379
Changes reported at other committees and already approved	14,760
New schemes to be approved in this report (see Appendix 5)	388
Variations to budget (to be approved)	482
Reprofiling of budget (to be approved)	(1,416)
Slippage (to be approved)	0
Total Capital	173,593

9 IMPLICATIONS FOR THE MEDIUM TERM FINANCIAL STRATEGY (MTFS)

9.1 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.

Capital Receipts Performance

9.2 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, Modernisation Fund, Asset Management Fund and the Information, Technology and Digital Investment Fund. The planned profile of capital receipts for 2019/20, as at Month 7, is £17.180m which includes significant receipts expected from the sale of Longley industrial estate, land transferring to the Housing Joint Venture, and property sales identified to support the Stanmer redevelopments . To date there have been receipts of £0.447m in relation to the transfer of 7-9 Frederick Street from the HRA to the General Fund plus some minor lease extensions, loan repayments and some small parcels of land sales. The capital receipts performance will be monitored over the coming months against capital commitments.

9.3 The forecast for the 'right to buy sales' in 2019/20 (after allowable costs, repayment of housing debt and forecast receipt to central government) is that an estimated 55 homes will be sold with a maximum useable receipt of £0.510m to fund the corporate capital programme and net retained receipt of £6.600m available to re-invest in replacement homes. To date 21 homes have been sold in 2019/20.

Collection Fund Performance

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

9.5 The Council Tax Collection Fund forecast deficit is £1.880m. There are four main areas contributing to the deficit which are lower level of properties being added to the property list than forecast, increased awards for student exemptions and discounts, lower reductions in Council Tax Reduction Scheme (CTRS) discounts than previously experienced and increasing awards of severely mentally impaired (SMI) exemptions which can be backdated over a number of years. The reduced properties are a timing issue with developments not completing in the timescales used in setting the current year's tax base and therefore shouldn't impact on future years' forecasts. However, the other areas of student discounts, CTRS discounts and SMI exemptions could have potential impacts going forward into future years as the levels of awards are higher than previously forecast in the tax base. The council's share of the overall forecast council tax deficit is £1.596m.

9.6 There is no overall variance currently forecast on the business rates collection fund. However the continued pressure on the retail sector is creating an increasing number of Company Voluntary Arrangements (CVA), in many cases resulting in reduced business rates liabilities and therefore restricting growth in business rates.

9.7 The council's share of the combined collection funds is a deficit of (£1.596m) and this will need to be included in the budget forecast as a one-off pressure for 2020/21.

Reserves, Budget Transfers and Commitments

9.8 The creation of reserves, the approval of budget transfers (virements) of over £0.250m, and agreement to new financial commitments of corporate financial significance that are not provided for in the approved budget and policy framework require Policy & Resources Committee approval in accordance with the council's Financial Regulations and Standard Financial Procedures.

9.9 A review of reserves and provisions has established that there are three separate provisions relating to cemetery maintenance that should be reclassified as reserves. The distinction is an accounting one relating to the degree of certainty of the timing and value of the expenditure. In this case the funds are being held for future cemetery maintenance works but as specific costs and timings are not known they should be classified as reserves and not provisions. Therefore, it is proposed to merge the three existing provisions into one reserve. This will have no impact on the forecast outturn as the funds have already been set aside.

10 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

10.1 The provisional outturn position on the General Fund is an overspend of £3.974m. This includes a forecast overspend of £0.061m on the council's share of the NHS managed Section 75 services. There are one-off financial risk provisions of £0.855m available to partially mitigate the position. Any overspend at the year-end would need to be funded from general reserves which would then need to be replenished to ensure that the working balance did not remain below the recommended level of £9.000m. Any underspend would release one off resources that can be used to aid budget planning for 2020/21.

11 COMMUNITY ENGAGEMENT & CONSULTATION

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

12 CONCLUSION AND COMMENTS OF THE DIRECTOR OF FINANCE & RESOURCES (S151 OFFICER)

12.1 The Month 7 forecast indicates a number of underlying demand and cost pressures that need an urgent response to ensure that the position does not escalate further and to provide sufficient turnaround time. The Executive Leadership Team (ELT) have implemented a range of temporary expenditure and vacancy controls to support the improvement of the in-year budget position. These controls will remain in place until April 2020 unless the financial position improves sufficiently to allow them to be lifted.

12.2 The forecast risk at Month 7 represents 1.8% of the net General Fund Budget (1.4% after taking into account risk provisions) and is therefore potentially recoverable at this stage of the year as there is sufficient time to plan and undertake financial recovery actions. However, the forecast also includes a number of financial recovery plans (exceeding £2.4m), some of which are higher risk than others, and the forecast assumes that the demand trends in Adult Social Care will continue to stabilise.

13 FINANCIAL AND OTHER IMPLICATIONS

Financial Implications:

13.1 The financial implications are covered in the main body of the report. Financial performance is kept under review on a monthly basis by the Executive Leadership Team and the management and treatment of forecast risks is considered by the Audit & Standards Committee as part of its review of strategic risks.

Finance Officer Consulted: Jeff Coates *Date: 18th November 2019*

Legal Implications:

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

Lawyer Consulted: Elizabeth Culbert *Date: 19 Novermber 2019*

Equalities Implications:

13.3 There are no direct equalities implications arising from this report.

Sustainability Implications:

13.4 Although there are no direct sustainability implications arising from this report, the council's financial position is an important aspect of its ability to meet council priorities. The achievement of a break-even position or better is therefore important in the context of ensuring that there are no adverse impacts on future financial years arising from performance in 2019/20.

Risk and Opportunity Management Implications:

13.5 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

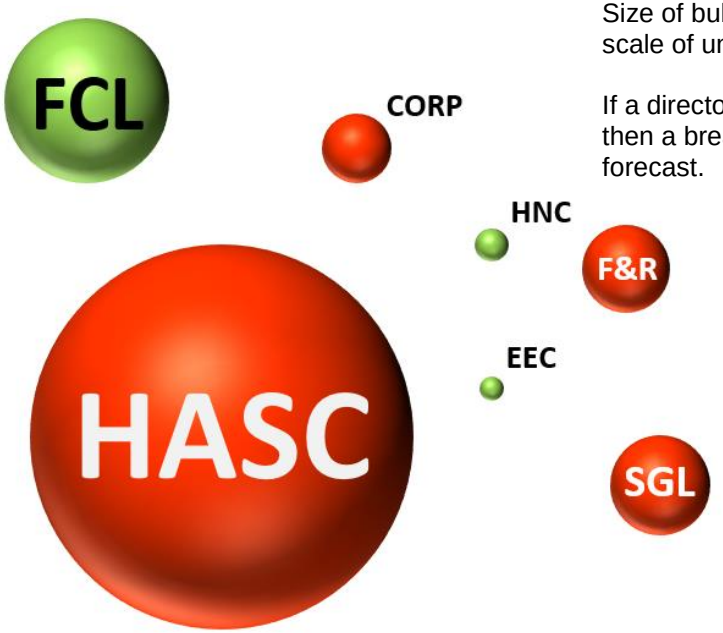
Appendices:

1. Financial Dashboard Summary
2. Revenue Budget RAG Rating
3. General Fund Revenue Budget Movement since Month 5
4. Revenue Budget Performance
5. Summary of 2019/20 Savings Progress
6. Capital Programme Performance
7. New Capital Schemes

Documents in Members' Rooms:
None.

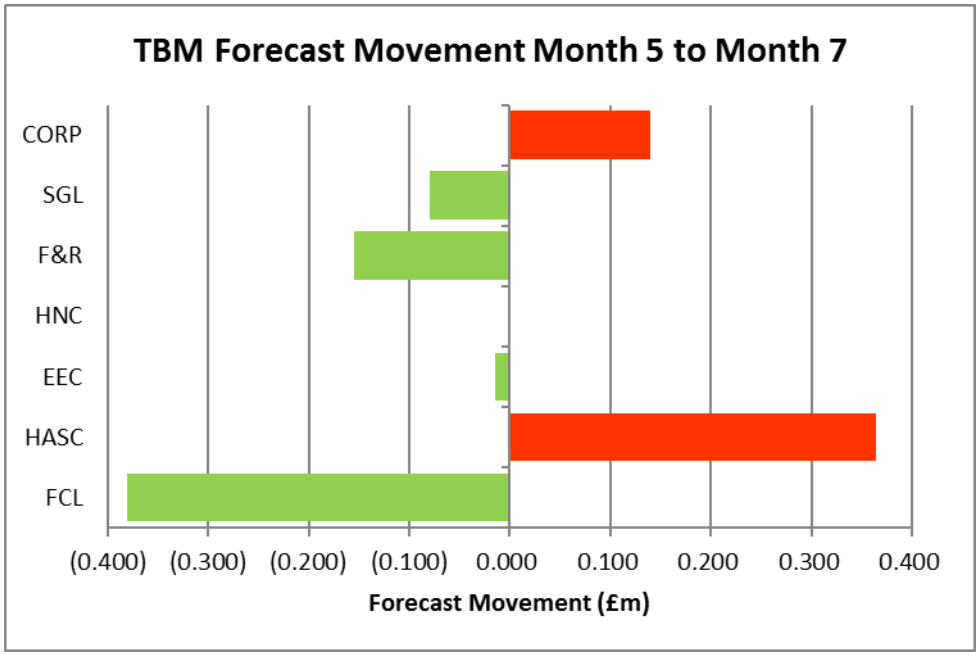
Background Documents
None.

Appendix 1 - Financial Dashboard Summary



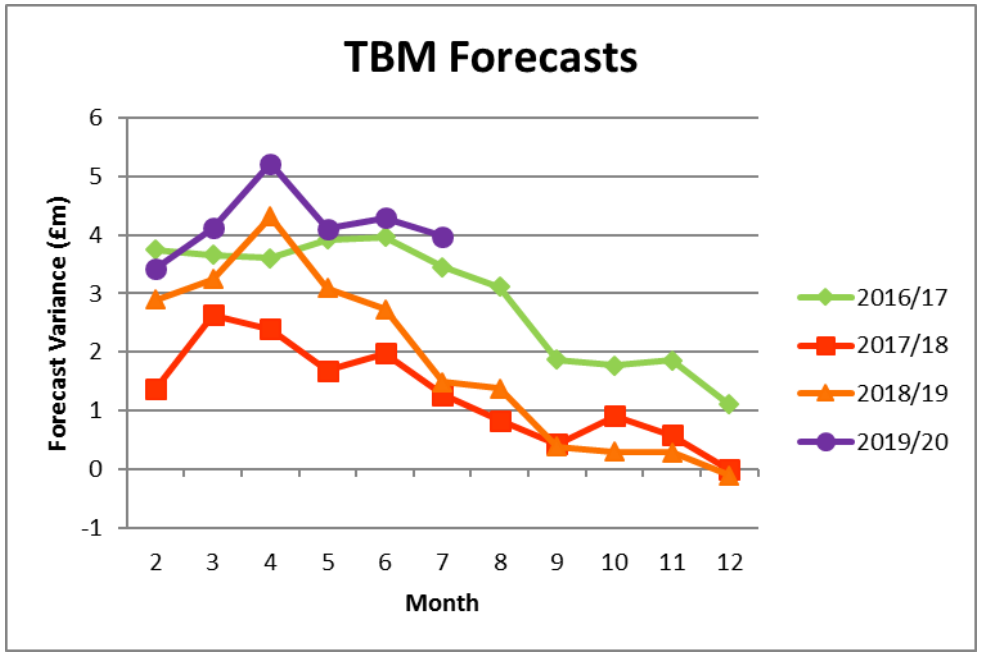
Red = overspent.
Green = Underspent.
Size of bubble indicates scale of under or overspend.

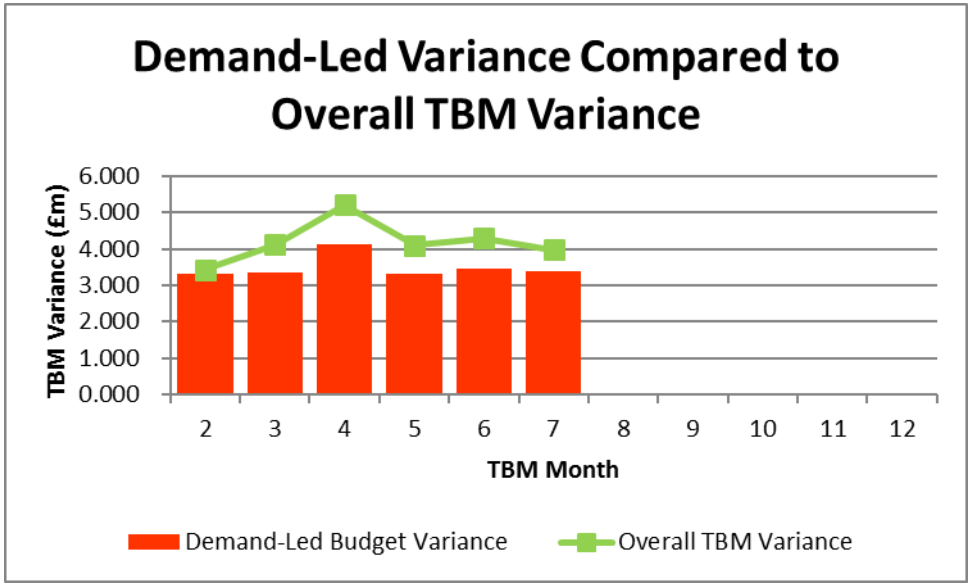
If a directorate is not shown then a break even position is forecast.

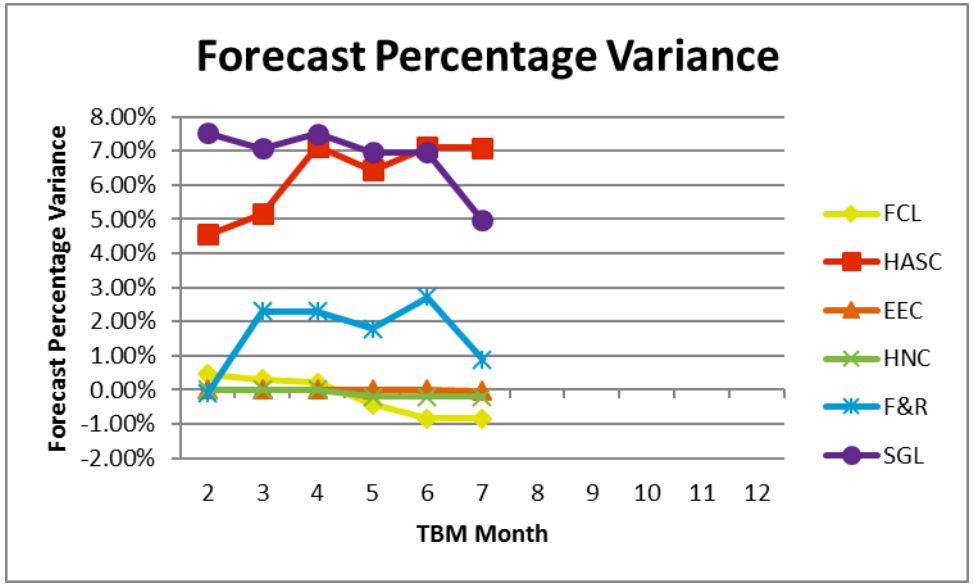


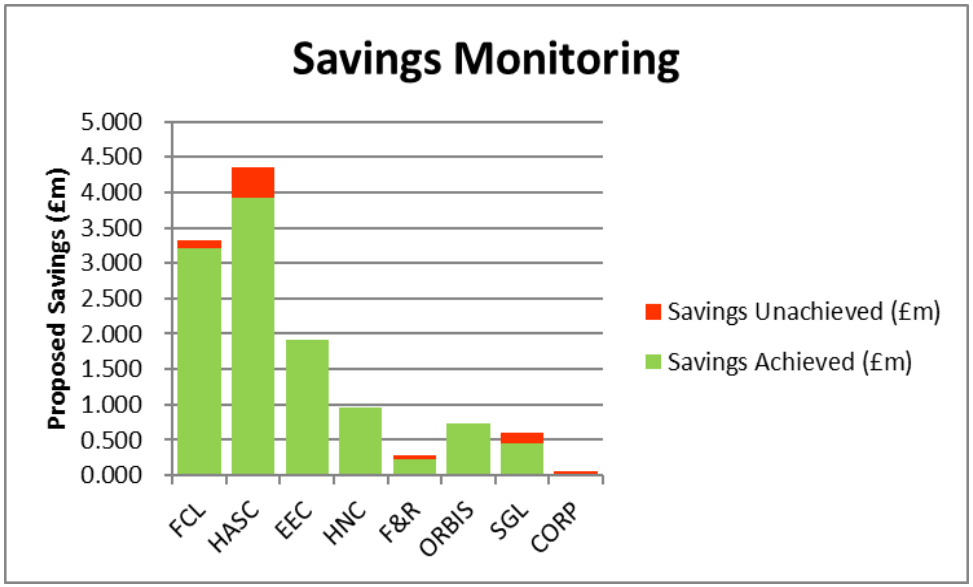
Direction of Travel

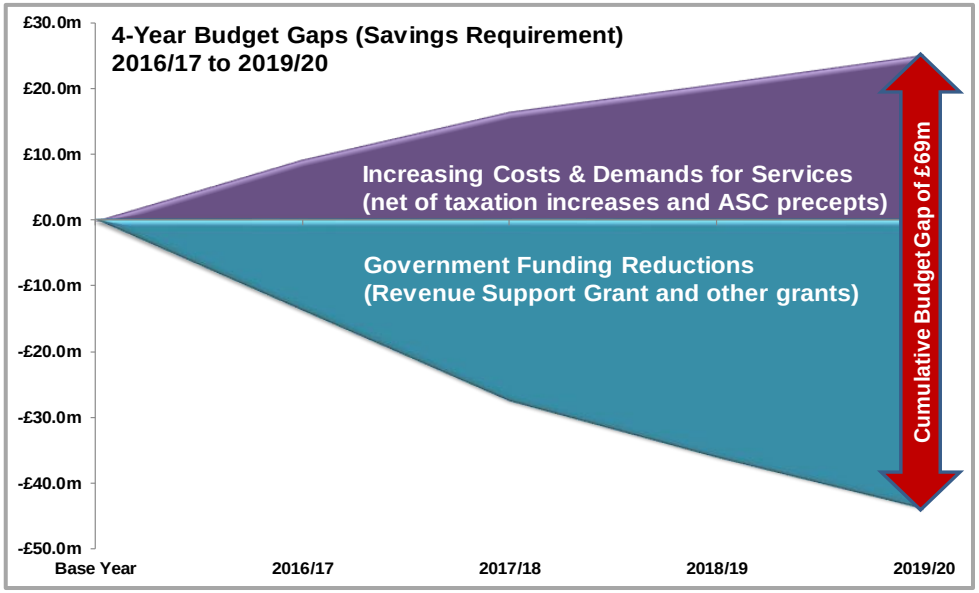
Directorate/Fund	Forecast Variance Month 7	Forecast Variance Month 7	Change From Month 5	RAG Rating Month 7
	£'000	%		
General Fund Services:				
Families, Children & Learning	(756)	-0.8%	↑	Green
Health & Adult Social Care	4,149	7.1%	↑	Red
Economy, Environment & Culture	(15)	0.0%	↑	Green
Housing, Neighbourhoods & Communities	(30)	-0.2%	=	Green
Finance & Resources	215	0.9%	↑	Amber
Strategy, Governance & Law	279	5.0%	↑	Red
Corporately-held Budgets	132	1.3%	↓	Amber
Total General Fund	3,974	1.8%	↓	Red
Dedicated Schools Grant (DSG)	(297)	-36.9%	↑	Green
Housing Revenue Account	(200)	0.0%	↑	Green




Demand-Led Variance Compared to Overall TBM Variance
TBM Variance (£m)
6.000
5.000
4.000
3.000
2.000
1.000
0.000
2 3 4 5 6 7 8 9 10 11 12
TBM Month
Demand-Led Budget Variance
Overall TBM Variance


Forecast Percentage Variance
Forecast Percentage Variance
8.00%
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
-1.00%
-2.00%
2 3 4 5 6 7 8 9 10 11 12
TBM Month
FCL
HASC
EEC
HNC
F&R
SGL


Savings Monitoring
Proposed Savings (£m)
5.000
4.500
4.000
3.500
3.000
2.500
2.000
1.500
1.000
0.500
0.000
FCL
HASC
EEC
HNC
F&R
ORBIS
SGL
CORP
Savings Unachieved (£m)
Savings Achieved (£m)


4-Year Budget Gaps (Savings Requirement)
2016/17 to 2019/20
£30.0m
£20.0m
£10.0m
£0.0m
-£10.0m
-£20.0m
-£30.0m
-£40.0m
-£50.0m
Increasing Costs & Demands for Services
(net of taxation increases and ASC precepts)
Government Funding Reductions
(Revenue Support Grant and other grants)
Cumulative Budget Gap of £69m
Base Year
2016/17
2017/18
2018/19
2019/20

Appendix 2 – Revenue Budget RAG Ratings

RAG Rating Key:	RAG for Service Areas	RAG for Directorates[1]	RAG for General Fund
Red	Forecast overspend of 5% or more or £0.100m whichever is lower	Forecast overspend of 5% or more or £0.250m whichever is lower	Forecast overspend of 0.5% or more or £1.000m whichever is lower
Amber	Forecast overspend of less than 5% of budget or £0.100m, whichever is lower.	Forecast overspend of less than 5% of budget or £0.250m, whichever is lower.	Forecast overspend of less than 0.5% of budget or £1.000m, whichever is lower.
Green	Breakeven or forecast underspend	Breakeven or forecast underspend	Breakeven or forecast underspend

Service	2019/20 Budget Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	RAG Rating Month 7
Director of Families, Children & Learning	92	0	0.0%	Green
Health, SEN & Disability Services	39,971	776	1.9%	Red
Education & Skills	7,406	675	9.1%	Red
Children's Safeguarding & Care	40,471	(2,215)	-5.5%	Green
Quality Assurance & Performance	1,441	8	0.6%	Amber
Total Families, Children & Learning	89,381	(756)	-0.8%	Green
Adult Social Care	32,936	3,444	10.5%	Red
S75 Sussex Partnership Foundation Trust (SPFT)	16,362	38	0.2%	Amber
Integrated Commissioning	8,770	667	7.6%	Red
Public Health	399	0	0.0%	Green
Total Health & Adult Social Care	58,467	4,149	7.1%	Red
Transport	1,063	(1,375)	-129.4%	Green
City Environmental Management	30,463	1,360	4.5%	Red
City Development & Regeneration	2,969	0	0.0%	Amber
Culture, Tourism & Sport	3,972	0	0.0%	Amber
Property	(622)	(0)	0.0%	Green
Total Economy, Environment & Culture	37,845	(15)	0.0%	Green
Housing General Fund	5,330	0	0.0%	Amber
Libraries	4,650	(30)	-0.6%	Green
Communities, Equalities & Third Sector	2,882	0	0.0%	Amber
Safer Communities	2,518	0	0.0%	Green
Total Housing, Neighbourhoods & Communities	15,380	(30)	-0.2%	Green
Finance (Mobo)	65	44	67.7%	Red
HR & Organisational Development (Mobo)	1,061	55	5.2%	Red
IT&D (Mobo)	5,903	150	2.5%	Red
Procurement (Mobo)	(416)	0	0.0%	Green
Business Operations (Mobo)	92	100	108.7%	Red
Revenues & Benefits (Mobo)	5,004	0	0.0%	Green
Housing Benefit Subsidy	(901)	(347)	-38.5%	Green
Contribution to Orbis	13,216	213	1.6%	Red
Total Finance & Resources	24,024	215	0.9%	Amber
Corporate Policy	697	0	0.0%	Green
Legal Services	1,331	(20)	-1.5%	Green
Democratic & Civic Office Services	1,740	(20)	-1.1%	Green
Life Events	176	331	188.1%	Red

Appendix 2 – Revenue Budget RAG Ratings

Service	2019/20 Budget Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	RAG Rating Month 7
Performance, Improvement & Programmes	645	(12)	-1.9%	Green
Communications	1,036	0	0.0%	Green
Total Strategy, Governance & Law	5,625	279	5.0%	Red
Sub Total	230,722	3,842	1.7%	
Bulk Insurance Premia	3,069	0	0.0%	Green
Capital Financing Costs	5,659	0	0.0%	Green
Levies & Precepts	207	0	0.0%	Green
Unallocated Contingency & Risk Provisions	522	0	0.0%	Green
Unringfenced Grants	(25,320)	(42)	-0.2%	Green
Other Corporate Items	5,516	174	3.2%	Red
Total Corporate Budgets	(10,347)	132	1.3%	Amber
Total General Fund	220,375	3,974	1.8%	Red
Capital Financing	31,335	(320)	-1.0%	Green
Housing Management & Support	4,521	(230)	-5.1%	Green
Head of City Development & Regeneration	316	(30)	-9.5%	Green
Income Involvement Improvement	(46,303)	(520)	-1.1%	Green
Property & Investment	7,969	800	10.0%	Red
Tenancy Services	2,162	100	4.6%	Red
Total Housing Revenue Account	0	(200)	0.0%	Green
Individual Schools Budget (ISB)	127,512	0	0.0%	Green
Early Years Block (inc delegated to Schools)	14,154	(341)	-2.4%	Green
High Needs Block (exc delegated to Schools)	20,327	10	0.0%	Amber
Exceptions and Growth Fund	2,886	34	1.2%	Amber
Grant Income	(164,075)	0	0.0%	Green
Total Dedicated Schools Grant (DSG)	804	(297)	-36.9%	Green

([1]) In the above tables the Dedicated Schools Grant and Housing Revenue Account are treated as Directorates for the purposes of RAG rating.

Appendix 3 – General Fund Revenue Budget Movement Since Month 5

Service	Forecast Variance Month 5 £'000	Forecast Variance Month 7 £'000	Movement £'000	Explanation of Main Movements
Director of Families, Children & Learning	0	0	0	
Health, SEN & Disability Services	912	776	(136)	Improvement of £0.060m in Adults LD community care forecast and a reduction of 1 high cost residential children's disability placement equating to £0.080m.
Education & Skills	435	675	240	Mainly due to increase in Hired Transport.
Children's Safeguarding & Care	(1,641)	(2,215)	(574)	Mainly due to estimated growth in Care Leavers not materialising and reduced numbers of children being adopted through other agencies.
Quality Assurance & Performance	1	8	7	
Further Financial Recovery Measures	(83)	0	83	Recovery measures are now included in the forecast above.
Total Families, Children & Learning	(376)	(756)	(380)	
Adult Social Care	4,328	3,920	(408)	Cost reductions due to merger of in-house residential service.
S75 Sussex Partnership Foundation Trust (SPFT)	121	61	(60)	Due to a reduction in dementia clients.
Integrated Commissioning	798	702	(96)	Due to additional one-off funding.
Public Health	0	0	0	
Further Financial Recovery Measures	(1,462)	(534)	928	£0.928m recovery measures are now included in the forecast above. Remaining measures of £0.534m are planned.
Total Health & Adult Social Care	3,785	4,149	364	
Transport	(708)	(1,025)	(317)	Mainly the result of higher than budgeted income within Parking Services and Traffic Management services, partly offset by higher than originally forecast bus shelter building works.
City Environmental Management	1,060	1,460	400	Cost increases in City Clean of £0.400m mainly as a result of additional staffing / agency costs in City Clean due to service pressures generally and, the outcome of the August 2019 fire at the Waste Transfer Station.
City Development & Regeneration	157	174	17	Minor net movement.
Culture, Tourism & Sport	0	25	25	Minor net movement.

Appendix 3 – General Fund Revenue Budget Movement Since Month 5

Service	Forecast Variance Month 5 £'000	Forecast Variance Month 7 £'000	Movement £'000	Explanation of Main Movements
Property	0	66	66	The change is primary the result of lower than forecast commercial property income.
Further Financial Recovery Measures	(509)	(715)	(206)	The movement includes a number of further recovery measures such as reviewing of non-urgent expenditure and a review of the profile and funding of large value car park improvement works.
Total Economy, Environment & Culture	0	(15)	(15)	
Housing General Fund	1,060	1,230	170	£0.130m relates to the number of households in spot purchase accommodation not reducing as expected. The remainder relates to Travellers Service no longer forecast to underspend.
Libraries	(30)	(30)	0	
Communities, Equalities & Third Sector	0	0	0	
Safer Communities	0	0	0	
Further Financial Recovery Measures	(1,060)	(1,230)	(170)	Flexible Homelessness Support Grant usage has been increased to match the in-year pressure above.
Total Housing, Neighbourhoods & Communities	(30)	(30)	0	
Finance (Mobo)	43	44	1	
HR & Organisational Development (Mobo)	0	55	55	Union time cost pressure, internal income shortfall.
IT&D (Mobo)	150	150	0	
Procurement (Mobo	0	0	0	
Business Operations (Mobo)	114	100	(14)	Expected overachievement in internal recruitment income.
Revenues & Benefits (Mobo)	0	0	0	
Housing Benefit Subsidy	42	(347)	(389)	£0.427m improvement on net recovery of overpayments. This is partially offset by deterioration of £0.025m for a particular benefit type for vulnerable tenants which is not fully subsidised by DWP and a £0.015m worsening in the recovery of former Council Tax Benefit overpayments.
Contribution to Orbis	21	213	192	Significant increase in expected Orbis Partnership costs

Appendix 3 – General Fund Revenue Budget Movement Since Month 5

Service	Forecast Variance Month 5 £'000	Forecast Variance Month 7 £'000	Movement £'000	Explanation of Main Movements
				including one-off costs and short-term underachievement of savings.
Further Financial Recovery Measures	0	0	0	
Total Finance & Resources	370	215	(155)	
Corporate Policy	0	0	0	
Legal Services	(1)	(20)	(19)	Income overachievements, staff vacancies.
Democratic & Civic Office Services	0	(20)	(20)	Various minor underspends.
Life Events	372	331	(41)	Mainly newly declared vacancy management.
Performance, Improvement & Programmes	(12)	(12)	0	
Communications	0	0	0	
Further Financial Recovery Measures	0	0	0	
Total Strategy, Governance & Law	359	279	(80)	
Bulk Insurance Premia	0	0	0	
Capital Financing Costs	0	0	0	
Levies & Precepts	0	0	0	
Unallocated Contingency & Risk Provisions	0	0	0	
Unringfenced Grants	(42)	(42)	0	
Other Corporate Items	34	174	140	Savings at risk, primarily relating to sustainable social care savings measures.
Further Financial Recovery Measures	0	0	0	
Total Corporately-held Budgets	(8)	132	140	
Total General Fund	4,100	3,974	(126)	

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Director of Families, Children & Learning	92	92	0	0.0%	116	116	0
912	Health, SEN & Disability Services	39,971	40,747	776	1.9%	1,007	955	52
435	Education & Skills	7,406	8,081	675	9.1%	318	266	52
(1,641)	Children's Safeguarding & Care	40,471	38,256	(2,215)	-5.5%	1,800	1,800	0
1	Quality Assurance & Performance	1,441	1,449	8	0.6%	79	67	12
(293)	Total Families, Children & Learning	89,381	88,625	(756)	-0.8%	3,320	3,204	116
(83)	Further Financial Recovery Measures (see below)	-	0	0	-	-	-	-
(376)	Residual Risk After Financial Recovery Measures	89,381	88,625	(756)	-0.8%	3,320	3,204	116

Explanation of Key Variances *(Note: FTE/WTE = Full/Whole Time Equivalent)*

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
0	Further Financial Recovery Measures projection	The directorate did develop an over-arching Financial Recovery Plan to address previous pressures. The Recovery plan included the following measures:
		- Review of Home to School transport costs
		- In-House Foster Care - Move to 65% in-house carers by the end of the year.
		- Reduce the average unit cost of placements
		- Review of council nurseries costs
		There are no outstanding items in the recovery plan as at Month 7.
Health, SEN & Disability Services		
237	Demand Led - Children's Disability Placements	The projected number and unit costs of residential children's placements are both in excess of budgeted provision. This is due to the breakdown of several foster placements and the requirement to make additional high cost residential placements in 2019/20

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
200	Adults LD - loss of continuing health care funding	The CCG is reviewing health needs of high cost clients and this is having an adverse impact of the Adults LD social care budget. Negotiations with CCG are ongoing.
490	In-house disability services	There is an underlying pressure in both Children's and Adults in-house services. In particular, this relates to Drove Road and Beach House where services are being required to provide exceptionally high levels of support and accommodate emergency placements.
(70)	Adults LD - community care	The main community care budget is forecasting a small underspend. The average unit cost is 1.7% below budget provision and this is offset by an increase in client numbers (1.5%) higher than budget.
178	Direct Payments	There continues to be a pressure on the direct payments budget as there is an increase in both the numbers and unit costs.
(161)	Disability Service redesign	High number of vacancies and significant turnover as part of transition to new disability services structure.
(98)	Other	This relates to various other underspends across the Health, SEN and Disability branch including children's disability contracts budgets, the SEN team due to staff turnover and the Community Support Service.
Education & Skills		
842	Home to School Transport	For 2019/20 based on previous information the latest position indicates a £0.842m overspend.The impact of operators returning routes at short notice and adjustments to arrangements due to difficulties with the implementation of new home to school transport routes has meant the estimated cost of provision has increased. The need to act quickly has meant additional costs and higher journey prices are being charged. Approximately 50 extra journeys are now being commissioned daily.
(65)	Early Years	Council nurseries now showing a breakeven position. Underspends are across the integrated team for families and youth related services.
(100)	Troubled Families	An underspend of £0.100m is projected at Month 7. It is anticipated that the budget holder will request carry forward of the balance of the 2019-20 grant but at this stage approval for carry forward has not been agreed.
(2)	Other	Within this there is a £0.040m pressure relating to PFI savings of £0.040m input for the CIPFA work to be started in 2019/20 and uncertainty due to building additional school places for September 2020. An underspend of £0.040m for Able & Willing is projected at Month 7. The budget holder will request a carry forward at the year-end due to delays in placements but at this stage approval for the carry forward has not been agreed. Other underspends amount to £0.002m.

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Children's Safeguarding & Care		
(1,045)	Demand-Led - Residential Agency Placements	The projected number of residential placements (27.65 FTE) is broken down as 24.65 FTE social care residential placements (children's homes) and 3.00 FTE schools placements. The budget allowed for 30.00 FTE social care residential care placements and 3.50 FTE schools placements. The average unit cost of residential placements is slightly higher than the budgeted level at £3,807.40 per week (£21.67 per week above budget). The combination of the number of children placed being 5.85 FTE below the budgeted level and the unit costs result in the underspend of £1.031m.
7	Demand-Led - Independent Foster Agency (IFA) Placements	The number of children placed in Independent Foster Agency placements has decreased in recent years. During 2018/19 there were 98.73 FTE (compared with 118.68 FTE for 2017/18). The current projected number of placements in 2019/20 is 88.74 FTE, a reduction of 10.1%. The budget for IFA placements included significant levels of savings and was set at 86.10 FTE. The number being higher than the budget by 2.64 FTE results in a projected overspend of £0.007m.
12	Demand-Led - Secure Accommodation	It is estimated that during 2019/20 there will be 1.28 FTE secure (welfare) placements and 0.41 FTE secure (justice) placements. The budget allowed for 1.30 FTE welfare and 1.00 FTE justice placements.There are currently two children in a secure (welfare) placement and none in a secure (justice) placement resulting in a projected overspend of £0.012m.
511	Demand-Led - Semi-independent/Supported placements	The number of semi-independent and supported living placements is projected to be 32.16 FTE and this is 7.56 FTE above the budgeted level. The average unit cost of these placements is currently below the budget. The higher forecast number of placements results in the overspend of £0.511m.
(346)	Demand-Led - In-House Fostering	As at the 31st October 2019 there were 154 children placed with 'in-house' foster carers and 143.20 FTE for the year. The budget, based on an increasing trend over the last few years and the drive to increase recruitment of in-house carers, was set at 153.60 FTE placements. This has resulted in the current projected underspend of £0.346m.
194	Demand-Led - Family & Friends placements, Child Arrangement Orders and Special Guardianship Orders	The budget allows for 332.90 FTE placements of these types. It is currently anticipated that there will be 336.87 FTE children in these placements during 2019/20 and this results in the overspend of £0.194m.
(537)	Demand-Led - Care Leavers	The projected number of care leaver placements in 2019/20 is 120.83 FTE. The budget allows for 160.10 FTE placements. The average unit cost of placements is also lower than budgeted and this has resulted in the underspend of £0.537m.
(347)	Demand-Led Unaccompanied	The numbers of unaccompanied asylum seeking children has increased considerably in

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
	Asylum Seeking Children (UASC) Teams, Living Expenses and Grant	the last couple of years. The increase in the number of asylum seekers has required additional staffing and also an increase in other, non-accommodation living costs. The costs of looking after these children is funded by a grant from the Home Office and this has increased in 2019/20 by 25% resulting in the underspend of £0.347m.
51	Social Work Pods	The forecast variance accounts for current vacancies, the recruitment of newly qualified social workers in September and assumed staff turnover. An overspend of £0.142m is reported against the Partners in Change initiative as, the projected savings assumed in the Business plan are yet to be identified against the social work establishment and legal fees.
(245)	Preventive/S17	There is a significant underspend projected across the Preventive budgets. It is anticipated that, with continued scrutiny and current controls on spending, a year end underspend will be realised in 2019/20.
(238)	Adoptions	Based on current family finding activity and children looking for adoption the projected outturn on Interagency Adoptions is an underspend of £0.151m and there are other underspends of £0.108m. Based on the current schedule of supported cases adoption allowances are forecast to overspend by £0.021m.
13	Legal fees	The underspend predominantly relates to forecast spend on court fees for the remainder of the year based on previous years trends.
(103)	Adolescent Service	The underspend relates to vacant posts and turnover.
(75)	Contact Service	The underspend reported assumes a full staffing establishment and a reduction in the use of sessional contact workers.
(70)	Specialist Assessment and Domestic Violence Service	Staff Turnover, a projected underspend against specialist assessment costs (DNA, Medical. Psychological etc.) and the reduction to 0.4 FTE of the Clinical Psychology commission indicate an underspend of £0.070m at Month 7.
3	Other	This relates to minor underspends across the branch.
Quality Assurance & Performance		
8	Other	This relates to minor overspends across the branch.

Health & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
4,328	Adult Social Care	32,936	36,856	3,920	11.9%	2,886	2,546	340
121	S75 Sussex Partnership Foundation Trust (SPFT)	16,362	16,423	61	0.4%	699	614	85
798	Integrated Commissioning	8,770	9,472	702	8.0%	455	455	0
0	Public Health	399	399	0	0.0%	314	314	0
5,247	Total Health & Adult Social Care	58,467	63,150	4,683	8.0%	4,354	3,929	425
(1,462)	Further Financial Recovery Measures (see below)	-	(534)	(534)	-	-	-	-
3,785	Residual Risk After Financial Recovery Measures	58,467	62,616	4,149	7.1%	4,354	3,929	425

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(534)	Further Financial Recovery Measures projection	The directorate has developed an over-arching Financial Recovery Plan to address the above pressures. The Recovery plan primarily concerns Targeted Placement Reviews.
Adult Social Care		
3,797	Demand-Led Community Care - Physical & Sensory Support	There are increasing numbers of 'new' older people being discharged from hospital requiring social care services for the first time, as well as increased community demand. This additional financial pressure is being partly met by the Adult Care Support Grant and Improved Better Care fund for 2019/20. The forecast number of placements/packages is 2,348 WTE, which is above the budgeted level of 2,210 WTE placements. The average unit cost of a placements/package is higher than the budgeted level at £186 per week (£20 per week above budget per client). The combination of the number of adults placed being 125 WTE above the budgeted level and the increased unit costs result in the overspend of £3.797m.

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		There has been a significant reduction in Continuing Health Care income over the last three financial years where in 2016/17 £0.602m was achieved (26 clients at £564 per week on average) but this reduced to £0.174m in 2017/18, £0.316m in 2018/19 and £0.142m to date in 2019/20 (9 clients at £499 per week).
159	Demand-Led Community Care - Substance Misuse	There are relatively small numbers of clients within this service and this is in line with the expected demand. The average unit cost is higher than the budgeted unit cost resulting in the overspend of £0.159m.
138	In house provision	This is due to unachieved savings from previous financial years.
(633)	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams.
440	Sustainable Social Care	£0.440m of the overall £1.000m Sustainable Social Care savings target has been allocated to HASC. Mitigating actions are being identified where possible but at present this remains a forecast risk.
19	Other	
S75 Sussex Partnership Foundation Trust (SPFT)		
(187)	Demand-Led - Memory Cognition Support	The unit cost is lower than had been anticipated resulting in the underspend projection of £0.187m. The forecast number of placements/packages is 399 WTE which is above the budgeted level of 399 WTE placements. However, the average unit cost is lower than the budgeted level at £299 per week (£9 per week below budget). The unit costs variance result in the underspend of £0.187m (before applying the agreed risk-share with Sussex Partnership Foundation Trust).
232	Demand-Led - Mental Health Support	The number of forecast placements are higher than budgeted and this results in the overspend projection of £0.232m. There is an increasing need and complexity within this client group and the forecast number of placements/packages is 443 WTE, which is above the budgeted level of 418 WTE placements. The average unit cost of a placements/package is lower than the budgeted level at £300 per week (£8 per week less than the budget per client). The combination of the number of adults placed being 26 WTE more than the budgeted level and the increased unit costs result in the overspend of £0.232m (before applying the agreed risk-share with Sussex Partnership Foundation Trust).
54	Staffing Teams	This is due to an increase in overtime hours within the Approved Mental Health Professional (AMHP) Service.
(38)	SPFT Risk Share	Agreed risk-share with Sussex Partnership Foundation Trust.

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Integrated Commissioning		
800	External Funding	Brighton & Hove CCG made a recurrent reduction of £1.100m to council services in 2018/19. Council reinvestment funding of £0.300m was allocated which then results in a net pressure of £0.800m.
(69)	Contracts	Due to delays in commissioning process for new service.
(29)	Other	

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(708)	Transport	1,063	38	(1,025)	-96.4%	1,167	1,167	0
1,060	City Environmental Management	30,463	31,923	1,460	4.8%	96	96	0
157	City Development & Regeneration	2,969	3,143	174	5.9%	224	224	0
0	Culture, Tourism & Sport	3,972	3,997	25	0.6%	316	316	0
0	Property	(622)	(556)	66	10.6%	120	120	0
509	Total Economy, Environment & Culture	37,845	38,545	700	1.8%	1,923	1,923	0
(509)	Further Financial Recovery Measures (see below)	-	(715)	(715)	-	-	-	-
0	Residual Risk After Financial Recovery Measures	37,845	37,830	(15)	0.0%	1,923	1,923	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
	Financial Recovery Plan	The directorate has developed an over-arching financial recovery plan to address the pressures detailed below across the various service headings. This includes the following measures:
(350)	Transport	All significant income streams, particularly demand led parking income, will be monitored jointly with finance officers to ensure robust forecasts are presented as part of the budget monitoring process. The forecast includes large value car park improvements works, the profile and funding of which will be reviewed to reduce the impact on the current year revenue budget.
(100)	City Environmental Management	A comprehensive modernisation programme is being undertaken across the City Environment Management services with the aim of maintaining and reducing existing cost pressures. Non urgent expenditure will be assessed to control expenditure where possible.
(174)	City Development &	Services will seek to control non urgent expenditure and manage vacancies to offset in

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
	Regeneration	year overspends.
(25)	Culture, Tourism & Sport	Through spending and vacancy controls, the aim is to achieve small improvements across a number of budget headings to bring the service back to breakeven.
(66)	Property	Through spending and vacancy controls, the aim is to achieve small improvements across a number of budget headings to bring the service back to breakeven.
Transport		
(850)	Parking Services	Forecasts based on income generated to date suggest a net overachievement of (£0.850m) in 2019/20. This is substantially due to higher than budgeted Penalty Charge Notice and parking suspension income. However parking income is demand led and difficult to predict and minor variations in demand can and do result in significant changes in income achieved which needs regular monitoring. The forecast includes a £0.038m additional pressure following approval of the Independent Remuneration Panel's recommendation to retain Members parking permits at Norton Road and The Lanes car parks.
(150)	Concessionary Bus Fares	Concessionary bus fares is forecast to underspend due to lower than budgeted contract costs.
(175)	Traffic Management	A forecast overachievement of income from hoardings, tables and chairs and A boards of (£0.216m) and an overachievement of Temporary Traffic Regulation Orders (£0.070m) are partially offset by planned improvements to George Street and encampment protections in King's Place £0.061m, higher than budgeted highway licensing software costs £0.020m, staff sickness and restructure delays £0.020m and a contribution towards Pride transport measures at Brighton station £0.010m.
150	Transport Projects and Engineering	Bus shelter advertising receipts are forecast to exceed budget by (£0.145m) but are more than offset by payments to bus operators in excess of budget by £0.110m and bus shelter building works of £0.185m.
City Environmental Management		
820	City Clean	The forecast overspend is substantially the result of higher than budgeted staff costs due to additional communal bin rounds/additional collection drivers and operatives, increased costs following the fire at the Hollingdean Waste Transfer Station and operational support for City Parks. In addition, the latest forecast for commercial services (trade and garden waste) is an underachievement of £0.070m against budget. The commercial services are however forecast to generate more net income than in 2018/19.
500	Fleet & Maintenance	£0.900m over budget for vehicle costs/hire, staffing and other costs (including £0.100m for external consultants to meet statutory requirements) partly offset by higher than budgeted

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		income of (£0.250m) and lower than budgeted unsupported borrowing costs of (£0.250m). Vehicle costs are forecast to be lower than 2018/19 (with the exception of vehicle hire costs).
140	Stategy & Projects	An overspend is forecast on public conveniences cleaning contract costs £0.060m and underacheivement of income against budget of £0.080m.
City Development & Regeneration		
101	Developmental Planning	Additional spend on agency staff and consultants to support major applications and Building Control and Planning Policy income pressure being partially offset by increased income for Planning fees and Pre-Application advice and some salaries underspend.
60	Assistant Director - EEC	The forecast £0.060m overspend is the agreed ongoing contribution to Legal Services for a permanent additional contracts lawyer to assist with EEC projects and contracts. The 2018/19 contribution was funded by a one-off allocation from capital funds. The ongoing contribution is unbudgeted and requires funding on a recurring basis.
13	Planning Policy and Major Projects	Minor net variance.
Culture, Tourism & Sport		
(6)	Sport and Leisure	Minor net variation.
31	Venues	Minor net variation.
Property		
66	Property and Design	There has been a slight shift in the Property and Design expected out turn at Month 7 due to some of the additional rental income from the final quarter having been slightly over estimated and with some initial rent free periods being agreed within the lease between the Estates team and the tenants. Unauthorised occupation of vacant buildings and the removal of tent encampments has put unforeseen pressures on security budgets plus the growing number of requests for emergency tree work is putting pressure on the premises maintenance budgets. These should be partially offset by some predicted underspends within the Corporate Landlord utility budgets and various other smaller variances. This has resulted in a small forecast in-year pressure of £0.066m which will be monitored closely.

Housing, Neighbourhoods and Communities

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
1,060	Housing General Fund	5,330	6,560	1,230	23.1%	143	143	0
(30)	Libraries	4,650	4,620	(30)	-0.6%	231	231	0
0	Communities, Equalities & Third Sector	2,882	2,882	0	0.0%	121	121	0
0	Safer Communities	2,518	2,518	0	0.0%	458	458	0
1,030	Housing, Neighbourhoods & Communities	15,380	16,580	1,200	22.4%	953	953	0
(1,060)	Further Financial Recovery Measures (see below)	-	(1,230)	(1,230)	-	-	-	-
(30)	Residual Risk After Financial Recovery Measures	15,380	15,350	(30)	-0.2%	953	953	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(1,230)	Further Financial Recovery Measures projection	Housing General Fund services have a challenging savings target which is only part met and a forecast overspend in Temporary Accommodation. There are a range of measures being put in place in Temporary Accommodation to deliver a balanced budget. If these measures are unsuccessful, the Flexible Homelessness Support Grant (FHSG) can be used, as a last resort, to mitigate any final in-year overspend.
Housing General Fund		
250	Housing General Fund savings	There are £0.250m of savings required of the Housing General Fund (some from 2017/18) to be identified. There is further work underway to deliver more savings in-year.
730	Temporary Accommodation	The forecast overspend is the result of higher than budgeted volumes and costs of temporary accommodation due to the continuing local pressures and bedding in the more onerous statutory requirements of the Housing Reduction Act. The number of households in temporary accommodation reduced by 208 to 1,495 by the end of 2018/19 but it has not decreased to the expected levels. The service continues to work to reduce the volume of

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		households in temporary accommodation by focusing resources on earlier prevention of homelessness and using the grant funding to transform the service.
250	Seaside Homes	The forecast overspend is substantially the result of lower income collection following the impact of Universal Credit and tenancy or turnover. The service is focusing on improving income collection, which may be more difficult as Universal Credit is rolled out, and improving void turnaround times. The council has agreed in principle with Seaside Homes to make changes to the agreement to offer fixed term tenancies and thereby discharge the Housing duty, enabling households to remain longer term (reducing churn or turnover). However, this will take a little more time to deliver as Seaside's lender needs to consent and the change requires a variation to the Overarching Agreement.
Libraries		
(30)	Various	Minor variances.

Finance & Resources

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
43	Finance (Mobo)	65	109	44	67.7%	30	30	0
0	HR & Organisational Development (Mobo)	1,061	1,116	55	5.2%	0	0	0
150	IT&D (Mobo)	5,903	6,053	150	2.5%	65	0	65
0	Procurement (Mobo)	(416)	(416)	0	0.0%	0	0	0
114	Business Operations (Mobo)	92	192	100	108.7%	0	0	0
0	Revenues & Benefits (Mobo)	5,004	5,004	0	0.0%	192	192	0
42	Housing Benefit Subsidy	(901)	(1,248)	(347)	-38.5%	0	0	0
21	Contribution to Orbis	13,216	13,429	213	1.6%	735	735	0
370	Total Finance & Resources	24,024	24,239	215	0.9%	1,022	957	65

Mobo = Budgets held by Orbis and **M**anaged **o**n **b**ehalf **o**f the relevant partner i.e. they are sovereign, non-partnership budgets.

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Finance (Mobo)		
44	Finance (including Audit)	The service is forecasting a pressure for the year of £0.044m, mainly due to higher than expected IT Systems costs following a number of mandatory upgrades, additional one-off external audit fees, and a reduced contribution from the Dedicated Schools Grant for Schools Forum support.
HR & Organisational Development (Mobo)		
55	HR & OD	At Month 7 the service is forecasting an overspend of £0.055m. There is an increased commitment to funding £0.035m union time, but with no extra resources, and the service is also expecting a pressure against internal income recovery of £0.020m

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
IT&D (Mobo)		
150	IT&D	At month 7, IT&D are expecting a net pressure of £0.150m due to budget pressures in some areas, particularly ICT contracts and savings targets. Previously the service had identified pressures of £1.050m, but £0.900m of funding has now been applied. This was a result of a re-examination of funding within the Modernisation Fund including the substantial allocation agreed this February at CMDB. These allocations include two years contracts costs for Mendix and Dell Boomi, and also resources brought forward to support the Digital Organisation Plan.
Business Operations (Mobo)		
100	Business Operations	There is an expected overspend of £0.100m. There is an increase in system costs in respect of itrent, Civica Financials and ICON, which have arisen due to renegotiation of contracts and are based on sovereign decisions taken. This is partially offset by an overachievement in recruitment advertising income.
Revenues & Benefits (Mobo)		
0	Revenues & Benefits	The service is forecast to breakeven due to staff vacancies contributing to a forecast staffing underspend of £0.138m that is partially offsetting an underachievement in court costs income of £0.106m and an overspend on bank charges of £0.039m.
Housing Benefit Subsidy		
(347)	HB Subsidy	The overall forecast is an underspend of £0.347m which is an improvement of £0.389m from Month 5. The forecast surplus on the recovery of overpaid Council Tax Benefit now stands at £0.185m, a worsening of £0.015m compared to Month 5. The main subsidy budgets show a surplus of £0.162m which is an improvement of £0.403m compared to Month 5. Within this the forecast subsidy loss on a particular type of benefit for vulnerable tenants, which is not fully subsidised is £0.279m worse than budget but most significantly the forecast position on the net recovery of overpayments is £0.465m better than budget. A detailed review of the forecasts has resulted in the projected level of overpayments being reduced with a consequential increase in the estimated level of subsidy received.
F&R Contribution to ORBIS		
213		The Orbis forecast for Month 6 (Month 7 unavailable at time of reporting) is significantly higher at £0.970m overspend. This variance mainly comprises staffing pressures (£1.093m) and income pressures (£0.215) partly offset by reduced pension costs (£0.338). This overspend would lead to a higher contribution cost to BHCC of £0.213m.

Strategy, Governance & Law

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Corporate Policy	697	697	0	0.0%	24	24	0
(1)	Legal Services	1,331	1,311	(20)	-1.5%	93	93	0
0	Democratic & Civic Office Services	1,740	1,720	(20)	-1.1%	78	78	0
372	Life Events	176	507	331	188.1%	316	155	161
(12)	Performance, Improvement & Programmes	645	633	(12)	-1.9%	46	46	0
0	Communications	1,036	1,036	0	0.0%	51	51	0
359	Total Strategy, Governance & Law	5,625	5,904	279	5.0%	608	447	161

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Legal Services		
(20)		A variance of £0.020m underspend is reported, being a combination of projected increase in external income and vacancy control.
Democratic & Civic Office Services		
(20)	Democratic Services	Various minor underspends.
Life Events		
331	Life Events	At Month 7 the declared pressure is £0.331m, a reduction of £0.041m. The Registrars Service had an extra £0.200m saving to deliver against statutory fees for certificates, but there has been a higher than expected drop in demand as a result of the cost increase from £4 to £11. This, and a general drop-off in ceremonies this year of 8% has led to a pressure of £0.182m. In light of the pressure arising from the saving, it is expected that the shortfall will be partly offset by corporate funding of £0.050m. The service, liaising with Finance, will continue to re-examine this forecast through the year. Elsewhere in Registrars the termination of services, in particular of nationality checking services has led to a further pressure of £0.063m and there are other income pressures of

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		£0.031m. Bereavement Services have also flagged up likely commitments for cemetery works, covering urgent repairs and maintenance for roadways and trees costing an estimated £0.100m. The service is also declaring an expected overspend of £0.043m, being income pressure of £0.028m (especially in the Mortuary), and other costs of £0.015m. In Local Land Charges, an increase in (cheaper) Private Searches has led to an expected income shortfall of £0.040m. There were vacancy savings in Elections and Registrars of £0.054m and other underspends of £0.024m.
Performance, Improvement & Programmes		
(12)	Performance, Improvement & Programmes	Vacancies.

Corporate Budgets

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Bulk Insurance Premia	3,069	3,069	0	0.0%	0	0	0
0	Capital Financing Costs	5,659	5,659	0	0.0%	0	0	0
0	Levies & Precepts	207	207	0	0.0%	0	0	0
0	Unallocated Contingency & Risk Provisions	522	522	0	0.0%	0	0	0
(42)	Unringfenced Grants	(25,320)	(25,362)	(42)	-0.2%	0	0	0
34	Other Corporate Items	5,516	5,690	174	3.2%	56	22	34
(8)	Total Corporately-held Budgets	(10,347)	(10,215)	132	1.3%	56	22	34

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Unringfenced Grants		
(42)	Releasing grant pressure funding	Releasing residual grant pressure funding for specific grants as only one grant remains unannounced (Department for Health - Local Reform and Community Voices Grant).
Other Corporate Items		
34	Pension Costs	Costs for 2019/20 not known at time of setting budget and are higher than anticipated.
140	Corporately held VFM Savings	A number of savings cross more than one service or may be council-wide, and are held corporately until allocated to specific services once their achievement is confirmed. This variance represents savings at risk, primarily relating to sustainable social care savings measures.

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(320)	Capital Financing	31,335	31,015	(320)	-1.0%	0	0	0
(140)	Housing Management & Support	4,521	4,291	(230)	-5.1%	80	80	0
0	Head of City Development & Regeneration	316	286	(30)	-9.5%	0	0	0
(480)	Income, Involvement & Improvement	(46,303)	(46,823)	(520)	-1.1%	50	50	0
800	Property & Investment	7,969	8,769	800	10.0%	100	100	0
60	Tenancy Services	2,162	2,262	100	4.6%	50	50	0
(80)	Total Housing Revenue Account	0	(200)	(200)	0.0%	280	280	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Capital Financing		
(320)	Financing costs	Significant reprofiling of HRA capital expenditure from 2018/19 into 2019/20 impacts on the timing of when borrowing is required to be undertaken to fund the expenditure. This has resulted in lower interest charges being incurred during 2019/20, compared to the original budget forecast, as at Month 7.
Housing Management & Support		
(100)	Rents	Projected income is more than budget assumptions for Temporary Accommodation.
(30)	Employee costs	Projected underspend on agency staff budget.
(100)	Transfer Incentive Scheme	This service assists tenants to down-size or to move into more suitable or accessible accommodation. Each case takes time to complete and current expenditure levels indicate that this budget will be underspent by £0.100m.
Head of City Development & Regeneration		
(30)	Employee costs	Greater capitalisation of salaries than budgeted.
Income, Involvement & Improvement		
(410)	Rents	Reduced level of rent lost through voids and projected income is slightly more than budget

Key Variances £'000	Service Area	Variance Description
		assumptions due to the increase in the number of homes purchased for affordable rent.
(110)	Employee costs	Forecast underspend due to staff vacancies in the Income Management team.
Property & Investment		
800	Leaseholder - Service Charges Major Works	A lower than expected level of leasehold service charge is being forecast for major works in 2019/20. Provision in the HRA budget allowed for billing of £1.8m, based on likely completion times for a large number of projects and the fact that previous years estimates had been under the level of billing. Due to some projects taking longer to complete or reach final account, a lower level of £1m was actually billed in 2019/20 with the remainder forecast for billing in 2020/21.
Tenancy Services		
(100)	Rents & Service Charges	Projected income is slightly more than budget assumptions for Seniors Housing.
80	Premises	Council Tax costs are higher than budgeted and there are additional costs for rubbish clearance, resulting from an increase in fly-tipping.
80	Employees costs	Projected overspend as a result of additional staff cover and regrading.
40	Supplies & Services	Small overspend across the service.

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2019/20 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Individual Schools Budget (ISB)	127,512	127,512	0	0.0%
(314)	Early Years Block (excluding delegated to Schools) *(This includes Private Voluntary & Independent (PVI) Early Years 3 & 4 year old funding for the 15 hours free entitlement to early years education)*	14,154	13,813	(341)	-2.4%
155	High Needs Block (excluding delegated to Special Schools)	20,327	20,337	10	0.0%
14	Exceptions and Growth Fund	2,886	2,920	34	1.2%
0	Grant Income	(164,075)	(164,075)	0	0.0%
(145)	Total Dedicated Schools Grant (DSG)	804	507	(297)	-36.9%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
(45)	Additional Support Funding for 2, 3 & 4 year olds	Estimated underspend for 2 year olds.
(86)	Early years free entitlement	Anticipated retrospective adjustment made by DfE for 2018/19 provision.
(85)	Early years free entitlement 2 year olds	Estimated underspend for 2 year old payments to PVI providers.
(125)	Early years free entitlement 3 & 4 year olds	Estimated underspend for 3 & 4 year old payments to PVI providers.
High Needs Block (excluding delegated to Schools)		
159	Inclusion Support Service	Impact of school traded service element for BHISS £0.147m and Literacy Support Service £0.012m.
(249)	FE and post-19 specialist	FE college and post-19 specialist provision - placements for 2019/20 academic year being

Key Variances £'000	Service Area	Variance Description
	provision	finalised.
55	High needs pupils in other LAs	Increase in the number of high needs pupils being educated in other LA provision.
69	High needs top-up funding	Projected overspend for provision within mainstream and special schools within the city.
55	Agency Placements	Projected overspend for new placements in the Autumn Term.
(65)	Unallocated High Needs Block	Balance of 2018/19 carryforward to be allocated.
(14)	Other	Balance of variances on other cost centres.
Exceptions and Growth Fund		
35	Historic Pension costs	Historic pension liabilities.
(1)	Other	Balance of variances on other cost centres.

Savings Monitoring 2019/20

General Fund

Directorate	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
Families, Children & Learning	3,320	3,204	116
Health & Adult Social Care	4,354	3,929	425
Economy, Environment & Culture	1,923	1,923	0
Housing, Neighbourhoods & Communities	953	953	0
Finance & Resources	287	222	65
ORBIS	735	735	0
Strategy, Governance & Law	608	447	161
Corporate Budgets	56	22	34
Total Directorate Savings	**12,236**	**11,435**	**801**

Housing Revenue Account

Directorate	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
Housing Revenue Account	280	280	0
Total HRA Savings	**280**	**280**	**0**

Families, Children & Learning – Capital Budget Summary

Forecast Variance Month 5 £'000	Unit	Reported Budget Month 5 £'000	Reported at Other Committees £'000	New Schemes £'000	Variations, Slippages & Reprofiles £'000	Reported Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Director of Families, Children & Learning	0	0	0	0	0	0	0	0.0%
0	Health, SEN & Disability Services	43	0	0	0	43	43	0	0.0%
0	Education & Skills	37,374	0	0	0	37,374	37,374	0	0.0%
0	Schools	122	0	0	0	122	122	0	0.0%
0	Children's Safeguarding & Care	35	0	37	0	72	72	0	0.0%
0	Quality Assurance & Performance	0	0	0	0	0	0	0	0.0%
0	Total Families, Children & Learning	37,574	0	37	0	37,611	37,611	0	0.0%

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

There are no variations, slippages or reprofiles to report within this directorate.

Health & Adult Social Care – Capital Budget Summary

Forecast Variance Month 5 £'000	Unit	Reported Budget Month 5 £'000	Reported at Other Committees £'000	New Schemes £'000	Variations, Slippages & Reprofiles £'000	Reported Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Adult Social Care	605	0	0	0	605	605	0	0.0%
0	Integrated Commissioning	0	377	0	137	514	514	0	0.0%
0	S75 Sussex Partnership Foundation Trust (SPFT)	0	0	0	0	0	0	0	0.0%
0	Public Health	0	0	0	0	0	0	0	0.0%
0	Total Health & Adult Social Care	605	377	0	137	1,119	1,119	0	0.0%

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

Detail Type	Amount £'000	Project	Description
Integrated Commissioning			
Reported at other committees	377	8-9 Kings Road Property Improvements	Capital budget now included as reported at Policy, Resources & Growth Committee July 2019.
Variation	137	8-9 Kings Road Property Improvements	The spend profile has been revised to reflect additional costs associated with structural works and external works to the roof. The additional cost will be met from capital grant and borrowing. A review of the planned maintenance budget at year end will be undertaken to identify potential unused resources which may be used to offset the additional borrowing costs.

Economy, Environment & Culture (excluding Housing Revenue Account) – Capital Budget Summary

Forecast Variance Month 5 £'000	Unit	Reported Budget Month 5 £'000	Reported at Other Committees £'000	New Schemes £'000	Variations, Slippages & Reprofiles £'000	Reported Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Transport	34,676	(6,510)	0	0	28,166	28,166	0	0.0%
0	City Environmental Management	6,621	0	0	0	6,621	6,621	0	0.0%
0	City Development & Regeneration	7,505	2,300	0	18	9,823	9,823	0	0.0%
0	Culture, Tourism & Sport	10,770	6,260	351	(1,058)	16,323	16,323	0	0.0%
0	Property	6,017	6,160	0	(60)	12,117	12,117	0	0.0%
0	Total Economy, Environment & Culture	65,589	8,210	351	(1,100)	73,050	73,050	0	0.0%

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

Detail Type	Amount £'000	Project	Description
Transport			
Reported at other committees	(6,510)	Various LTP schemes	Accounting adjustment to align Local Transport Plan (LTP) budgets. LTP Approved at Policy, Resources & Growth Committee March 2019.
City Development & Regeneration			
Variation	18	Immersive Tech Hub	Variation of less than £0.100m
Reported at other committees	2,300	Black Rock Enabling Works	New capital budget included subject to approval of the scheme report elsewhere on this Committee agenda.
Culture, Tourism & Sport			
Reprofile	(700)	Prince Regent - Replacement of Mechanical Equipment	The two-phased procurement process which involves a number of teams (including an external consultant) is taking much longer and is more complex than originally anticipated this has resulted in a delay to the original project timelines.
Reprofile	(700)	Saltdean Lido replacement library	The library replacement is dependent on the wider restoration project starting which is being managed by Saltdean Lido CIC. This relies on the release of the awarded Heritage Lottery Funding which is subject to associated match funding from the CIC. The CIC are working to try and achieve this required match funding and as such the scheme has not

Detail Type	Amount £'000	Project	Description
			yet started yet and is unlikely to commence until the next financial year.
Variation	342	Portslade 3G Pitch	Football Foundation Grant has confirmed the award of £0.342m grant which represents 63% of the total scheme costs. The council has already identified match funding from revenue budgets and S106 contributions.
Reported at other committees	5,000	Royal Pavilion Estate (Phase 1)	Change to the Phase 1 project reported at Policy & Resources Committee in October 2019.
Reported at other committees	1,260	Brighton Museum & Art Gallery Roof Works	Subject to approval at this Committee.
Property			
Variation	0	Various	Variations of less than £0.100m across the following schemes: £0.028m Brighton Town Hall Flat Roof (£0.028m) Brighton Town Hall Refurbishment £0.022m Passenger Lift H&S Works £0.025m Mechanical Boiler Replacements (£0.047m) External Improvement Works
Reprofile	(60)	Various	Reprofiles of less than £0.100m across the following schemes: (£0.029m) Statutory DDA Access Works Fund (£0.031m) Madeira Terrace Structural Repair & Resurface
Reported at other committees	200	Workstyles 4 Desk Upgrade & Windows 10	Reported at Policy, Resources & Growth Budget Committee February 2019 as part of Modernisation programme.
Reported at other committees	5,960	Purchase of Lyndean House	Reported at October Policy & Resources Committee.

Neighbourhood, Communities & Housing (excluding Housing Revenue Account) – Capital Budget Summary

Forecast Variance Month 5 £'000	Unit	Reported Budget Month 5 £'000	Reported at Other Committees £'000	New Schemes £'000	Variations, Slippages & Reprofiles £'000	Reported Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Housing General Fund	4,485	0	0	0	4,485	4,485	0	0.0%
0	Libraries	301	0	0	0	301	301	0	0.0%
0	Communities, Equalities & Third Sector	0	0	0	0	0	0	0	0.0%
0	Safer Communities	0	0	0	0	0	0	0	0.0%
0	Total Housing, Neighbourhoods & Communities	4,786	0	0	0	4,786	4,786	0	0.0%

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

There are no variations, slippages or reprofiles to report within this directorate.

Housing Revenue Account (HRA) – Capital Budget Summary

Forecast Variance Month 5 £'000	Unit	Reported Budget Month 5 £'000	Reported at Other Committees £'000	New Schemes £'000	Variations, Slippages & Reprofiles £'000	Reported Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
186	City Development & Regeneration	6,695	1,080	0	44	7,819	7,941	122	1.6%
(353)	Housing Revenue Account	40,354	3,590	0	(15)	43,929	43,083	(846)	-1.9%
(167)	Total Housing Revenue Account	47,049	4,670	0	29	51,748	51,024	(724)	-1.4%

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

Detail Type	Amount £'000	Project	Description
City Development & Regeneration			
Reprofile	(69)	Selsfield Drive	The due diligence process undertaken to agree the Agreed Maximum Price resulted in a delay to the start of the main construction works. Construction works started in July and due for completion in Autumn 2020.
Reprofile	300	Design Competition	Land Appropriation approved by October P&R to be funded by Commuted Sums.
Reprofile	232	Buckley Close	Completion of the project is due in the summer of 2020. The reprofile reflects the updated project delivery timeline, which had been bought forward from prevous estimates.
Reprofile	(419)	Victoria Road	A cost review is being undertaken on the re-provision of the sports pavilion, which has led to a delay in construction starting on site. Following this review it is anticipated that no further costs will be incurred this year with construction of the pavilion commencing 2020/21.
Variance	75	Redevelopment of HRA Vacant Garage Sites	The development at Kensington Street was subject to a large number of party wall agreements and other complexities associated with the very constrained site. £0.075m is the overspend in relation to the costs incurred during 19/20. A further £50k will be spent during 2020/21 as a the payment upon completion of the defects period.
Variance	47	Various	Variances of less than £0.100m across the following schemes: £0.002m Brookmead Site Development £0.044m Wellsbourne Development £0.001m Lynchet Close
Reported at	550	Estate Regeneration New	Budget agreed at October P&R as a separate scheme report.

Detail Type	Amount £'000	Project	Description
other committees		Build	
Reported at other committees	530	Oakley House	Budget agreed at October P&R as a separate scheme report.
Housing Revenue Account			
Variation	200	Communal Rewire	Budget variation due to identified works for urgent block rewires, some of which has come about due to changes in responsibilities between the District Network Operator and Building Network Operator.
Variation	(260)	City Wide Loft Conversion & Extension Project	A greater proportion of funding has been achieved through major adaptations grants rather than this budget which has contributed to a forecast underspend. Alongside this projects have been managed to ensure there is no risk of over-run given the end of the current contract in March 2020. Finally one new build house was budgeted for delivery within 2019/20 but has been slightly delayed whilst further work is undertaken to support utility connections.
Variation	240	Oxford Street	The spend profile for this project has been reviewed to align with a revised construction programme following planning approval. Less expenditure was delivered in the last financial year than originally forecast and this has now been profiled for 2019/20. The overall cost remains in line with the project budget.
Variation	(195)	Various	Variances of less than £0.100m across the following schemes: (£0.095m) Roofing (£0.052m) Asbestos (£0.048m) Fire Safety
Variance	(340)	Other M&E Contracts	The procurement of a new fire alarms contract has resulted in a delay to the proposed capital works programme for this year. Changes to the sprinkler installation programme following consultation with residents has impacted on expenditure for cold water mains, a programme for the removal of water tanks is continuing over the second half of the year. There has also been a delay in delivering the programme of ventilation works combined with an overestimation of the programme at budget setting. Delayed ventilation works will be delivered later in this year or planned into future years programme.
Variance	(243)	Structural Repairs	Savings delivered against the Major Projects budget, mainly as a result of the final cost of works being less than estimated.
Variance	(174)	External Decorations &	Savings delivered against the Major Projects budget, mainly as a result of the final cost of

Detail Type	Amount £'000	Project	Description
		Repairs	works being less than estimated.
Variance	(89)	Various	Variances of less than £0.100m across the following schemes: £0.052m Roofing £0.056m Windows £0.005m Doors (£0.006m) City Wide Loft Conversion & Extension Project (£0.050m) Condensation & Damp Works (£0.037m) Door Entry Systems & CCTV (£0.095m) Lifts £0.098m Feasibility and Design - P&I £0.006m Asbestos £0.001m Communal Boilers (£0.052m) Insulation (£0.067m) Tilbury Place
Reported at other committees	3,590	Home Purchase Scheme	£0.590m additional budget approved as part of a separate report to October P&R committee. The additional £3.000m is part of a review of the Home Purchase Policy approved by Housing Committee where it was identified that the number of purchases coming forward are greater than originally anticipated, this additional budget is proposed to be funded by Right to Buy receipts and HRA Borrowing.

Finance & Resources - Capital Budget Summary

Forecast Variance Month 5 £'000	Unit	Reported Budget Month 5 £'000	Reported at Other Committees £'000	New Schemes £'000	Variations, Slippages & Reprofiles £'000	Reported Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Finance	0	0	0	0	0	0	0	0.0%
0	HR & Organisational Development	0	0	0	0	0	0	0	0.0%
0	IT & D	1,963	1,863	0	0	3,826	3,826	0	0.0%
0	Procurement	0	0	0	0	0	0	0	0.0%
0	Business Operations	0	0	0	0	0	0	0	0.0%
0	Revenues & Benefits	0	0	0	0	0	0	0	0.0%
0	Total Finance & Resources	1,963	1,863	0	0	3,826	3,826	0	0.0%

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

Detail Type	Amount £'000	Project	Description
IT & D			
Reported at other committees	1,863	Windows 10, laptop renewal and replacement and Wi Fi installation	Reported at Policy, Resources & Growth Budget Committee February 2019 as part of the Modernisation Programme.

Strategy Governance & Law - Capital Budget Summary

Forecast Variance Month 5 £'000	Unit	Reported Budget Month 5 £'000	Reported at Other Committees £'000	New Schemes £'000	Variations, Slippages & Reprofiles £'000	Reported Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Corporate Policy	0	0	0	0	0	0	0	0.0%
0	Legal Services	0	0	0	0	0	0	0	0.0%
0	Democratic & Civic Office Services	0	0	0	0	0	0	0	0.0%
0	Life Events	6	0	0	0	6	6	0	0.0%
0	Performance, Improvement & Programmes	1,807	0	0	0	1,807	1,807	0	0.0%
0	Communications	0	0	0	0	0	0	0	0.0%
0	Total Strategy, Governance & Law	1,813	0	0	0	1,813	1,813	0	0.0%

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

There are no variations, slippages or reprofiles to report within this directorate.

Note: There are currently no capital budgets to report on for Corporate Budgets.

New Capital Project Approval Request	
Directorate:	Families Children & Learning
Unit:	Safeguarding & Care
Project Title:	Children's Social Work Team – Pool car replacement
Total Project Cost (All Years):	£37,000

Purpose, Benefits & Risks:

The safeguarding & Review service has a total of 5 pool cars. These are used by social workers to visit children and families – including children who are placed out of the area. There is also the necessity for social workers to remove children from the family home where there is a severe child protection risk and take them and their belongings to foster placements – this is often done out of hours.

The existing cars are a mixture of owned and leased and are between 7 – 10 years old. The annual cost of leasing and maintenance is £8,187 but with the age of cars the cost of keeping them in a safe drivable condition is now increasing significantly.

A review of usage has taken place and concluded that the service could operate effectively with 4 vehicles. Having considered the comparable options between leasing and purchasing, both options come with warranty's but taking into account resale values, it is slightly more beneficial to purchase cars outright.

Capital Expenditure Profile (£'000):

Funding Source	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**Total All Years**
Capital Borrowing	37	0	0	0	0	37
Total Estimated Costs & Fees	**37**	**0**	**0**	**0**	**0**	**37**

Financial Implications:

The service currently has 5 cars for which they are paying in excess of £6,000 p/a in maintenance. All current vehicles are between 7 and 10 years old and are deemed as no longer cost effective/reliable. A review of needs across the service has identified that 4 x reliable and economical vehicles will be sufficient. From a budgetary point of view the additional revenue cost of the new vehicles (over the costs currently incurred) are justified and will be met from existing revenue budget.

New Capital Project Approval Request	
Directorate:	Economy, Environment & Culture
Unit:	Culture, Tourism & Sport
Project Title:	Spencer Gore West Pier Painting
Total Project Cost (All Years):	£350,500

Purpose, Benefits & Risks:

This scheme is for the purchase of the painting 'The West Pier, Brighton' (1913) by Spencer Gore for the Fine Art Collection at Brighton Museum and Art Gallery. The Royal Pavilion Museum seeks to strengthen the Fine Art Collection by acquiring high quality works that complement the existing collection of 20th-century British paintings including many works depicting the Brighton seafront and its changing appearance. 'The West Pier, Brighton' fits perfectly with the Royal Pavilion & Museums' Collections Policy with its local subject matter and its historic connections with the city, as well as through its historical significance within the development of British art. The painting is in good condition with a known provenance and is being purchased from a private UK vendor. All the funding for the purchase is met from external sources.

Capital Expenditure Profile (£'000):

Funding Source	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**Total All Years**
The Art Fund Grant	118	0	0	0	0	118
National Heritage Memorial Fund	144	0	0	0	0	144
Arts Council England (ACE) Grant	35	0	0	0	0	35
Royal Pavilion and Museums Foundation	54	0	0	0	0	54
Total Estimated Costs & Fees	**354**	**0**	**0**	**0**	**0**	**354**

Financial Implications:

The purchase of the painting will be funded by grants from Arts Council England (ACE), National Heritage Memorial Fund, The Art Fund and some contributions from the Royal Pavilion and Museums Foundation.

POLICY & RESOURCES COMMITTEE	Agenda Item 78 Brighton & Hove City Council

Subject:	**Treasury Management Strategy Statement 2019/20 - Mid Year Review**	
Date of Meeting:	**5 December 2019**	
Report of:	**Executive Director for Finance & Resources**	
Contact Officer:	**Name:**	**James Hengeveld** **Tel: 01273 291242** **Haley Woollard** **Tel: 01273 291246**
	Email:	**james.hengeveld@brighton-hove.gov.uk** **haley.woollard@brighton-hove.gov.uk**
Ward(s) affected:	**(All Wards);**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The 2019/20 Treasury Management Strategy Statement (TMSS), practices and schedules were approved by Policy, Resources & Growth Committee on 14 February 2019 and full Council on 28 February 2019.

1.2 The TMSS sets out the role of Treasury Management, whilst the practices and schedules set out the annual targets and methods by which these targets will be met. The TMSS includes the Annual Investment Strategy (AIS) which sets out the key parameters for investing council cash funds.

1.3 It is recommended good and proper practice that Members receive half yearly reports and review and endorse treasury management actions during the year. The purpose of this report is to advise of the action taken in the first half of 2019/20.

2. RECOMMENDATIONS:

That the Policy & Resources Committee:

2.1 Notes the key actions taken during the first half of 2019/20 to meet the TMSS and the investment strategy as set out in this report.

2.2 Notes the reported compliance with the AIS for the period under review.

2.3 Notes that the approved maximum indicator for investment risk of 0.05% has been adhered to and the authorised borrowing limit and operational boundary have not been exceeded.

3. CONTEXT/ BACKGROUND INFORMATION

Economic Background

3.1. The council's treasury advisors, Link Asset Services (LAS) provide their assessment of the UK and global economic landscapes, and their interest rate forecast. This is included at Appendix 2.

3.2. The first half of 2019/20 has seen UK economic growth fall as a result of Brexit uncertainty, and the wider impact of global growth concerns. In its Inflation Report of 1 August, the Bank of England expressed concern about the outlook for both the UK and major world economies. The Monetary Policy Committee (MPC) meeting of 19 September reemphasised their concern about the downturn in world growth and also expressed concern that prolonged Brexit uncertainty would contribute to a build-up of spare capacity in the UK economy, especially in the context of a downturn in world growth. This mirrored investor concerns around the world which are now expecting a significant downturn or possibly even a recession in some major developed economies. It was therefore no surprise that the MPC has so far left the Bank Rate unchanged at 0.75% throughout 2019 and is expected to hold off on changes until there is some clarity on what is going to happen over Brexit.

Treasury Management Strategy

3.3. A summary of the action taken in the 6 months to September 2019 is provided in Appendix 1 to this report and further information on borrowing and investment performance is shown in the September 2019 Treasury Management statistics at Appendix 2. The main points are:

- The council entered into £10.000m of new borrowing during the period;
- The highest risk indicator during the period was 0.023% which is below the maximum benchmark of 0.050%;
- The return on investments by the in-house treasury team has exceeded the target benchmark rates;
- The two borrowing limits approved by full Council have not been exceeded.

3.5 Treasury management activity for the half-year has focused on a short-term horizon as summarised in the table below:

	Amount invested 1 Apr 2019 to 30 Sep 2019			
	Fixed deposits	Money market funds & Notice Accounts	Total	
Up to 1 week	-	£274.3m	£274.3m	73.7%
Between 1 week & 1 month	£5.0m	-	£5.0m	1.3%
Between 1 month & 3 months	£30.0m	-	£30.0m	8.1%
Over 3 months	£58.0m	£5.0m	£63.0m	16.9%
	£93.0m	**£279.3m**	**£372.3m**	**100.0%**

Summary of Treasury Activity April 2019 to September 2019

3.6 The following table summarises the treasury activity in the half year to September 2019 compared to the corresponding period in the previous year:

April to September	2018/19	2018/19
Long-term borrowing raised (General Fund)	-	(£7.5m)
Long-term borrowing raised (HRA)	-	(£2.5m)
Long-term borrowing repaid (i360)	£0.5m	£0.5m
Long-term borrowing repaid (General Fund)	-	£0.3m

Long-term borrowing repaid (HRA)	-	£0.4m
Short-term borrowing (raised)/repaid	-	£8.0m
Investments made	£348.8m	£372.3m
Investments maturing	(£316.3m)	(£378.1m)

3.7 In 2018/19, £290k was set aside in the Financing Costs earmarked reserves to fund potential net financing cost pressures in 2019/20. At TBM7, it is forecast that £230k of this will be drawn down to support the Financing Cost budget in the year.

3.8 The following table summarises how the day-to-day cash flows in the half-year have been funded compared to the same period in the previous year:

April to September	2018/19	2019/20
Net cash flow (shortage)/surplus	**£37.2m**	**(£5.3m)**
Represented by:		
Increase/(reduction) in long-term borrowing	(£0.5m)	£8.1m
Increase/(reduction) in short-term borrowing*	-	(£8.0m)
Reduction/(increase) in investments	(£32.5m)	£5.8m
Reduction/(increase) in bank balance	(£4.2m)	(£0.6m)

*including South Downs National Park external investments

Security of Investments

3.9 A summary of investments made by the in-house team and outstanding as at 30 September 2019 in the table below shows that investments continue to be held in good quality, short term instruments.

'AAA' rated money market funds	£84.00m	46.3%
'AA' rated institutions	£35.50m	19.6%
'A' rated institutions	£62.00m	34.1%
Total	**£181.50m**	**100%**
Period – less than one week	£84.00m	46.3%
Period – between one week and one month	£5.00m	2.7%
Period – between one month and three months	£7.00m	3.9%
Period – between three months and 1 year	£85.50m	47.1%
Total	**£181.50m**	**100%**

Risk

3.10 As part of the investment strategy for 2019/20 the Council agreed a maximum risk benchmark of 0.050% i.e. there is a 99.95% probability that the council will get its investments back. The benchmark is a simple target that measures the risk based on the financial standing of counterparties and length of each investment based on historic default rates. The actual risk indicator has varied between 0.014% and 0.023% between April 2019 and September 2019. It should be remembered however that the benchmark is an 'average risk of default' measure, and does not constitute an expectation of loss against a particular investment.

3.11 In July 2019, Internal Audit undertook an audit of the treasury management function. The audit concluded that "reasonable assurance" is provided on the effectiveness of the control framework operating and mitigating risks for treasury management. One medium and two low recommendations were provided; one recommendation has already been actioned, and the other two in the process of being actioned.

Compliance with the Annual Investment Strategy

3.12 During the reporting period, the information in this report provides assurance that the Annual Investment Strategy has been complied with in full.

Borrowing Strategy

3.13 The council operates separate debt portfolios for the General Fund and the HRA following in introduction of HRA Self Financing in 2012.

3.14 The General Fund has been carrying an internal borrowing position (i.e. where the General Fund borrows cash from its own reserves) since 2008 as a response to the financial crisis. In response to a combination of expectation of increasing interest rate forecasts, the reduction of certain reserves and historically low PWLB borrowing rates, the General Fund has entered into planned borrowing of £27.5m from the PWLB to reduce the internal borrowing position over the last three years. The most recent of this borrowing was undertaken in August 2019, where a £7.5m loan was undertaken for a period of 50 years at a historical low rate of 1.67%. Additionally, £10m of PWLB borrowing was undertaken by the General Fund in March 2019 as part of a debt restructure to replace RBS loans.

3.15 The Housing Revenue Account (HRA) carries a fully funded borrowing position (i.e. the HRA does not borrow from its own reserves, but instead undertakes borrowing for its entire borrowing requirement). Over the last three years, the HRA has entered into a total of £16.5m of external borrowing and £4.5m of borrowing from the General Fund to support the HRA Capital Programme. The most recent of this borrowing was undertaken in August 2019, where a £2.5m loan was undertaken for a period of 50 years at a historical low rate of 1.67%. Additionally, £16m of PWLB borrowing was undertaken by the HRA in March 2019 as part of a debt restructure to replace RBS loans.

3.16 The treasury team, along with the council's treasury advisors, monitor interest rates and will seek to externalise the HRA's borrowing from the General Fund at a time which would be optimal for both the HRA and the General Fund.

3.17 The borrowing cap (or limit) on the amount of HRA borrowing permissible for capital investment was set at £156.8m for Brighton & Hove. The Minister for Housing, Communities and Local Government has recently issued a determination - Limits on Indebtedness (Revocation) Determination 2018. This came into force on 29 October 2018 and removes the HRA borrowing cap. The removal of the cap could enable substantial growth in the number of homes that can be built or purchased within the HRA. However, the HRA remain subject to the Prudential Framework, and as such all new HRA borrowing decisions will need to be affordable, prudent and sustainable. Each scheme will have to demonstrate need, value for money and affordability (that the net costs of borrowing can be met from the HRA), and the cumulative impact of new borrowing decisions on the HRA 30 Year Business Plan will be monitored and reviewed by the Chief Finance Officer. Full Council approve the Prudential

Indicators which define the parameters for the council's borrowing as part of the Budget Setting process. Any expected increase in HRA borrowing will be approved as part of these indicators.

3.18 On 9 October 2019, the government announced an unexpected increase the Public Works Loan Board (PWLB) interest rate for all new loans after 9:30am on the same date. The increase added 1% (100bps) to the cost of borrowing. Loans to local authorities through the PWLB are based on a margin above the gilt rates; during 2019 gilt rates have been at historically low levels meaning the cost of borrowing for councils has been very low. As a result councils have been locking into these cheap rates and the government has seen a significant increase in borrowing leading to the concern the total national PWLB debt would breach its self-imposed government limit. In response to this concern the government has :-

- Increased the overall limit of PWLB debt from £85bn to £95bn;
- Increased the cost of borrowing by 1%.

3.19 The interest rates through the PWLB during 2019 have been much lower than the prudent assumptions used in evaluating council business cases for capital investment in projects such as the housing joint venture or Madeira Terraces and therefore do not put these projects at risk although the step increase does mean there is less contingency/flexibility.

3.20 As a result of the government's announcement to increase rates, other market lenders are now more competitive and will potentially offer better rates than the PWLB, although it is expected market lenders are likely to price using PWLB rates as a reference. Therefore the cost of borrowing for the council will be more expensive than before the rate change from the PWLB. The council has already been contacted by market lenders with competitive lending offers. Officers will explore these other sources of borrowing; although the council has no immediate need to borrow externally.

3.21 A summary of the council's debt portfolio is summarised in Appendix 1.

Treasury Advisors

3.22 In November 2018, the council awarded a 13 month contract for treasury advisory services to Link Asset Services (LAS) via an approved framework. This has assisted us in aligning the contract end date with our Orbis partners. Council Officers are currently undertaking a joint procurement exercise with ESCC for a three year contract.

3.23 The council recognises that responsibility for decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. It also recognises that there is value in employing external providers of treasury management services in order to access specialist skills and resources.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 This report sets out action taken in the 6 months to September 2019. Treasury management actions have been carried out within the parameters of the AIS, TMPS and Prudential Indicators. Therefore no alternative options have been considered.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The council's external treasury advisors have been consulted over the content of this report. No other consultation was undertaken.

6. CONCLUSION

6.1 Treasury management is governed by a code that is recognised as "best and proper practice" under the Local Government Act 2003. The Code requires a minimum of two reports per year, one of which is required to review the previous year's performance. This report fulfils that requirement.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The financial implications of treasury management activity are reflected in the financing costs budget set out in paragraph 3.7.

Finance Officer Consulted: James Hengeveld Date: 21/11/19

Legal Implications:

7.2 The TMSS is approved and associated actions carried out under powers given to the council by Part 1 of the Local Government Act 2003, which includes the power for a local authority to invest for the purposes of the prudent management of its financial affairs (section 12).

7.3 The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003/3146 require local authorities to have regard to the CIPFA Code of Practice referred to in paragraph1.3 above when carrying our their functions under Part 1 of the 2003 Act.

7.4 The council's policy and the actions outlined in the report are considered to comply with the council's obligations under the Act and wit the afore-mentioned Code.

Lawyer Consulted: Elizabeth Culbert Date: 25/11/19

Equalities, Sustainability and other significant implications:

7.5 There are no direct implications arising from this report

SUPPORTING DOCUMENTATION

Appendices:

1. A summary of the action taken in the period April 2019 to September 2019
2. The Economy & Interest Rates – Link Asset Services
3. September 2019 Treasury Management statistics

Documents in Members' Rooms

None

Background Documents

1. Part I of the Local Government Act 2003 and associated regulations.
2. The Treasury Management Strategy Statement, Treasury Management Practices and associated schedules 2019/20 (including the Annual Investment Strategy 2019/20) approved by Policy , Resources & Growth Committee on 14 February 2019 and full Council on 28 February 2019.
3. Treasury Management Strategy Statement 2018/19 (including Annual Investment Strategy 2018/19) – Mid-Year Review approved by Policy, Resources & Growth Committee on 6 December 2018.
4. Papers held within Finance, Finance & Resources Directorate.
5. The Prudential Code for Capital Finance in Local Authorities published by CIPFA 2011.

Summary of action taken in the period April 2019 to September 2019

New borrowing

The council undertook £10.0 of new long term debt in the first half of 2019/20 to reduce the council's under-borrowing position, taking advantage of low long term interest rates.

Of this new borrowing, £2.5m was undertaken to support the HRA Capital Financing Requirement (CFR) (part replacing an internal loan between the General Fund & the HRA), and £7.5m was undertaken to support the General fund CFR.

Debt maturity

PWLB Annuity repayments of £0.495m were made on 30 June 2019. Additionally, £0.682m of PWLB fixed maturity debt matured on 30 September 2019.

Lender options (where the lender has the exclusive option to request an increase in the loan interest rate and the council has the right to reject the higher rate and repay instead) on two loans were due in the 6 month period but no option was exercised.

Weighted average maturity of debt portfolio

The weighted average maturity period of the portfolio has increased from 27.6 years to 27.8 years. This is the result of a combination of a natural decrease of the maturity by six months and undertaking £10.0m of new long term PWLB loans during the period.

Debt rescheduling

Opportunities to restructure PWLB debt are severely restricted under changes introduced by the Public Works Loan Board in October 2007.

Capital financing requirement

The prudential code introduces a number of indicators that compare borrowing with the capital financing requirement (CFR) – the CFR being the amount of capital investment met from borrowing that is outstanding. Table 1 compares the CFR with actual borrowing.

Table 1 – Capital financing requirement compared to debt outstanding

	1 April 2019	30 Sept 2019	Movement in period
Capital financing requirement (CFR) Less PFI element	£357.2m (£47.0m)		
Net CFR	£310.2m	£328.8m	+£18.6m
Long-term debt	£255.9m	£264.7m	+£8.8m
O/s debt to CFR (%)	82.5%	80.5%	-2.0%

Traditionally, the level of borrowing outstanding is at or near the maximum permitted in order to reduce the risk that demand for capital investment (and hence resources) falls in years when long-term interest rates are high (i.e. interest rate risk). However given the uncertainty within the financial markets, the council has maintained the strategy of keeping borrowing at much lower levels (as investments have been used to repay debt).

Currently, outstanding debt represents 80.5% of the capital financing requirement.

Cash flow debt / investments

The TMSS states the profile of any short-term cash flow investments will be determined by the need to balance daily cash flow surpluses with cash flow shortages.

An analysis of the cash flows reveals a net deficit for the first half of the year of £5.3 million.

Table 2 – Cash flow April to September 2019

	April 19 to Sept 19		
	Payments	Receipts	Net cash
Total cash for period	-£478.2m	£472.9m	-£5.3m
Represented by:			
(Increase)/Decrease in investments			£5.8m
Increase in long-term borrowing*			£8.1m
Decrease in Short term borrowing (including SDNPA[1])			-£8.0m
Movement in balance at bank			-£0.6m
			£5.3m

**Includes debt of £0.682m due to be repaid on 31/03/19, but actually repaid on 02/04/19 per PWLB non-business day timing conventions. This has been treated as a 2018/19 maturity elsewhere in this report.*

Prudential indicators

Budget Council approved a series of prudential indicators for 2019/20 at its meeting in February 2019. Taken together the indicators demonstrate that the council's capital investment plans are affordable, prudent and sustainable.

In terms of treasury management, the main indicators are the 'authorised limit' and 'operational boundary'. The authorised limit is the maximum level of borrowing that can be outstanding at any one time. The limit is a statutory requirement as set out in the Local Government Act 2003. The limit includes 'headroom' for unexpected borrowing resulting from adverse cash flow movements.

The operational boundary represents the level of borrowing needed to meet the capital investment plans approved by the council. Effectively it is the authorised limit minus the headroom and is used as an in-year monitoring indicator to measure actual borrowing requirements against budgeted forecasts.

Table 3 compares both indicators with the maximum debt outstanding in the first half year.

Table 3 – Comparison of outstanding debt with Authorised Limit and Operational Boundary 2019/20

	Authorised limit	Operational boundary
Indicator set	£420.0m	£406.0m
Less PFI element	-£47.0m	-£47.0m
Indicator less PFI element	£373.0m	£359.0m
Maximum amount o/s in first half of year	£265.4m	£265.4m
Variance	(*)£107.6m	£93.6m

[1] SDNPA (South Downs National Park Authority) cash/investments are managed on their behalf under contract with Brighton & Hove City Council.

(*) cannot be less than zero

Performance

Details of the performance of both the in-house and the Aberdeen short term fund are shown in graphs 4a and 4b in Appendix 2. The actual investment rates achieved have exceeded the benchmark rates.

Approved organisations – investments

No new organisations were added to the list approved in the Annual Investment Strategy (AIS) 2019/20.

Debt Portfolio as at 30 September 2019

Table 4 shows the debt portfolio as at 30 September 2019, analysed by fund.

Table 4 – Debt External Portfolio as at 30 September 2019 by fund

Fund	Debt Outstanding
General Fund – General	£110.089m
General Fund – i360	£30.188m
Total General Fund	£140.277m
HRA	£124.427m
Total Debt	**£264.704m**

The total debt portfolio is made up of borrowing from the Public Works Loans Board (PWLB), and market lenders. Table 5 illustrates the amount outstanding and average rate of borrowing of each of these parts of the portfolio as at 30 September 2019.

Table 5 – amount outstanding as at 30 September 2019 and average rate by loan type

Lender	Loan Type	Amount Outstanding at 31 March 2019	Average rate
PWLB	Fixed Maturity	£189.516m	3.95%
PWLB	Annuity	£30.188m	2.78%
Market Lenders	LOBOs	£25.000m	4.43%
Market Lenders	Fixed Maturity	£20.000m	4.49%
Total Borrowing		**£264.704m**	**3.89%**

The debt outstanding to market lenders is made up of LOBO instruments (Lender Option Borrower Option) of £25.0m, and fixed market loans of £20.0m. The interest rates of these loans vary between 3.90% and 4.88%.

Economics and interest rates – provided by Link Asset Services 16/10/19

Economics update

UK. This first half year has been a time of upheaval on the political front as Theresa May resigned as Prime Minister to be replaced by Boris Johnson on a platform of the UK leaving the EU on or 31 October, with or without a deal. However, in September, his proroguing of Parliament was overturned by the Supreme Court and Parliament carried a bill to delay Brexit until 31 January 2020 if there is no deal by 31 October. MPs also voted down holding a general election before 31 October, though one is likely before the end of 2019. So far, there has been no majority of MPs for any one option to move forward on enabling Brexit to be implemented. At the time of writing the whole Brexit situation is highly fluid and could change radically by the day. Given these circumstances and the likelihood of an imminent general election, any interest rate forecasts are subject to material change as the situation evolves. If the UK does soon achieve a deal on Brexit agreed with the EU then it is possible that growth could recover relatively quickly. The MPC could then need to address the issue of whether to raise Bank Rate at some point in the coming year when there is little slack left in the labour market; this could cause wage inflation to accelerate which would then feed through into general inflation. On the other hand, if there was a no deal Brexit and there was a significant level of disruption to the economy, then growth could weaken even further than currently and the MPC would be likely to cut Bank Rate in order to support growth. However, with Bank Rate still only at 0.75%, it has relatively little room to make a big impact and the MPC would probably suggest that it would be up to the Chancellor to provide help to support growth by way of a fiscal boost by e.g. tax cuts, increases in the annual expenditure budgets of government departments and services and expenditure on infrastructure projects, to boost the economy.

The first half of 2019/20 has seen UK **economic growth** fall as Brexit uncertainty took a toll. In its Inflation Report of 1 August, the Bank of England was notably downbeat about the outlook for both the UK and major world economies. The MPC meeting of 19 September reemphasised their concern about the downturn in world growth and also expressed concern that prolonged Brexit uncertainty would contribute to a build-up of spare capacity in the UK economy, especially in the context of a downturn in world growth. This mirrored investor concerns around the world which are now expecting a significant downturn or possibly even a recession in some major developed economies. It was therefore no surprise that the Monetary Policy Committee (MPC) left Bank Rate unchanged at 0.75% throughout 2019, so far, and is expected to hold off on changes until there is some clarity on what is going to happen over Brexit. However, it is also worth noting that the new Prime Minister is making some significant promises on various spending commitments and a relaxation in the austerity programme. This will provide some support to the economy and, conversely, take some pressure off the MPC to cut Bank Rate to support growth.

As for **inflation** itself, CPI has been hovering around the Bank of England's target of 2% during 2019, but fell to 1.7% in August. It is likely to remain close to 2% over the next two years and so it does not pose any immediate concern to the MPC at the

current time. However, if there was a no deal Brexit, inflation could rise towards 4%, primarily as a result of imported inflation on the back of a weakening pound.

With regard to the **labour market,** despite the contraction in quarterly GDP growth of -0.2% q/q, (+1.3% y/y), in quarter 2, employment continued to rise, but at only a muted rate of 31,000 in the three months to July after having risen by no less than 115,000 in quarter 2 itself: the latter figure, in particular, suggests that firms are preparing to expand output and suggests there could be a return to positive growth in quarter 3. Unemployment continued at a 44 year low of 3.8% on the Independent Labour Organisation measure in July and the participation rate of 76.1% achieved a new all-time high. Job vacancies fell for a seventh consecutive month after having previously hit record levels. However, with unemployment continuing to fall, this month by 11,000, employers will still be having difficulty filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to a high point of 3.9% in June before easing back slightly to 3.8% in July, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 2.1%. As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. The latest GDP statistics also included a revision of the savings ratio from 4.1% to 6.4% which provides reassurance that consumers' balance sheets are not over stretched and so will be able to support growth going forward. This would then mean that the MPC will need to consider carefully at what point to take action to raise Bank Rate if there is an agreed Brexit deal, as the recent pick-up in wage costs is consistent with a rise in core services inflation to more than 4% in 2020.
In the **political arena**, if there is a general election soon, this could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up although, conversely, a weak international backdrop could provide further support for low yielding government bonds and gilts.

USA. President Trump's massive easing of fiscal policy in 2018 fuelled a temporary boost in consumption in that year which generated an upturn in the rate of strong growth to 2.9% y/y. Growth in 2019 has been falling back after a strong start in quarter 1 at 3.1%, (annualised rate), to 2.0% in quarter 2. Quarter 3 is expected to fall further. The strong growth in employment numbers during 2018 has reversed into a falling trend during 2019, indicating that the economy is cooling, while inflationary pressures are also weakening The Fed finished its series of increases in rates to 2.25 – 2.50% in December 2018. In July 2019, it cut rates by 0.25% as a 'midterm adjustment' but flagged up that this was not to be seen as the start of a series of cuts to ward off a downturn in growth. It also ended its programme of quantitative tightening in August, (reducing its holdings of treasuries etc). It then cut rates again in September to 1.75% - 2.00% and is thought likely to cut another 25 bps in December. Investor confidence has been badly rattled by the progressive ramping up of increases in tariffs President Trump has made on Chinese imports and China has responded with increases in tariffs on American imports. This trade war is seen as depressing US, Chinese and world growth. In the EU, it is also particularly impacting Germany as exports of goods and services are equivalent to 46% of total

GDP. It will also impact developing countries dependent on exporting commodities to China.

EUROZONE. Growth has been slowing from +1.8 % during 2018 to around half of that in 2019. Growth was +0.4% q/q (+1.2% y/y) in quarter 1 and then fell to +0.2% q/q (+1.0% y/y) in quarter 2; there appears to be little upside potential to the growth rate in the rest of 2019. German GDP growth fell to -0.1% in quarter 2; industrial production was down 4% y/y in June with car production down 10% y/y. Germany would be particularly vulnerable to a no deal Brexit depressing exports further and if President Trump imposes tariffs on EU produced cars. The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity supporting world financial markets by purchases of debt. However, the downturn in EZ growth in the second half of 2018 and into 2019, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), has prompted the ECB to take new measures to stimulate growth. At its March meeting it said that it expected to leave interest rates at their present levels "at least through the end of 2019", but that was of little help to boosting growth in the near term. Consequently, it announced a third round of TLTROs; this provides banks with cheap borrowing every three months from September 2019 until March 2021 which means that, although they will have only a two-year maturity, the Bank is making funds available until 2023, two years later than under its previous policy. As with the last round, the new TLTROs will include an incentive to encourage bank lending, and they will be capped at 30% of a bank's eligible loans. However, since then, the downturn in EZ and world growth has gathered momentum so at its meeting on 12 September, it cut its deposit rate further into negative territory, from -0.4% to -0.5%, and announced a resumption of quantitative easing purchases of debt. It also increased the maturity of the third round of TLTROs from two to three years. However, it is doubtful whether this loosening of monetary policy will have much impact on growth and unsurprisingly, the ECB stated that governments will need to help stimulate growth by fiscal policy. On the political front, Austria, Spain and Italy are in the throes of forming coalition governments with some unlikely combinations of parties i.e. this raises questions around their likely endurance. The recent results of two German state elections will put further pressure on the frail German CDU/SDP coalition government.

CHINA. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress also still needs to be made to eliminate excess industrial capacity and to switch investment from property construction and infrastructure to consumer goods production. The trade war with the US does not appear currently to have had a significant effect on GDP growth as some of the impact of tariffs has been offset by falls in the exchange rate and by transhipping exports through other countries, rather than directly to the US.

JAPAN - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

WORLD GROWTH. The trade war between the US and China is a major concern to financial markets and is depressing worldwide growth, as any downturn in China will spill over into impacting countries supplying raw materials to China. Concerns are focused on the synchronised general weakening of growth in the major economies of the world compounded by fears that there could even be a recession looming up in the US, though this is probably overblown. These concerns have resulted in government bond yields in the developed world falling significantly during 2019. If there were a major worldwide downturn in growth, central banks in most of the major economies will have limited ammunition available, in terms of monetary policy measures, when rates are already very low in most countries, (apart from the US), and there are concerns about how much distortion of financial markets has already occurred with the current levels of quantitative easing purchases of debt by central banks. The latest PMI survey statistics of economic health for the US, UK, EU and China have all been sub 50 which gives a forward indication of a downturn in growth; this confirms investor sentiment that the outlook for growth during the rest of this financial year is weak.

Interest rate forecasts

The Council's treasury advisor, Link Asset Services, has provided the following forecast.

This forecast includes the increase in margin over gilt yields of 100bps introduced on 9.10.19.

Link Asset Services Interest Rate View										
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60
5yr PWLB Rate	2.30	2.50	2.60	2.70	2.70	2.80	2.90	3.00	3.00	3.10
10yr PWLB Rate	2.60	2.80	2.90	3.00	3.00	3.10	3.20	3.30	3.30	3.40
25yr PWLB Rate	3.30	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00
50yr PWLB Rate	3.20	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90

The above forecasts have been based on an assumption that there is some sort of muddle through to an agreed deal on Brexit at some point in time. Given the current level of uncertainties, this is a huge assumption and so forecasts may need to be materially reassessed in the light of events over the next few weeks or months.

It has been little surprise that the Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty over Brexit. In its meeting on 1 August, the MPC became more dovish as it was more concerned about the outlook for both the global and domestic economies. That's shown in the policy statement, based on an assumption that there is an agreed deal on Brexit, where the suggestion that rates would need to rise at a "gradual pace and to a limited extent" is now also conditional on "some recovery in global growth". Brexit

uncertainty has had a dampening effect on UK GDP growth in 2019, especially around mid-year. If there were a no deal Brexit, then it is likely that there will be a cut or cuts in Bank Rate to help support economic growth. The September MPC meeting sounded even more concern about world growth and the effect that prolonged Brexit uncertainty is likely to have on growth.

Bond yields / PWLB rates. There has been much speculation recently that we are currently in a bond market bubble. However, given the context that there are heightened expectations that the US could be heading for a recession, and a general background of a downturn in world economic growth, together with inflation generally at low levels in most countries and expected to remain subdued, conditions are ripe for low bond yields. While inflation targeting by the major central banks has been successful over the last thirty years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last thirty years. We have therefore seen over the last year, many bond yields up to ten years in the Eurozone actually turn negative. In addition, there has, at times, been an inversion of bond yields in the US whereby ten year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities. However, stock markets are also currently at high levels as some investors have focused on chasing returns in the context of dismal ultra-low interest rates on cash deposits.

What we saw during the last half year up to 30 September is a near halving of longer term PWLB rates to completely unprecedented historic low levels. *(See paragraph 7 for comments on the increase in margin over gilt yields of 100bps introduced on 9.10.19.)* There is though, an expectation that financial markets have gone too far in their fears about the degree of the downturn in US and world growth. If, as expected, the US only suffers a mild downturn in growth, bond markets in the US are likely to sell off and that would be expected to put upward pressure on bond yields, not only in the US, but due to a correlation between US treasuries and UK gilts, which at various times has been strong but at other times weaker, in the UK. However, forecasting the timing of this and how strong the correlation is likely to be, is very difficult to forecast with any degree of confidence.

One potential danger that may be lurking in investor minds is that Japan has become mired in a twenty year bog of failing to get economic growth and inflation up off the floor, despite a combination of massive monetary and fiscal stimulus by both the central bank and government. Investors could be fretting that this condition might become contagious.

Another danger is that unconventional monetary policy post 2008, (ultra-low interest rates plus quantitative easing), may end up doing more harm than good through prolonged use. Low interest rates have encouraged a debt fuelled boom which now makes it harder for economies to raise interest rates. Negative interest rates could damage the profitability of commercial banks and so impair their ability to lend and / or push them into riskier lending. Banks could also end up holding large amounts of their government's bonds and so create a potential doom loop. (A doom loop would

occur where the credit rating of the debt of a nation was downgraded which would cause bond prices to fall, causing losses on debt portfolios held by banks and insurers, so reducing their capital and forcing them to sell bonds – which, in turn, would cause further falls in their prices etc.). In addition, the financial viability of pension funds could be damaged by low yields on holdings of bonds.

The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably to the downside due to the weight of all the uncertainties over Brexit, as well as a softening global economic picture.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similarly to the downside.

One risk that is both an upside and downside risk is that all central banks are now working in very different economic conditions than before the 2008 financial crash. There has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for eleven years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could, therefore, over or under-do increases in central interest rates.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- **Bank of England** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis.** In 2018, Italy was a major concern due to having a populist coalition government which made a lot of anti-austerity and anti-EU noise. However, in September 2019 there was a major change in the coalition governing Italy which has brought to power a much more EU friendly government; this has eased the pressure on Italian bonds. Only time will tell whether this new unlikely alliance of two very different parties will endure.
- Weak capitalisation of some **European banks**, particularly Italian banks.
- **German minority government.** In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD had a major internal debate as to whether it could continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party's convention in December 2018. However, this makes little practical difference as she has continued as Chancellor, though more recently concerns have arisen over her health.

- **Other minority EU governments.** Austria, Sweden, Spain, Portugal, Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile.
- **Italy, Austria, the Czech Republic and Hungary** now form a strongly anti-immigration bloc within the EU. There has also been rising anti-immigration sentiment in Germany and France.
- There are concerns around the level of **US corporate debt** which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will increase their cost of financing and further negatively impact profits and cash flow.
- **Geopolitical risks,** for example in North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

- **Brexit** – if agreement was reached all round that removed all threats of economic and political disruption between the EU and the UK.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- **UK inflation,** whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

The graphs below show the monthly averages of borrowing and investments outstanding, monthly cashflows and the average month ly cost/return on debt/investments, over a thirteen month period.

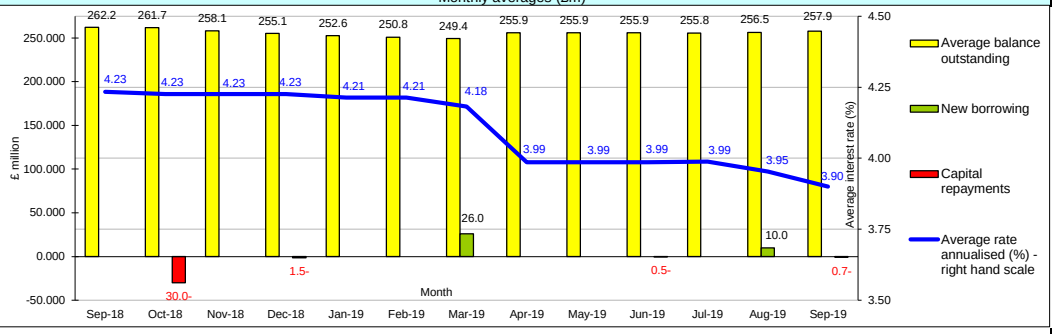
Graph 1

This graph shows the average monthly balance outstanding on long term debt, together with the average cost.

It also shows the amount of new long term debt raised and the repayment of long term borrowing.

Graph 1 Long Term Debt Outstanding

Monthly averages (£m)



Graph 2

This graph shows the average monthly balance outstanding for:

- short term debt

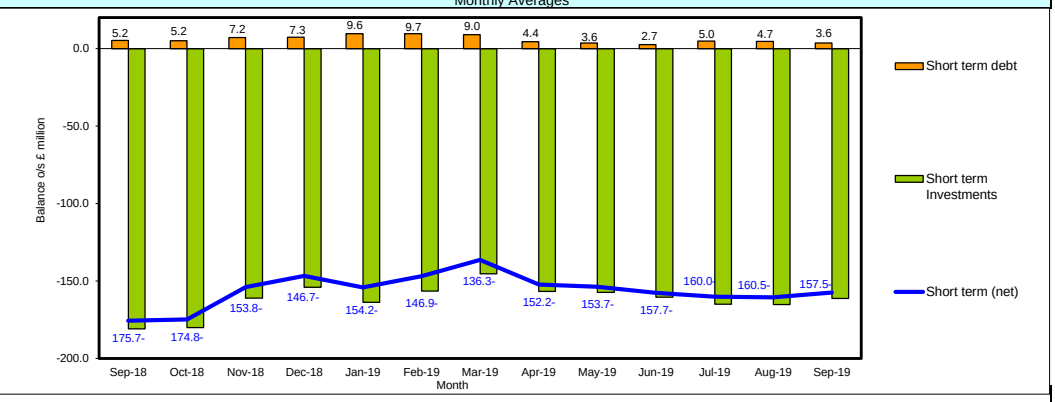
- short term investments

The graph also shows the net monthly cash position, excluding long term borrowing

Short term debt includes the monies held on behalf of South Downs National Park Authority.

Graph 2 - Short Term Borrowing / Investments (all)

Monthly Averages

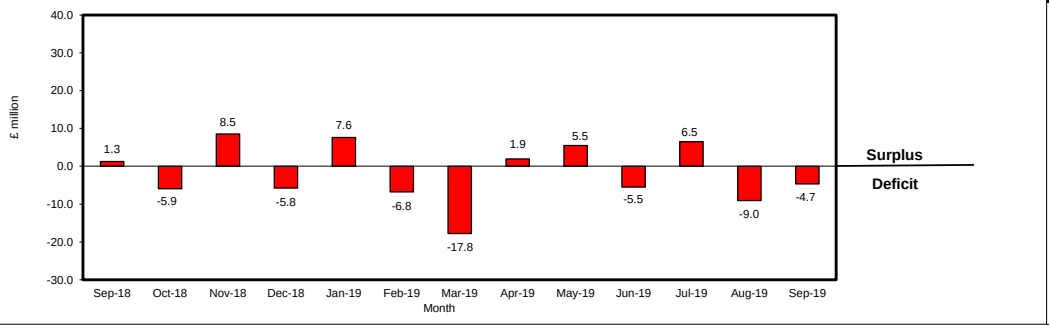


Graph 3

This graph shows the net monthly cash flow position, excluding movement in borrowing and investments.

Cashflow movements have resulted in a deficit for the month.

Graph 3 - Monthly Cash Flows



Graph 4a

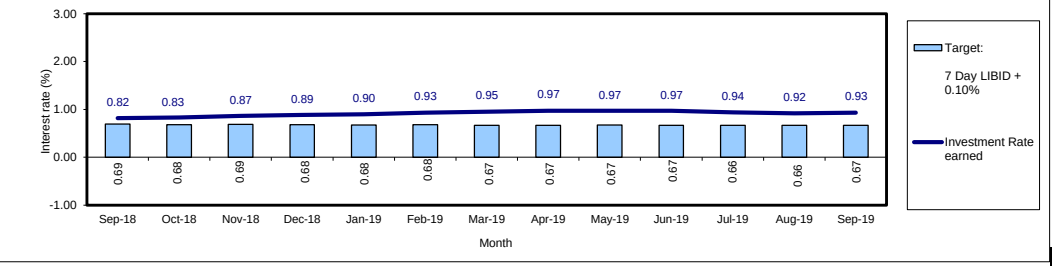
This graph compares the average return on short term investments with the internal benchmark rate for investments.

The target is for the return on short term investments to exceed the 7 Day LIBID by 0.10% in a 12 month period

In house investments continue to meet the benchmark target rate of return.

Graph 4a - Short Term Investments -v- Benchmark Rate (In house)

Monthly averages - annualised (to 2 dec pl)



Graph 4b

The cash manager performance fluctuates due to changes in the value of the investments.

Performance has been above benchmark target levels in 10 of the past 12 months.

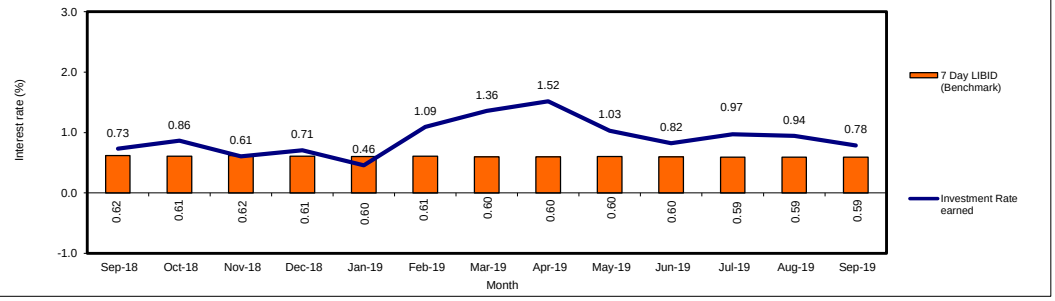
This graph compares the average return on the fund with a benchmark of 7 Day LIBID

The target is for the return on investment to achieve 115% of the benchmark rate within a 3 year rolling period

This graph shows the yield net of fees.

Graph 4b Short Term Investments -v- Benchmark Rate (Cash Managers)

Monthly actuals (to 2 dec pl)



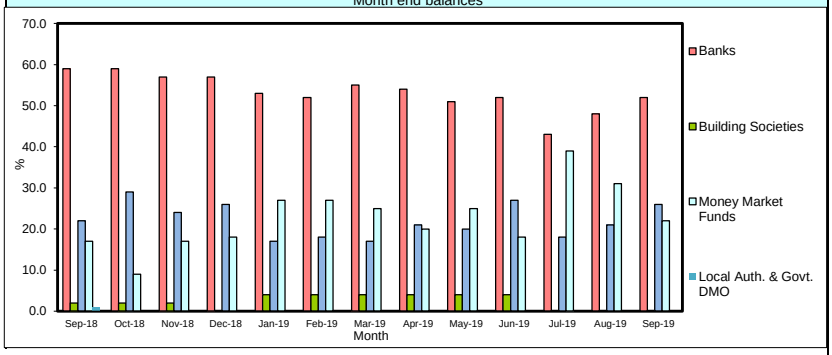
Investments by Sector

The 2019/20 Treasury Strategy Statement states that with the exception of the banking sector and money market funds, no one sector shall have more than 75% of the investment portfolio at the time an investment is made.
As at end of September investments were held as follows:-

	£m	
Aberdeen External Managers	10.00	
In-house Investments - Banks		
Goldman Sachs International Bank	10.000	
Close Brothers	11.000	
Lloyds Bank plc	15.500	
Ntwest Bank plc	9.500	
Santander UK Plc	10.000	
Standard Chartered Bank	3.000	
Commonwealth Bank of Australia	2.000	
Danske Bank	5.000	
Toronto Dominion Bank	5.000	
	71.000	**52.4 %**
Local Authority		
Birmingham City Council	5.000	
Liverpool City Council	5.000	
Plymouth City Council	10.000	
Rushmoor Borough Counci	5.000	
Salford City Council	5.000	
Thurrock Borough Council	5.000	
	35.000	**25.8 %**
Money Market Funds		
Aberdeen Sterling Liquidity Fund	0.824	
BNP Paribas Insticash Sterling Fund	0.838	
CCLA - Public Sector Deposit Fund	0.204	
Insight Sterling Liquidity Fund	13.639	
Federated Short Term Sterling Prime Fund	14.042	
Morgan Stanley Sterling Liquidity Fund	0.006	
	29.553	**21.8 %**
In-house Investments - Building Societies		
None		
	0.000	**0.0 %**
TOTAL - In-house Investments	**135.553**	**100.0 %**

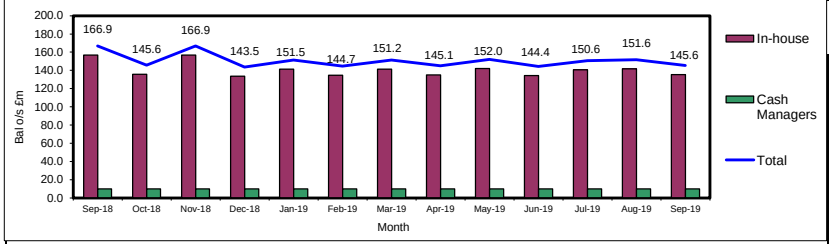
Graph 5a - Investments by Sector (In-house)

Month end balances

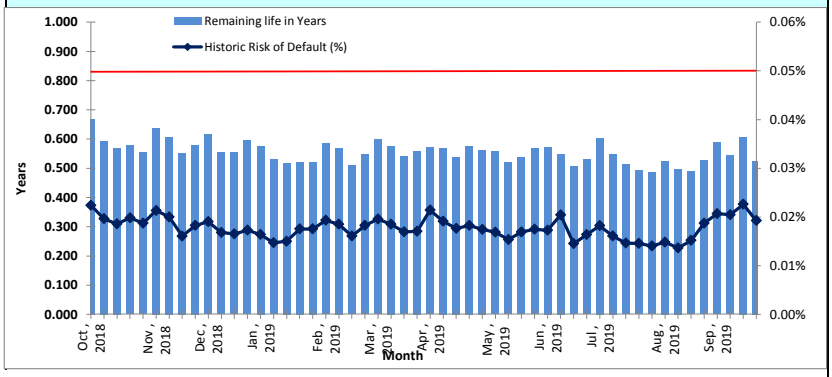


Graph 5b - Investments In-house -v- Cash Manager

Month end balances



Graph 6 - Security & Liquidity of Investments



Graph 6
Members agreed, as part of the 2019/20 Treasury Policy Statement, to set a maximum indicator for risk at 0.05%. Table 6 shows the risk factor experience to be below the maximum set.
The red line shows the agreed maximum benchmark for historic risk of defauly (0.05%), which is plotted to the right axis.

Prudential Indicators (Treasury Management)

The Council sets each year a number of prudential indicators for treasury management. The following tables show that these indicators have not been exceeded in the month of September 2019

Gross Outstanding Debt (£millions)	Debt	PFI
Authorised limit	373	47
Operational boundary	359	47
Minimum o/s	255	-
Maximum o/s	265	-

Variable Rate Debt (%age)	
Maximum limit	40.0
Maximum amount o/s	0.0

(NB. The maximum limit for fixed rate debt is 100% and cannot therefore be breached.)

Debt Maturity Profile (%ages)	<12 mths	1-2 yrs	2-5 yrs	5-10 yrs	>10 yrs
Maximum limit	40.0	30.0	40.0	75.0	100.0
Minimum limit	0.0	0.0	0.0	0.0	50.0
Maximum o/s debt	0.5	0.9	11.0	11.5	76.2

This summary was produced by Corporate Finance & Resources, Financial Services

POLICY & RESOURCES COMMITTEE	Item 79 Brighton & Hove City Council

Subject:		**Draft Revenue Budget & Capital Strategy 2020/21**		
Date of Meeting:		**5 December 2019**		
Report of:		**Executive Director Finance & Resources**		
Contact Officer:	**Name:**	**Nigel Manvell** **James Hengeveld**	**Tel:**	**01273 293104** **01273 291242**
	Email:	nigel.manvell@brighton-hove.gov.uk james.hengeveld@brighton-hove.gov.uk		
Ward(s) affected:		**All**		

FOR GENERAL RELEASE

1 PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report presents the draft budget proposals for 2020/21 together with Medium Term Financial projections. The July Budget report to this committee proposed that savings be identified for the 4-year period to 2023/24, however since that report was considered, the government announced a Spending Review for one year only instead of the expected multi-year announcement. In addition, the expected implementation of the Fair Funding Review and changes to the Business Rates Retention scheme have been delayed until at least 2021/22 and a general election has been called. These events have meant that projections beyond 2020/21 are subject to significant change and therefore the budget process will concentrate on delivering a balanced budget for 2020/21.

1.2 The budget has been developed in the context of the one-year Spending Review announced by the current government in September 2019 for 2020/21 and the draft budget reflects the local impact of that announcement so far is it can be determined at this stage. This includes significant potential resources for Adult Social Care including an allowable 2% Adult Social Care Council Tax precept.

1.3 For later years of the 4-year planning period, the sector will have to wait until the new government announces a Comprehensive Spending Review (CSR) for future years. Subject to the approach of any newly-elected government, the sector is currently awaiting policy direction on the following:

- The Fair Funding Review consultation on the methodology used to derive the national distribution of local government funding and, if implemented, any damping or transitional arrangements to accommodate this;
- The future of the Business Rate Retention (BRR) system which the current government had indicated would increase local retention from 50% to 75%. However, as this was always intended to be fiscally neutral, it is unclear what existing funding this would replace if implemented. A critical element of any change to BRR policy concerns the treatment of any business rate growth in terms of whether or not councils would be able to retain any element of this;
- The long-term funding of Social Care, in particular the detail and impact of the current Green Paper if this is brought to a conclusion;

- The future of the New Homes Bonus scheme and, if continuing, the determination of thresholds any new house building must reach in order to attract the bonus.

In the meantime, medium term financial projections are based largely on rolled-forward funding assumptions for 2021/22 to 2023/24.

1.4 The report also includes information on the latest assessment of the pressures facing priority services in terms of above-inflation increases in costs and growth in demands, particularly in relation to services for vulnerable people such as social care. Estimates of future taxation and tax base resources are also included together with provision for estimated pay, price and employer pension inflationary pressures and uplifts.

1.5 In summary, the draft budget proposals include:

- a planning assumption of a 1.99% Council Tax increase and 2% Adult Social Care precept together with tax base increases generating £8.498m resources;
- a savings programme of £9.665m to support the funding of the following investments and commitments;
- substantial re-investment to meet cost and demand-driven service pressures of £11.569m;
- provision to offset grant losses of £2.225m (mainly New Homes Bonus tapering);
- provision for pay, price and pension inflationary pressures and uplifts of £6.003m;
- provision for unavoidable contractual and financing commitments of £1.518m;
- provision for potential investments arising from previous decisions or intentions of £0.910m;
- provision of a financial risk safety net of £0.750m.

1.6 The Local Government Finance Settlement is not normally made available until December each year, however, due to the forthcoming general election this is likely to be received later in December than normal.

2 RECOMMENDATIONS:

That the Policy & Resources Committee:

2.1 Notes the updated forecasts for resources and expenditure for 2020/21 based on a planning assumption of a 1.99% Council Tax increase and 2.00% Adult Social Care Precept.

2.2 Notes the 2020/21 Budget Plans at Appendix 2 including draft savings proposals for 2020/21 .

2.3 Directs that the draft savings proposals identified at Appendix 2 be subject to further consultation and engagement with all relevant stakeholders as appropriate, meeting all statutory consultation requirements.

2.4 Notes the update on the separate Schools and HRA budget setting processes set out in section 7.

2.5 Notes the Capital Strategy update set out in paragraphs 5.13 to 5.16.

2.6 Agrees the approach to engagement and consultation set out in paragraph 9.4.

2.7 Receives and notes the draft Equality Impact Assessments undertaken in relation to the draft budget proposals.

2.8 Notes that subsequent decisions and information from central government regarding the Local Government Financial Settlement (LGFS) may impact on the proposals in this report.

3 DRAFT BUDGET PROPOSALS 2020/21 TO 2023/24

3.1 In July 2019, this committee received a budget update report indicating that the council was predicting a budget gap of £14.989m taking into account the anticipated level of government grant funding, estimated growth in costs and demands, and estimates of resources available from taxation, including an increase in Council Tax based on the planning assumption of a 1.99% increase. This is currently the maximum allowable increase before triggering a local referendum. Critically, these projections adopted a mid-point risk view in terms of assessing both the level of funding likely to be available and the level of cost and demand increases, referred to as service pressures, particularly in relation to social care services.

3.2 Since July, the current government has announced the outcome of a one year Spending Review which should provisionally provide approximately £5.1m additional Adult Social Care grant funding and will allow a 2% Adult Social Care precept (i.e. a further Council Tax increase) which would generate £2.9m if approved by the Council. The Spending Review has also confirmed that one-off improved Better Care Fund money of £1.7m will be rolled-forward in 2020/21. Together with an inflationary uplift to Revenue Support Grant, this could provide approximately £9.9m additional resources compared to original assumptions.

3.3 Conversely, there has been continuing growth in service pressures across many service areas including adults and children's social care, homelessness and a number of City Environmental Management services. These are estimated to increase the service pressure funding requirement from £8.650m to £11.569m in 2020/21. However, this is a best case forecast and to contain service pressure funding at this level requires in-year action to bring spending trajectories back on track as current 'straight-line' projections indicate that a further £6.7m service pressure funding would otherwise be required next year.

3.4 In July, the Executive Leadership Team (ELT) were therefore instructed to develop a wide range of savings proposals that could potentially address the predicted £14.989m budget gap.. Officers initially developed proposals totalling £14.550m for 2020/21 which were assessed in terms of delivery risk. Those rated as very high risk have subsequently been removed or significantly reduced and in addition savings within Health & Adult Social Care have been removed as this service is under severe pressure and the emphasis will therefore be on a continued focus on managing current demands and costs by ensuring people are maintained in the community and in their own homes as far as practicably possible. This should ensure that all remaining savings proposals are potentially achievable, although this still involves significant risks given that these savings follow on from delivery of over £69m savings per annum over the previous 4 years. The revised set of savings proposals now total £9.665m.

3.5 Further to assessing delivery risk, it is intended that the draft budget proposals are assessed against a set of guiding principles that link to the emerging Corporate Plan to ensure that maintaining or investing in services or, conversely, making

savings in service areas is consistent with these principles as an aid to decision-making. The draft principles suggested will test how proposals:

- Support long-term financial sustainability;
- Contribute to Community Wealth-Building potential;
- Contribute to carbon reduction targets (i.e. zero net carbon);
- Address Housing and Homelessness in the city;
- Support a diverse, welcoming and tolerant city and reducing inequality;
- Support those likely to be impacted by austerity including through welfare reforms and reduced local government funding.

3.6 As the budget progresses toward February Policy & Resources Committee and Budget Council, the draft proposals will be assessed against these principles to determine if the proposals are a reasonable fit. Further information from the provisional Local Government Financial Settlement and/or any funding announcements from a newly-elected government will also need to be considered although the timing of these is very uncertain. If any additional resources are provided, these principles could be used to consider which services to invest in.

3.7 At this stage the overall position is that the budget for 2020/21 can be balanced with the revised savings proposals while also providing for necessary service pressure funding, inflationary cover for pay, price and pension uplifts, unavoidable commitments (mainly financing costs of the capital programme), risk provisions and a number of potential investments emanating from previous decisions or intentions.

3.8 The table below shows how the position has moved since the original 2020/21 estimates were presented to the July committee:

Table 1: Movement of Budget Estimates since July Committee	
Original MTFS Estimates (July Committee):	**£m**
Service Pressures	8.650
Grant funding pressures (losses)	3.958
Commitments	1.806
Pay, Price & Pension Inflationary Uplifts	6.224
Taxation & Tax base increases	-5.649
Estimated Budget Gap (July Committee)	**14.989**
Changes since July Committee:	
Increase in estimated Service Pressures based on current trends	2.919
Spending Review: Reduction in grant losses (iBCF and RSG)*	-1.870
Spending Review: Additional Social Care Grant	-5.119
Spending Review: Allowable Adult Social Care Precept (2%)	-2.900
Change in Pay & Price Inflation estimates	-0.221
Change in estimated commitments	-0.288
Change in estimated tax base and Section 31 Grants	0.188
Draft savings proposals 2020/21	-9.665
Potential Investments (linked to previous decisions or intentions)	0.910
Risk Provision against the financial settlement and general risks	0.750
Balance Available at the Draft Budget Stage	**-0.307**

* The 2019/20 iBCF (one-off improved Better Care Fund) has been rolled-forward (£1.733m). Inflation has been provided on the RSG (Revenue Support Grant) (£0.137m).

3.9 The above table includes 'Potential Investments' that reflect previous committee decisions or intentions. More detail on these investments is provided in the table below:

Table 2: Potential Investments	**£m**
Private Sector Housing Enforcement Policy: Full-year costs of supporting and continuing the Private Sector Housing Enforcement Policy agreed by Housing Committee on 18 Sept 2019.	0.100
Additional Housing Welfare Officers: The 2019/20 budget included additional one-off resources of £0.250m to expand options to support people in emergency and temporary accommodation as recommended by Housing & New Homes Committee and approved by Policy, Resources & Growth Committee on 24 January 2019. The February 2019 budget report stated that: 'It is intended to explore options for funding services on an ongoing basis in the 2020/21 budget process'. The figure has been uplifted for inflationary costs.	0.260
365-day provision of Night Shelter services: The 2019/20 budget also included additional one-off resources of £0.250m to enable a night shelter service to be delivered year-round and enhance existing services to provide a wider range of services aimed at ultimately reducing the number of rough sleepers but in the short term providing support to address current pressures on the service. The February 2019 budget report stated that: 'It is intended to explore options for funding services on an ongoing basis in the 2020/21 budget process'.	0.250
Short Term & Emergency Temporary Accommodation: At its meeting on 13 November 2019, Housing Committee recommended to Policy & Resources Committee that an enhanced model of service provision (Option 2) including improved facilities, services and an enhanced caretaker role should be adopted for newly procured short term and emergency temporary accommodation.	0.300
Total Potential Investments linked to previous intentions or decisions	**0.910**

3.10 Table 1 above also includes a contingent risk provision of £0.750m. This will be reviewed again by the council's Chief Finance Officer as the final budget proposals are drawn up for Budget Council in February 2020. At this stage the risk provision is recommended at this level in order to cover:

- Local Government Financial Settlement risks. Although the Spending Review has been announced, the detailed financial settlement is currently unknown and contains many areas of potential risk including the methodology used to distribute the additional Social Care grant, the distribution of the New Homes Bonus funding pot, and the distribution and level of homelessness grant funding. These can be positive or negative risks including the views of a newly elected government on the settlement.
- Forecast risks: estimates of inflation, service pressures and commitments are based on current trends, including actions to mitigate current overspending, but

can change significantly between the draft budget stage (Dec) and final budget (Feb).

- Savings proposals: many savings proposals inevitably carry delivery and other risks. These are continually monitored but can change over time, particularly as they are consulted on more widely with a wide range of stakeholders, including staff, following publication of the draft budget proposals.

3.11 Overall, the draft budget proposals result in a small positive balance of £0.307m. However, as stated above there are many changes that could increase or decrease this balance. In either case, the principles outlined in paragraph 3.5 could be used to help determine where further investment or increased savings should be focused.

3.12 The feedback from further consultation and engagement following publication of these draft proposals will also be used to adapt the proposals which will be re-submitted to Policy & Resources Committee on 13 February 2020, prior to a final decision by Budget Council on 27 February 2020.

4 RESOURCES AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2020/21

Local Government Finance Settlement and Tax base Forecasts

4.1 The provisional Local Government Finance Settlement (LGFS) for 2020/21 will include confirmation of the council tax 'excessive increase' threshold above which a local referendum would be required. Previously, the government had announced a 4-year settlement in 2015 for 2016/17 through to 2019/20. The government had been planning for major changes to local government finance from 2020/21 through the Fair Funding Review and increasing locally retained Business Rates from 50% to 75%, informed by a multi-year Comprehensive Spending Review.

4.2 However, the Chancellor of the Exchequer announced a one-year Spending Review on the 4th September 2019 which set government Departmental Expenditure Limits for 2020/21. This announcement confirmed the government would not implement the Fair Funding Review or an increase in the proportion of locally retained business rates in 2020/21 but would effectively roll forward the 2019/20 LGFS.

4.3 For local government this included continuing with the Social Care grants allocated in 2019/20 but also provided a further £1 billion nationally in 2020/21 alongside an allowable 2.00% Adult Social Care Precept. The government also announced an increase of £2.6 billion nationally for schools together with £0.7 billion for Special Educational Needs.

4.4 Overall, the Spending Review could potentially improve the council's resources when compared with the resource assumptions reported to this committee in July as follows:

Table 3: Spending Review Assumptions	**£m**
Additional £1bn nationally for Social Care	5.119
Inflation provided on the Revenue Support Grant (RSG)	0.137
Roll forward of one-off improved Better Care Fund (iBCF)	1.733
Allowable Adult Social Care Precept (2%)	2.900
Total	**9.889**

4.5 With a General Election now confirmed for the 12th December and a newly-elected government coming in, the Provisional 2020/21 LGFS is not expected to be announced until well after the 12th December. A newly-elected government could bring revised spending plans, however the settlement will normally need to be announced in December giving little time for change and therefore it is reasonable to assume the provisional settlement for 2020/21 will be substantially based on the Spending Review announcements.

4.6 The final Council Tax Base and Business Rates forecasts for 2020/21 will be presented in separate reports to this committee on the 23 January 2020. The current estimated Council Tax base assumes a net 1.0% increase in 2020/21. This is mainly from increased properties arising from developments across the city. However there are continuing increases in statutory discounts and exemptions that could impact on this overall growth and the latest information available will be used to agree the tax base for the January report. Locally retained Business Rates will normally increase by the September Retail Price Index (RPI), which is 2.4% for 2020/21. The government intends to restrict this increase to the Consumer Price Index (CPI) but the council will be compensated for the reduction in Business Rates income as a result of this policy through additional Section 31 grant. Business Rates income estimates continue to be volatile; the city is seeing new developments bringing in new business rates, however, the continued pressure on the retail sector is creating an increasing number of Company Voluntary Arrangements (CVA), in many cases resulting in reduced business rates liabilities and therefore restricting growth in this funding source.

Latest Position in 2019/20

4.7 Targeted Budget Management (TBM) is the council's system of budget monitoring and the TBM Month 7 (October) report elsewhere on the agenda shows a projected overspend of £3.974m on the General Fund, which includes a projected overspend of £0.061m on the council's share of NHS controlled s75 partnership services. The overall overspend shows an improvement of £0.126m since Month 5 as presented to the Committee in October. The report highlights the need for ongoing mitigating actions, including spending and recruitment controls in services where these are safe and practicable to apply. This is also important for the 2020/21 budget setting process as levels of estimated service pressure funding are predicated on the current year's expenditure trends.

4.8 Resources need to be set aside to cover this overspend to avoid impacting on the 2020/21 position if breakeven cannot be achieved by the year-end. Table 4 in the section on reserves and one-off funding shows what impact this has on one-off resources at this time. The council has a financial risk safety net of £0.855m available to mitigate the position. Preliminary consideration of the impact of the in-year overspend on the service pressure requirements for 2020/21 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.

4.9 The council's share of the net deficit on the Council Tax and Business Rates collection funds is forecast to be £1.596m and must also be funded from one-off resources in the 2020/21 budget. This is also reflected in Table 4.

Reserves Position and One-off Funding

4.10 The working balance is recommended to continue at a minimum of £9.0m to meet general risks applicable to a unitary authority. In addition, there is a financial risk

safety net of £0.855m in 2019/20 giving total resources of £9.855m subject to the council's revenue budget achieving a breakeven position at the year-end.

4.11 The following table identifies potential resources and liabilities that will need to be taken into account in setting the 2020/21 budget. At the draft budget stage, this assumes that spending in 2019/20 will be in line with the TBM Month 7 (October) report projections included elsewhere on this agenda.

4.12 The table below shows an estimated shortfall in resources of £4.648m based on the current TBM (month 7/October) and collection fund positions. The potential one-off requirements identified in the table mean the shortfall in resources increases to £5.048m. This position is expected to change and will be updated for the February budget report. The main factors expected to affect the position are:

- The latest TBM position which will be updated for month 9 (December). Any improvement to the current overspend forecast will increase available one-off resources and vice versa;
- A comprehensive review of reserves and provisions which is undertaken annually as part of the budget process;
- A further review of in-year Collection Fund (tax yield) performance. Any improvement will reduce the shortfall and vice versa.

Table 4: One-off resources, liabilities and potential allocations (as at Month 7/October)	**£m**	**£m**
Unallocated general reserves	+0.167	
Contribution to Local Elections reserve 2023	-0.100	
Sub-total: Balance		+0.067
Revenue Budget position 2019/20 (TBM):		
Forecast outturn overspend (as at TBM Month 7/October)	-3.974	
Offset by original 2019/20 financial risk safety net	+0.855	
Sub-total: Projected Net Position at Outturn 2019/20		-3.119
In-year Collection Fund[1] position 2019/20:		
Estimated 2019/20 council tax collection fund deficit	-1.596	
Estimated business rates retention collection fund 2019/20 surplus	+0.000	
Sub-total: Projected In-year Collection Funds position		-1.596
Projected One-off Resources available at start of 2020/21		**-4.648**
Potential One-off Allocations in 2020/21:		
Allocation to Council Tax Reduction Discretionary Fund	-0.140	
Welfare Reform support	-0.260	
Current One-off Resources shortfall		**-5.048**

[1] Collection Funds are separate accounts where taxation revenues received from the Council Tax and Business Rates are allocated and compared to the expected tax yield for the year.

Fees and Charges

4.13 Fees and charges budgets for 2020/21 are assumed to increase by a standard corporate inflation rate of 2%. This ensures that income is maintained in proportion to net expenditure as pay, prices and pension costs are all expected to be subject to inflationary pressures of at least 2%. Exceptions to this requirement include Penalty Charge Notices (parking fines) where the levels of fines are set by government and cannot be changed independently and Temporary Accommodation rental income which is constrained by Local Housing Allowance rates. Any increase above the standard corporate rate can therefore provide additional resources and contribute to savings.

4.14 In total, Corporate Inflation Provisions require net funding of £6.003m, including actuarial pension increases of £0.570m, in order to ensure that services do not incur real terms reductions.

5 SAVINGS AND SERVICE PRESSURE FUNDING

Service Pressure Funding 2020/21

5.1 Re-investment in essential services is a critical element of the budget proposals. A key part of the budget process involves estimating and predicting the demand and cost of services that are demand-led, statutory and that support vulnerable people or communities. This primarily relates to adults and children's social care, and homelessness but other important services may also experience abnormal cost pressures from time to time.

5.2 In many areas, costs are growing year-on-year due to a range of factors including population demographics, increasing complexity of need, economic and market factors, and other cost factors such as the national living wage and increasing costs of safeguarding. In addition, grant funding changes also create pressures that need to be managed within the budget process. Savings and efficiencies from across council services are therefore identified in order to re-invest these into critical or statutory service areas.

5.3 The July 2019 budget projections for 2020/21, reported to Policy, Resources & Growth Committee, included a re-investment requirement of £12.608m to meet estimated demand, cost and income pressures, including £3.958m to offset anticipated government grant reductions. However, these assumptions have now been revised to take account of the underlying pressures being experienced in the current financial year, particularly in social care services, but also in respect of cost and income pressures across City Environmental Management services. Some of the grant reductions have also been removed as part of the one-year Spending Review.

5.4 The total re-investment required to meet service pressures and grant losses is now estimated to be £13.794m, an increase of £1.186m. These estimates will be further reviewed in light of TBM Month 9 budget monitoring and funding announcements from the Local Government Finance Settlement, expected on 5 December. The proposed re-investment of savings and resources to fund service pressures is set out in the table below:

Table 5: Draft Re-investments (Service Pressures) 2020/21		
Service Area	**£m**	**Description**
Children's Social Care	1.045	To support increasing demand and costs of Looked After Children.
Adults Learning Disabilities	2.020	To support increased demand and costs in community care.
Adult Social Care	2.430	Changes in demand for physical, memory & cognition, and mental Health services.
Adult social Care	1.550	Reductions in CCG partner contributions.
City Environmental Management	0.840	Increased cost of bin collection rounds and fleet management
City Environmental Management	0.250	Income pressures on commercial operations including garden and commercial waste
Commercial Rents	0.100	Similarly, there is an underlying pressure on rental income as lease reviews and renewals have not been able to keep up with inflation.
Sports and Leisure	0.100	There is an expected income pressure from the Council-owned golf courses
Customer Services	0.170	Provision of recurrent funding to support the current model of service requiring enhanced security cover
Housing & Temporary Accommodation (TA)	0.300	Increased costs of TA provision and Seaside Homes rent guarantee
Information Technology & Digital	0.500	Contractual commitments including the Microsoft Enterprise Agreement
Information Governance	0.250	Ongoing increased costs of responding to Subjects Access Requests (SAR's)
Housing Benefits	0.150	Increased cost and number of vulnerable tenants in supported accommodation where housing benefit is not fully funded by government
Life Events	0.265	Income pressures from reduction in demand for Statutory Certificates and the ceasing of the nationality checking service
Corporate	0.780	Reinstatement of sustainable social care budgets
Corporate	0.250	Additional statutory cost of holiday pay for additional hours / overtime and Resident Service Guarantee payments
Other identified pressures	0.569	Across all services
Total Draft Service Pressure Funding	**11.569**	
Estimate as at July	8.650	
Increase since July	2.919	

Grant Funding Pressures:

5.5 In addition to service pressures, a number of potential grant funding pressures were identified in July relating to anticipated grant losses. These losses primarily impact on corporate funding but also included the dropping out of the 2019/20 one-off improved Better Care Fund of £1.733m. The Spending Review confirmed that the

latter would in fact be rolled forward again for 2020/21, therefore reducing grant funding pressures in social care accordingly.

Table 6: Grant Funding Pressures:		
Service Area	**£m**	**Description**
Unringfenced grants	1.048	Loss of Business rates levy funding and other changes to unringfenced grants.
New Homes Bonus Grant	1.177	Expected reduction in grant allocation
Total Draft Grant Funding Pressures	**2.225**	
Estimate as at July	3.958	
Improvement since July	-1.733	

Savings Proposals 2020/21

5.6 Taxation and precept increases together with additional resources provided by the Spending Review are not sufficient to balance the budget due to other grant reductions, the need to provide cover for pay, price and pension uplifts, and the need to provide service pressure funding for demographic pressures, above-inflation cost increases and other increases in demands across statutory services. To balance the budget therefore requires a substantial savings programme as in previous years. In this respect, savings of £9.665m have been identified for consideration in 2020/21 as detailed in Appendix 2.

5.7 Over the previous four years, the council has focused on identifying and delivering savings through its Modernisation Programme supported by significant capital investment. This was enabled by generating capital receipts from the sale of surplus assets to create an invest-to-save budget using the government's capital receipt flexibilities, which allowed capital receipts to be applied to revenue saving projects and programmes.

5.8 It is proposed that investment in Modernisation Programmes continues over the next 4 years as there are not only substantial savings and efficiencies to deliver in 2020/21 but there are predicted to be savings requirements over the following 3 years. Although funding from 2021/22 is highly uncertain, the high level of demographic and demand increases experienced in recent years would suggest that planning for delivery of a reasonable level of savings and efficiencies in future years would be prudent. The council also aims to improve value for money and continue modernising services as a matter of course because this ensures the best use of its resources and contributes to improved customer and digital services.

5.9 At present the government have only extended capital receipt flexibilities to 2021/22 however this could also change. Regardless of this, there are other methods of funding invest-to-save programmes including unsupported borrowing where there is a good business case for doing so. Availability of capital receipts for modernisation is also anticipated to be at a much lower level over the next four years due to high demand for other priority capital investments and fewer assets available or suitable for disposal.

5.10 Given the lower projected level of savings in 2020/21 and potentially over the following 3 years, a proportionately smaller Modernisation Programme of £15 million is proposed over the 4-year period which will provide essential enabling investment as follows:

- **Budget Plans (Invest-to-save):** Based on the experience of the previous 4 years, £2.0m is estimated to be required to support implementation of specific savings and efficiency programmes including service redesigns, recommissioning and process improvements. Investment requirements are currently being reviewed and finalised and will be refreshed each year. This resource will be held in a reserve and only released through review of business cases by the officer Corporate Modernisation Delivery Board. Committee approvals would also be sought where required by Financial Regulations and the council's constitution.

- **Customer Digital:** £3.5m is anticipated to be required over the next 3 years to support ongoing investment in digital infrastructure and applications and to support continued development of the council's digital services and integration of data across systems and services to improve the accessibility, efficiency and ease-of-use of on-line services. The investment is set at a lower level than in the previous four years as the underpinning work to develop the necessary technology platforms has been completed.

- **Modernisation Enablers:** £4.3m is estimated to be required to support ongoing change and modernisation programmes over the 4-year period. This includes everything from an effective project management support team, business improvement analysts, workstyles property team support, investment in 'Our People Promise' and staff development and skills programmes, together with additional specialist support where required. This investment has been scaled down to reflect the lower level of expected budget gaps over the next 4 years.

- **Managing staffing changes**: efficiency programmes and a continual drive for improved value for money will often result in changes in the level or mix of staffing and skills required across the council. Changing staffing levels or skills will often need financial consideration in order to effect voluntary severance for roles or posts no longer required or needing to be replaced with different roles or skills. Estimated resources of £2.0m are required to meet severance costs to manage change.

- **IT Modernisation Investment:** Investment in IT equipment, software, systems and services (e.g. voice and data) is important to enable the organisation to remain secure, resilient and efficient. Historically, the organisation has suffered from long periods of under-investment which has had to be addressed over the last 4 years through approval of large IT Capital Schemes including Windows 10 roll-out, replacement of the Housing and Social Care systems, General Data Protection Regulation upgrades, etc. Minimum IT Modernisation Investment of £3.2m is included here in an attempt to avoid a similar build-up of IT 'investment backlog' by supplementing existing budgets and enabling the council to keep up with necessary infrastructure changes.

5.11 The indicative Modernisation Fund will be kept under review as budget plans develop and spend-to-save opportunities and investment requirements emerge in more detail over the planning period. The indicative profile of Modernisation Fund requirements is shown in the table below.

Table 7: Indicative Modernisation Fund					
Programme Area	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**Total**
	£m	£m	£m	£m	**£m**
Customer Digital	1.750	1.000	0.750	0	**3.500**
Modernisation enablers	1.510	0.920	0.930	0.940	**4.300**
Invest to Save (4-Year Plans)	0.650	0.550	0.450	0.350	**2.000**
Managing staffing changes	0.700	0.500	0.400	0.400	**2.000**
IT Modernisation Investment	0.800	0.800	0.800	0.800	**3.200**
Total	**5.410**	**3.770**	**3.330**	**2.490**	**15.000**

5.12 In 2020/21 the Modernisation Programme will support and enable the proposed savings of £9.665m. The broad categories of modernisation and savings activities are as follows:

Table 8: Savings Programme Areas		
Category	**Rationale**	**Amount (£m)**
Service Delivery Model Changes	Improving value for money can often be achieved through service redesign and remodelling or through re-commissioning or re-providing services in more effective ways based on best practice models and research.	1.545
Efficiency & Other VFM savings	Services can and should strive for cost efficient service delivery that provides good value for money. This means continually exploring opportunities including skills development, process redesign and utilising new technologies or digital investment to improve services and/or reduce operational costs.	4.809
Income Optimisation & Enterprise Strategy	The council continues to explore innovative business opportunities for generating income such as developing new chargeable services, benchmarking fees & charges to alternatives, or vying for public sector service contracts where practicable. Savings through effective procurement and contract management are also important.	2.706
Collaboration	The Orbis Shared Service with Surrey and East Sussex County Councils aims to achieve cost reductions across support functions through scale economies, sharing best practice and investing in improved and integrated processes and teams. Other collaboration opportunities, including procurements, are also explored where these can help to share or reduce overall costs.	0.605
Total Savings 2020/21		**9.665**

Capital Strategy 2020/21

5.13 The revisions to the Prudential Framework last year introduced the requirement for local authorities to produce an additional report called the Capital Strategy which is to be presented and approved by members each year. The purpose of the Capital Strategy is to provide a single place for transparency and accountability of local authority non-financial investments and its capital investment programme, including any commercial investments in commercial property or loans to third parties.

5.14 The aim of the Capital Strategy is to ensure members are fully conversant with the risks of non-financial investments and are aware of how the risks are proportional to the council's core service activity. The document will include:

- The proposed Capital Investment Programme
- The Governance & Risk Framework
- Potential and pending non-financial investments
- An overview of the council's Risk Exposure

5.15 The Modernisation Programme investments above will be incorporated into the full Capital Strategy alongside new and perennial capital investments that will support major regeneration projects, improved transport infrastructure, provision for school places, and major housing improvements and new build programmes. Key decisions are likely to be required in respect of strategic funds including IT & Digital investment, Strategic Investment Funds (supporting regeneration) and Asset Management Funds. The Capital Strategy will form part of the General Fund budget report to ensure that the link between capital and revenue decisions is maintained and ensure that budget resourcing decisions are taken in the context of the full range of proposed revenue and capital budgets, resources, investments and savings.

5.16 As previously, a 5-year capital programme has been developed and will be included in the Medium Term Financial Strategy. The Capital Strategy, including the detailed Capital Investment Programme, will be presented to Policy & Resources Committee and Budget Council in February prioritising the resources available and incorporating the information identified above. A draft high level programme is included at Appendix 3.

Staffing Implications (General Fund Services)

5.17 At this stage in the budget process it is difficult to determine exactly how many posts and staff may be affected by the draft proposals. A broad estimate is that in 2020/21, approximately 56 posts may be removed from the council's staffing structure as a result of the savings proposals set out in Appendix 2. However, actual numbers will be dependent on the detailed options proposed and on the results of formal consultation where required. As previously experienced, it is likely that a significant number of these posts are already being held vacant and some will become vacant through normal turnover.

5.18 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;
- Controlling recruitment and ensuring there is a clear business case for any recruitment activity;
- Managing redeployment at a corporate level and maximising the opportunities for movement across the organisation;

- Managing the use of temporary or agency resources via regular reports to Directorate Management Teams (DMT's).

These measures will remain in place as work with trade unions and staff continues.

5.19 Whilst the focus will be on redeployment of staff, every effort will be made to reduce the impact of the proposals, including offering voluntary severance where appropriate to staff affected by budget proposals on a case by case basis. This targeted voluntary approach to releasing staff in areas undergoing change will be managed to support service redesigns whilst ensuring that the organisation retains the skills that will be needed for the future. The proposed Modernisation Programme funding will be utilised to facilitate this process wherever possible.

6 MEDIUM TERM BUDGET FORECASTS

6.1 The Medium Term Financial Strategy (MTFS) has been revised for 2020/21 to reflect the latest cost, income and demand pressures and includes revised resource assumptions following the Spending Review 2019 together with the planning assumption of a 1.99% Council Tax increase and 2% Adult Social Care precept. For later years, projections are based primarily on rolled-forward settlements in the absence of any other information. Savings for 2020/21 have been incorporated, however the budget gaps for later years will need revisiting when the next Comprehensive Spending Review is announced by a newly-elected government. 2020/21 projections are also likely to change once the final Local Government Finance Settlement is known, alongside potential changes in projections.

6.2 The table below summarises the MTFS estimates and predicted budget gaps for the next 4 years based on 1.99% Council Tax increases.

Table 9:	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Summary MTFS and Budget Gaps	**£m**	**£m**	**£m**	**£m**
Commitments	1.518	0.443	0.291	0.187
Pay, Price & Pension Uplifts	6.003	6.277	6.436	6.609
Service Pressure Funding: for above-inflation costs and demographic demand increases	11.569	5.900	5.900	5.900
Provisions for Grant / Funding reductions to ongoing services	2.225	0.767	0.152	0.397
Net Taxation and Revenue Support Grant increases	-8.498	-5.460	-5.601	-5.744
Additional Grant Funding	-5.119			
Budget Gap before identified savings	**7.698**	**7.927**	**7.178**	**7.349**
Identified Savings	-9.665			
Budget Position (before investments or risk provision)	**-1.967**			
Potential investments	0.910			
Risk provision	0.750			
Remaining Balance Available (-) or Budget Gap (+)	**-0.307**			

7 OTHER FUNDS

Schools Funding and Balances

School Balances

7.1 The level of school balances as at 31/03/19 was £4.225m, an increase of £2.222m from £2.003m as at 31/03/18. The £4.225m balance is split across phases as follows:

Table 10: School Balances

Phase	2018/19 £'000	Percentage of budget 2018/19	2017/18 £'000	Percentage of budget 2017/18
Nursery	64	8.25%	53	8.43%
Primary	3,812	5.15%	2,512	3.48%
Secondary	(11)	(0.02%)	(484)	(0.93%)
Special and Alternative Provision (AP)	360	4.24%	(78)	(0.71%)
Total	4,225	3.14%	2,003	1.47%

Note – Special includes the Connected Hub and Pupil Referral Unit (PRU)

7.2 There are a total of 11 schools (out of 64) with deficit balances, a decrease from 15 as at the end of 2018/19. The split of deficit balances across phases is 6 Primary, 4 Secondary and 1 Special. School budget plans for 2019/20 have incorporated these deficits.

Schools Funding

7.3 Following the recent national Spending Review announcements and the commitment to increase funding for schools, the government has now published more detail regarding the funding arrangements for the 2020/21 financial year. This information shows a 3.9% increase in the unit rates of funding for the Schools Block element of the Dedicated Schools Grant (DSG). This equates to a provisional increase in the Schools Block of approximately £5.2m when compared to 2019/20. The provisional increase for the High Needs Block is £2.701m (10.7%).

7.4 While it remains the Government's intention that a school's budget should be set on the basis of a single national formula, local authorities will continue to determine final funding allocations for schools in 2020/21. The National Funding Formula (NFF) will set notional allocations for each school, which will be aggregated and used to calculate the total schools block received by each local authority.

7.5 Final local authority-level allocations for 2020/21 for the schools, central school services and high needs blocks have not yet been published. The final Schools Block element of funding is due to be published in December and will reflect pupil numbers and other data recorded in the October 2019 census.

7.6 The Schools NFF for 2020/21 will continue to have the same factors as at present, and the government's aim is to implement a formula to address historic underfunding and move to a system where funding is based on need. The key aspects of the background NFF for 2020/21 are:

- the minimum per pupil funding levels will be set at £3,750 for primary schools and £5,000 for secondary schools;

- the funding floor will be set at 1.84% per pupil;
- an increase of 4% to the NFF's core factors; and
- there will be no gains cap within the NFF, unlike the previous two years, so that all schools attract their full core allocations under the formula.

7.7 In 2020/21 local authorities will continue to have discretion over their schools' funding formulae and, in consultation with schools, will ultimately determine allocations in their area. However, as a first step towards hardening the formula, from 2020/21 the government will make the use of the national minimum per pupil funding levels, at the values set in the school NFF, compulsory for local authorities to use within their own funding formulae.

7.8 In addition, two important restrictions will continue in 2020/21:

- Local authorities will continue to set a Minimum Funding Guarantee in their local formulae, which in 2020/21 must be between +0.5% and +1.84%. This is a change and will allow local authorities to mirror the real terms protection in the NFF, which is the Government's expectation.
- Local authorities can only transfer up to 0.5% of their Schools Block to other blocks of the DSG, with Schools Forum approval. To transfer more than this, or any amount without Schools Forum approval, will require a request to be made to the Department for Education.

Housing Revenue Account (HRA)

7.9 The Housing Revenue Account (HRA) is a ring-fenced account which covers the management and maintenance of council owned housing stock. This 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. Although the HRA is not subject to the same funding constraints as the General Fund it still follows the principles of value for money and equally seeks to continuously improve efficiency and achieve cost economies wherever possible. Benchmarking of both service quality and cost with comparator organisations is used extensively to identify opportunities for better efficiency and service delivery.

7.10 The HRA Budget aims to balance the priorities of both the council and council housing residents within the context of the council's Housing Strategy, Housing Revenue Account Asset Management Strategy and the Corporate Plan priorities which set out the overall direction for Housing in the city over a 4 year period.

7.11 The HRA Budget & Investment Programme 2020/21 and the Medium Term Financial Strategy (MTFS) are currently being drafted and will be reported separately to Housing Committee in January 2020, and Policy & Resources Committee and Budget Council in February 2020. The budget will take account of the first year set up and mobilisation costs associated with the new arrangements for the delivery of responsive repairs, empty property refurbishments, planned maintenance and major capital works to council homes when the current contract (with Mears) comes to an end in March 2020. The new service will include the in-house provision of responsive repairs and empty property refurbishment services which will see the transfer of some 160 staff from Mears

7.12 Increasing the supply of affordable housing for rent in the City is a high priority for the Council and therefore the HRA budget for 2020/21 will take account of any resources required to support this growth both in terms of capital resources for building and purchasing new homes and revenue resources to support this work.

7.13 The Welfare Reform and Work Act 2016, included legislation from April 2016 that social housing rents should be reduced by 1% per annum for 4 years (2016/17 to 2019/20). However, from April 2020 government guidance allows for rent increases of up to CPI (at September) plus 1% for five years. However, the level of rent arrears for council tenants has increased during 2018/19 and 2019/20 mainly due to the phasing in of Universal Credit. An action plan is being put in place to try to mitigate this. This is being closely monitored to ensure that this does not become a continuing trend which will endanger the long term resources of the HRA.

7.14 Rents are not calculated to take into account any service charges and only include all charges associated with the occupation of a dwelling, such as maintenance of the building and general housing management services. Service charges are therefore calculated to reflect additional services which may not be provided to every tenant or which may be connected with communal facilities rather than to a particular occupation of a house or flat. Different tenants may receive different types of service reflecting their housing circumstances. All current service charges are reviewed annually to ensure full cost recovery and also to identify any service efficiencies which can be offset against inflationary increases, to keep increases to a minimum.

7.15 HRA Capital Programme

7.16 The capital investment plan for the HRA is mainly funded from direct revenue funding from tenants' rents (and associated rent rebates) as well as the use of retained capital receipts from Right to Buy sales and borrowing for investment in new affordable homes.

7.17 The Capital Programme is a key part of implementing the main aims of the long-term asset management approach, which aims to maximise investment in homes and support reductions in responsive repairs need whilst providing safe, good quality housing and support services, and also supporting new housing supply and financial viability for the HRA. Other assets, such as car parks and garages, receive investment to ensure both health and safety compliance and best use of these assets. The highest priority remains the health and safety of council residents and those visiting or working on council homes. This is a key responsibility, and as such, through the capital programme proposals it is ensured that the investment required is maintained and made available ahead of other investment decisions. The budget will also reflect the need for further health and safety measures to be considered in light of the Grenfell Tower fire and HRA reserves will be reviewed in light of this.

8 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

8.1 The budget process allows all parties to engage in the examination of budget proposals and to put forward viable alternative budget and council tax proposals to Budget Council on 27 February 2020. Budget Council has the opportunity to debate the proposals put forward by this Committee at the same time as any viable alternative proposals.

8.2 Any alternative proposal will need prior assessment by the Section 151 Chief Finance Officer and will not normally be allowed where an estimate is not considered to be robust for one of the following reasons:

i) The risk of not achieving the saving is assessed to be high;

ii) There is insufficient evidence or information to assess the potential saving;

iii) The alternative proposal is adding to or bringing forward an existing saving without further information as to how this can be achieved;

iv) The alternative proposal requires one-off investment or loan financing that cannot be supported;

v) The alternative proposal is beyond the powers and duties of the local authority.

9 COMMUNITY ENGAGEMENT & CONSULTATION

Budget Timetable

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

Table 11 - Remaining 2020/21 Budget Timetable

Date	Meeting/Event	Papers / Activities
After 12 Dec 2019	Announcement	Provisional Local Government Finance Settlement
19 Dec 2019	Full Council	Council Tax Reduction Scheme
15 Jan 2020	Housing Committee	Housing Revenue Account Budget and Capital Programme
23 Jan 2020	Policy & Resources Committee	Council tax base Business Rates tax base
13 Feb 2020	Policy & Resources Committee	TBM Month 9 General Fund and HRA budget reports
27 Feb 2020	Budget Council	General Fund and HRA budget reports

9.2 General information and advice about the council's budget will continue to be provided through the council's web site which provides information and graphics on how money is spent on services, where the money comes from and a summary of the financial challenges ahead.

9.3 The council has also widely publicised its online social media inviting residents and stakeholders to give us their views and ideas on Twitter via #BHBudget. Social media continues to be a key, low cost, mechanism for engaging with residents and other stakeholders. Key proposals from the budget plan will be publicised, along with information about council services, and questions and comments invited from residents immediately following their publication over the period leading to the February Policy & Resources Committee meeting. A summary of response threads will be provided to all political groups.

Other consultation and engagement processes are as follows:

9.4 It is intended to provide an opportunity for key stakeholders, residents and community groups to give feedback and representations to a Finance Leads Surgery with cross-party member representation. This will be arranged during January 2020 and will be held in the Council Chamber to avoid additional costs.

9.5 In the meantime, information will be shared with Strategic Partners and community groups as normal. Local Strategic Partners remain 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, will therefore ensure that information is shared across the sector to assess and mitigate adverse cumulative impacts wherever possible and develop joint actions where appropriate. Engagement with statutory partners will continue on an ongoing basis to further share and understand the potential cumulative impact of budget proposals across the city as they take shape.

9.6 In particular, the council will be engaging fully with the Brighton & Hove Clinical Commissioning Group (CCG) with the intention of aligning the budget processes of the two organisations as far as practicably possible. As with the council, the local CCG is likely to remain under severe financial pressure due to continually increasing demands.

9.7 There are ongoing briefings and discussions with the Economic Partnership that cover potential funding sources and bids, city regeneration, economic growth, employment and apprenticeship strategies. Statutory consultation with Business Ratepayers will also be undertaken as normal.

9.8 For staff, updates will be provided via the council's intranet and formal consultation with Staff and Unions will be undertaken as normal including Departmental Consultative Group (DCG) meetings in November and early December 2019 followed by appropriate consultation with directly affected staff.

9.9 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.

9.10 For information on specific fees and charges proposals please refer to the relevant service committee where proposals are normally considered and approved. The list of meetings is set out in the table below.

Table 12: Approval of Fees & Charges

Fees & Charges Area	Meeting	Date
Licensing and Enforcement	Licensing Committee	28/11/19
Children & Young People	Children, Young People & Skills Committee	13/01/20
Private Sector Housing – HMO Licensing	Housing Committee	15/01/20
Housing Revenue Account	Housing Committee	15/01/20
Planning	Tourism, Equalities, Communities & Culture Committee	16/01/20
Libraries	Tourism, Equalities, Communities & Culture Committee	16/01/20
Seafront, Outdoor Events and Venues	Tourism, Equalities, Communities & Culture Committee	16/01/20
Environmental Health and Trading Standards	Environment, Transport & Sustainability Committee	21/01/20
City Parks and City Clean	Environment, Transport & Sustainability Committee	21/01/20
Parking and Highways	Environment, Transport & Sustainability Committee	21/01/20
Bereavement Services	Environment, Transport & Sustainability Committee	21/01/20
Life Events (excluding Bereavement Services)	Policy & Resources Committee	23/01/20

Table 12: Approval of Fees & Charges		
Fees & Charges Area	**Meeting**	**Date**
Adult Social Care Non-residential care services	Health & Wellbeing Board	29/01/20

Schools Forum Consultation

9.11 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.

9.12 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 Schools Block Working sub-group that works with Education and Skills and Finance colleagues to ensure involvement and engagement of schools representatives in looking at considerations and options as proposals are developed. Annual budget shares will be presented to the 15 January 2020 meeting of the Schools Forum for consultation.

Housing Revenue Account (HRA)

9.13 The HRA follows a separate consultation and engagement process involving relevant stakeholders and tenant representative groups. Details will be set out in the HRA Revenue Budget and Capital Programme report to the 15 January 2020 Housing Committee.

10 CONCLUSION

10.1 The council is under a statutory duty to set its budget and council tax before 11 March each year. This report sets out the latest budget assumptions, process and timetable to meet the statutory duty. The plans cover a 4 year period, however only proposals for 2020/21 and associated council tax decisions require formal approval in February 2020. The Medium Term Financial Strategy is for noting.

11 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

11.1 These are contained within the main body of the report.

Finance Officer Consulted: James Hengeveld *Date: 22/11/19*

Legal Implications:

11.2 Policy & Resources Committee has delegated power to formulate the council's revenue budget proposals and Capital Strategy and to recommend their adoption by full Council as part of the overall budget setting process.

11.3 Any decisions taken as part of the budget setting process are subject to compliance with relevant legal requirements where appropriate before implementation. The draft budget plans and savings proposals contained in the report do not commit the council to implement any specific savings proposal. When specific decisions on budget reductions are necessary, focussed consultations and the full equality implications of doing one thing rather than another will be considered in appropriate detail.

Lawyer Consulted: Elizabeth Culbert *Date: 12/11/19*

Equalities Implications:

11.4 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) and actions to mitigate these negative impacts or promote positive impacts. This is a key part of meeting the requirements of the Act and demonstrating that we are doing so. In law, the potential impacts identified, and how far proposed actions mitigate them, must be given due regard by decision-makers at each stage of the budget-setting process. However, as noted under legal implications above, in setting the budget members are making resourcing decisions which remain subject to compliance with all necessary legal and statutory consultation requirements.

11.5 All proposals with a potential equalities impact in 2020/21 have had an EIA completed (provided in Members' rooms and on-line), and this is cross-referenced within the savings proposals. Staffing EIAs will be completed alongside the formal consultation process on proposed staffing changes and feedback will be provided in the February report.

11.6 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:

11.7 As noted in paragraph 3.5, one of the key principles proposed for assessing the budget proposals, aligned with the Corporate Plan, is whether or not proposals and investments can 'contribute to carbon reduction targets (i.e. zero net carbon)'. This is alongside current sustainability resources and capital investments that support carbon reduction initiatives.

Any Other Significant Implications:

Risk and Opportunity Management Implications:

11.8 The budget proposals may provide risk provisions against the uncertainty of the local government finance settlement, delivery risk across savings proposals and forecast risk on service pressure reinvestments and demands. However, the national and local picture presents growing risks in respect of the pressures on the health & social care system and hospital discharge, the growing problem of homelessness, pressures on children's social care and adoption numbers, and the cumulative impact of welfare reforms, particularly the roll-out of Universal Credit. This indicates that potential risks remain high and that good quality data and analysis will be required to ensure that trends and the impact of interventions can be closely monitored and understood.

11.9 The level of financial risk provisions will need to be reviewed for 2020/21 in the light of the Month 9 budget monitoring position (TBM) and available resources. The level of any risk provisions will clearly need to strike a balance between putting scarce resources to one side when there are growing pressures on service delivery.

11.10 The budget report to February Policy, Resources & Growth Committee will include the Chief Finance Officer's formal assessment of the robustness of estimates in the

budget and the adequacy of reserves and provisions, including an assessment of the need for any additional risk provisions.

SUPPORTING DOCUMENTATION

Appendices:

1. Draft Budget changes from 2019/20 to 2020/21
2. Draft 2020/21 Budget Plans
3. Draft Summary 5 year Capital Programme
4. Draft Budget Equality Impact Assessments

Documents in Members' Rooms

1. Draft Budget Equality Impact Assessments (also available online)

Background Documents

1. Budget files held within Finance
2. Consultation papers

2020/21 BUDGET - Budget changes from 2019/20 to 2020/21								Appendix 1
	2019/20 Adjusted Base £'000	*Inflation £'000*	*Service Pressures £'000*	*Commitments and reinvestment £'000*	*VFM & Other Savings £'000*	*2020/21 Original Budget £'000*	*Change over adjusted base £'000*	*Change over adjusted base %*
Families, Children & Learning	**88,870**	1,897	3,090	40	(3,840)	**90,057**	1,187	1.34
Health & Adult Social Care	**57,755**	1,518	4,020	-	-	**63,293**	5,538	9.59
Economy, Environment & Culture	**38,517**	804	1,916	33	(3,364)	**37,906**	(611)	(1.59)
Housing, Neighbourhoods & Communities	**14,939**	566	441	-	(969)	**14,977**	38	0.25
Finance & Resources	**17,001**	389	916	150	(952)	**17,504**	503	2.96
Strategy, Governance & Law	**4,568**	92	374	60	(290)	**4,804**	236	5.17
Total Directorate Spending	**221,650**	**5,266**	**10,757**	**283**	**(9,415)**	**228,541**	**6,891**	**3.11**
Insurance	**3,069**	38	-	-	-	**3,107**	38	1.24
Capital Financing Costs	**5,659**	-	-	1,105	(250)	**6,514**	855	15.11
Corporate VFM Savings	**(1,000)**	(20)	780	240	-	**-**	1,000	(100.00)
Contingency and Risk Provisions	**526**	199	32	1,160	-	**1,917**	1,391	264.45
Unringfenced Grants	**(26,108)**	-	2,225	(5,739)	-	**(29,622)**	(3,514)	13.46
Levies to External Bodies	**207**	4	-	-	-	**211**	4	1.93
Other Corporate Budgets	**2,339**	(54)	-	670	-	**2,955**	616	26.34
Potential Investments and remaining flexibility	**-**	-	-	1,217	-	**1,217**	1,217	-
NET REVENUE EXPENDITURE	**206,342**	**5,433**	**13,794**	**(1,064)**	**(9,665)**	**214,840**	**8,498**	**4.12**
Contributions to/ from(-) reserves	**(198)**	-	**-**	-	-	**(198)**	-	-
BUDGET REQUIREMENT	**206,144**	**5,433**	**13,794**	**(1,064)**	**(9,665)**	**214,642**	**8,498**	**4.12**
Funded By:								
Revenue Support Grant	**6,523**					**6,660**	137	2.10
Business Rates Local Share	**57,244**					**58,345**	1,101	1.92
Tariff Payment	**(1,165)**					**(1,188)**	(23)	1.97
Business Rates Levy payment	**(137)**					**(80)**	57	(41.61)
Council Tax	**143,679**					**150,905**	7,226	5.03
Total	**206,144**					**214,642**	**8,498**	**4.12**

Draft 2020/21 Budget Plans

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2019/20 Budget Data				2020/21 Saving Plans	
Service Area	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Savings 2020/21**	**Posts Deleted 2020/21**
	£'000	**£'000**	**FTE**	**£'000**	**FTE**
Director of Families, Children & Learning	311	92	4.6	0	0.0
Health, SEN & Disability Services	47,626	39,890	294.1	2,130	0.0
Education & Skills	13,502	7,155	257.2	235	6.4
Children's Safeguarding & Care	42,861	40,371	311.8	1,437	3.5
Quality Assurance & Performance	1,435	1,373	27.9	38	0.0
Families, Children & Learning Total	**105,735**	**88,881**	**895.6**	**3,840**	**9.9**
Adult Social Care	55,423	32,360	483.8	0	0.0
Integrated Commissioning	10,476	8,842	52.3	0	0.0
S75 Sussex Partnership Foundation Trust (SPFT)	24,952	16,345	55.2	0	0.0
Public Health	20,386	0	48.5	0	0.0
Health & Adult Social Care Total	**111,237**	**57,547**	**639.8**	**0**	**0.0**
Transport	38,355	672	178.0	2,306	1.0
City Environmental Management	32,489	29,956	466.1	225	0.0
City Development & Regeneration	5,246	2,555	95.8	155	2.5
Culture, Tourism & Sport	15,825	3,712	207.3	260	0.0
Property & Design	13,924	1,573	108.8	418	5.0
Economy, Environment & Culture Total	**105,839**	**38,467**	**1,056.0**	**3,364**	**8.5**
Housing General Fund	22,049	5,099	111.5	500	0.0
Libraries	5,124	4,605	61.7	89	0.0
Communities, Equalities & Third Sector	3,233	2,772	11.3	175	3.0
Safer Communities	5,020	2,775	76.9	205	3.5
Housing, Neighbourhoods & Communities Total	**35,427**	**15,251**	**261.4**	**969**	**6.5**
Finance (Mobo)	119	65	0.0	0	0.0
Procurement (Mobo)	(416)	(416)	0.0	0	0.0
HR & Organisational Development (Mobo)	725	593	11.8	0	0.0

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2019/20 Budget Data				2020/21 Saving Plans	
Service Area	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Savings 2020/21**	**Posts Deleted 2020/21**
	£'000	**£'000**	**FTE**	**£'000**	**FTE**
IT & D (Mobo)	2,662	2,492	2.3	225	0.0
Revenues & Benefits (Mobo)	7,342	4,784	162.8	250	8.5
Business Operations (Mobo)	(188)	(188)	4.0	0	0.0
Contribution To Orbis	10,516	10,516	312.1	477	9.0
Finance & Resources Total	**20,760**	**17,846**	**493.0**	**952**	**17.5**
Corporate Policy	686	623	6.5	27	0.0
Legal Services	1,691	1,331	51.4	103	2.4
Democratic & Civic Office Services	1,751	1,679	15.8	59	1.4
Life Events	3,733	103	48.2	8	0.0
Performance, Improvement & Programmes	628	628	25.4	49	6.0
Communications	580	564	16.0	44	4.0
Strategy, Governance & Law Total	**9,069**	**4,928**	**163.3**	**290**	**13.8**
Corporately-held Budgets Total	**21,659**	**(10,648)**	**0.0**	**250**	**0**
Grand Total	**409,726**	**212,272**	**3,509.1**	**9,665**	**56.2**

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Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
FAMILIES, CHILDREN & LEARNING						
DIRECTOR OF FAMILIES, CHILDREN & LEARNING						
Director of Families, Children and Learning	Salary and directorate support costs for the Director and support staff	311	92	4.6		0
Director of Families, Children & Learning Total		**311**	**92**	**4.6**		**0**
HEALTH, SEN & DISABILITY SERVICES						
Services for children with disabilities	Residential, respite and short breaks.	1,773	1,253	46.4	Review of use of in-house provision and respite to extend the range of options for parents with more emphasis on extended day, evening and weekend activities - overnight respite would still be available for those in most need and where children require shared care. See EIA 1.	20
Services for children with disabilities and Adults with learning disabilities	Management, assessment, operations and admin	2,119	2,019	50.8		0
Services for children with disabilities	Direct payments	819	462	0.0		0
Services for children with disabilities	Family support services	294	234	3.2		0
Services for children with disabilities	Contracted services, adaptations, management	766	664	0.0	Possible re-negotiation / re-tendering / bringing in-house Children's Disability Service contracts. Calculated at 10% of current contract value. This is linked to more bespoke commissioning relating to the Health, SEN and Disability branch.	70
Agency disability	Independent and non maintained children's homes, special schools and boarding school placements	1,089	724	0.0		0
Special educational needs	Special Educational Needs	786	252	19.0		0
Inclusion Support Service	Inclusion Support Service. Including Educational Psychology Service and Child & Adolescent Mental Health Services (CAMHS)	1,301	328	30.8	Full traded service established with schools. Buyback in 2020/21 will be on a full-year basis and this should facilitate savings in core budget provision. Failure to achieve full buyback may impact on service levels leading to a possible review of staffing.	70
Community Care (Adults) including: Community Support	Learning Disabilities	32,986	29,331	0.0	Savings in 2020/21 are proposed through a number of targeted strategies.	1,970

Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
Day Care Direct Payments Home Care Shared Lives Supported Accommodation Residential Care Nursing Care					The 'Move On' project has been very successful in supporting adults with LD to move on from high cost placements into new living arrangements which have enabled them to experience greater independence and control over their lives. It is anticipated that a further saving could be achieved using this strategy whilst maintaining positive outcomes for service users. Review of transport arrangements for clients aged between 18 and 25 attending education provision. Seek appropriate funding for clients from external agencies such as Health, particularly through Continuing Healthcare (CHC) funding. Review of existing block contracts for recently outsourced services, in particular through a review of client needs where over provision currently exists, and better utilisation of voids. Better planning of arrangements for new service users, in particular clients transitioning from Children's social care. The recently established 14-25 social work pod within the service will seek to provide a greater focus on this high cost area. Use of internal dedicated resource to re-assess direct payment levels. Utilisation of voids in external contracts. There are some risks in these strategies - to reduce fees or restrict fee increases paid to providers there may be a risk of providers terminating contracts, and closure of services. To reduce level of support within individual care packages the council would be at risk of not fulfilling statutory duties, experiencing a breakdown of packages and putting a greater pressure on carers. In addition to the savings identified the Council has identified budget pressures based on the anticipated increase in costs for current and future clients. See EIA 2.	

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
Learning Disabilities - Community Support (Adults)	Community Support Service	193	173	5.1		0
Learning Disabilities - Day Services (Adults)	Learning Disabilities Day Options	721	697	21.9		0
Learning Disabilities - Residential (Adults)	In house Residential and Supported Living	3,871	2,925	94.5		0
Learning Disabilities - Residential (Adults)	Respite Services	908	828	22.4		0
Learning Disabilities - Shared Lives (Adults)	Shared Lives Service	Budget included above	Budget included above			0
Learning Disabilities - Supported Accommodation (Adults)	Registered Supported Living (8 Services)	Budget included above	Budget included above			0
Health,SEN & Disability Services Total		**47,626**	**39,890**	**294.1**		**2,130**
EDUCATION & SKILLS						
Schools PFI	PFI budget for 3 schools	2,370	(40)	0.0		0
Standards & Achievement	Core school intervention team, commissioned school partnership advisers (this funding previously was part of the Education Services Grant - please see below). Note: Income of £76k from services to schools has been netted off within the gross budget.	342	342	3.1	Service provides a range of statutory functions including school improvement, intervening if a school is failing or at risk of failure, assessment, Religious Education (RE) and Personal, Social Health and Citizens Education (PSHCE). Key focus promoting high standards (particularly for disadvantaged), includes facilitating and leading the education partnership; supporting Head appointment, liaison with Ofsted and working with partnerships and individual schools to maintain and improve standards. Team intervenes when schools are at risk of failure (schools causing concern). The saving is predicated on assumption that Brighton & Hove maintain a high percentage of schools judged by Ofsted to be Good and Outstanding as this minimises need for interventions. Currently 1 inadequate and 5 Requires Improvement (RI) schools. Saving will reduce financial support and intervention to schools causing concern who are currently not RI or inadequate. This is currently a manageable risk	25

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					Risks: - Insufficient intervention means more schools moved to RI or Inadequate (and academisation forced) (medium) - Negative effect on all educational outcomes as school Improvement activity is reduced in schools because schools prioritise funding on day to day operations (low) • Statutory functions in RE or PSHCE or assessment monitoring cannot take place to meet requirement. Equalities that may not take place in same way which exposes the council to reputational risk. (low) • City Education Partnership fails due to lack of capacity to lead (low) • If it is perceived that the whole package of support to schools is reducing, schools may look more to academy chains as an alternative (low)	
Governor Support	This service provides challenge and support to governors to fulfil the statutory role as a LA. It also provides a high quality traded service which has a high percentage buy back from schools. Note: Income of £100k from services to schools has been netted off within the gross budget.	32	29	2.6	Savings to be achieved by increasing cost of Governor service and Newly Qualified Teacher (NQT) SLA and selling service to out of authority schools. Selling more out of authority unlikely and already at a max without having more resource to work further afield. Risk: - Impact upon ability to provide statutory parts of Governance duties including appointment and induction - Adverse impact on school and ability to provide Head Teacher training, induction of new Heads, website checks. - Increase in cost of NQT service(by c.30%) runs risk of customers in and out of authority seeking service from another authority or institution - high risk. (there are competitors who could provide service cheaper); - Increase in cost of Governor service (by c. 20%). Risk that service would not be brought by schools or be sought from another authority or institution. Could result in school improvement concern	29

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Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
School Improvement Monitoring Grant		225	0	0.0	This grant was introduced when a decision was made by central government to not implement the white paper. This grant is temporary and until there is clearer direction as to education strategy nationally we do not know whether it will continue beyond this academic year. Effectively the grant enables the LA to monitor schools but also intervene when schools are causing concern or at risk of failure.	0
School Organisation and Admissions.	This includes our staff and support to deliver on our statutory school organisation and admissions role and management and leadership of school meals and all other statutory school organisation functions. Note: Income of £110k from services to schools has been netted off within the gross budget.	127	74	10.5	There are no proposed savings to this budget given the need to deliver the statutory responsibilities around school organisation and admissions.	0
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.	2,415	2,375	1.1		0
Other Services/Management	The Virtual School.	55	17	0.0		0
Other Services/Management	Branch Leadership and Management	114	114	3.0	Additional reduction in admin support for education and skills branch	8
Other Services/Management	Redundancy & Asset management	(82)	(231)	0.0		0
Other Services/Management	Education and Traded services support	23	(30)	1.0		0

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Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
Youth Services	The Council run Youth Participation Team deliver citywide youth participation and advocacy which supports wider engagement but also targets more vulnerable groups of young people. The Youth Grants Programme funds voluntary sector providers to run neighbourhood and equality youth services in targeted areas across the city. The Youth Led Grants programme funds small, one year projects	1,034	705	12.2	To consider future funding following the outcome of the Preventative Review. At present the Housing Revenue Account contributes £250k to the funding for Youth Grants. This funding has not yet been confirmed for April 2020 onwards.	0
Early Years - Children's Centres	City-wide service co-located with health visiting which aims to improve outcomes for children under 5. Seven designated Children's Centre's and delivery points across the city.	1,485	1,451	40.6	There was a review of children's centres in 2015 with a public consultation and reductions in funding. The number of designated children's centres was reduced to seven. The smaller children's centres were retained as linked sites with reduced activities. Since then small efficiency savings have been made to reduce costs. No further savings are proposed.	0
Early Years Nurseries	Subsidy for the Council run nurseries (Acorn, Bright Start, Cherry Tree, Jump Start, Roundabout, Pavilion and Sun Valley) and Tarnerland Nursery School. The nurseries provide free childcare places for 2, 3 and 4 year olds and childcare that parents pay for. 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.	1,656	554	101.0	The Council receives a low level of funding from the Government for free childcare and has to subsidise the costs of the nurseries. The Council was given notice to terminate the lease for Sun Valley Nursery at the Valley Social Centre in October 2019 so the subsidy for the nursery will no longer be needed. The children and staff moved to the nearby Roundabout Nursery in September. Roundabout Nursey is a popular nursery which is also run by the council and has an outstanding Ofsted rating. A new nursery is being opened by Whitehawk Academy and will provide additional places so there will continue to be sufficient childcare places in Whitehawk.	34

Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
Early Years - Childcare	Support for nurseries, childminders, out of school childcare, childcare workforce training, and management and administration of free early years entitlement for 2/3/4 year olds. Statutory duty to secure sufficient childcare places and information, advice and training to childcare providers.	347	233	5.7	To charge for in depth quality improvement support (£5k) for providers judged good or better by Ofsted with low numbers of disadvantaged children. The risk is that providers will choose not to pay for this support. To start charging childcare providers for safeguarding training (£7k). This risk is that fewer providers will attend training and knowledge of safeguarding will reduce. All other courses are already charged for. To use a different source of funding (the Dedicated Schools Grant) to support quality improvement for early years providers with less than good Ofsted inspections (£20k). See EIA 3.	32
Early Help - Integrated Team for Families (ITF) and Parenting Service (including the Troubled Families Grant)	The ITF & Parenting Service work with families with children of all ages who have multiple complex needs that generally fall just below the social work threshold, including Family Coaching, specific interventions and group work programmes. The Parenting Service delivers evidence based group and 1-1 parenting interventions. Much of this service is funded by the Troubled Families Grant. Brighton & Hove has been successful in gaining 'Earned Autonomy' which has provided greater certainty of funding until 2020 and reduced our reporting requirements	1,757	557	26.1	There are no proposals for changes because of the uncertainty of the funding from the Government's Troubled Families Programme.	0
Skills & Employment	This team supports • Adult Education Budget & Community Learning • Post-16	542	109	7.1	Key statutory function is to ensure that the mix and balance of provision for 16-19 year olds meets the needs of young people in the city, particularly for vulnerable groups; governance and compliance of the council's Adult Education	0

Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
					and community learning budgets; to ensure the delivery of the City Employment and Skills Plan (CESP). The CESP has three key priorities- No-one Left Behind, Learn to Earn and Benefitting from Business Growth- the third being an Economic Development priority. No savings proposed.	
Skills & Employment	This team supports: • Youth Employability Service • Supported Employment Team • Able & Willing Placements Scheme	945	828	34.2	The Youth Employability Service (YES) has been very successful in ensuring that the number of young people not in education, employment and training in Brighton & Hove is relatively low. This means that young people have a good start on the their employment journey. In January 2019, The Children, Young People and Skills Committee agreed that the future delivery model of Able & Willing be changed to a rolling work placement programme matching suitable placements within council services for candidates who are disabled. The council's Supported Employment Team (SET) work with local people who have disabilities, including learning disabilities, helping them seek and maintain employment. Although there is no statutory requirement to deliver the SET services, there is an ongoing administration commitment to support those furthest from the labour market into work. At budget council in February 2018 an additional pot of funding was allocated to support those aged 18-24 into work. The team provides support to the employee, the employer and work colleagues through training, job coaching and advice. The SET work much closer with the YES to deliver the council's objective to target young people with SEND, in order to increase the percentage who are able to access sustainable employment. It is proposed that savings will be identified through a redesign of these services, with specific focus on rationalising the management arrangements across the 2 services. Delivery risk – low. See EIA 4.	102
Skills & Employment	Apprenticeship Team	125	125	1.0	The apprenticeship team is focussed on ensuring that council services (including schools) maximise the number of apprenticeship take-ups of all ages so that the Council is able to access its own funds via the Apprenticeship levy which is £2m (as at August 2019). The council must also have 'due	0

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					regard' to public sector targets, 2.3% of the workforce head-count as starts per year. The team are also responsible for the transfer of levy funds to Small and Medium Sized Enterprises (SME's) in the city linking to the CESP priorities. No savings proposed.	
Print & Sign	Print & Sign Unit	(10)	(57)	8.0	This service is entirely funded by work it carries out on a cost recovery basis. There is a small saving derived from staff changes and increased work. Delivery risk - low	5
Education & Skills Total		**13,502**	**7,155**	**257.2**		**235**
CHILDREN'S SAFEGUARDING & CARE						
Fostering & Adoption	Payments to in-house carers for fostered and adopted children.	7,562	7,562	0.0	Reduction in need for inter-agency adoption placements given reducing demand (arising from model of social work practice and reducing numbers of children in care). Delivery risk: Increase in numbers of children requiring adoptive placements will result in need for increase in use of inter agency placements.	0
Fostering & Adoption	Staffing teams assessing and supporting foster carers and potential adopters. Allowances paid to Adopters	3,956	3,832	59.9		130
Social Work & Legal	Social work staffing teams.	9,535	9,535	181.4	Review of administration of Child Protection conferences to a IT&D based approach will result in Business Support savings. Delivery Risk - minimal	90
Social Work & Legal	Expenditure incurred under section 17 & 18 of the 1989 Children Act.	557	557	0.0	Budget ensures that the Council is able to fulfil its statutory duties to support families in need. Effective budget management (achieved by devolving budgets) has resulted in an underspend on Section 17 budget line. Delivery Risk - Reduction in Section 17 spending will reduce ability to support families resulting in possible escalation of need. This is offset by current underspend across Section 17 budgets.	130
Social Work & Legal	Legal costs relating to assessment and court fees.	925	925	0.0	Modest savings proposed given reduction in care applications Delivery Risk - minimal given reduction in care applications	75
Contact Service	Family contact for children in care (CiC) and children in need (CIN)	799	799	5.7	The service co-ordinates, supports and supervises court ordered parental and family contact with children in care and children in need. Service redesign has resulted in significant savings in previous years. Review of sessional worker use and their transportation costs	30

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					should result in modest savings. Delivery Risk - minimal given reducing numbers of Children in Care.	
Care Leavers	Services for 18-24 year olds leaving care, including staying put and ex-asylum seekers.	3,642	3,017	9.0	No savings proposed given increased responsibilities to care leavers up to age 25 and existing pressures on budget	0
Agency Placements	Residential, fostering and secure placements for looked after children provided by external agencies	12,259	11,139	4.0	Project to increase the number of in house foster placements and reduce reliance on more expensive independent provider provision is ongoing. Provision of high quality, value for money provision through contracted services with external providers supported by the children's services framework contract arrangements and preferred provider guidelines. In addition to the savings proposed there is pressure funding of £475k in 20-21 to cover future anticipated increased costs for existing clients. Relationship based social work practice and the specialist adolescence service is contributing to diverting children from the care system, and for those already in care, a stepping down to in house and/or less expensive placements. The overall number of children in care has continued to reduce locally (in the context of a national increase) and close scrutiny of placement costs, together with an increase in in-house foster carers is contributing to a reduction in unit costs. Work streams: Increasing number of in house foster carers and those able to provide support to more complex children; Increasing and extending preferred provider options for the Local Authority in partnership across the South East; Developing in house capacity with regards Supported Lodgings and Unaccompanied Asylum Seeking Children (UASC) - an area of increasing demand and unit costs. Review of Special Guardianship Order (SGO) allowances and reducing by child benefit amounts to bring payments in line with East & West Sussex will result in savings. Delivery	907

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					Risk: This is a high cost service where the failure of effective prevention and demand management will not only impact on the achievement of cost reduction but is likely to be of corporate financial significance to the council's challenging medium term financial position. The proposals set out here assume that other pressures on this budget will be met across the overall budget. A small number of adolescents with very significant needs continue to provide pressure on these budgets combined with a national shortage of placements. Impact on Outcomes: Improved practice model prevents children needing care and contributes to improved outcomes for young people. Demand management has implications for managing risk effectively to meet safeguarding requirements and statutory duties. See EIA 5.	
Agency Placements	Residential, fostering and secure placements for looked after children provided by external agencies	As above	As above		Invest to save proposal for "pop up" registered provision to provide emergency short term accommodation for young people who otherwise would be placed in unregistered and expensive placements (cost at least £6.5k per week) whilst appropriate accommodation identified. Will require corporate investment and delay until 21/22 in identified savings being achieved given time required to purchase and set up provision (e.g. Ofsted registration; registered manager; staffing) Delivery risk - high. Will involve securing appropriate accommodation within short timescales and having available sessional work staff to operate "pop up" provision.	0
Adolescent Service	Support and supervision to young people at risk of exploitation, some of whom are at risk of becoming involved in the Criminal Justice System and preventative work for children	2,310	1,788	40.9	The adolescent service brings together a number of different teams who work with higher risk young people. It has been successful in ensuring that needs are largely met and has reduced the funding pressures arising from this group of young people. No savings proposed	0

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	and young people at risk of becoming involved in offending.					
Family Support Services	Family group conferences and intensive intervention initiatives	413	382	4.7	Maintaining investment in this preventive service area is critical for effective demand management. Family Group Conferencing is used to identify alternative means to meet the needs of families who are facing difficulties and so avoid the need for a child to be brought into care. No savings proposed	0
Partners in Change (PIC) Hub & specialist assessments	Lead practitioners and adult workers supporting social workers to manage risk effectively within families; specialist assessments to support social work decision making	903	835	6.2	Review of domestic abuse perpetrator programme to move from group work delivery model to relationship based individual work supported by PIC Hub. Review of Looking Forward project overall and reduction in seconded post from Oasis. Delivery risk - low. Changes will fit with model of social work practice See EIA 6.	75
Children's Safeguarding & Care Total		**42,861**	**40,371**	**311.8**		**1,437**
QUALITY ASSURANCE & PERFORMANCE						
Children's Safeguarding & Quality Assurance	Specific child protection services, the Brighton & Hove Safeguarding Children's Partnership (BHSCP) and independent reviewing officers. Note: Income of £45k from services to schools has been netted off within the gross budget.	1,435	1,373	27.9	BHSCP management and admin is a statutory multi-agency funded safeguarding function. Child protection services and Independent Reviewing Officers are statutory services with high caseloads and increasing demands. Increase in funding from safeguarding partners will result in BHCC contribution to Safeguarding Children's Partnership to be made.	38
Quality Assurance & Performance Total		**1,435**	**1,373**	**27.9**		**38**
Families, Children & Learning Total		**105,735**	**88,881**	**895.6**		**3,840**

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		£'000	**£'000**	**FTE**		**£'000**
HEALTH & ADULT SOCIAL CARE						
ADULT SOCIAL CARE						
Community Care budget funding packages of care to meet statutory responsibilities across adult care groups apart from Learning Disability and Mental Health. Services include; community support, home care, supported accommodation, residential and nursing care.	Physical Support & Sensory Support	33,797	19,313	0.0	Through the new way of working Health and Adult Social Care will be focusing upon reducing demand through a number of approaches: increasing access to advice and information, development of asset based social work maximising community support mechanisms, integration with health colleagues, both commissioning and front line delivery, to provide a better joined up service to customers/patients. We will focus on admission avoidance and enabling flow from the hospital, ensuring people are maintained in community settings where possible.	0
Assessment & Support and Intervention Team (SIT) Social Work teams delivering statutory duties under the Care Act to assess eligible needs, intervene where people are at risk to themselves, others or the community. Deliver statutory duties under the Mental Capacity Act, Safeguarding Vulnerable Adults, Deprivation of Liberty Safeguards (DoL's)	Assistant Director Community Short Term Services Social Work Team Access Point Financial Assessments Rapid Response Team Hospital Discharge Service Acute Planned Response Service Carers Development Team Assessment and Reablement Deprivation of Liberty Safeguarding team Independent Living Carelink	9,828	7,712	222.6	This will include working closely with the Clinical Commissioning Group (CCG), and Health Trusts to apply genuine integration principles that will facilitate a more streamlined pathway delivering a reduced need for both the number and size of ongoing packages of care and placements leading to a reconfiguration of the current level of bedded provision and Home-Based Care. We will carry out a review of our use of Craven Vale and Independence at Home to ensure services are effectively supporting clients to live independently and reduce numbers going in to residential care. We will also be continuing to carry out targeted reviews for individuals with a change in need, or where assistive technology could be used. We will ensure that where packages of care and placements are required that these services are good quality and represent value for money. We will also improve value for money by learning the lessons of effective models elsewhere that can maintain people at home longer and further reduce reliance on more traditional	0
Assessment & Support and Intervention Team (SIT)	Community Equipment Service	2,453	257	0.0		0
Hostel Accommodation	Hostel Accommodation 71 beds budgeted for in 2019/20	1,515	723	27.4		0
Memory & Cognition Support - Day Services	Wayfield Avenue Day Services 45 budgeted capacity for 2019/20	271	173	8.0		0

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Memory & Cognition Support - Residential	Ireland Lodge Residential Wayfield Ave Residential 47 budgeted capacity for 2019/20	2,587	1,160	70.1	statutory services The primary risk is that the number of people with eligible needs continues to increase and those with existing services become frailer thus requiring increased levels of support.	0
Community Short Term Services	Community Short Term Services & Independence at Home (Including Early Supported Stroke Discharge and Apportionment of Assessment Duties Budget capacity for 2019/20 assumes a maximum of 65 people in service at any time through 12 month period Craven Vale Residential 24 budgeted capacity for 2019/20	4,972	3,022	155.7	Therefore there is a risk that demand cannot be met within budget. A programme of work has been started which will work towards a new operating model for the service, enabling us to meet need more quickly, improving outcomes and preventing deterioration. A programme board is in place to ensure that this work is completed in the timely way it needs to, and to monitor outcomes, including budget performance. Meeting eligible needs will continue to be a priority and we will continue to ensure that people are able to be supported with timely advice and information and take a preventive approach when possible. Oher action/factors are: • The Council has a statutory duty to meet assessed eligible need and this will continue. • Personalised approach and making use of community assets can increase independence and better outcomes. • Care Act has imposed national eligibility criteria which will be implemented rigorously. • Implementation of enhanced brokerage to reduce costs of care • All Carers to be offered a Carers assessment and a personal budget, in line with requirements of the Care Act. Maintaining level of support to Carers to ensure they are able to continue in their caring role and that the right support is available. • Ensuring a person centred approach and the provision of a direct payment where appropriate	0
Adult Social Care Total		**55,423**	**32,360**	**483.8**		**0**

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INTERGRATED COMMISSIONING						
Commissioning & Contracts	Support to Carers	733	202	0.0		0
Commissioning & Contracts	Adults Commissioning & Performance Team Executive Director Adult Services Safeguarding Team	2,614	2,404	52.3		0
Commissioning & Contracts	Integrated Commissioning	6,891	5,998	0.0		0
Commissioning & Contracts	Self Directed Support	136	136	0.0		0
Commissioning & Contracts	Learning Disability Development Fund	102	102	0.0		0
Integrated Commissioning Total		**10,476**	**8,842**	**52.3**		**0**
S75 SUSSEX PARTNERSHIP FOUNDATION TRUST (SPFT)						
Community Care budget funding packages of care, support, residential/nursing care for people suffering a cognitive impairment (mainly dementia in older people); services will include Community Support, Home Care, direct payments, supported accommodation, residential/nursing care and specialist placements	Memory & Cognition Support 399 budgeted capacity for 2019/20	12,638	6,424	0.0		0
Community Care budget funding packages of care, support, residential/nursing care for people suffering a functional mental illness services will include Community Support, Home Care, direct payments, supported accommodation, residential/nursing care and specialist placements	Mental Health Support 418 budgeted capacity for 2019/20	8,909	6,707	0.0		0

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Assessment, Support and Intervention Team (SIT). Social Work teams delivering statutory duties under the Care Act to assess eligible needs, intervene where people are at risk to themselves, others or the community. Deliver statutory duties under the Mental Capacity Act, Mental Health Act Safeguarding Vulnerable Adults, Deprivation of Liberty Safeguards (DoL's)	Section 75 Staffing teams Including: Mental Health Homeless Team Assessment Treatment Service Living Well with Dementia Service Adult Mental Health Practitioners (AMHP) Crisis Resolution Home Treatment Team (CRHTT) Mental Health Management	3,405	3,214	55.2		0
S75 Sussex Partnership Foundation Trust (SPFT) Total		**24,952**	**16,345**	**55.2**		**0**
PUBLIC HEALTH						
Public Health	Ring-fenced Public Health Grant	0	(19,559)	n/a	The 2020/21 Public Health Grant inflationary increase may require spending on nationally specified purposes (tbc December 2019). If funding is available beyond this, it will be allocated based on review of local Health & Wellbeing Strategy public health outcomes / priorities compared with current spend. E.g. stop smoking.	0
Substance Misuse	Substance Misuse services residential rehab	5,960	5,843	3.5		0
Sexual Health	Commissioning of sexually transmitted infection (STI) prevention and treatment, contraception, HIV prevention and advice services.	4,243	4,243	1.0		0
Children 0-19 Public Health Programmes		5,980	5,588	4.7		0
Health Improvement		4,203	3,885	39.3		0
Public Health Total		**20,386**	**0**	**48.5**		**0**
Health & Adult Social Care Total		**111,237**	**57,547**	**639.8**		**0**

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ECONOMY, ENVIRONMENT & CULTURE						
TRANSPORT						
Concessionary Bus Fares	Concessionary Bus Fares	10,876	10,876	0.0	It is anticipated the Council will save £300k per year through the agreement of a new 3 Year Fixed Deal or reimbursement with Bus Operators that will continue to provide existing Concessionary Travel arrangements, whilst also expanding the scheme for disabled pass holders. See EIA 7.	300
Head of Transport, Policy and Strategy	Transport, Policy and Strategy	968	968	13.8	Increase in development income through planning fees and performance agreements towards the cost of staff activity relating onsite to inspections.	10
Parking Services	New Parking Schemes	15,358	(19,685)	91.2	Three new schemes in 2020/21 (Coombe Road Area, South Portslade Area and Surrenden Area) subject to current consultation. The saving is net of associated additional costs such as staffing, administration, correspondence and appeals/challenges. See EIA 8.	800
	Overachievement in 2019-20				Continued achievement at 2019-20 levels (Primarily due to seasonal variation in Bus Lane PCN enforcement).	600
	Raising Charges to gain 4% increase in income (Raising parking fees & charges by an average 5.4% to make 4% allowing for demand loss and associated costs of implementation as well as VAT for off-street charges). This is beyond the average 2.7% to make 2% inflationary increase (£600k) which is already required and includes proposals such as initial first and subsequent resident permit increases for full & light touch schemes, initial increase to traders' permits and on-street tariff increases. Improving air quality is a key traffic management objective				Raising price of resident full scheme permit to £150 – Keeping quarterly prices (£45) the same to reduce costs to those who find the upfront annual costs more difficult. See EIA 8.	225
					Applying surcharges to 2nd and additional resident permits in full schemes (£80) and light touch schemes (£70). Quarterly (£20) and 6 monthly (£35) surcharges will also apply. See EIA 8.	27
					Increases to Business permits to £400 yearly and £115 quarterly. See EIA 8.	45
					Increasing Traders Permits (Annually to £800, Quarterly to £250). See EIA 8.	50
					Increase price of resident visitor permits in Zone B & D (event day schemes) to £3.50 to bring them in line with light touch parking schemes and charge £50 for annual guest permits. See EIA 8.	15
					Increasing selected tariffs in Black Rock car park, King Alfred car park, Norton Road car park and other off street car parks. See EIA 8.	45
					Increase tariffs at Regency Square car park. See EIA 8.	122

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		£'000	**£'000**	**FTE**		**£'000**
	in Brighton & Hove. As part of a range of measures to improve air quality, such as the introduction of a Low Emission Zone, parking charges can help to encourage less polluting travel options and reduce emissions. A further key traffic management objective is to reduce congestion. Fees are set to manage demand for parking and reduce time taken driving around to find a space by increasing turnover of spaces particularly in high demand areas				Increase tariffs at Rottingdean off street car parks. See EIA 8.	6
					Increase allocation of business permits from 2 to 4. Business permits are issued where it can be demonstrated that there is a business need to park a vehicle in a specific Controlled Parking Zone. See EIA 8.	25
Traffic Management	Highways Inspection & Licensing	1,992	672	23.5	This service is undergoing an extensive restructure and is having to absorb significant additional costs to upgrade its Intelligent Transport Systems including ageing Traffic Signal equipment and Real Time Information systems to deliver necessary Traffic Control Centre functionality, therefore has no savings proposals for 2020/21.	0
	Traffic Signals and Systems					0
	New Roads & Street Works					0
Transport Projects and Engineering	Lighting & Illuminations	9,161	7,841	49.5	£10k saving from staff restructure which has already been implemented.	10
	Network Management & Winter Maintenance					0
	Civil Engineering					0
	Head of Transport Projects				Reduction in consultancy budget.	18
	Public Transport				Removal of marketing budget.	8
Transport Total		**38,355**	**672**	**178.0**		**2,306**
CITY ENVIRONMENTAL MANAGEMENT						
City Clean	City Clean	9,723	8,597	298.5	Increase environmental enforcement fees, Expand Garden Waste services and/or increase fees. Collection of textiles.	0
					Commercial income from expansion of the garden waste scheme and new trade waste business.	50

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		£'000	**£'000**	**FTE**		**£'000**
City Parks	City Parks	3,891	3,460	129.4	Full cost recovery for providing a grounds maintenance service to council tenants through increasing the service charge to reflect actual costs.	50
						0
Fleet & Maintenance	Fleet & Maintenance	2,834	2,644	11.4		0
Head of City Environmental Management	Head of City Environmental Management	143	143	3.0		0
Strategy & Projects	Strategy & Projects	1,510	1,379	23.8		0
Waste Disposal	Waste Disposal	14,388	13,733	0.0	Likely savings from Waste PFI contract variation.	125
City Environmental Management Total		**32,489**	**29,956**	**466.1**		**225**
CITY DEVELOPMENT & REGENERATION						
Executive Director - EEC	Executive Director - EEC	174	174	2.0		0
Business Development and Customer Services	Business Development and Customer Services	524	524	17.7	The Planning and Building Control Services are currently undertaking a service review which aims to improve service delivery and reduce reliance upon agency staff. The service redesign will be cost neutral.	0
Development Planning	Building Control	2,423	(69)	42.8	Increase building control fees by over 10%. Fees can only be for the delivery of the service and cannot cross-subsidise.	50
	Development Control				Enforcement - Deal with Level 3 complaints only through correspondence. Could reduce casework for one officer.	32
					Generate arrangement & monitoring fees for S106. Funds S106 officer & ongoing software licence, Assumes Tourism, Equalities, Communities & Culture Committee approval in Winter 2019 to implement scheme.	0
Planning, Policy, Projects and Heritage	Planning, Policy, Projects and Heritage	648	647	13.5	Explore development of shared services across the city region for future years.	0
Economic Development	Economic Development	541	399	6.7	Restructure of service to offer up a saving of 1 x FTE M11 post.	50
					Reduction in Initiatives Budget.	10
					This service delivers large projects that drive income (capital receipts, council tax, business rates, new rents) that easily justify the cost of the team.	0
Major Projects	Major Projects	329	294	6.4	This service delivers large projects that drive income (capital receipts, council tax, business rates, new rents) that easily justify the cost of the team.	0

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		£'000	**£'000**	**FTE**		**£'000**
Sustainability & International	Sustainability	499	479	6.0	Increased funding has been made available to this service as part of previous budgets rounds in recognition of the ongoing global climate and biodiversity emergencies, therefore no savings are being proposed for this service area.	0
	International				Restructure of service to offer up a saving of 0.5 x M11 FTE International Officer post (lower than full 0.5 as there is existing service pressure that absent post relieves) - this would make the overall restructure of the service harder to successfully complete.	13
Head of City Development & Regeneration	Assistant director of City Development & Regeneration	108	108	0.7		0
City Development & Regeneration Total		**5,246**	**2,555**	**95.8**		**155**
CULTURE, TOURISM & SPORT						
Arts	Culture, including Brighton Dome & Festival	1,822	1,822	0.0	Includes £1.732m contribution to Brighton Dome Brighton Festival Limited subject on partnership contract and annual inflation increases	0
	Partnership Arrangements					0
Royal Pavilion and Museums	Royal Pavilion and Museums	7,206	1,504	129.7	Proposed transfer of the service to a charitable trust likely to produce savings in the medium to long term, however short term funding will be required to support initial setup and transition.	0
	The Keep				Sustainability Plan for the Keep being delivered in partnership with East Sussex County Council and University of Sussex.	25
Sport and Leisure	Sport & Leisure	2,623	(581)	30.3	Reduce expenditure on responsive repairs to building and plant. The risk is that reactive maintenance will take longer to complete with more areas temporarily cordoned off/shut for longer. Also, could potentially lead to increased cost from the delay.	20
	Outdoor Events				Increase fees and charges for events.	28
	Seafront Services				Shelter Hall - anticipated turnover top up rent from letting the rotunda.	15
	Sports Facilities				Reduce expenditure on client responsibilities of sports facilities contracts. The risk is a delay in undertaking client responsibilities could have a detrimental impact on the quality of the sports facilities. Also, there could be a negative impact on the client/contract partnership with the external operator	40

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		£'000	**£'000**	**FTE**		**£'000**
					with a consequent negative impact on the quality of the sports facilities.	
Tourism and Marketing	Marketing (incl. Visit Brighton)	466	231	5.0	Reduction in marketing budgets (£10k) and other supplies & services budgets (£1k).	11
	Conferences	1,519	1,380	3.8	£1.285m of the conferences net budget relates to Internal Subvention Costs.	0
Venues	Brighton Centre	2,188	(645)	38.5	Purchase of a new Compactor Unit to reduce the cost of skip hire.	9
					Remove annual financing costs of Brighton Centre stage by repaying debt in 2019-20.	18
					Reduction in maintenance budget from £80k to £65k (18.75%) and reduction in utilities budgets £14k due to energy efficiency measures. Any reduction in the maintenance budget will result in repairs taking longer as the remaining budget will need to be prioritised. E.g. lifts, toilets & lights being out of action and routine damage not being repaired during busy periods. This will reflect badly on the business to both existing and prospective customers and could affect income budgets in future years.	29
					Reduction in casual staffing budgets. Dependent on Customer numbers for each event.	23
					Reduction in overtime budgets. Reduces ability to cover sickness absences.	16
					Increased income from reletting of ticketing contract. Dependent on levels of ticket sales from Entertainments.	5
					Reduction in training budget from £8k to £5k.	3
					Reduction in marketing budgets for Entertainments & Conferences.	6
					Reduction in budget for software & internet costs.	4
					Reduction in supplies & services budgets.	8
Culture, Tourism & Sport Total		**15,825**	**3,712**	**207.3**		**260**
PROPERTY & DESIGN						
Property & Design	AD Property & Design	124	124	1.0	Staffing budget.	0
Customer Services	Customer Service Centres, Reception/Switchboard & Security	482	476	20.0	Explore bringing currently out-sourced security service in-house in future years. Combine the currently out-sourced CCTV monitoring service for Libraries, Housing, Hollingdean	0

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		£'000	**£'000**	**FTE**		**£'000**
					Depot and the travellers' site and monitor in-house.	
Facilities & Building Services	Printing, Scanning, Post & Couriers Cleaning, Waste & Security Premises & Helpdesk Building M&E Services	3,170	3,030	32.3	Explore transfer of Property & Design print work to the Design, Print & Sign (DPS) unit in future years to avoid duplication of equipment and resources.	0
					Close the Brighton Town Hall post room and distribute all post from Hove Town Hall. Anticipated saving will be met from vacancies.	30
					Combine the Salto building access contracts for both corporate and housing properties.	10
					Recruit 2x Mechanical & Electrical engineers in-house to avoid the need to employ external consultants. This is subject to successful recruitment of suitably qualified technical staff which has recently proved problematic due to pay scales. In-house professional staff reduce risks and are better value for money.	50
	Reactive Maintenance				Expand the in-house maintenance operative service by recruiting more staff to avoid paying external contractors with higher hourly rate charges. This is subject to successful recruitment of suitably qualified & experienced staff.	50
Building Surveying & Maintenance	Building Surveying Services	2,410	2,410	16.0	Increase in fee income by employing more professional staff for work that would otherwise be undertaken by external consultants.	15
	Planned Maintenance					0
Architecture & Design	Architecture & Design Services	770	(1,227)	12.6	Increase in fee income by employing more professional staff for work that would otherwise be undertaken by external consultants.	15
Workstyles	Workstyles Programme Management	233	(1)	6.6	Improvements to the Barts House Customer Service Centre (CSC) with reduced maintenance & security expenditure following review of security arrangements, staff entrances and CSC re-design.	30
Education Property Management	Education Property Management	1,076	1,002	6.0	Deletion of currently vacant post.	32
Asset Management	Asset Management	238	238	4.0	Restructure of Property & Design services to form a combined strategic Estate & Asset management property team, transferring other asset management functions to the relevant property teams & achieving operational benefits identified as part of the 2019 Property & Design Service	69

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					Review.	
Energy & Water Management	Energy & Water Management	1,683	1,674	2.8		0
	Utilities - Corporate Landlord				Savings resulting from the corporate solar photovoltaic programme are only expected to provide small net savings in the first few years with larger savings occurring in years 5+. However, these early year savings are likely to be negated by (a) the general market energy price increases applied to the remainder of the portfolio, (b) the potential surcharge for the future purchase of 'green' energy and (c) the possibility of using the early years saving to reinvest in the energy efficiency investment programme through part-funding additional staff resources to manage the programme.	12
Estates Management	Urban Investment Portfolio Management Rural Investment Portfolio Management In-House Estates Management	3,739	(6,155)	7.5	Release of surplus New England House service charge following review of budget.	40
					Savings resulting from the reprocurement of the Estate Management Consultancy Service Contract.	35
					Increase in rental income from Phoenix House through letting of void units. No capital investment required.	30
					New income streams can be delivered in future years through the invest to save purchase of new commercial property as part of the rebalancing asset investment strategy. High risk as dependent on the uncertain property market conditions and the identification and successful acquisition of a suitable property in the City and associated income.	0
Property Total		**13,924**	**1,573**	**108.8**		**418**
Economy, Environment & Culture Total		**105,839**	**38,467**	**1,056.0**		**3,364**

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Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
HOUSING, NEIGHBURHOODS & COMMUNITIES						
HOUSING GENERAL FUND						
Housing Services	Executive Director - HNC	116	49	0.8		0
Housing Services	Homelessness -Housing Options and Homemove - supporting vulnerable households	1,347	1,295	34.6	No savings proposed as service needs to direct resources to respond to statutory duties, prevent homelessness, and provide housing and support to vulnerable households in emergency and temporary accommodation.	0
Housing Strategy & Development	Housing Strategy & Development - enabling & delivering increased housing supply & quality.	240	239	6.0	In line with the Housing Committee Work Plan to enable delivery of 800 additional council homes and 700 new affordable homes. The budget saving proposal in the General Fund is to accurately reflect the work on supporting the supply of new affordable housing to contribute to this through the HRA.	50
Private Sector Housing (PSH)	Private Sector Housing & Integrated Housing Adaptations Service - improving housing quality in private rented homes, enabling accessibility & supporting independent living across all tenures.	1,094	493	29.4	Improving the conditions in the Private Rented Sector reflecting the priorities in the Housing Committee Work Plan 2019-2023. The Private Sector Housing service is largely self- funding through licence fees ring-fenced to administration of the current schemes. Integrated cross tenure Housing Adaptations Service including the assessment and delivery of major housing adaptations through the mandatory Disabled Facilities Grant (DFG) and the HRA Capital Programme. In addition, the service commissions new adapted homes and ensures best use of existing adapted/accessible housing. This service promotes vulnerable households to live independently in their own home and has been demonstrated to deliver significant cost benefits to Social Care and Health. This proposed saving arises from further capitalisation of salaries now that capital grant has increased over the last few years.	50
Temporary Accommodation & Allocations	Temporary Accommodation (TA)	18,707	2,542	35.7	An increase in prevention of homelessness will reduce the numbers of households that need TA provision. Increasing prevention, enabling people to remain in their homes or be supported to move to alternative settled	150

Service Area					Saving Proposals	
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		£'000	**£'000**	**FTE**		**£'000**
					accommodation reduces households in TA by 150 by end of 2019/20 and further reductions in 2020/21. Delivery can be achieved but there are risks if demand for TA increases and or we are unable to meet target to discharge duty to suitable accommodation in the private rented sector. More work is currently taking place to scrutinise both the use of different forms of temporary accommodation and the unit costs of such accommodation.	
					Improvement of void turnaround times. Implement the outcomes of the business process review of TA and HRA void turnaround function to improve resilience and reduce rent loss. Void loss improvement is a challenge as is reliant on other partners.	100
					Improvement of rent collection. The current rent collection process is the subject of a business process review to maximise rent collection from households in TA.	100
Travellers	Travellers	545	481	5.0	Additional income from both transit and permanent sites and a reduction in legal and rubbish clearance costs due to fewer unauthorised encampments. Risk: If there are more unauthorised encampments than the current trend, costs will increase	50
Housing General Fund Total		**22,049**	**5,099**	**111.5**		**500**
LIBRARIES						
Libraries	Library PFI	2,424	919	0.0	Library Services have already delivered £245k savings through the PFI. Jubilee Library (which delivers over 50% of library services) plays a vital role in promoting diversity and tolerance, and welcomes and supports homeless people and vulnerable people facing the impacts of austerity. Any potential future changes will need to be informed by the new Libraries Plan currently under development and	0

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					due to be agreed by Council in July 2020.	
	Library PFI -Government Grant	*incl. above*	1,505		The PFI contract is partly covered by a government grant of £1.5m p.a. that is part of the council's settlement funding. The actual net PFI expenditure is £0.919m. It is worth noting that the revenue payments include an element to cover the capital costs of the building.	0
	Hove Library	*incl. in staffing and operational costs*	*incl. in staffing and operational costs*	*incl. in staffing and operational costs*	Any potential future changes will need to be informed by the new Libraries Plan currently under development and due to be agreed by Council in July 2020.	0
	Staffing and operational costs	2,700	2,700	61.7	In the last five years, Libraries have saved £805k through a strategic approach to modernising library services. Opening hours have doubled, and staffing has been reduced by 30.6% (27.2 FTE), yet no service points have been closed. Libraries have completed a zero based budget review of operational costs and income to offer an additional net saving of £31k.	31
					Net saving possible from a budget amendment last year, which reversed £121k of staff savings offered up in 2019/20, - through prudent use of the amendment money only £63k was needed to address the issues raised during the restructure consultation, so net saving of £58k is possible.	58
	Community Libraries	*incl. in staffing and operational costs*	*incl. in staffing and operational costs*	*incl. in staffing and operational costs*	No savings are proposed for next year. Any potential future changes will need to be informed by the new Libraries Plan currently under development and due to be agreed by Council in July 2020.	0
	Income Generation	incl. above	(519)	0.0	In order to ensure financial stability, continue plans to increase commercial income generation, increasing donations and seeking grant funding. Increased income targets are being considered from 2020/21.	0
Libraries Total		**5,124**	**4,605**	**61.7**		**89**
COMMUNITIES, EQUALITIES & THIRD SECTOR						
Communities	Communities, Equalities and Third Sector (CETS) Development staffing and	625	601	11.3	A service redesign and staff consultation across the Communities, Equalities and Third Sector structure will be carried out to release the proposed staff saving with due	134

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
	operational budget				regard to the council's priorities for supporting a diverse and welcoming city, those most affected by austerity and community wealth building as well as ensuring the council meets its legal obligations under the Public Sector Equality Duty. The function consists of the following posts: Head of Service, Senior Support Assistant, Third Sector Manager, Communities Fund Manager, Contracts and Monitoring Officer, Community Engagement Manager, Community Engagement Officers (8), Community Engagement Administrator (1), Equality Managers (2), LGBT Manager, Refugee and Migrant Manager.	
					(Initiatives budget) Reduced work on equalities and communities projects in response to community and member drivers for example race advocacy worker, Signlive British Sign Language (BSL) video relay trial in Barts customer service centre, period poverty, modern slavery. However as there are no ongoing legal commitments through this fund a saving is possible. Clear communication will be needed to members and the communities. External funding will have to be sought for any future projects - this is not always open to the council and thus may place a potential burden on the Community & Voluntary Sector (CVS).	20
	Communities and Third Sector Development Commission	2,104	1,812	0.0	The commission invests in voluntary sector partnerships across the city that: deliver prevention and early intervention for vulnerable adults, families, young people and children, infrastructure support to community and voluntary sector organisations to improve their efficiency, effectiveness and reduce dependency on council funding/contracts, and transform in response to the increasing demand on their services from reduced public sector provision. The commission re-opens for grant applications in September 2019 and new grant agreements will be place from April 2020. .	0
	Communities Fund	314	169	0.0	3% General Fund budget reduction on programme. As an annual programme there is opportunity to reduce the budget ahead of the start of the new year's programme	10

Service Area					Saving Proposals	
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		£'000	£'000	FTE		£'000
					2020/21. The fund predominantly supports grass root volunteer led organisations being both a starter fund for new/small groups and building resilience for medium sized groups supplementing their own fundraising and volunteer time, and acting as a validation to other funders.	
	Healthwatch	190	190	0.0	Contractual commitment to meet the legislative duty for each Local Authority area to have an independent health and social care watchdog. Reduction in budget to match contract value (services were recommissioned for 2017/18-2019/20; with a 10% reduction in contract value from 2017/18).	11
Communities, Equalities & Third Sector Total		**3,233**	**2,772**	**11.3**		**175**
SAFER COMMUNITIES						
Environmental Health & Licensing	Environmental Health & Licensing	1,619	649	39.2	Offer of voluntary severance followed by service redesign	33
					Delete part time Senior Environmental Health Officer (M10) £24k which is currently vacant. Additional savings to be found through limited voluntary severance and service redesign.	46
	Environmental Protection	482	475	12.8	Reduction in hours from a Technical Officer post (effective from July 2019).	15
	Pest Control	103	(10)	3.0	Possibility of increased income due to the pest control service taking on the work for council properties from Mears now that the responsive repairs service will be in-house. This will help the service to meet their current income targets and reduce the current budget pressure.	0
Trading Standards	Trading Standards	442	433	7.9	Offer of limited voluntary severance followed by service redesign	24
Civil Contingencies	Civil Contingencies	108	108	1.6	No savings proposed.	0
Community Safety	Reducing Violence against Women and Girls Commissioning. (VAWG)	1,846	780	3.4	2020/21 - Service redesign savings from the externally commissioned service. See EIA 9.	35
	Casework Team	420	340	9.0	Deletion of vacant post within Community Safety team.	52
Safer Communities Total		**5,020**	**2,775**	**76.9**		**205**
Housing, Neighbourhoods & Communities Total		**35,427**	**15,251**	**261.4**		**969**

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Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
FINANCE & RESOURCES						
FINANCE (MOBO)						
FINANCE MOBO	Non Orbis running costs (professional fees, printing, postage, computers etc.) netted off by £194k internal income re costs recharged to other services.	119	65	1.0	The council opted to join the sector-led reprocurement of External Audit provision by Public Sector Audit Appointments (PSAA) Ltd (a Local Government Association company) as agreed by the Audit & Standards Committee. The savings were taken in 2019/20 and therefore no further savings are anticipated.	0
Finance (Mobo) Total		**119**	**65**	**0.0**		**0**
PROCUREMENT (MOBO)						
Procurement - MOBO	Non Orbis running costs (printing, postage, computers etc.) netted off by £437k of internal income from the Modernisation Fund and Public Health.	(416)	(416)		No savings proposals identified. The future contributions from the Modernisation Fund will be decided at the Corporate Modernisation Delivery Board (CMDB).	0
Procurement (Mobo) Total		**(416)**	**(416)**	**0.0**		**0**
HR & ORGANISATIONAL DEVELOPMENT (MOBO)						
HR & OD - MOBO	Social Care training, Trade Union support and non Orbis running costs such as postage, printing, computers etc.	725	593	11.8	No savings proposals identified	0
HR & Organisational Development (Mobo) Total		**725**	**593**	**11.8**		**0**
IT & D (MOBO)						
IT&D - MOBO	Non Orbis running costs (mostly IT&D contracts) netted off by £1.1m of internal income re costs recharged to capital projects and other services.	2,662	2,492	2.3	Management of these sovereign contracts and licenses by the Orbis Shared Service on behalf of BHCC presents opportunities for reduction of costs through economies of scale. The current roll out of Windows 10 and replacement laptops and desktop computers is being funded through the capital programme. It is proposed to incorporate a 5 year replacement programme into capital investment plans which will release the majority of the revenue budget provision. Delivery Risk: Potential risk that limited availability of commercial skills and capacity will lead to financial risks on contracts.	225

Service Area					Saving Proposals	
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		£'000	£'000	FTE		£'000
					Impact on Outcomes: Demand for services may outstrip ability to drive savings within contracts. Contract/supplier management capacity is an issue that the Orbis partnership may help to mitigate.	
IT & D (Mobo) Total		**2,662**	**2,492**	**2.3**		**225**
REVENUES & BENEFITS (MOBO)						
Revenues & Benefits (The service is part of Business Operations within Orbis Shared Services but is regarded as a 'Managed on Behalf of' (MOBO) budget for the purposes of the Inter-Authority Agreement. It therefore remains as a sovereign BHCC budget.)	Administration of Housing Benefits and Council Tax Reduction awards - staffing costs budget	7,342	4,784	162.8	The savings are realised from the ongoing programme of downsizing the Housing Benefit element of Revenues and Benefits as cases move to Universal Credit. The reduction in staff resource is proportional to the reduction in workload taking into account the increased demand for Universal Credit related welfare support and the introduction of improved digital services and automation.	250
Revenues & Benefits (Mobo) Total		**7,342**	**4,784**	**162.8**		**250**
BUSINESS OPERATIONS (MOBO)						
Business Operations - MOBO	Non Orbis running costs (postages, computers etc.) netted off by £245k of internal income re costs recharged to other services.	(188)	(188)	4.0	No Savings proposals	0
Business Operations (Mobo) Total		**(188)**	**(188)**	**4.0**		**0**
CONTRIBUTION TO ORBIS						
Orbis Shared Services (This budget/service represents BHCC's share of the contribution to Orbis Shared Services in accordance with an Inter-Authority Agreement)	This service area represents Orbis partnership services including Finance, HROD, Procurement, IT&D, Business Operations and Property Services. The Revenues & Benefits Service is also part of the partnership but is regarded as a 'Managed on Behalf of'	10,516	10,516	312.1	In 2016, the Policy, Resources & Growth Committee approved the council's strategy to join the Orbis Partnership. The key aims were to ensure that corporate services could continue to be delivered through the achievement of sufficient scale whilst maintaining the status of Brighton & Hove terms and conditions for staff. The council became the third founding member of the Partnership in May 2017 and budgets were fully integrated from April 2018. Following the agreement earlier in 2019 for Surrey County Council to withdraw a number of services from Orbis and for	477

Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
	(MOBO) budget and therefore remains a sovereign BHCC budget and service under the current arrangements.				Property Services to be withdrawn by all three partners, revised savings targets need to applied to reflect these changes. Agreement to savings levels still need to be approved by the Orbis Board however the assumption for 2020/21 is £477k across Business Operations, IT&D and Finance.	
Contribution To Orbis Total		**10,516**	**10,516**	**312.1**		**477**
Finance & Resources Total		**20,760**	**17,846**	**493.0**		**952**

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		£'000	**£'000**	**FTE**		**£'000**
STRATEGY, GOVERNANCE & LAW						
CORPORATE POLICY						
Chief Executive	Chief Executive	276	276	2.0		0
Policy, Partnership & Scrutiny (PPS)	Policy, Partnership & Scrutiny including Leadership Support	410	347	4.5	Savings over the period can be achieved by forgoing the small initiatives budget we hold - Risk - Initiatives and activities which are paid by PPS on behalf of organisations will stop - can include City Tracker, 2030 events, Community Wealth building, Citizens assembly etc.	27
Corporate Policy Total		**686**	**623**	**6.5**		**27**
LEGAL SERVICES						
Legal Services	Legal Services (Note: income of £0.047m from services to schools has been netted off with gross budget).	1,442	1,082	32.8	Reduction in 2.4 posts across Legal Services Commercial and Litigation Teams. This will reduce the support available in these areas to the Council and may impact on the ability of the service to manage complex matters in house and the speed of delivery of advice. Of the 2.4 FTE reduction, 0.8 FTE will be managed through implementation of new systems and shared resilience with other authority partners.	103
Safeguarding & Advice (Children & Adults)	Safeguarding & Advice (Children & Adults)	249	249	18.6	A large proportion of the budget for these services is funded via recharge by the relevant directorates. Therefore proposals for a reduction in budget in these areas would need to be agreed with the relevant directorate and would be reflected in their budget. A reduction of £75k has been agreed with Families, Children & Learning based on sustaining an increase of in house advocacy in child care proceedings. This contributes a saving of £75k to the Council's overall budget position.	0
Legal Services Total		**1,691**	**1,331**	**51.4**		**103**
DEMOCRATIC & CIVIC OFFICE SERVICES						
Democratic Services and Civic Support	Democratic Services	442	390	8.8	From a review, a revised structure to reduce the overall number of posts down to 7.8 FTE. This will impact on the level of support to the committee process and require a change in working processes to ensure that all meetings can be effectively managed and statutory deadlines maintained. There will be a need for the use of electronic agendas to be fully embraced by elected Members and the adoption of the i-casework system for councillors' casework. See EIA 10.	47
	Civic Office	181	161	4.0	A reduction in working hours to enable phased retirement will	12

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					enable the savings target to be met; but will impact on the level of support available to the Civic Office and the Mayor. See EIA 10.	
	Political Assistants	147	147	3.0	No savings identified, although potential exists to delete the roles and establish an admin support post for the Groups in Democratic Services and achieve significant saving.	0
Members' Allowances	Members' Allowances	981	981	0.0		0
Democratic & Civic Office Services Total		**1,751**	**1,679**	**15.8**		**59**
LIFE EVENTS						
Life Events	Bereavement Services	2,068	195	17.1	A review of fees and charges across Bereavement Services, proposing increases in some charges, freezes to some charges where we believe there will be a business risk if the fee for the service went up, and accepting general inflationary increases as part of the corporate policy, on other charges. This modest savings figure needs to be looked at in the context of pressures funding for Life Events and 2% inflation increase on all income targets. All decisions will be based on maximising income for the LA, whilst maintaining our excellent customer service standards.	8
Life Events	Registrars	619	(520)	17.8	No savings are planned in the Registrars service. There are budgetary pressures being addressed, and a request for pressure funding will be made as part of this budget setting process.	0
Life Events	Elections and Local Land Charges	1,046	428	13.3		0
Life Events Total		**3,733**	**103**	**48.2**		**8**
PERFORMANCE, IMPROVEMENT & PROGRAMMES						
Performance, Improvement & Programmes (Permanent Budget)	Customer Experience and Customer Feedback, Corporate Performance, Risk Management and Corporate Governance	628	628	12.1	Following a review, a reduction of 1 post within Corporate Performance Team. This will significantly reduce the support for the organisation in terms of performance management (unable to support DMT Key Performance Indicators, service planning and much reduced personalised support for directorates). In addition, reduction in non-staffing costs.	49
Programme Management Office (Temporary funding from internal modernisation fund)	Corporate Programme Management Office – managing projects and programmes and conducting	0	0	13.3	Corporate Programme Management Office is entirely funded by one-off resource and therefore unable to contribute to the core funding savings. This one-off resource is projected to reduce taking account of potential reduced business needs to	0

Service Area					Saving Proposals	
Section	**Service Area**	**Gross budget 2019/20**	**Net budget 2019/20**	**FTEs 2019/20**	**Brief Summary of Budget Proposal/Strategy and Risks**	**Savings 2020/21**
		£'000	**£'000**	**FTE**		**£'000**
	business improvement reviews that are of corporate significance, project and programme assurance on behalf of the directorate and corporate modernisation boards, building capacity across the organisation by delivering training and developing toolkits.				manage change	
Performance, Improvement & Programmes Total		**628**	**628**	**25.4**		**49**
COMMUNICATIONS						
Communications	Communications	596	576	13.0	To meet this budget saving the service will undergo a service redesign in order to reduce the overall establishment. The redesign will aim to improve service agility, management spans of control and provide better career progression for staff. Staff and Trade Unions will be fully consulted in the New Year	44
Communications	Graphic Design Team (Note: income of £0.133m from other council services has been netted off within gross budget).	(16)	(12)	3.0		0
Communications Total		**580**	**564**	**16.0**		**44**
Strategy, Governance & Law Total		**9,069**	**4,928**	**163.3**		**290**

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		£'000	**£'000**	**FTE**		**£'000**
CORPORATELY-HELD BUDGETS						
Financing Costs	Debt and investment interest	11,648	5,659	0.0	Service is provided through a combination of professional advisors and in house treasury management. The service proactively reviews debt portfolios to explore opportunities to bring down average debt costs. A combination of higher cash balances, reduced cost of new borrowing and the planned use of Short Dated Bond funds for an element of investments is expected to release £250k in 2020/21	250
Insurance	Premiums & Excesses/deductibles/self insurance	3,069	3,069	0.0	Premiums are third party payments that are regularly reviewed and re-procured. The excesses and deductibles element is the cost of claims funded directly by the council. From April 2020 the premiums are being jointly procured with ESCC and SCC.	0
Contingency & Risk Provisions	Risk Provisions & other contingency items	538	538	0.0	Level set annually at budget council.	0
Corporate Pension Costs	Corporate Pension Costs - historic retirement decisions	2,339	2,339	0.0	Statutory requirement to pay for historic retirement decisions of former employees that included added years.	0
Corporate Pension Costs	Corporate Pension Costs - fixed element of contribution to pension fund	3,856	3,856	0.0	Fixed element is set by the East Sussex Pension Fund at each triennial review and there are planned increases over each of the three years. The next review is December 2019 for the period 2020/21- 2022/23 and increases are built into future year budget estimates	0
Levies & Precepts	Levies & Precepts including: Sussex Inshore Fisheries & Conservation Area, Environment Agency and Enclosure Committees	209	209	0.0	Statutory requirement for external organisations to raise a levy / precept on the authority. Set by external organisations.	0
Unringfenced Grants	Unringfenced grants including: S31 Business Rates Retention (BRR) Scheme, New Homes Bonus, Education Services, PFI Grants and Housing Benefit Admin Grants.	0	(26,318)	0.0	S31 BRR Scheme grants offset against the BRR Scheme income. The majority of the remaining grants are likely to be reduced and pressure funding has been allocated.	0
Corporately-held Budgets Total		**21,659**	**(10,648)**	**0.0**		**250**

Capital Investment Programme

Capital Investment Programme – 5 Year	Year 1 2020/21 £000	Year 2 2021/22 £000	Year 3 2022/23 £000	Year 4 2023/24 £000	Year 5 2024/25 £000
Approved Schemes					
Health & Adults Social Care	-	-	-	-	-
Families, Children & Learning	4,226	-	-	-	-
Economy, Environment & Culture	55,163	14,509	16,759	6,256	1,850
Housing, Neighbourhoods & Communities –HRA	17,063	2,119	-	-	-
Housing, Neighbourhoods & Communities – GF	712	741	770	800	800
Finance & Resources	-	-	-	-	-
Identified Schemes Not Yet approved					
Health & Adults Social Care	-	-	-	-	-
Families, Children & Learning	4,002	1,123	1,123	1,123	1,123
Economy, Environment & Culture	13,358	28,010	28,600	52,300	50,000
Housing, Neighbourhoods & Communities –HRA	32,432	45,073	35,339	27,795	25,000
Housing, Neighbourhoods & Communities – GF	-	-	-	-	-
Finance & Resources	312	312	-	-	-
Funding to be Allocated					
Health & Adults Social Care	500	500	500	500	500
Families, Children & Learning	5,000	5,000	5,000	5,000	5,000
Economy, Environment & Culture	7,000	7,000	7,000	7,000	7,000
Housing, Neighbourhoods & Communities –HRA	1,000	1,000	1,000	1,000	1,000
Housing, Neighbourhood & Communities – GF	-	-	-	-	-
Finance & Resources	750	750	750	750	750
Total	**141,518**	**106,137**	**96,841**	**102,524**	**93,023**
Funded by:					
Government Grants (non ringfenced)	17,168	10,045	10,000	10,000	10,000
Government Grants (ringfenced)	17,526	6,880	7,600	6,300	5,500
Capital Receipts	17,180	9,016	1,750	1,750	1,750
Capital Reserves	8,039	1,671	13,520	7,439	1,150
External Contributions	2,420	1,871	2,600	6,900	5,600
Direct Revenue Funding	881	663	623	623	623
Revenue contribution capital (HRA self financing)	28,161	27,758	22,939	21,506	25,000
Council Borrowing	50,143	48,233	37,809	48,006	43,400
Total Funding	**141,518**	**106,137**	**96,841**	**102,524**	**93,023**

Budget 2020/21: Equality Impact Assessments – Service-Users

The council is legally required by the Equality Act 2010 to evidence how it has rigorously considered its equality duties in the 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.

EIAs assess how proposals may impact on specific groups differently (and whether/how negative impacts can be reduced or avoided) so that these consequences are explicitly considered. Further assessment will be made through the budget consideration process and in relation to implementation, if budget proposals are accepted. An assessment of the cumulative impacts across proposals will also be available with the budget papers for full council in February. Impacts on staff are assessed separately.

Members are referred to the full text of s149 of the Equality Act 2010 – included at the end of this document – which must be considered when making decisions on budget proposals.

Equality Impact Assessments describing impacts on Service-Users		
Directorate	**Service**	**EIA number**
Families, Children & Learning	**Health, SEN & Disability; Children's Disability Service: Residential, respite and short breaks**	**1**
	Adult Learning Disability Assessment: Learning Disabilities Community Care Budget	**2**
	Early Years and Childcare	**3**
	Supported Employment Team, Youth Employability Service and Able and Willing	**4**
	Children's Safeguarding & Care - Children's Placements	**5**
	Safeguarding & Care: Partners in Change Hub	**6**
Health & Adult Social Care	**There are no service-user EIAs required for proposals in these services**	**-**

Economy, Environment, and Culture	**City Transport / Parking Services Group – Concessionary bus passes**	**7**
	City Transport / Parking Services Group – Parking Fees and Charges	**8**
Housing, Neighbourhoods and Communities	**Safer Communities: Domestic & Sexual Violence Service**	**9**
Finance & Resources	**There are no service-user EIAs required for proposals in these services**	**-**
Strategy, Legal & Governance	**Democratic Services - Civic Office**	**10**

The text of s149 of the Equality Act 2010 is at the end of this document.

Families, Children & Learning

Budget Equality Impact Assessment 2019/20 – Service-Users

1. Service Area	**Families, Children & Learning: Health, SEN & Disability - Children's Disability Service**	**2. EIA No. 1**
3. Head of Service	**Carl Campbell, Head of Service 0-25**	
4. Budget Proposal	**What is the proposal?**	
	Residential, respite and short breaks - £20,000 in 2020/21 (current budget - £1,253,000) These savings will be made by: • Review of in-house provision and service users care packages to ensure that the correct young people are being offered a service in the most efficient way • Use of the Extended Day offer by the Education Hubs once this is established • Review of contracts and offer by providers in the Community and Voluntary Sector	
5. Summary of impacts	**Highlight the most significant disproportionate impacts on groups**	
	Disproportionate impacts identified on the following characteristics: Age (young people) Although changes will be made there will be no reduction in residential, short breaks and respite care packages	
6. Assess level of impact (1= low; 5= high)	**1**	
7. Key actions to reduce negative	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?**	

impacts	• Working towards in-house residential, short breaks and respite providers being at normal capacity (not over capacity) • Care planning meetings involving managers from assessor and provider services (including Assistant Director) arranged to review in-house residential, short breaks and respite care packages • Alternative/replacement support options to be available for some young people eg. Direct Payments and Extended Day • Close liaison with parent/carers groups such as PaCC and Amaze in order to improve communication and the co-production of information
8. Full EIA?	Full EIA not required.
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?** • Impact upon service users will be monitored via Strengthening Families Assessments, Social Care Reviews and EHCP Annual Reviews • Use of data and performance reports to monitor the progress of service users • There will be a particular focus upon the impact on service users who are in care or subject to Child Protection Plans • Head of Service and other managers will monitor the impact upon decision making and care planning for service users
10. Cumulative impacts	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?** Please explain these impacts. • Additional support may not be available to families if there is an inadequate offer by providers in the Community and Voluntary Sector • Changes to in-house residential, short breaks and respite providers are delayed if there is the need to accommodate additional young people on an emergency basis

Budget Equality Impact Assessment Template 2020/21 – Service-Users

1. Service Area	**Families, Children and Learning: Adult Learning Disability Assessment**	**2. EIA No. 2**
3. Head of Service	**Georgina Clarke-Green, Assistant Director, Health, SEN & Disability**	
4. Budget Proposal	**What is the proposal?** The Financial Recovery Plan proposes a saving of £1,970,000 by reducing the spend on the Learning Disabilities Community Care Budget.	
5. Summary of impacts	**Highlight the most significant disproportionate impacts on groups** **Disproportionate impacts identified on the following characteristics: Disability (Learning Disabilities), Ethnicity, Gender Reassignment, Sexual Orientation** Vulnerable people in the City are assessed in accordance with the Care Act 2014 to see if their eligible needs need to be met with care and support. 820 adults with a learning disability and / or autism have eligible needs and are currently receiving a service paid for via the Community Care budget. Services being provided are: Residential Care, Supported Living, Community Support and Day Options. Any reduction in the community care budget will have a direct effect on the amount or the way support and care is offered. Care costs are steadily increasing and there is an increasing level of complex needs being identified resulting in higher care costs. This is a trend reflected nationally as well as locally. For people and their families there could be a perceived reduction in the level of service they receive or potentially a change in provider and approach, which can be unsettling for users and families. Specific impacts identified:	

	Disability: managing these conversations will require staff to manage any changes in expectations carefully and skilfully. Direct payments must continue to be promoted (Care Act 2014) as a way to deliver more creative and sustainable modes of support and care, which will also be more person centred. **Ethnicity**: People from minority ethnic groups may continue to face disproportionate impacts, for example reduction in budgets for translators or for more in-depth work. **Gender reassignment**: As we are trying to increase engagement with this group, and recent research shows that despite the city being 'trans-friendly, discrimination, abuse and isolation are still a problem, any reduction in funding may impact negatively on any extra initiatives in this area. **Sexual orientation**: Some LGB people still remain silent or hidden. At a time of resource realignment there is a risk that these groups become more distant or marginalised. **Other groups**: People with Learning Disabilities who are in transition from Children's to Adults' services at this time of resource realignment may be adversely affected, as transition can take longer if not managed creatively and resources are not targeted effectively. This can mean young people with Learning Disabilities could experience a delay in accessing services they are entitled to when reaching 18, such as extra benefits. The Care Act 2014 places a requirement on Local Authorities to assess Carers. Work provided by carers in the city is of huge value, representing a huge saving. Any threat including any funding restrictions could have a direct effect on carers to continue in their caring role.
6. Assess level of impact (1= low; 5= high)	**3** There is an obligation to meet statutory need and there is a clear plan to implement a method of operating using the wellbeing and prevention approach as well as an asset based approach to our support and care offer: see below. However, this reduction in funding follows previous reductions in 2017-20, totalling approximately £2million.
7. Key actions to reduce negative impacts	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?** The Care Act asks for more than just Adult Social Care to look to offer support to people, instead recognising that in a city-wide approach must be embraced, encompassing all services from housing through to leisure, to

enhance the lives of vulnerable people.

Therefore, a new asset based approach is needed, a fundamental and radical rethink to help develop a new conversation with the public about how people, friends and families as well as communities can help people to remain independent.

The integration agenda with health gives opportunities to reduce duplication and work in a more joined-up way to proactively identify those people who may be at risk of going into hospital or residential care and thus manage risk, help people to live life and have a good death. Together we will ensure improvements in consistency particularly around the giving of information and advice to service users in how to access information, and get support to manage their own care needs.

We aim to carry this out by:

- Providing individuals living with families support to manage and sustain their care arrangements for as long as possible.
- Ensuring the right level of support takes place in the most appropriate setting; maximising independence, health and wellbeing.
- Continuing to offer personal budgets to clients to meet support needs in cost effective way, and promoting direct payments as a means of stimulating more creativity and choice about how people can meet their eligible needs.

Technology must be available for people to be supported remotely and in a modern way from telecare through to telehealth and other technologies and a raft of equipment which can help people remain independent.

A new reviewing framework will invite our partners to join us in reviewing people in a timely way and is intended to release care capacity and target those most in need. Reviews will also include a focus on readiness to move on to more independence, and therefore release some resources for those who need more support.

New and VFM commissioning of appropriate supported living and accommodation services for people with Learning Disabilities will add to the savings in the long term and increase the quality of life for a small but significant cohort of people.

An enhanced crisis provision service within the Community Learning Disability Team will provide targeted

	prevention work to the highest need service users in the city, working to prevent hospital admissions and placement breakdowns, which can result in higher cost placements being required in the future. The Service will comply with the new Accessible Information Standards (S.250) of the Health and Social Care Act 2012. Commissioners across Children's and Adults' services will work together with providers to prioritise assignment of resources, and ensure that the additional focus on all protected groups can continue. The recent redesign, integrating Children with Disabilities and Adult Learning Disability services, will create greater focus and efficiencies for young people as they prepare for adulthood. Feedback from service users and carers about ongoing changes following the model described above has been and contuse to be positive overall. The changes that have been made have not so far impacted on meeting eligible statutory need.
8. Full EIA?	Not needed
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?** • Service users will have their statutory individual Care Reviews • Contracts will be monitored via the Commissioning and Performance Team
10. Cumulative	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?** Please explain these impacts.

impacts	Housing is a key player to deliver good support and care. Any significant reduction in access to suitable housing will have a direct effect on the Community Care Budget. Public health as a partner is key in promoting wellbeing and healthy lives: this is critical to stem any future and immediate demand. The CCG are a key partner and currently there are some joint funding arrangements in place to share some community care costs for people being discharged from specialist LD hospitals. Any reduction in funding from the CCG would have a direct effect on the community care budget.

Budget Equality Impact Assessment Template 2020/21 – Service-Users

1. Service Area	**Families Children & Learning: Early Years and Childcare**	**2. EIA No. 3**
3. Head of Service	**Caroline Parker**	
4. Budget Proposal	**What is the proposal?** Proposal is to save £32,400 **Year 1 (2020-21)** To introduce **charging for Quality improvement in Learning & Teaching (QuILT) programme for early years providers which are rated good/outstanding by Ofsted and do not have high numbers of disadvantaged children (£5,000).** The risks are that providers will not complete QuILT modules and will consequently offer provision which is less high quality. The most popular module is equal opportunities and so providers not completing this may result in poorer quality for children in this area To start **charging childcare providers for statutory courses** including safeguarding training **(£7,400).** This risk is that fewer providers will attend training and knowledge of safeguarding will reduce. All other courses are already charged for. To **increase funding by (£20,000**) for supporting early years providers from the centrally retained element of the Early Years Block of the Dedicated Schools Grant. This will mean that there is £20,000 less to pass through to early years and childcare providers. This sum amounts to 0.15% of the early years block allocation for three and four year olds. **Years 2-4 (2021-24)** To review and **reduce training and support** for early years childcare providers. The risk is that childcare providers will become poorer quality	
5. Summary of	**Highlight the most significant disproportionate impacts on groups**	

impacts	**Disproportionate impacts identified on the following characteristics: Age (younger people), Sex (women), Child Poverty** 337 delegates attended free safeguarding training in 2018/19 with another 45 attending online training. Thirteen early years settings and six childminders have undertaken QuILT modules since the beginning of 2018, the most popular module being equal opportunities. **Charging for QuILT programme** Most likely to impact smaller childcare providers as they may be unable to pay for quality assurance. **Charging for statutory courses** Greatest impact on smaller childcare providers with fewer resources to pay for training. Impact on children as providers not accessing training will be less skilled in safeguarding. **Contribution from the early years block** This will mean that there is less money to pass through to early years providers. Providers in Brighton & Hove already have one of the lowest funding rates for three and four year olds in the south east and this ongoing difficulty threatens the sustainability of provision, particularly amongst small voluntary sector providers who have no opportunity to increase income through charges to parents. **Reducing training and support** Poorer quality in sector, more closures, less choice for parents.
6. Assess level of impact (1= low; 5= high)	**3**
7. Key actions to reduce negative impacts	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?** • Support women who lose jobs in childcare as a result of closures to find employment elsewhere in the sector through our job vacancy service • Refer women to Family Information Service if they need to make new childcare arrangements because of closures • Continue to target training and quality support to settings with most disadvantaged children

8. Full EIA?	No further assessment needed.
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?** • Monitoring access to training by all settings in the city • Monitoring impact on safeguarding at early years settings • Monitoring quality of settings throughout the city
10. Cumulative impacts	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?** Please explain these impacts. None identified

Budget Equality Impact Assessment Template 2020/21 – Service-Users

1. Service Area	**Families, Children and Learning: Employment and Skills**	**2. EIA No. 4**
3. Head of Service	**Carla Butler (Acting Head of Service)**	
4. Budget Proposal	**What is the proposal?** Use the savings proposal wording and more detail if needed A reduction of £102,000 from the Supported Employment Team, Youth Employability Service and Able and Willing Placement Scheme. The total current budget for this service is £828,000. The Youth Employability Service (YES) has been very successful in ensuring that the number of young people not in education, employment and training in Brighton & Hove is relatively low. This means that young people have a good start on their employment journey. In January 2019, The Children and Young People and Skills Committee agreed that the future delivery model of Able & Willing be changed to a rolling work placement programme matching suitable placements within council services for candidates who are disabled. The council's Supported Employment Team (SET) work with local people who have disabilities, including learning disabilities, helping them seek and maintain employment. Although there is no statutory requirement to deliver the SET services, there is an ongoing administration commitment to support those furthest from the labour market into work. At budget council in February 2018 an additional pot of funding was allocated to support those aged 18-24 into work. The team provides support to the employee, the employer and work colleagues through training, job coaching and advice. The SET work much closer with the YES to deliver the council's objective to target young people with SEND, in order to increase the percentage who are able to access sustainable employment. It is proposed that savings will be identified through a redesign of these services.	
5. Summary of	**Highlight the most significant disproportionate impacts on groups**	

impacts	**Disproportionate impact on Age (Young People), Disability and Carers, Children in Care and Care Leavers** The Youth Employability Service works with people aged 16 to 24. The Supported Employment Team works specifically with people of all ages who have Special Educational Needs and Disabilities. Carers also access the service on behalf of a young person or adult. There is also potential for impact in the Virtual School support. Details of the service redesign are not certain at this stage: a full EIA will be completed to inform this.
6. Assess level of impact	**3**
7. Key actions to reduce negative impacts	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?** The service redesign will aim to minimise impacts on service-users, by reviewing management structures, systems and infrastructure, to identify opportunities for closer alignment of these services and reduce any duplication. There are other organisations in the city working with these cohorts, so if capacity to support individuals were reduced the service would refer to other suitable providers, appropriately. Priority will be given to protect services for Children in Care, Care Leavers and young people with SEND.
8. Full EIA?	A full EIA will be completed to inform the service-redesign
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?**

	Record data of clients supported and destinations in relation to moving away from being NEET. There is a KPI in the team measuring people who are Not in Education Employment and Training and adults with Learning Disability in employment. Continue to monitor statutory returns which oversee outcomes for these cohorts.
10. Cumulative impacts	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?** Please explain these impacts.
	None identified.

Budget Equality Impact Assessment Template 2020/21 – Service-Users

1. Service Area	**Early Years and Childcare: Children's Safeguarding & Care - Children's Placements**	**2. EIA No. 5**
3. Head of Service	**Deb Austin, Assistant Director**	
4. Budget Proposal	**What is the proposal?** A £907,000 saving on the cost of placements for children in the care of Brighton & Hove City Council. This will be achieved by via: • Further embedding on the model of social work practice, in particular Lead Practitioners within the Partners in Change Hub, to enable more children to be safely supported within their families resulting in a further decrease in the number of Children in Care. Since October 2015 CIC numbers have reduced by 19% and this reduction continues. • Further increasing the number of in-house foster placements and reducing reliance on more expensive independent provider provision. • Provision of high quality, value for money provision though contracted services with external providers supported by the children's services framework contract arrangements and preferred provider guidelines. • Relationship based social work practice and the specialist adolescence service to continue to divert children from the care system. • For those already in care, a stepping down to in house and/or less expensive placements. • Continued scrutiny of placement costs contributing to a reduction in unit costs. • Review of SGO allowances and reducing by child benefit amounts to bring payments in line with East & West Sussex.	
5. Summary of impacts	**Highlight the most significant disproportionate impacts on groups** **Disproportionate impacts identified on the following characteristics:** Brighton & Hove City Council has a statutory duty to provide alterative care for children who otherwise would suffer significant harm if left in the care of their family. These proposals would not impact upon the threshold for children to come into the care system. The savings are primarily related to reducing the cost of placements by	

	providing in-house alternatives rather than more expensive agency placements and by supporting families, in the wider sense, to provide safe and effective care so their children can remain in their care.
6. Assess level of impact (1= low; 5= high)	**1**
7. Key actions to reduce negative impacts	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?** Continuing the actions defined in the new model of practice, which are proving effective: • Continued embedding of relationship-based practice with a focus on a proportionate, strengths-based approach, monitored via Quality Assurance activity and scrutinised via FCL Performance Board. • Continuation of Entry to Care Panel chaired by Assistant Director to ensure that those children who need to be in the care of the Local Authority receive a timely and effective response
8. Full EIA?	No
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?** • An ongoing evaluation of the model of practice is in place, which oversees the quality of services provided to children in need. • Regular quality assurance activity takes place which is overseen by FCL Performance Board, chaired by Executive Director for FCL • Entry to Care Panel, chaired by Assistant Director Children's Safeguarding & Care, will continue to ensure that children who need to be placed in LA care receive a timely and effective service.
10. Cumulative	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?** Please explain these impacts.

impacts	Increasing social work demand due to unforeseen social, policy or demographic changes could increase the impact of these proposals. The impact of growing levels of inequality, including changes to benefits, within Brighton and Hove alongside decreasing access to services to mitigate levels of inequality, could lead to greater levels of demand upon social work services.

Budget Equality Impact Assessment Template 2020/21 – Service-Users

1. Service Area	**Families, Children & Learning: Safeguarding & Care**	**2. EIA No. 6**
3. Head of Service	**Tom Stibbs**	
4. Budget Proposal	**What is the proposal?** A reduction of the budget for the Partners in Change Hub by £75,000. This is made up of £25,000 from ending the payment to Oasis for a secondment for a substance misuse worker to support the Looking Forward project. The Looking Forward project was set up to support vulnerable adults whose children had been placed in permanent alternative care with the aim that they would not go on to have further children placed in care. This project will not continue in its current form next year. It is proposed that the funding for the Chance 2 Change programme, which is a group programme for domestic abuse perpetrators, is reduced by £50,000 in 2020/21. This is approximately a reduction in the budget for 2019/20 by a third. In the year 2018-19 around 25 people were in the programme. As part of this proposal we will consider providing more individual support for perpetrators in the place of group work.	
5. Summary of impacts	**Highlight the most significant disproportionate impacts on groups** **Disproportionate impacts identified on the following characteristics: Sex (women)** The Looking Forward project has mainly supported women and so the loss of this service will have a greater impact on women. The loss or reduction of a domestic violence and abuse perpetrator programme will have a specific impact on men in terms of reduced opportunities to hold perpetrators accountable and provide effective interventions to change their behaviour and for women and girls in terms of the disproportionate risk to them as victims of domestic violence and abuse.	

6. Assess level of impact (1= low; 5= high)	**2**
7. Key actions to reduce negative impacts	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?** • To work with commissioners and other agencies in the city to consider how support is provided to vulnerable adults with multiple needs. To make sure that the Partners in Change Hub works with social workers to help vulnerable adults who are no longer caring for their children to accept help. • To make sure that the Partners in Change Hub provides support to social workers to work with perpetrators of domestic abuse in a flexible way that engages them and allows their violent behaviour to be addressed in a safe way. This may also enable opportunities for interventions that can support perpetrators who share different protected characteristics. • To continue to work with commissioners and providers across Sussex to develop aligned programmes and 1:1 work that engage more men more flexibly and that include engagement with men who have been sentenced, those who have substance misuse issues, fathers and with different forms of domestic violence and abuse. As part of this to make sure that protective partners and the victims of domestic abuse are provided with support to prioritise victim safety. • To work with commissioners and other agencies in the city to consider how support is provided to vulnerable adults with multiple needs. To make sure that the Partners in Change Hub works with social workers to help vulnerable adults who are no longer caring for their children to accept help.
8. Full EIA?	Not needed
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?** The changes to the Chance 2 Change programme will be monitored and the individual work that is being proposed, 'Safer Relationships', is part of an independent evaluation by the University of Sussex.
10. Cumulative	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?** Please explain these impacts.

impacts	Services to support the victims of domestic abuse across Sussex are being re-commissioned for 2020 and it is possible that changes to these services could impact on the changes in this proposal as could changes to other programmes that support domestic abuse perpetrators in the city. The Principal Social Worker will be a member of the group overseeing the new commissioning process.

Health and Adult Social Care

No service-user EIAs are required for proposals from these services.

Economy, Environment and Culture

Budget Equality Impact Assessment Template 2020/21 – Service-Users

1. Service Area	**Economy, Environment and Culture: City Transport / Parking Services Group – Concessionary Travel**	**2. EIA No. 7**
3. Head of Service	**Charles Field**	
4. Budget Proposal	**What is the proposal?** **Renewal of Concessionary Travel deal from April 2020 for a three year period.** BHCC has a statutory obligation to provide disabled and older persons (above state pension age of a woman) concessionary travel passes to those eligible[1] and reimburse operators for journeys taken by pass holders. The current 3 year fixed deal runs out on 31st March 2020 and we are working on a new fixed deal with Brighton & Hove Bus Company (who have the vast majority of bus trips within Brighton & Hove) The proposed fixed deal, whilst expanding the scheme for disabled pass holders, will save £500,000 per annum from the 2020/21 Parking Services budget. The potential saving on a fixed deal is £300,000 saving per annum for 3 years and £200,000 each year from not requiring 2% inflationary increase due to fixed deal. If we cannot make an agreement with the Brighton & Hove Bus & Coach Company (BHBCC) then we would need to go down the route of reimbursement through the DfT calculator. However, this would put £200,000 of the £500,000 of the required savings at risk as we would be required to keep the 2% inflationary increase for the reimbursement based on actual journeys.	

[1] Those eligible include anyone who is resident in the city over the pensionable age of a woman and those disabled people who fit the following criteria. Blind or partially sighted, severely or profoundly deaf, without speech or have a disability or have suffered an injury which has a substantial and long-term adverse effect on the ability to walk. Or the applicant is in receipt of the Higher Rate Mobility Component of Disability Living Allowance or 8-12 points in the 'Moving Around' descriptor of Personal Independence Payment (PIP), been awarded a blue badge or war pensioners allowance, a lump sum benefit under the Armed Forces and Reserve Forces (Compensation) Scheme

	Currently non- residents can travel between the statutory times of 9.30am- 11pm weekdays & all day weekends and bank holidays. Brighton & Hove residents are currently allowed to start their journey in the boundaries of Brighton & Hove between 9.00am -3.59am weekdays and all day at weekends. The technology is already in place and working to differentiate between passes of residents and non-residents. • We are proposing that negotiation with BHBCC takes place to allow resident disabled card holders to travel for 24 hrs as part of the negotiations for a new deal. However, it is necessary for us to commit to continuing this for a further 3 years. • Disabled pass holder travel time for Brighton & Hove residents is being proposed to extend to allow travel 24/7 (this would increase access between 4am-9am weekdays) from April 2020 for a minimum of 3 years. • This will put us in line with the times: West Sussex County Council are offering disabled card holders. • Older persons and non-resident Concessionary Travel conditions will remain the same Final approval at Policy & Resources Committee is required before 1st April 2020.

5. Summary of impacts	**Highlight the most significant disproportionate impacts on groups**
	
	Disproportionate impacts identified on the following characteristics: Age (older people), Disability, Carers
	
	The benefits for our 6655 disabled pass holders outweigh the cost, this is demonstrated by how it will support many strategies including:
	
	• The corporate vision;
	  ○ A good life: Ensuring a city for all ages, inclusive of everyone and protecting the most vulnerable.
	  ○ A well run city: Keeping the city safe, clean, moving and connected.
	  ○ A vibrant economy: Promoting a world class economy with a local workforce to match.
	  ○ A modern council: Providing open civic leadership and effective public services.
	• Supports the Council's Equalities and Inclusion Policy Statement and Strategy aims.
	• Our customers have told us that they are working part time in low paid jobs due to their disabilities and paying the additional bus fare to get to work first thing in the morning is a real barrier to them working.
	• It supports disabled parents who are taking their children to school by bus when they are unable to walk.

6. Assess level of impact (1= low; 5= high)	**1**
7. Key actions to reduce negative impacts	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?** Independent Travel Trainer (Access Project) – helping children with disabilities achieve travel independence. The council are also subsidising a small amount of children with concessionary travel passes with extra commercial bus passes to get them to school. We can see from our journey analysis that children and young adults use their bus passes heavily at 3pm, but not in the mornings. Older people may apply for disabled cards to get this additional benefit we cannot stop them from doing this. In comparison to other West Sussex and looking at population vs how many disabled bus passes are already on issue to older people we predict the increased disabled cards on issue will be inconsequential.
8. Full EIA?	Not required. Work has already been completed with the Communities, Equality & Third Sector Teams to inform the development of this 24 hour disabled pass scheme.
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?** 94% of all concessionary journeys are taken on Brighton & Hove Bus and Coach Company who we are in a fixed deal with until April 2020. This fixed deal is based on a projection of 9,549,760 journeys taken by concessionary travel pass holders for the financial year. Our analysis indicates there will be 171,000 pa journeys taken between 4am-9am. These are not all additional generated journeys as it does not allow for people who have simply changed their travel time from after 9am to before 9am. We will make more of the data we have. We will analyse it so it informs service planning and delivery; helps us identify who is and is not accessing our services; and to identify who could be getting more from them.

10. Cumulative impacts	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?** Increased parking fees & charges may encourage more bus use as a free travel alternative. Equally parking surplus from increased parking fees will pay for concessionary travel

Budget Equality Impact Assessment Template 2020/21 – Service-Users

1. Service Area	**Economy, Environment and Culture: City Transport / Parking Services Group**	**2. EIA No. 8**
3. Head of Service	**Charles Field**	
4. Budget Proposal	**What is the proposal?** **Parking Fees & Charges (Raising by an average 5.4%)** • Raising price of first resident permits – Not raising quarterly prices to reduce costs to those who find the upfront annual costs more difficult. • Raising price of 2nd / Additional resident permits by means of an additional surcharge. • Increasing selected tariffs on seafront tariffs. • Increasing price of Traders Permits and including monthly, weekly and daily (removing waiver) options • Raising price of Doctors permit but allow them to use parking bays with same rule as business permit as well as doctors bays. • Increases to Business permits. • Increase price of resident visitor permits in Zone B & D (event day schemes) alongside setting £50 charge for Guest permits. • Increase price of car club permits (any vehicle). • Increasing selected tariffs in off street car parks by 2.6% to 25%. (Trafalgar Street and London Road would remain same prices as underachieving slightly currently) Black Rock, King Alfred, Norton Road, Regency Square and other off street Car Parks. • Increasing hours of King Alfred and Black Rock Car parks from finishing at 6pm to 8pm. • Increase allocation of business permits. The increases amount to approximately £1,360,000 per annum and will meet traffic management objectives, including improving air quality, reducing demand and congestion as well as achieving a higher turnover of spaces and supporting economic growth in the city.	

5. Summary of impacts	**Highlight the most significant disproportionate impacts on groups** **Disproportionate impacts identified on the following characteristics: Age (older people), Disability, Carers** Any increase in price for fees and charges allows for a decrease in demand from users. Members of the public may choose not to pay to park on or off street due to price increases. This could lead to inclusion issue with impacts on lower income residents as the amount they pay to park on and off street would increase. However, these proposals are in line with transport objectives of supporting sustainable transport options and reducing vehicles. This may mean carers have to pay more if they live in a different parking zone to the person they visit although there are carers' permit or visitor permits available. The proposed increases in visitor permits is more reflective of high demand for parking on event days near the AMEX Stadium and will reduce demand of on-street parking. The visitor permit remains good value to park within the restricted hours. The increase in hours of the King Alfred and Black Rock Car parks may have an impact on all users to local facilities as they would need to pay to park between 6pm and 8pm.
6. Assess level of impact (1= low; 5= high)	**2**
7. Key actions to reduce negative impacts	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?** Officers will work to ensure any increase in fees will avoid negative impacts as much as possible. Fee increases are targeted at areas where parking is at capacity to help provide drivers with better access to currently congested areas. In terms of resident permits the proposals keep quarterly prices the same where possible to reduce costs to those who find the upfront annual costs more difficult.

	The ongoing work identifying Blue Badge fraud frees up parking spaces for eligible blue badge holders and we will continue with Blue Badge fraud investigation work to protect disabled bays from misuse. The cost of professional carers' permits and carers' permits remain unchanged to reflect the positive impact this brings to all members of society. We will be looking to see if this can be advertised through the new one account IT system when operational and other options such as through the Carers' Centre. Any surplus parking income is mainly spent on providing free bus passes for older and disabled people to encourage alternative sustainable transport choices.
8. Full EIA?	Not required.
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?** Regular review meetings are held to review on-street and off-street parking usage. Parking Services have applied for and been awarded People's Parking accreditation. This scheme was set up by Helen Dolphin MBE, a disability rights campaigner, to provide independent feedback about the facilities and public car park experience from a disabled user perspective, with regular monitoring and reviews. Parking Services have also received Park Mark accreditation from the police for our off-street car parks as safe car parks to use. It is nationally recognised and we receive significant feedback that we were chosen via the Park Mark website. Parking Services produce an annual Parking Annual Report providing transparency and meaningful insight into the overall service including how and where funding is raised and distributed. The Service has recently, for the fourth time, been awarded Parking Report of the Year for their work in this area.
10. Cumulative	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?**

impacts	The proposal to expand the scheme for disabled passes within the new concessionary travel will mitigate some of the impacts from increases to fees & charges by encouraging / improving access to public transport use.

Housing, Neighbourhoods & Communities

Budget Equality Impact Assessment Template 2020/21 – Service-Users

1. Service Area	**Housing, Neighbourhoods and Communities: Safer Communities: Domestic & Sexual Violence Service**	**2. EIA No. 9**
3. Head of Service	**Jo Player**	
4. Budget Proposal	**What is the proposal?**	
	Service redesign of domestic violence and sexual violence service through the re-commissioning process to deliver savings of £35,000 in 2020/21.	
5. Summary of impacts	**Highlight the most significant disproportionate impacts on groups**	
	Disproportionate impacts identified on the following characteristics: Sex (women) Reduction in budget for domestic violence and sexual violence services may impact disproportionately on women and girls	
6. Assess level of impact (1= low; 5= high)	**1**	
7. Key actions to reduce negative impacts	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?**	
	Redesign and re-commissioning of domestic violence and sexual violence services should reduce negative impacts considerably and improve service delivery	

8. Full EIA?	Full EIA not required
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?** Regular quarterly monitoring will be required as part of the contract award.
10. Cumulative impacts	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?** Please explain these impacts. Opportunity for additional funding may be available from the third sector commissioning process.

Finance & Resources

No service-user EIAs are required for proposals from these services.

Strategy, Governance & Law

Budget Equality Impact Assessment Template 2020/21 – Service-Users

1. Service Area	**Strategy Governance & Law: Democratic Services - Civic Office**	**2. EIA No. 10**
3. Head of Service	**Abraham Ghebre-Ghiorghis / Mark Wall**	
4. Budget Proposal	**What is the proposal?** A saving of £59,000 against an overall budget of £699,000 is proposed for 2020/21 from the Democratic Services and Civic Office teams.	
5. Summary of impacts	**Highlight the most significant disproportionate impacts on groups** **Disproportionate impacts identified on the following characteristics: none specifically identified** From a review, a revised structure to reduce overall number of posts down to 8 in the Democratic Services Team. This will impact on the level of support to the committee process and require a change in working processes to ensure that all meetings can be effectively managed and statutory deadlines maintained. There will be a need for the use of electronic agendas to be fully embraced by elected Members and the adoption of the i-casework system for councillors' casework. A reduction in staff will contribute the overall savings target to be met; but will impact on the level of support available to the civic office and the Mayor. There may be potential impacts on capacity to form working groups, which may mean that residents see a delay in Members' addressing case work or impact on Members' ability to consider and respond to city-wide issues.	

6. Assess level of impact (1= low; 5= high)	**2**
7. Key actions to reduce negative impacts	**What actions are planned to reduce/avoid negative impacts and increase positive impacts?** • Democratic Services Officers will work with Members to enable greater flexibility and use of their tablet devices for agendas and committee papers, and with officers to ensure that they are more self-confident in using the report management system on the wave. • A reduced number of hard copies of papers will be made available to those Members who require them, although it is hoped that as they become more adept at using their mobile devices in meetings, this need will decrease. • Continual training on the use of the ModGov app and i-Casework system will be offered to Members and Officers as well as refresher training to officers for the report management system.
8. Full EIA?	A review of the roll-out of mobile devices will take place early in the new year and additional support provided as needed.
9. Monitoring and Evaluation	**How will you monitor the impact of this proposal and the success of your mitigating actions on these groups over the coming year (or more)?** A review after each committee cycle will be undertaken to identify how many users are making use of the electronic agendas/papers and further training and help will be directed to those still taking hard copies.
10. Cumulative impacts	**Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal?** Please explain these impacts. The use of mobile devices will depend on sufficient Wi-Fi connections being available in council buildings and alternative provision may need to be available if it was to fail.

Equality Act 2010: section 149 Public Sector Equality Duty

(1) A public authority must, in the exercise of its functions, have due regard to the need to—

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

(2) A person who is not a public authority but who exercises public functions must, in the exercise of those functions, have due regard to the matters mentioned in subsection (1).

(3) Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—

(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

(4)The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

(5) Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—

(a) tackle prejudice, and
(b) promote understanding.

(6) Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

(7) The relevant protected characteristics are—

- age;
- disability;
- gender reassignment;
- pregnancy and maternity;
- race;
- religion or belief;

- sex;
- sexual orientation.

(8) A reference to conduct that is prohibited by or under this Act includes a reference to—

(a) a breach of an equality clause or rule;

(b) a breach of a non-discrimination rule.

(9) Schedule 18 (exceptions) has effect.

POLICY & RESOURCES COMMITTEE	Agenda Item 79 Brighton & Hove City Council

Subject:		**Council Tax Reduction Review 2020-21 and Working Towards a New Welfare Framework**
Date of Meeting:		**5 December 2019**
Report of:		**Executive Director for Finance & Resources**
Contact Officer:	**Name:**	**Paul Ross-Dale** **Tel: 01273 291969**
	Email:	**paul.ross-dale@brighton-hove.gov.uk**
Ward(s) affected:		**(All Wards);**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 Each financial year, government legislation requires the council to consider whether to revise or replace their local Council Tax Reduction Scheme.

1.2 This year, it is proposed that there will be no changes to the scheme and the committee is asked to confirm this position. However it is proposed that the future approach to this is set alongside wider consideration of how the council can operate a more effective welfare framework.

2. RECOMMENDATIONS:

2.1 That the Committee confirms that the current Council Tax Reduction scheme shall continue without amendment, except for technical amendments to the amounts and allowances used to calculate entitlement.

2.2 That the Committee approves £150,000 funding for the discretionary fund in 2020/21; this would require additional one-off funding of £140,000.

2.3 That the Committee confirms that work should continue towards the creation of a more comprehensive welfare framework that better joins up support from officers to residents in need.

2.4 That the Committee confirms that officers should produce a further report following the General Election with more detailed proposals for a new welfare framework incorporating a city-wide view, i.e. having consulted with members from all Groups and key stakeholders.

2.5 That the Committee notes the options and provides a steer for wider consultation with stakeholders as the new welfare framework is developed.

3. CONTEXT/ BACKGROUND INFORMATION

Council Tax Reduction Scheme

3.1 In 2013, Council Tax Benefit was abolished and Local Authorities were instead required to design their own Council Tax Reduction (CTR) schemes for working age people. Residents who are of pensionable age are required to remain on a "default" scheme, which retains the qualifying conditions and entitlements of the old Council Tax Benefit scheme.

3.2 In most years since 2013, the council has altered the CTR scheme for working age people, usually in line with the council's broader savings requirements, but also with the aim of maintaining fairness and simplicity in the scheme and enhancing incentives to work. **Appendix 1** shows how the scheme has changed over the years.

3.3 With 12,000 households now claiming Universal Credit in the city, there are new challenges to the administration of Council Tax Reduction. For example, a person's Universal Credit payments can change month by month in response to income fluctuation. This creates increased knock on changes to be calculated in regard to the person's Council Tax Reduction, and each time Council Tax Reduction changes, a new Council Tax bill has to be sent. In 2019, the council introduced a "minimum change" rule that sought to limit the number of changes made to Council Tax Reduction, by excluding those resulting in a change of less than £2 per week.

3.4 The existing scheme's workings are summarised at **Appendix 2**. It was budgeted to cost £17.549 million of which the council's share is £14.902m, a decrease of £0.478 million from 2018/19 (including the adjustment for the council tax increase). There are approximately 11,000 working age Council Tax Reduction cases. Numbers have not reduced as projected (based on previous years reductions) meaning that there is a projected over-spend of £0.470 million this year which is reflected in the council tax collection deficit position. As such the council is not in a position to extend the scheme in 2020/21 on affordability grounds, especially when set against the requirement to find c£10 million savings (discussed separately in the Draft General Fund Revenue Budget & Capital Strategy 2020/21 report elsewhere on this agenda) and potential further commitments around the schools' *Term-time Only* settlement.

3.5 It will be necessary to make some technical amendments to the scheme, by updating the allowances, premiums and non-dependant deductions used to calculate Council Tax Reduction in line with national figures. This is so that increases of national benefit entitlements are reflected in our local scheme.

3.6 As with the 2019/20 scheme it is proposed to include a discretionary fund of £0.150m within the budget proposals for 2020/21. In the period April 2019 to October 2019, the discretionary scheme has helped 354 households at a cost of £0.105m and we are projecting that the full £0.150m will be allocated by the end of the year. Given that the council is projecting an over-spend in excess of £4 million for the current year, it is not possible at this stage to commit more funds.

Working Towards a New Welfare Framework

3.7 The long-running migration to Universal Credit, and the issues that this has caused for residents has brought the issue of welfare into sharp focus.

Why should the council do something different?

3.8 Welfare support is essential for the most vulnerable households in the city. The council uses scarce resources on potentially sub-optimal outcomes if need is considered on a patchwork rather than holistic basis. Funding is finite and not enough to meet every demand. Therefore the council needs a consistent approach that prioritises expenditure to agreed corporate objectives.

3.9 Officers perceive that the nature of the demand is changing as welfare reform embeds. The key issue is no longer simply around benefit entitlement, although this is still a fundamental layer of stability for households – rather it is also linked to housing affordability and debt. In order to mitigate this, a long-term strategy and funding commitment is required.

3.10 In order to formulate this strategy, it is planned that an officer board is set up, with representation from services including Revenues and Benefits, Housing, Adult Social Care and Corporate Debt. The aim is to draw together a response to the challenge of supporting people affected by welfare reform and other financial support issues. We anticipate that this new board will examine demand and review how the authority responds to welfare benefit issues. An officer board is seen as preferable for tactical decision-making, because member and community involvement could lead to a perception of conflicts of interest. However a wider strategy would be driven by consultation with members and stakeholders, including the community and voluntary sector (CVS).

3.11 Given that there is strong member interest in this policy area, and also that there are very different levels and types of need across the city, it is desirable that some formal cross-party member oversight is put in place. This could be in the form of members attending board meetings for specific agenda items, a working group, or by means of regular reporting to Committee. A permanent member working group would require committee approval.

What has already happened and what could happen next

3.12 In response to government welfare reforms, a project was set up to ensure that the council understood the impact on residents, especially of the move to Universal Credit. The team reported progress regularly to the Neighbourhoods, Communities & Equalities (NICE) Committee. Its work was evidence-based and involved targeting those most vulnerable based on evidence including from a report commissioned in 2015 from the Learning & Work Institute: https://www.learningandwork.org.uk/resource/the-impacts-of-welfare-reform-on-residents-in-brighton-and-hove/

3.13 The council has also updated its Corporate Debt Policy, and this was approved by Committee in January 2019: https://present.brighton-hove.gov.uk/Published/C00000912/M00008109/$$ADocPackPublic.pdf

3.14 In the first phase of Welfare Reform, the council responded as follows:

- Initiation of a Welfare Reform Programme
- Introduction of the Local Discretionary Social Fund, designed to provide crisis help in the form of food vouchers, fuel payments and also white goods and furniture for certain vulnerable people moving to a new home
- Creation of a Benefit Cap team, responsible for helping households where benefit entitlement has been capped in line with government policy.
- Welfare Rights team brought into Revenues and Benefits, facilitating closer working relationships and maximising household incomes by ensuring that benefit entitlement was maximised, and incorrect DWP decisions challenged successfully
- Strategic and practical links with other services, for example Benefit Cap officer in Housing Income Management. We also have crossover with the Jobcentre work coaches, including some co-location of two officers
- Replacement of the old Council Tax Benefit scheme with a new Council Tax Reduction scheme, and subsequent changes
- Links with the Voluntary Community Sector

3.15 Whilst the programme was effective in partially mitigating some of the adverse impacts of Welfare Reform, many of those reforms are now complete. The challenge facing vulnerable people and those with complex needs is how to navigate the complex landscape of benefits, financial resilience and tenancy sustainment. Alongside the ongoing migration onto Universal Credit, many councils are considering how to meet the challenge, against a backdrop of limited funds and uncertainty in terms of how central government views the ongoing role of councils supporting such individuals.

Opportunities

3.16 There are a number of opportunities that can obviously be pursued to begin with:

- Officers can undertake a demand analysis exercise, so that there is an up to date picture of the broad range of welfare benefit and financial support needed for vulnerable residents.
- The council can review its advisory support between that provided internally and from voluntary sector provision, to ensure that we are commissioning exactly what is required.
- Members' views are required in advance of setting a strategy that aligns to political will.
- Officers now understand the long-term commitment required to support vulnerable residents; previously the response to welfare reform was reactive and piecemeal in terms of how individuals were supported by different services.
- The council can learn from what is being implemented in other unitary authorities, districts and boroughs with similar demographics and pressures.

3.17 Importantly, the LGA published a report in February 2019, based on intelligence from a number of councils: https://www.local.gov.uk/reshaping-financial-support-how-local-authorities-can-help-support-low-income-households-financial

This outlines how work has evolved to create a new response for helping low income households. Innovation includes:

- Using data to understand and plan interventions
- Using connections in the community to ensure that help and advice is provided in local hubs
- Bringing different skill sets and disciplines together, which recognises that individuals' problems require a complex and ongoing response
- Reviewing and bringing together the various discretionary funds available to support people, so that they can be used more effectively.

3.18 The LGA is now embarking on a new development programme, working on reshaping financial support. Brighton & Hove has successfully applied to join this programme, and this can only be beneficial as we develop a new approach. The other authorities are:

- Barking and Dagenham
- Tower Hamlets
- Greenwich
- Bristol
- Leeds

3.19 The Welfare Board should direct the ongoing development of our strategy, but it is likely that some of the above ideas will be explored, depending on the outcome of the demand analysis work that officers will be undertaking. It is important that our strategy is informed by the specific pressures and demographics associated with Brighton and Hove. The opportunity of working with the LGA will mean that we can benefit from advice and consultancy, as we develop our offer.

Potential for a Cross-Council Approach

3.20 There is broad consensus amongst members that a joined-up approach to welfare will benefit those residents that need it. As the analysis in **Appendix 3** shows, there are significant differences in how this need manifests itself. As a result it may be appropriate for representatives from a number of wards to come together and identify how best to develop the new framework.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 We are currently exploring other models of Council Tax Reduction that would constitute a more fundamental revision of our scheme. For example increasing numbers of Local Authorities are adopting banding schemes, whereby entitlement is calculated based on which broad income bracket a person falls into. Such a scheme would be simpler to understand and administer than our current scheme. However it will be very important to understand the effect of such a scheme on individuals, because depending on how the bands are set, there could be significant impacts, both positive and negative.

4.2 Even if we were to make changes or tweaks to the existing scheme, there would still be negative as well as positive impacts, as we would be redistributing the same amount of money. It would be challenging in the current climate to present

affordable options to increase our spend on CTR, because of the scale of cost involved. In **Appendix 4**, the cost of the scheme is shown from April 2015 to date. Over the years, the council has introduced changes in order to streamline the scheme and/or meet spending requirements. To restore the scheme to its original value would cost in excess of £2.8 million. Individual changes vary and we would need to do more work to identify exact costings, but for example, to restore the taper to 20p (from 25p) would cost minimum £0.1million. To remove the limiting of the maximum CTR award to 80% would cost in excess of £2.6million. However, against this cost, we would also need to consider how making the scheme more generous could impact positively on ultimate collection rate – for example, the cost of collection may reduce by a margin as a result of providing greater assistance.

4.3 We would also have to consider that in order to make a change to the scheme, the law requires us to consult firstly with the Police and Fire authorities and then the public, and it is unlikely that we could now achieve that in the timescale available, in a way that can be supported by our systems in relation to the timing of billing.

4.4 Due to the potentially broad impact, all of these considerations should be taken forward together into a detailed impact and equalities analysis of current scheme vs possible banding scheme. This will lead to an appropriate formation of strategy.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 No changes to the Council Tax Reduction scheme have been proposed for the forthcoming year and so there has been no proposal to put to consultation. However options for consultation across the council and wider city have been set out in section 5.3 and there is a recommendation that Committee provides a steer on which one(s) to pursue.

5.2 The existing scheme was subject to a consultation last year and the results helped to inform members' decision to confirm the scheme in place.

5.3 In order to create a more meaningful conversation with the city and to achieve the stated ambition of creating a more comprehensive approach to addressing need, there are a number of options, many of which are not mutually exclusive:

- A traditional web-based consultation as ideas develop.
- A meeting or meetings involving members, key stakeholders (e.g. from the CVS) and officers to agree and implement priorities.
- A wider approach involving residents.

6. CONCLUSION

6.1 The council can make a step-change to its welfare provision by bringing services together more coherently, and creating a new framework as described in this

report. It is logical that this is done by consulting across the council and city given the complex nature of need, and how this has changed in recent years.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The CTR scheme for 2020/21 is planned to remain unchanged from the 2019/20 scheme. Changes in the number of claimants and the planned council tax increase in 2020/21 will affect the overall cost of the scheme. The number of claimants continue to reduce but at a lower rate than experienced in previous years. The estimated cost of the approved 2020/21 CTR scheme will be reflected in the council tax base which is reported to Policy & Resources Committee on the 23 January 2020.

7.2 It is proposed to maintain the discretionary CTR fund at the level provided in previous years of £0.150 million. As allocated in the previous Medium Term Financial Strategy, the existing recurrent budget is £0.010m and has been supplemented each year by one-off funding and therefore this will require additional one-off funding of £0.140million in 2020/21. This allocation is included within the budget update report elsewhere on this agenda and will be treated as a commitment in setting the 2020/21 budget if approved. A potential outcome of a wider welfare strategy is that a higher level of recurrent budget is prioritised.

Finance Officer Consulted: James Hengeveld Date: 31/10/19

Legal Implications:

7.3 Paragraph 5 of Schedule 1A of the Local Government Finance Act 1992 requires a billing authority, such as the council, to consider each financial year whether to revise its Council Tax Reduction Scheme or to replace it. Any such scheme must be made before 11 March in the financial year preceding that for which the revised scheme takes effect. There is no statutory requirement to consult on no change. Major precepting authorities and such other persons as the council considers are likely to have an interest in the operation of the scheme must be consulted where a new or revised scheme is proposed.

7.4 Under Part 3 of the council's constitution, and section 67(2) (aa) of the 1992 Act, the making of a revised CTR scheme is reserved to full council. Under Part 6 of the constitution, the Executive Director of Finance and Resources, has subject to any general guidance or limitation imposed by the relevant Committee, delegated power to exercise the council's functions regarding the Council Tax Reduction scheme. Any changes to the scheme, such as an increase in the calculative elements of the scheme, prescribed by national legislation will be made under delegated powers.

Lawyer Consulted: Liz Woodley Date: 07/11/19

Equalities Implications:

7.5 The Equalities Impact Assessment for the current scheme was produced alongside last year's Council Tax Reduction Review report. See **Appendix 5**

7.6 The EIA has been reviewed against caseload information from October 2019. However, changes are marginal and inconclusive in terms of whether trends in the data are emerging. There is nothing to suggest that changes made last year have had an unexpected impact on any group with protected characteristics. However, as we continue to develop options around future Council Tax Reduction schemes, we will carry out more analysis.

Sustainability Implications:

7.7 None.

Any Other Significant Implications:

7.8 None.

SUPPORTING DOCUMENTATION

Appendices:

1. Changes to the Council Tax Reduction scheme since 2013.
2. How the Council Tax Reduction Scheme works.
3. Council Tax Reduction entitlement by council ward.
4. Historic costs of the Council Tax Reduction Scheme.
5. EIA from previous year.

APPENDIX 3 – BREAK-DOWN OF COUNCIL TAX REDUCTION BY WARD

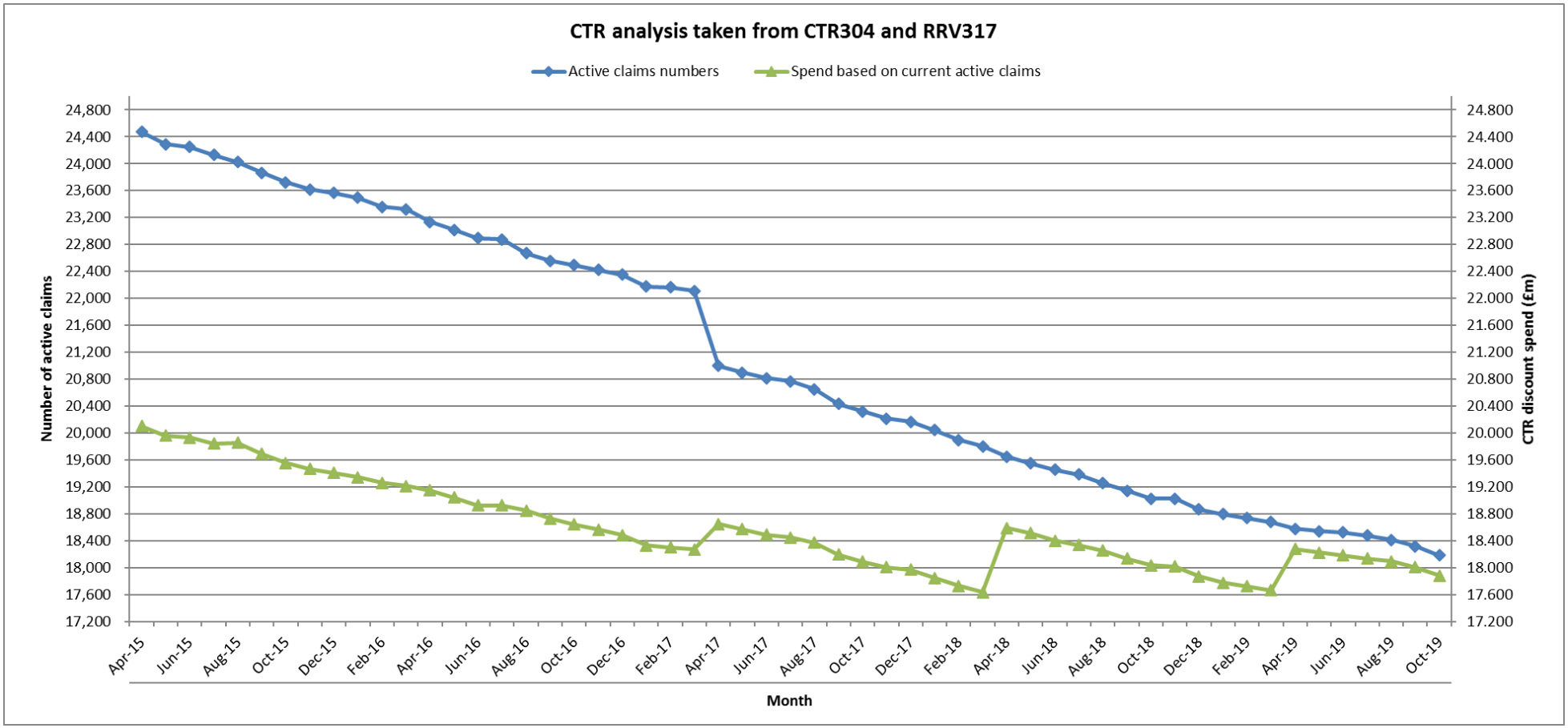
	Number of claims	% of total cases	Number of CTR claims that were summonsed in 2019 up to Oct 19	% of claims per ward with a 2019 summons (to Oct)	Amount of summonsed debt per ward	% of overall summons debt per ward
EAST BRIGHTON	**1222**	11.14	**258**	21.11	**£76,246.35**	14.52
QUEEN'S PARK	**1041**	9.49	**148**	14.22	**£40,669.58**	7.75
HOLLINGDEAN & STANMER	**834**	7.60	**133**	15.95	**£42,603.62**	8.11
MOULSECOOMB & BEVENDEAN	**833**	7.59	**154**	18.49	**£52,635.35**	10.03
ST.PETER'S & NORTH LAINE	**761**	6.94	**115**	15.11	**£36,897.28**	7.03
HANGLETON & KNOLL	**655**	5.97	**105**	16.03	**£35,375.74**	6.74
HANOVER & ELM GROVE	**560**	5.11	**84**	15.00	**£27,522.27**	5.24
GOLDSMID	**524**	4.78	**53**	10.11	**£17,592.50**	3.35
CENTRAL HOVE	**406**	3.70	**42**	10.34	**£14,861.36**	2.83
SOUTH PORTSLADE	**402**	3.66	**51**	12.69	**£15,657.92**	2.98
REGENCY	**398**	3.63	**60**	15.08	**£18,579.49**	3.54
NORTH PORTSLADE	**384**	3.50	**62**	16.15	**£23,326.55**	4.44
BRUNSWICK & ADELAIDE	**378**	3.45	**32**	8.47	**£11,194.02**	2.13
PATCHAM	**358**	3.26	**40**	11.17	**£15,075.81**	2.87
WESTBOURNE	**337**	3.07	**43**	12.76	**£15,269.05**	2.91
WISH	**317**	2.89	**34**	10.73	**£10,514.67**	2.00
PRESTON PARK	**315**	2.87	**34**	10.79	**£11,366.59**	2.17
WOODINGDEAN	**294**	2.68	**49**	16.67	**£16,909.54**	3.22
ROTTINGDEAN COASTAL	**290**	2.64	**28**	9.66	**£11,908.14**	2.27
WITHDEAN	**243**	2.22	**31**	12.76	**£10,565.21**	2.01
n/a	**197**	1.80	**29**	14.72	**£10,625.41**	2.02
Multi-ward Postcode	**129**	1.18	**16**	12.40	**£5,706.29**	1.09
HOVE PARK	**91**	0.83	**10**	10.99	**£3,912.31**	0.75
Grand Total	**10969**		**1611**	13.54 (average)	**£525,015.05**	

	Number of claims	Number on Employment Support Allowance	% of cases in this area	Number on PIP, DLA, SDA, attendance allowance*	% of cases in this area
EAST BRIGHTON	**1222**	654	**53.52%**	670	**54.83%**
QUEEN'S PARK	**1041**	609	**58.5%**	562	**53.99%**
HOLLINGDEAN & STANMER	**834**	480	**57.55%**	467	**56%**
MOULSECOOMB & BEVENDEAN	**833**	431	**51.74%**	503	**60.38%**
ST.PETER'S & NORTH LAINE	**761**	434	**47.03%**	366	**48.09%**
HANGLETON & KNOLL	**655**	316	**48.24%**	373	**59.95%**
HANOVER & ELM GROVE	**560**	276	**49.29%**	269	**48.04%**
GOLDSMID	**524**	257	**49.05%**	240	**45.8%**
CENTRAL HOVE	**406**	194	**47.78%**	162	**39.9%**
SOUTH PORTSLADE	**402**	205	**51%**	222	**55.22%**
REGENCY	**398**	207	**52.01%**	158	**39.70%**
NORTH PORTSLADE	**384**	173	**45.05%**	208	**54.17%**
BRUNSWICK & ADELAIDE	**378**	191	**50.53%**	138	**36.51%**
PATCHAM	**358**	152	**42.46%**	174	**48.6%**
WESTBOURNE	**337**	149	**44.21%**	141	**41.84%**
WISH	**317**	155	**48.90%**	152	**47.95%**
PRESTON PARK	**315**	173	**54.92%**	158	**50.16%**
WOODINGDEAN	**294**	137	**46.60%**	153	**52.04%**
ROTTINGDEAN COASTAL	**290**	118	**40.69%**	117	**40.34%**
WITHDEAN	**243**	104	**42.80%**	92	**37.86%**
n/a	**197**	117	**59.39%**	127	**64.47%**
Multi-ward Postcode	**129**	69	**53.49%**	60	**46.51%**
HOVE PARK	**91**	40	**43.96%**	50	**54.95%**
Grand Total	**10969**				

*Personal Independence Payment, Disability Living Allowance, Severe Disablement Allowance

Historic Costs of the CTR scheme

APPENDIX 4

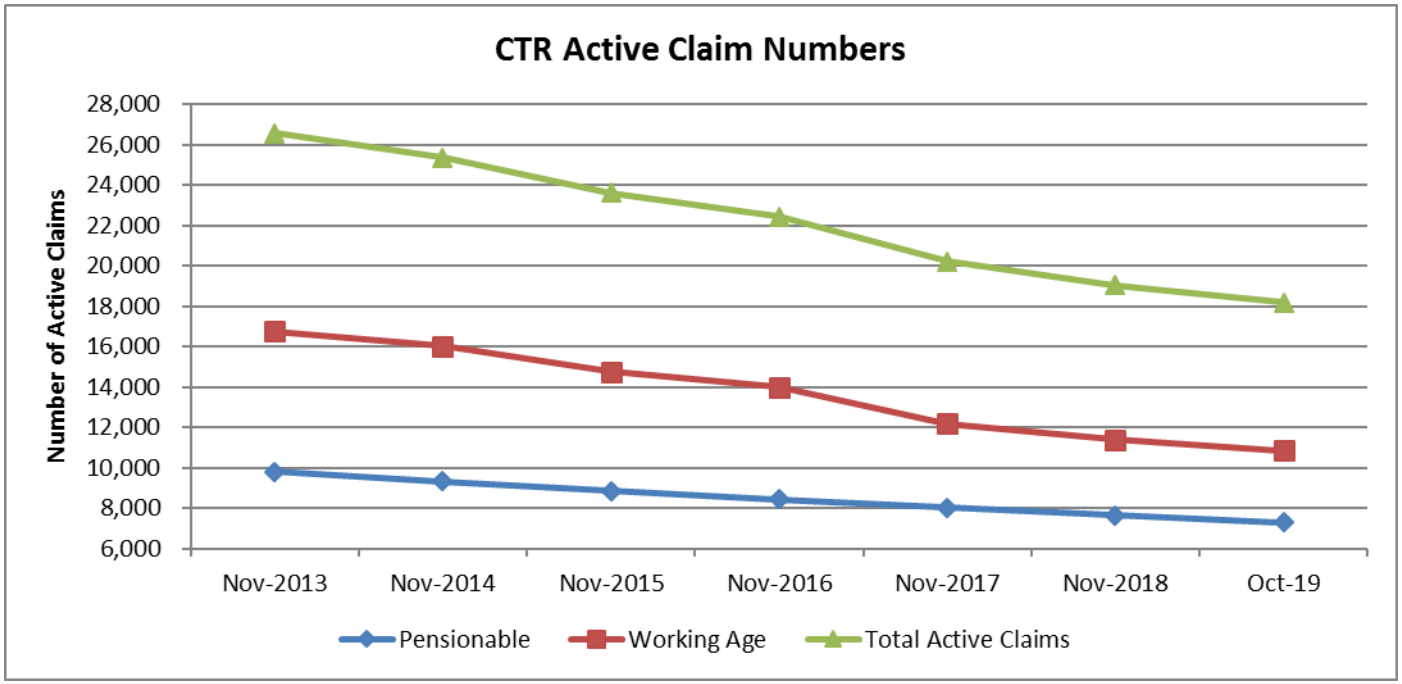


Active claims numbers	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Pensionable	7,790	7,764	7,742	7,726	7,708	7,674	7,655	7,643	7,612	7,573	7,523	7,502
Working Age	11,859	11,784	11,712	11,656	11,547	11,467	11,372	11,383	11,256	11,220	11,215	11,178
Total active claim	**19,649**	**19,548**	**19,454**	**19,382**	**19,255**	**19,141**	**19,027**	**19,026**	**18,868**	**18,793**	**18,738**	**18,680**
Spend based on current active claims	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Pensioner CTR scheme (PN)	8.433	8.400	8.373	8.347	8.340	8.303	8.282	8.265	8.224	8.174	8.128	8.101
Working Age CTR scheme (WK)	10.158	10.111	10.030	9.986	9.912	9.835	9.754	9.756	9.648	9.605	9.599	9.567
Total	**18.590**	**18.511**	**18.403**	**18.334**	**18.252**	**18.138**	**18.036**	**18.021**	**17.872**	**17.779**	**17.727**	**17.668**

Active claims numbers	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19
Pensionable	7,473	7,460	7,431	7,406	7,366	7,348	7,316
Working Age	11,106	11,083	11,096	11,069	11,046	10,972	10,870
Total active claim	**18,579**	**18,543**	**18,527**	**18,475**	**18,412**	**18,320**	**18,186**
Spend based on current active claims	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Pensioner CTR scheme (PN)	8.409	8.387	8.350	8.326	8.277	8.253	8.213
Working Age CTR scheme (WK)	9.866	9.840	9.836	9.812	9.821	9.756	9.670
Total	**18.275**	**18.227**	**18.186**	**18.138**	**18.098**	**18.009**	**17.884**

Notes:

- The Council can make changes to the Working Age part of the scheme, but not the Pensioner part.



Active claims numbers	Nov-2013	Nov-2014	Nov-2015	Nov-2016	Nov-2017	Nov-2018	Oct-19
Pensionable	9,800	9,341	8,870	8,430	8,039	7,643	7,316
Working Age	16,768	16,014	14,748	13,993	12,175	11,383	10,870
Total Active Claims	**26,568**	**25,355**	**23,618**	**22,423**	**20,214**	**19,026**	**18,186**

APPENDIX 1

Changes to the CTR scheme since 2013

Council Tax Benefit was replaced by Council Tax Reduction on 1 April 2013. The Council's scheme was decided in December 2012. The main elements of the scheme were:

- Working age people pay 8.5% of their bill before any reduction is payable
- The amount single people can earn before it is taken into account was doubled, in comparison with the previous national Council Tax Benefit scheme
- Other than the above changes, claims were means-tested in line with the previous Council Tax Benefit scheme, taking into account allowances for the household, including number of children and any disability premiums
- A discretionary fund was put in place to address the needs of vulnerable people.

2014-15

Scheme unchanged

2015-16

- The capital limit was reduced from £16,000 to £6,000, meaning those with capital in excess of £6,000 no longer qualified for CTR
- The amount for non-dependent deductions was doubled (the amount non-dependents are expected to contribute to Council Tax)
- Second Adult Rebate was ended (this was a slight variation on our main scheme that ran alongside, based on the number of adults, rather than means-testing – those on Second Adult Rebate could still claim CTR if they were on low income)
- Minimum contribution increased to 15%
- Earnings disregard for carers and disabled people increased from £20 to £30

2016-17

- Minimum contribution changed to 20%, meaning that working age people receive up to 80% discount.

2017-18

- The taper rate was changed from 20p to 25p. The taper is the amount in the calculation deducted from the final CTR entitlement, for each £1 above the household's allowances.
- Maximum CTR limited to Band D
- The minimum amount of CTR payable becomes £5.00. So if entitlement is calculated below this amount, there is no entitlement to any CTR

2018-19

- No change

2019-20

- Minimum Change rule introduced. If a person's circumstances change, it will only result in a change to their CTR if the change to entitlement is more than £2

Brighton & Hove City Council

NHS Brighton and Hove Clinical Commissioning Group

Equality Impact and Outcome Assessment (EIA) Template – 2018

[APPENDIX 5]

EIAs make services better for everyone and support value for money by getting services right first time.

EIAs enable us to consider all the information about a service, policy or strategy from an equalities perspective and then action plan to get the best outcomes for staff and service-users[1].They analyse how all our work as a council might impact differently on different groups[2]. They help us make good decisions and evidence how we have reached these decisions[3].

See end notes for full guidance. Either hover the mouse over the end note link (eg: Age[13]**)** or use the hyperlinks ('Ctrl' key and left click).

For further support or advice please contact:

- **BHCC: Communities, Equality and Third Sector Team on ext 2301**
- **CCG: Engagement and Equalities team (Jane Lodge/Meg Lewis)**

1. Equality Impact and Outcomes Assessment (EIA) Template

First, consider whether you need to complete an EIA, or if there is another way to evidence assessment of impacts, or that an EIA is not needed[4].

Title of EIA[5]	Council Tax Reduction Scheme 2019-2020	**ID No.[6]**	FR1
Team/Department[7]	Revenues and Benefits		
Focus of EIA[8]	**<u>This is the EIA for the 2019-2020 Council Tax Reduction scheme, conducted October 2018, with annotations to show changes in the data, as at October 2019.</u>** The focus of this EIA is the impact of what the proposed change to the CTR scheme from April 2019 would mean for recipients of Council Tax Reduction. The proposal was that a "minimum change" rule would be introduced. Until now, when somebody reports a change of circumstances, for example income going up or down, their CTR entitlement		

	would be recalculated, they would be entitled to a new weekly amount, and an amended Council Tax bill would be sent showing how their new entitlement altered the remaining balance on their bill. Under the new proposal, only entitlements that change by more than the minimum amount will result in an actual change to entitlement. So, if the minimum amount is set as £2, but the person's entitlement only goes up or down by £1.20, the entitlement would not be changed. Previous EIA's cover the existing Council Tax Reduction scheme, including all of its amendments to date. The focus of this EIA is therefore to examine the change proposed for the 2019-2020 year. Some groups of people sharing protected characteristics are disproportionately likely to be recipients of CTR (eg: disabled people, women as heads of lone parent households and people in some age groups). Any changes in personal circumstances will be entirely dependent on the individual's circumstances however, and no trends have been identified that disproportionately disadvantage or benefit people sharing characteristics. Setting the threshold low, at £2, will mitigate and minimise impacts and sign-posting and other support will also reduce negative impacts. Minimising the changes to Council Tax bills will support people to budget and plan more effectively.

2. Update on previous EIA and outcomes of previous actions[9]

What actions did you plan last time? (List them from the previous EIA)	**What improved as a result?** What outcomes have these actions achieved?	**What <u>further</u> actions do you need to take?** (add these to the Action plan below)
N/A		

3. Review of information, equality analysis and potential actions

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Age[14]	*People of pensionable age are not affected by the proposals.* *As a change of circumstances can affect any of our working age caseload, there is unlikely to be any specific or indirect discrimination on grounds of age. There are 11,515 cases in the working age caseload, of which, the highest concentration (32%) falls in the age bracket 45 – 54, followed by 55-64 (27%) and 35-44 (23%).* ***Oct 19*** ***10,969 cases*** ***31% lead claimant aged 45-54*** ***28.8% aged 55-64*** ***20.6% aged 35-44***			Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need. Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards

<table>
<tr><th>Protected characteristics groups from the Equality Act 2010</th><th>What do you know[10]?
Summary of data about your service-users and/or staff</th><th>What do people tell you[11]?
Summary of service-user and/or staff feedback</th><th>What does this mean[12]?
Impacts identified from data and feedback (actual and potential)</th><th>What can you do[13]?
All potential actions to:
• advance equality of opportunity,
• eliminate discrimination, and
• foster good relations</th></tr>
<tr><td></td><td></td><td></td><td></td><td>work.</td></tr>
<tr><td>Disability[15]</td><td>As a change of circumstances can affect any of our working age caseload, there is unlikely to be any specific or indirect discrimination on grounds of age. There are 11,515 cases in the working age caseload, of which, 5469 (47%) have a disability. This is indicated on our system where people are in receipt of DWP disability benefits

Oct 19
10,969 cases in working age caseload
50.7% have a disability
<table><tr><th>Disability?</th><th>2018</th><th>2019</th></tr><tr><td>Y</td><td>5469</td><td>5562</td></tr><tr><td>N</td><td>6046</td><td>5407</td></tr></table>There has been an increase of households with a disability, in contrast to the reduction of overall caseload</td><td></td><td>People who have disabilities may have income that is less likely to fluctuate, once their PIP / ESA is in payment, although those who work within their ESA limits may have fluctuating income.</td><td>Monitor the impact of the new rules.

Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.

Ensure there is availability of advice within the city so people can receive</td></tr>
</table>

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				help dealing with benefits, payment of council tax, budgeting and moving towards work.
Gender reassignment[16]	We do not have specific data at case level. A change of circumstances may affect any person claiming CTR	The Trans Needs Assessment highlights that Trans people are more likely to have disabilities, including a higher proportion of mental ill health than other people.		As above, the Discretionary Council Tax Reduction Fund exists to support those who are in difficulty and have a shortfall in their Council Tax Reduction. Signposting to appropriate advice agencies within the city if there is a need for assistance
Pregnancy and maternity[17]	164 cases include a child under the age of one. Due to the way our means testing works, although somebody would have an increase of income upon the birth of a child, their applicable amount (assessment of financial			Monitor impact and use the Discretionary Council Tax Reduction scheme

Protected characteristics groups from the Equality Act 2010	What do you know[10]? Summary of data about your service-users and/or staff	What do people tell you[11]? Summary of service-user and/or staff feedback	What does this mean[12]? Impacts identified from data and feedback (actual and potential)	What can you do[13]? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	need) also goes up. The two might balance off and the change to CTR could be marginal or non-existent. If marginal and below £2, the change would not be passed on. **October 2019** 130 cases			to mitigate any hardship where appropriate Awareness among staff to monitor calculations when new children join the household
Race/ethnicity[18] Including migrants, refugees and asylum seekers	A change of circumstances may affect any person claiming CTR. In our current caseload, we have information on roughly half of the 11,515 cases. 60% identify as White British and 6% White any other background. But 24% do not state an ethnic origin. Other race and ethnicity data is in double figures (eg 73 black British African) and compared to the size of the caseload may not be statistically reliable. **Oct 19** No notable update		Given that providing equalities data with a claim is voluntary, it would be worth exploring why people are reticent to provide it and adapt our online forms accordingly to provide reassurance and explain how the data is used	As above, access to the Discretionary Council Tax Reduction Scheme, and being able to identify and signpost to relevant advice agencies. Review online forms to improve collection of equalities data, then review the data again.

Protected characteristics groups from the Equality Act 2010	What do you know[10]? Summary of data about your service-users and/or staff	What do people tell you[11]? Summary of service-user and/or staff feedback	What does this mean[12]? Impacts identified from data and feedback (actual and potential)	What can you do[13]? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Religion or belief[19]	Case level information on religious belief is not available. The following data is from the 2011 Census. There is no reason at present to expect the distribution to vary from the distribution of CTR claimants and these measures Christian 42.90% Muslim 2.20% Buddhist 1.00% Jewish 1.00% Hindu 0.70% Sikh 0.10% Other religion 0.90% No Religion 42.40% Religion not stated 8.80%			As above, we need to ensure availability of the Discretionary Council Tax Reduction Scheme where appropriate. Provision of signposting to appropriate advice agencies.
Sex/Gender[20]	In 57% of cases, the lead claimant is female. However, change of circumstances may happen to any CTR recipient, so the new			

Protected characteristics groups from the Equality Act 2010	What do you know[10]? Summary of data about your service-users and/or staff	What do people tell you[11]? Summary of service-user and/or staff feedback	What does this mean[12]? Impacts identified from data and feedback (actual and potential)	What can you do[13]? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	proposal of itself has no additional impact in terms of equalities impact **Oct 19 –** no change We now have 22 cases where no gender is recorded, compared with 12 last year			
Sexual orientation[21]	On our caseload, we have 51 cases recorded as being a same sex couple. Given that the overall percentage of changes below £2 is likely to be 15 – 17%, there is likely to be a minimal impact here, and not specifically due to sexual orientation, as change of circumstances affect any CTR recipient.. **October 19 – 69 now cases recorded**			
Marriage and civil partnership[22]	There is no specific impact on marriage / civil partnership			
Community Cohesion[23]	The overall Ward breakdown is as follows: BRUNSWICK & ADELAIDE 430 CENTRAL HOVE 452 EAST BRIGHTON 1266 GOLDSMID 578 HANGLETON & KNOLL 710 HANOVER & ELM GROVE 584			Whilst there is no specific geographical slant, the above measures apply in terms of being responsive with Discretionary Council Tax Reduction, and awareness of

Protected characteristics groups from the Equality Act 2010	What do you know[10]? Summary of data about your service-users and/or staff	What do people tell you[11]? Summary of service-user and/or staff feedback	What does this mean[12]? Impacts identified from data and feedback (actual and potential)	What can you do[13]? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	HOLLINGDEAN & STANMER 848 HOVE PARK 106 MOULSECOOMB & BEVENDEAN 860 Multi-ward Postcode 142 n/a 200 NORTH PORTSLADE 395 PATCHAM 360 PRESTON PARK 325 QUEEN'S PARK 1072 REGENCY 432 ROTTINGDEAN COASTAL 269 SOUTH PORTSLADE 435 ST.PETER'S & NORTH LAINE 786 WESTBOURNE 326 WISH 335 WITHDEAN 259 WOODINGDEAN 345 **Grand Total 11515**			signposting options for advice agencies.
Other relevant groups[24]				
Cumulative impact[25]	The proposals overall are not specifically designed to restrict CTR entitlement and depend on the specific change of circumstances. In some cases, people would			Due to the unpredictable nature of changes of circumstances, and

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	be able to retain a higher amount of CTR than at present. In other cases, a positive change would not be passed on to them. The numbers of changes affected by the minimum change rule are expected to be approximately 1400 – 1700 in a year, so all of the percentages and data above should be viewed in proportion to that baseline. One feature of the scheme is that there is an impact for those who are very close to the existing 80% Band D maximum award of CTR. In a snapshot of our caseload, 53 cases were currently less than £2 away from maximum CTR. They will be unable to attain full entitlement, as they would not be able to reach the minimum £2 change required to trigger a recalculation. However, not all of those cases would necessarily have a change during the year. The number of cases is too low to provide meaningful statistics. However, in those 53 cases, 36 were women (67%) and just over half (28) were single parents. 27 were people with disabilities. The Discretionary Council Tax Reduction scheme can respond where appropriate to any hardship caused by this part of the rules.			the changing caseload due to Universal Credit, we should regularly monitor the impacts outlined in this EIA and mitigate if necessary by reviewing the EIA, and making sure that the Discretionary Council Tax Reduction scheme is responding adequately, within its budgetary limitations.

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Assessment of overall impacts and any further recommendations[26]				

4. List detailed data and/or community feedback that informed your EIA

Title (of data, research or engagement)	**Date**	**Gaps in data**	**Actions to fill these gaps: who else do you need to engage with?** (add these to the Action Plan below, with a timeframe)
Core data from our case system	**October 2018**		

5. Prioritised Action Plan[27]

Impact identified and group(s) affected	Action planned	Expected outcome	Measure of success	Timeframe
NB: These actions must now be transferred to service or business plans and monitored to ensure they achieve the outcomes identified.				

EIA sign-off: (for the EIA to be final an email must sent from the relevant people agreeing it or this section must be signed)

Staff member completing Equality Impact Assessment: **Paul Ross-Dale** **Date: 27 November 2018**

Directorate Management Team rep or Head of Service/Commissioning: **Date:**

CCG or BHCC Equality lead: **Date:**

Guidance end-notes

[1] The following principles, drawn from case law, explain what we must do to fulfil our duties under the Equality Act:

- **Knowledge:** everyone working for the council must be aware of our equality duties and apply them appropriately in their work.
- **Timeliness:** the duty applies at the time of considering policy options and/or before a final decision is taken – not afterwards.
- **Real Consideration:** the duty must be an integral and rigorous part of your decision-making and influence the process.
- **Sufficient Information:** you must assess what information you have and what is needed to give proper consideration.
- **No delegation:** the council is responsible for ensuring that any contracted services which provide services on our behalf can comply with the duty, are required in contracts to comply with it, and do comply in practice. It is a duty that cannot be delegated.
- **Review:** the equality duty is a continuing duty. It applies when a policy is developed/agreed, and when it is implemented/reviewed.
- **Proper Record Keeping:** to show that we have fulfilled our duties we must keep records of the process and the impacts identified.

NB: Filling out this EIA in itself does not meet the requirements of the equality duty. All the requirements above must be fulfilled or the EIA (and any decision based on it) may be open to challenge. Properly used, an EIA can be a tool to help us comply with our equality duty and as a record that to demonstrate that we have done so.

[2] **Our duties in the Equality Act 2010**

As a public sector organisation, we have a legal duty (under the Equality Act 2010) to show that we have identified and considered the impact and potential impact of our activities on all people with 'protected characteristics' (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership).

This applies to policies, services (including commissioned services), and our employees. The level of detail of this consideration will depend on what you are assessing, who it might affect, those groups' vulnerability, and how serious any potential impacts might be. We use this EIA template to complete this process and evidence our consideration.

The following are the duties in the Act. You must give 'due regard' (pay conscious attention) to the need to:

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

[3] EIAs are always proportionate to:

- The size of the service or scope of the policy/strategy
- The resources involved
- The numbers of people affected
- The size of the likely impact
- The vulnerability of the people affected

The greater the potential adverse impact of the proposed policy on a protected group (e.g. disabled people), the more vulnerable the group in the context being considered, the more thorough and demanding the process required by the Act will be.

[4] **When to complete an EIA**:

- When planning or developing a new service, policy or strategy
- When reviewing an existing service, policy or strategy
- When ending or substantially changing a service, policy or strategy
- When there is an important change in the service, policy or strategy, or in the city (eg: a change in population), or at a national level (eg: a change of legislation)

Assessment of equality impact can be evidenced as part of the process of reviewing or needs assessment or strategy development or consultation or planning. It does not have to be on this template, but must be documented. Wherever possible, build the EIA into your usual planning/review processes.

Do you need to complete an EIA? Consider:

- Is the policy, decision or service likely to be relevant to any people because of their protected characteristics?
- How many people is it likely to affect?
- How significant are its impacts?
- Does it relate to an area where there are known inequalities?
- How vulnerable are the people (potentially) affected?

If there are potential impacts on people but you decide not to complete an EIA it is usually sensible to document why.

[5] **Title of EIA:** This should clearly explain what service / policy / strategy / change you are assessing

[6] **ID no:** The unique reference for this EIA. If in doubt contact your CCG or BHCC equality lead (see page 1)

[7] **Team/Department:** Main team responsible for the policy, practice, service or function being assessed

[8] **Focus of EIA:** A member of the public should have a good understanding of the policy or service and any proposals after reading this section. Please use plain English and write any acronyms in full first time - eg: 'Equality Impact Assessment (EIA)'

This section should explain what you are assessing:

- What are the main aims or purpose of the policy, practice, service or function?
- Who implements, carries out or delivers the policy, practice, service or function? Please state where this is more than one person/team/body and where other organisations deliver under procurement or partnership arrangements.
- How does it fit with other services?
- Who is affected by the policy, practice, service or function, or by how it is delivered? Who are the external and internal service-users, groups, or communities?
- What outcomes do you want to achieve, why and for whom? Eg: what do you want to provide, what changes or improvements, and what should the benefits be?
- What do existing or previous inspections of the policy, practice, service or function tell you?
- What is the reason for the proposal or change (financial, service, legal etc)? The Act requires us to make these clear.

[9] **Previous actions:** If there is no previous EIA or this assessment if of a new service, then simply write 'not applicable'.

[10] **Data:** Make sure you have enough data to inform your EIA.

- What data relevant to the impact on protected groups of the policy/decision/service is available?[10]
- What further evidence is needed and how can you get it? (Eg: further research or engagement with the affected groups).
- What do you already know about needs, access and outcomes? Focus on each of the protected characteristics in turn. Eg: who uses the service? Who doesn't and why? Are there differences in outcomes? Why?
- Have there been any important demographic changes or trends locally? What might they mean for the service or function?
- Does data/monitoring show that any policies or practices create particular problems or difficulties for any groups?
- Do any equality objectives already exist? What is current performance like against them?
- Is the service having a positive or negative effect on particular people in the community, or particular groups or communities?
- Use local sources of data (eg: JSNA: http://www.bhconnected.org.uk/content/needs-assessments and Community Insight: http://brighton-hove.communityinsight.org/#) and national ones where they are relevant.

[11] **Engagement:** You must engage appropriately with those likely to be affected to fulfil the equality duty.

- What do people tell you about the services?
- Are there patterns or differences in what people from different groups tell you?
- What information or data will you need from communities?
- How should people be consulted? Consider:
    (a) consult when proposals are still at a formative stage;
    (b) explain what is proposed and why, to allow intelligent consideration and response;
    (c) allow enough time for consultation;
    (d) make sure what people tell you is properly considered in the final decision.

- Try to consult in ways that ensure all perspectives can be considered.
- Identify any gaps in who has been consulted and identify ways to address this.

[12] Your EIA must get to grips fully and properly with actual and potential impacts.

- The equality duty does not stop decisions or changes, but means we must conscientiously and deliberately confront the anticipated impacts on people.
- Be realistic: don't exaggerate speculative risks and negative impacts.
- Be detailed and specific so decision-makers have a concrete sense of potential effects. Instead of "the policy is likely to disadvantage older women", say how many or what percentage are likely to be affected, how, and to what extent.
- Questions to ask when assessing impacts depend on the context. Examples:
    - Are one or more protected groups affected differently and/or disadvantaged? How, and to what extent?
    - Is there evidence of higher/lower uptake among different groups? Which, and to what extent?
    - If there are likely to be different impacts on different groups, is that consistent with the overall objective?
    - If there is negative differential impact, how can you minimise that while taking into account your overall aims
    - Do the effects amount to unlawful discrimination? If so the plan must be modified.
    - Does the proposal advance equality of opportunity and/or foster good relations? If not, could it?

[13] Consider all three aims of the Act: removing barriers, and also identifying positive actions we can take.

- Where you have identified impacts you must state what actions will be taken to remove, reduce or avoid any negative impacts and maximise any positive impacts or advance equality of opportunity.
- Be specific and detailed and explain how far these actions are expected to improve the negative impacts.
- If mitigating measures are contemplated, explain clearly what the measures are, and the extent to which they can be expected to reduce / remove the adverse effects identified.
- An EIA which has attempted to airbrush the facts is an EIA that is vulnerable to challenge.

[14] **Age**: People of all ages

[15] **Disability**: A person is disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. The definition includes: sensory impairments, impairments with fluctuating or recurring effects, progressive, organ specific, developmental, learning difficulties, mental health conditions and mental illnesses, produced by injury to the body or brain. Persons with cancer, multiple sclerosis or HIV infection are all now deemed to be disabled persons from the point of diagnosis.

[16] **Gender Reassignment:** In the Act a transgender person is someone who proposes to, starts or has completed a process to change his or her gender. A person does not need to be under medical supervision to be protected

[17] **Pregnancy and Maternity:** Protection is during pregnancy and any statutory maternity leave to which the woman is entitled.

[18] **Race/Ethnicity:** This includes ethnic or national origins, colour or nationality, and includes refugees and migrants, and Gypsies and Travellers. Refugees and migrants means people whose intention is to stay in the UK for at least twelve months (excluding visitors, short term students or tourists). This definition includes asylum seekers; voluntary and involuntary migrants; people who are undocumented; and the children of migrants, even if they were born in the UK.

[19] **Religion and Belief:** Religion includes any religion with a clear structure and belief system. Belief means any religious or philosophical belief. The Act also covers lack of religion or belief.

[20] **Sex/Gender:** Both men and women are covered under the Act.

[21] **Sexual Orientation:** The Act protects bisexual, gay, heterosexual and lesbian people

[22] **Marriage and Civil Partnership:** Only in relation to due regard to the need to eliminate discrimination.

[23] **Community Cohesion:** What must happen in all communities to enable different groups of people to get on well together.

[24] **Other relevant groups:** eg: Carers, people experiencing domestic and/or sexual violence, substance misusers, homeless people, looked after children, ex-armed forces personnel, people on the Autistic spectrum etc

[25] **Cumulative Impact:** This is an impact that appears when you consider services or activities together. A change or activity in one area may create an impact somewhere else

[26] **Assessment of overall impacts and any further recommendations**

- Make a frank and realistic assessment of the overall extent to which the negative impacts can be reduced or avoided by the mitigating measures. Explain what positive impacts will result from the actions and how you can make the most of these.
- Countervailing considerations: These may include the reasons behind the formulation of the policy, the benefits it is expected to deliver, budget reductions, the need to avert a graver crisis by introducing a policy now and not later, and so on. The weight of these factors in favour of implementing the policy must then be measured against the weight of any evidence as to the potential negative equality impacts of the policy.
- Are there any further recommendations? Is further engagement needed? Is more research or monitoring needed? Does there need to be a change in the proposal itself?

[27] **Action Planning:** The Equality Duty is an ongoing duty: policies must be kept under review, continuing to give ‘due regard’ to the duty. If an assessment of a broad proposal leads to more specific proposals, then further equality assessment and consultation are needed.

APPENDIX 2

Summary of the CTR Working Age Scheme

The following applies to the Working Age scheme for Council Tax Reduction (CTR). Each Local Authority has the power to set its own scheme and the rules vary across the country. In Brighton and Hove, the scheme is still largely based on the old means-tested Council Tax Benefit, which compares income against household and family needs in order to determine what level of help is provided.

There is a savings limit on CTR, so you can qualify for help only if your savings are less than:

- £6,000 if you're of working age
- £16,000 if you're of state pensionable age

The council will compare your weekly income with your applicable amount, which is the amount the Government says you need to live on.

If your income is the same or less than your applicable amount, you get the highest reduction you can on your Council Tax.

If your income is higher than your applicable amount, the more income you have, the less CTR you will be awarded. For every £1 above the applicable amount (after any earnings disregards), your weekly CTR will be reduced by 25p (known as the taper).

So, if you had £10 above your applicable amount, we would deduct £2.50 from your maximum weekly CTR.

- You have to pay minimum 20% of your Council Tax bill
- the highest possible reduction in 2019-20 is £1503.22 or 80% of the Council Tax for a Band D property
- you'll have to pay the full amount of Council Tax if your CTR is less than £5 per week

Example:

Alex lives alone in a Band B property and earns a weekly income of £123.04. Their applicable amount is £73.10. Council Tax Reduction is calculated as follows:

Band B Council Tax is ***£1461.47***

Outside of the CTR rules, Alex is entitled to a 25% Single Person Discount. So, after reducing the amount by 25%, Alex is liable for ***£1096.10.***

£1096.10 *x 80% is* ***£876.88,*** *or* ***£16.77 weekly****. This is the maximum CTR for this property, as Alex has to pay the first 20% of the bill.*

The first £10 of Alex's £123.04 earnings are disregarded, leaving ***£113.04***

*The excess income above Alex's applicable amount is £****39.94*** *(£113.04 - £73.10)*

*The 25% taper needs to be applied. 25% of £39.94 is £****9.98****. This is the amount to be deducted from the maximum weekly CTR*

So, after ***£9.98*** *is deducted from the weekly liability of £****16.77****, Alex is entitled to* ***£6.79*** *weekly CTR.*

How does CTR compare to the old Council Tax Benefit scheme?

In keeping with other councils responsible for CTR, the scheme in Brighton & Hove is an amended version of the old Council Tax Benefit scheme. The differences between the Council Tax Benefit and the current scheme are:

- Working people on CTR receive up to 80% discount on their Council Tax (instead of up to 100%)

- The maximum amount of capital a person may hold is £6,000 (reduced from £16,000)

- Second adult rebate has been ended (a feature of the old scheme that allowed for a discount in some cases instead of means-tested Council Tax Benefit);

- Adults who live in their parents' home are expected to contribute more towards the Council Tax

- There is a minimum award of £5 per week, so if a person's assessment is less than that, they do not qualify for any CTR;

- The taper rate has been changed from 20% to 25% (this is the amount of pence in the pound that we reduce entitlement by, if a claimant's income exceeds their assessed needs);

- The maximum band a claim will be based on is Council Tax band D

- The following can earn more before their earnings affect their benefit: single people, disabled people and carers.

POLICY & RESOURCES COMMITTEE	Agenda Item 94 Brighton & Hove City Council

Subject: **Rejuvenating Black Rock – Site preparation and public realm works to reconnect the Eastern Seafront**

Date of Meeting: **5 December 2019**
Report of: **Executive Director, Economy, Environment & Culture**

Contact Officer: **Name:** **Katharine Pearce** **Tel: 01273 292553**
Email: **katharine.pearce@brighton-hove.gov.uk**
Ward(s) affected: **Rottingdean Coastal, East Brighton, Queen's Park.**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 In December 2018 Policy Resources and Growth Committee agreed that the successful Local Growth Fund bid (Round 3) of £12.11m be used to begin a package of Enabling Works to prepare the Black Rock site for redevelopment.

1.2 This report updates Members on progress with the Enabling Works and requests authorisation to proceed with submission of a planning application in order to meet this important objective and also to ensure the Coast to Capital (C2C) Local Enterprise Partnership (LEP) March 2021 deadline for expenditure of funds, is met.

1.3 The site is also identified in the adopted 2016 City Plan Part 1 within policy DA2, which proposes that the site could include a significant level of much-needed leisure and recreation for the city, in addition to improving connections with the adjacent Marina and Gas Works sites and the city centre.

2. RECOMMENDATIONS:

That the Committee:

2.1 Agree that the planning application for a package of site preparation and public realm works at the Black Rock site and surrounding area are submitted to include:

- Sea wall replacement and Marina pedestrian connection
- Infrastructure to enable a future public transport "Marina access link"
- Junction improvements and new signalling arrangements at Duke's Mound.

2.2 Note the recommendation elsewhere on this agenda to establish a task and finish cross party member working group consisting of 1 member from each group.

2.3 Agree that officers continue to negotiate final terms of agreements with Brighton Marina Company, Longbow and Land Securities or the proposed new purchaser, CIT Group inc. in order to facilitate the rebuilding of the sea wall Black Rock frontage, the pedestrian connection and the Black Rock/Marina access link beneath the access ramps.

2.4 Authorise the Executive Director Economy, Environment & Culture to commence any procurements necessary to carry out the enabling works and to enter into any legal agreements required to facilitate the works.

2.5 Agree the package of site preparation, infrastructure and public realm works up to £12.111m described in the Enabling Works section of this report and which is included in the council's approved capital investment programme

2.6 Note the net loss of 10 car parking spaces in the Black Rock public car park to create informal play space.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The Black Rock site is situated at the far eastern end of Brighton seafront directly west of the Brighton Marina. A number of redevelopment proposals have been developed over the years which have not ultimately been successful. This has led to its ongoing deterioration.

3.2 Redevelopment of the site has always been prohibitively costly, due to the many physical constraints of the site and the seafront/conservation location (adjacent to the Kemptown Conservation Area and Kemptown Slopes and Grade 2 listed Reading Room and Temple) also come with their own set of requirements in order to improve the area.

3.3 The Marina uses the site as a pedestrian exit route (from the Asda car park -via subway) and as an emergency exit route.

3.4 Listed building consent for any future re-use remains an important factor as do managing the various stakeholder requirements whilst also protecting the public realm for future generations.

3.5 Any proposal to redevelop the site in future also has implications with regard to the ongoing presence of a priority habitat, Coastal vegetated shingle. The NERC Act places an obligation local authorities to help halt the loss of biodiversity within their jurisdiction, and where possible, enhance it. Where measures to prevent harm are not able to be undertaken, measures which reduce any such negative impact should be explored. The planning application for the site preparatory works will explain why this area of beach is impacted (either now by the current works or will be in future once a permanent redevelopment comes forward) and therefore how the current project seeks to replace and enhance the current habitat with new planting and new native species. The ultimate aim will be to successfully demonstrate that there is a bio- diversity net gain for the wider area overall if the works proceed.

3.6 Connectivity to the site is also limited. Madeira Drive and the Black Rock site presently has no direct vehicular connection to the Marina. Other sustainable transport links are poor quality. The nearest bus stop requires a walk through the Duke's Mound garden area to the A259 or via a subway (under the A259). A further subway into the Marina and a steep footpath from the A259 to the Asda car park provide additional routes. All are indirect and unappealing for different reasons. They do not add to the site's potential appeal or its utilisation for activities or events.

3.7 The physical constraints of the site in relation to the northern rear retaining wall (which must be left in situ and undisturbed as it supports the A259 above it) the eastern Marina access/egress vehicle ramps (above the site) and main southern water sewer (below ground to the east of the site) all act as constraints to development. The southern sea wall (which forms a pinch point into the site) also contains anchors which project into the site and require removal for any future building works. The combined effects of these issues present significant limits on the ability, and the costs of, redeveloping the site and therefore its future capacity for regeneration of the area.

3.8 Appendix 1 contains a red line of the site which will be submitted for the planning application. It includes the area in which there are works proposed, including the Black Rock site itself (currently hoarded), public realm works from the site along to Duke's Mound, and new pedestrian access points, as well as the main engineering works for the replacement sea wall and to remediate the site itself. The full enabling works package is described in the following paragraphs.

Enabling works

Site remediation

3.9 Mott McDonald Limited was commissioned by the Council to carry out a geotechnical and geoenvironmental desk study to assess the geological and hydrogeological conditions at the site. The study highlights engineering considerations and contaminated land risks and makes recommendations for further work and/or remediation.

3.10 There are a number of buried structures at the Black Rock site including:

- Filled in paddling pool and swimming pool
- Lido Building (demolished) – steel frame with shallow strip footings
- Original terminus for the Volks Electric Railway
- Foundations of a WWII Pill Box (demolished 1944)
- Original pre-1930- buried sea wall
- Sewer outfalls
- Original mass concrete groyne embedded sea wall
- Toe foundations for retaining structures

3.11 A range of other factors pertaining to the soil conditions and other contaminants (the area was used circa 1900's for land fill and garaging) have resulted in the requirement for an intrusive Geotechnical Survey and full risk assessment prior to final design of the engineering works and the excavation and removal of any contaminated material

3.12 The above works once completed and those listed in Appendix 2 will ensure that future redevelopment works are de-risked (and reduce costs) for a future contractor and therefore enhance the site value.

Marina access link

3.13 It has long been an aspiration of the council to improve the direct linkage into the Marina from the seafront and a previous route on the southern edge of the Black Rock site was protected by the council to enable their future development.

3.14 An analysis and further investigation by the design team has demonstrated that a link to the rear (north) of the Black Rock site is now possible directly alongside the current access path (that runs down into the site under the Marina ramps).

3.15 Using this route into the site will:

- Avoid risk of future flooding/overtopping during high tides or flood events
- Creates an alternative route into the Marina which is adjacent to the coastal path.
- Reduces the height of required retaining walls thereby allowing opportunity for greening and planting
- Provide an alternative emergency vehicle access into and out of the marina

The proposals to be submitted will introduce a short link that would be available in the short-term for pedestrians and cyclists once completed, and eventually ensure that any future public transport service to and from the Marina can operate without additional cost to the development of the Black Rock site (and therefore offset against a future capital receipt)

3.16 The link will not be an access road for private vehicles. It will be available to the Marina as a second emergency access only in the event the ramps become unusable, either because of an emergency or because of a planned closure. The latter occurs approximately 2 to 3 times per year.

Duke's Mound junction – access/egress to Black Rock

3.17 The enabling package of works includes improvements to Duke's Mound to service and provide future access and egress to the Black Rock site. This will ensure access during the enabling construction works and also improve access for pedestrians and cyclists from the Kemp Town area and A259 corridor, especially in the longer term. These improvements will ensure that the Black Rock site can function as a future destination in its own right, and as a temporary event space and provide a more attractive environment for visitors.

Improvements will include:

New permanent signal junctions, top and bottom to:

- Support access to the proposed public realm, footpath, and some cycleway improvement which are being advanced as part of the project, providing wider benefits for the area ahead of the Black Rock site permanent redevelopment.

- Significantly improve safety by the reduction in vehicle conflicts, enhancement of cycle facilities and offering new pedestrian crossing facilities.
- Minimise delays at night and over weekends by having the ability to amend the sequencing of lights to suit the level of demand and being able to adjust which roads require the maximum green time at any point in time.

The work allows for maximum flexibility for any future use of the Black Rock site.

3.15 The proposed junctions will operate independently of Madeira Drive and Valley Gardens but the improved junctions, will have the ability to complement any future schemes that may be proposed.

Sea wall

3.16 A condition survey of the sea wall at the Black Rock site was undertaken by the council's consultant's Mott McDonald on 31st May. A threshold grading is required to determine residual life and defines the minimum condition to which a structure should be allowed to deteriorate prior to maintenance or remedial works being undertaken.

3.17 A general threshold grade of 4 (Poor) has been set for the structures along the Black Rock frontage. This threshold grade is, as defined by the Environment Agency, the grade where defects have reached a level that would significantly reduce the performance of an asset (Environment Agency 2006). It is assumed, say Mott McDonald in their report, "that this is the point where Brighton and Hove City Council would want to consider conducting major repairs"

3.18 The sea wall has long been included in any future redevelopment plans for the Black Rock site. This is because any building 3 to 4 metres to the rear of the site will dissect the retaining sea wall anchors. A previous sea wall sits directly behind these anchors, also impacting the ability to dig into the site. Behind this lies the foundations and remaining wall of the Black Rock lido

3.19 It has been established that the sea wall needs replacing for a future development to take place and the planning application will fully explain this and make a robust case for doing so. It will also outline how the many constraints of the site limit future development unless these works are undertaken. It will make the case that without an expanded sea wall alignment it is not realistic to expect to regenerate the Black Rock site with a development of any size or significance, such is the limited footprint remaining after all the factors are taken into account.

Car park

3.20 The Black Rock public car park is operated by the council adjacent to main area of enabling works. It is proposed that 10 of the current 61 spaces will be used to soften the external boundary of the car park and improve the attractiveness of the area via soft landscaping. The landscaped, informal 'play' area will also be located to support other activity on the site and will be as close as possible to the Reading Room. They will also be located on the desire line for pedestrians using the beachside promenade, thereby acting as a natural stopping off point.

3.21 The council's Parking Services Group has advised that if the car park were used at full capacity this would result in an income loss of £1,300 per month.

However, the car park is very rarely at capacity. The car park is also included within the Black Rock development site and therefore future considerations of parking within this area would take account of its removal when final redevelopment takes place.

3.22 Other replacement income generating activity is planned to be provided which can replace this lost income and options under final consideration include:

- Licence to let a defined area for activity/event space on 5 year let to commercial leisure operator (e.g outdoor cinema, soft play or similar)
- Expansion of ad hoc event programme
- Rental from refurbished reading room to commercial operator as café/local leisure facility & bike hub
- Income from potential "pop-up" businesses/ice-cream vans or equivalent (3 potential locations identified) potentially at circa 5-10k per letting.

The car park is currently closed for events on specific occasions, but the remaining 51 spaces are considered adequate to accommodate any increase in car trips that may be occur as a result of the improved activity and interest at the site.

Reading Room and Temple

3.18 The Grade 2 listed Reading room (circa1835) has long been available for let, but the lack of utility connections, extent of restoration and limited footprint have all combined to make it unaffordable for most commercial enterprises who have expressed an interest. Recent proposals have included a coffee shop and music venue.

3.19 The works proposed to support activity at the Black Rock site will fit out the Reading room to prepare for future marketing and include a glazed façade. Utility connections will also be installed. Soft market testing will also be done to ascertain if there are any remaining barriers to letting it commercially. If funds allow, it is proposed to expand the exterior to allow for a level outdoor seating area (where slopes currently persist) to accommodate an outdoor seating area. Improved lighting and general tidying up of the immediate area will also be undertaken.

3.20 Once completed the Reading Room will be marketed by the council's seafront estates surveyor for a use which will support the other activities in the area and compliment the play area and Volk's station, such as a family/dog friendly café or similar.

3.21 The Temple was constructed at the same time as the Reading Room and it is proposed to explore new potential uses which will allow the building to find a permanent use. Its footprint is small and so potential future uses remain limited. However, it is in a prime seafront location and this may help attract future opportunities once the wider area is improved.

Public realm and seafront boardwalk

3.23 A range of additional works to support the immediate future use of the area will also be undertaken to improve safe access, lighting, and general amenity.

3.24 Appendix 2 summarises the scope of proposed works.

4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

Funds available for the works were agreed and allocated by the C2C LEP based upon a business case for the Brighton Waterfront project, which included the potential use of the Black Rock site for a new venue (as replacement for the Brighton Conference Centre)

4.1 Any amendment or alternative option would require permission of the Local Enterprise Partnership, and would need to deliver similar outputs to the original business case, in the same or a shorter timescale.

4.2 The proposed combination of enabling works is consistent with the principles set out within the approved business case and will be the most effective way of preparing the site for future development.

5 COMMUNITY ENGAGEMENT & CONSULTATION

5.1 A statement of community involvement has been produced for the forthcoming planning application. These are based upon engagement workshops which were undertaken in November with members of the public and key stakeholders.

5.2 Significant discussions with other council teams and divisions has also taken place regarding the development of the enabling works proposals, including Property & Design, the Seafront Office and City Transport.

5.3 There has also been early and more recent engagement with the Environment Agency at early concept stage and more recent design stage with regard to the discussion about the repositioning and replacement of the sea wall and the loss of the SNCI vegetated shingle.

6 CONCLUSION

6.1 The Black Rock site sits within a strategic location on Brighton's eastern seafront and has lain derelict and underused for over 40 years.

6.2 The present proposals outline a way to de-risk the site for future development and also to ensure that in the short term, the site can be repurposed and improved to allow for greater access, security, amenity and re-use.

6.3 Improvements to the Grade 2 listed Reading Room and The Temple, addition of a new play area and informal recreation space, as well as commercial operator interest for a section of the site, will also add much needed improvement. It is expected that this will create activity and interest which will support and enliven the area, and support delivery of Policy DA2 within the City Plan Part 1.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The Council has been awarded capital grant funding of £12.111m through Coast to Capital's Local Growth Fund grant scheme to support the Black Rock Site Development 'Waterfront' Project. Approval was sought at Policy Resources and Growth Committee on 6 December 2018 to utilise the grant to begin a package of works to prepare the Black Rock site for development. The enabling works detailed in Appendices 1& 2 supports that investment. The terms of the Local Growth Fund grant require that the grant is utilised before 31 March 2021. Failure to spend the grant by that date may require unspent grant funding to be returned to the LEP.

Finance Officer Consulted: Rob Allen Date: 25/10/19

Legal Implications:

7.2 Under the terms of the Funding Agreement with the LEP, the LEP can require the repayment of the £12.111m of grant funding if the Waterfront project does not ultimately proceed. Officers are engaging with the LEP to manage this risk as far as possible.

7.3 Under the Council's Constitution, committees are able to appoint task and finish member Working Groups which are time-limited (six months, with the option to extend for a further six months), in order to carry out focused pieces of work, reporting back regularly to their parent body.

7.4 Various legal agreements may be necessary to facilitate the carrying out of enabling works. For example the Council may require a licence to encroach on to land which is not owned by it or it may need to purchase small areas of land. The Council may require specialist advice from a party wall surveyor. It will also continue its engagement with regard to the Sea Wall and SNCI with the Environment Agency.

7.5 The Council is required to comply with the Public Contracts Regulations 2015 in relation to the procurement and award of contracts above the relevant financial thresholds for services, supplies and works. The Council's Contract Standing Orders (CSOs) will also apply.

Lawyer Consulted: Alice Rowland Date: 6/11/19

Equalities Implications:

7.6 The project will increase access to a public area of seafront by pedestrians, cyclists, families and those using wheelchairs or buggies thereby widening the numbers of people of who can appreciate the beach, the coastal path and the events at Black Rock.

Sustainability Implications:

7.7 The Design and Access statement and supporting material for the planning application will cover ecology, sea wall and sea defence mitigation in relation to the current climate change agenda as well as importance of the biodiversity of

the seafront and how this will protected and managed in future as part of the proposals. A 25 year management plan for the relocated vegetated shingle will be put in place

7.8 Discussions are ongoing with the council's e-bike project manager to ensure that maximum ability to accommodate e-bike provision as part of the project is explored. Current a new servicing area is being sought in the east of the city and the limited amount of commercial space to let at peppercorn rent is a constraint. If the Black Rock project can accommodate in other ways (e.g. bike hub) this will be built into the project in the coming weeks.

7.9 Any Other Significant Implications:

None

SUPPORTING DOCUMENTATION

Appendices:

1. Site - red line

2. Scope of Works for planning application

Documents in Members' Rooms

1. Previous PRG report December 2018

Background Documents

KEMP TOWN

EASTERN ROAD

BRISTOL GARDENS

SUDELEY TERRACE

UPPER SUDELEY STREET

SUDELEY STREET

SUSSEX PLACE

CHAPEL TERRACE

MILLFIELD COTTAGES

ST GEORGE'S ROAD

EATON PLACE

EATON TERRACE

CHESHAM STREET

CHESHAM ROAD

CHESHAM PLACE

ST MARY'S SQUARE

ST MARK'S STREET

ROCK STREET

CHICHESTER PLACE

KEMP TOWN PLACE

ROCK GROVE

All non-native tamarisk on the Kemp Town Slope removed and replanted with calcareous grassland habitat

Upper boardwalk providing gently sloping access from Duke's Mound to Esplanade

New signalised junctions with crossing at either end of Duke's Mound

CLARENDON TERRACE

PERCIVAL TERRACE

MARINE PARADE

SEYMOUR SQUARE

SEYMOUR STREET

EASTERN TERRACE MEWS

EASTERN TERRACE

BELLEVUE PLACE

PRINCES PLACE

SUSSEX SQUARE

LEWES CRESCENT

EASTERN PLACE

CHAPEL HILL PLACE

LEWES MEWS

Brush Mews

ARUNDEL PLACE

ARUNDEL TERRACE

ARUNDEL ROAD

ARUNDEL STREET

DE COURCEL ROAD

BOUNDARY ROAD

Sussex Square Mews

BRISTOL PLACE

Bell Tower Memorial Esplanade

Duke Hobbler Statue

MARINA WAY

Sloping Lawn

Car Park

Coach Park

Toilets

Shingle

Privacy bund

Event space

Area left as unimproved shingle - potential future beach hut development

New crossing to Volk's railway

Unfenced creative play space with informal natural play elements (logs and boulders) , planting and single large bespoke climbing structure

10nr car parking bays removed from car park (62nr reduced to 52nr) to allow creation of public space

Space for potential future lease to operator

Unfenced and unlit area 40x25m marked out as multi-use games area

Access ramp reprovided in this area

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Scale @ A0
1:1000
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Project
Rejuvenating Black Rock
Reconnecting Brighton & Hove's Eastern Seafront

Client
Brighton & Hove City Council

Drawing Title
Illustrative landscape framework

Job Nr	Drawing Nr	Issue
10856	PLN 101	2

APPENDIX 2

SCOPE OF WORKS FOR BLACK ROCK ENABLING WORKS PLANNING APPLICATION

As a scheme of enabling and enhancement works, the application scheme proposes the following suite of measures to facilitate short term visual, environmental, operational and social betterment of Black Rock and its surrounds, in addition to providing the physical infrastructure for future long term development of this site in accordance with the aspirations of City Plan Part One – Policy DA2:

Clearance, remediation and preparation of the Black Rock site with an appropriate temporary surface to enable use as temporary events space (to be determined);
Provision of a physical access link through to the Marina, along with the enhancement of the Duke's Mound highways infrastructure at its junctions with Marina Parade and Madeira Drive;
Realignment and rebuilding of the sea wall to improve sea defences and facilitate the viable future use of the Black Rock site for development purposes;
New planting and relocated vegetated shingle from the existing Local Wildlife Site to create an ecology trail. The proposed replacement ecological area is being designed to demonstrate a biodiversity net gain. In addition to this and in conjunction with the proposed beach boardwalk, new seafront ecology and historical interpretation boards will be provided;
Creation of a new activity hub consisting of:
Enclosure of the Reading Room with an enclosed glazed façade;
Provision of a new informal play area; and
Providing a new Multi Use Games Area (MUGA) for public use.
Provision of enhanced public realm and beach connectivity for pedestrians through:
Provision of an accessible beach boardwalk (from Black Rock Station to Duke's Mound)
Improved pedestrian access from the A259 Marine Parade to the restored Reading Room and onto the beach level
Stronger pedestrian connectivity to the Marina through a new promenade walkway along the front of the Black Rock site connecting to the Marina breakwater
And improved general pedestrian wayfinding.
Improvement of cycling infrastructure and connectivity, primarily through enhanced signage, lining and wayfinding, and interpretation boards from the bottom of Duke's Mound along to the Marina.

POLICY & RESOURCES COMMITTEE	Agenda Item 93 Brighton & Hove City Council

Subject:		**Waterfront project – Conditional Land Acquisition Agreement**
Date of Meeting:		**5 December 2019**
Report of:		**Executive Director, Economy, Environment & Culture**
Contact Officer:	**Name:**	**Katharine Pearce** **Tel: 01273 292553**
	Email:	**Katharine.Pearce@brighton-hove.gov.uk**
Ward(s) affected:		**Regency, East Brighton, Queens Park, Rottingdean Coastal**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report seeks Members agreement to enter into a standstill agreement in relation to the Conditional Land Acquisition Agreement signed in April 2019 with Aberdeen Standard Investments (ASI). The purpose of the standstill agreement is to allow ASI time to further explore, and return with detailed proposals (including revised commercial and legal terms) regarding the potential for a new replacement for the Brighton Centre on the centrally located "central" site.

1.2 This follows recent feasibility work by the professional architectural team appointed by ASI, who are investigating the potential to locate the new c.10,000 seater conference and entertainment venue, on the centrally located site.

1.3 If a workable proposal could be found, it would replace the proposition to use the Black Rock site for the new venue location.

1.4 The above proposition will not delay Enabling works to the Black Rock site, the subject of a report on the same agenda for this committee.

2. RECOMMENDATIONS:

2.1 That the Committee authorises the Executive Director for Economy, Environment and Culture to agree the terms of and enter into a standstill agreement in relation to the Conditional Land Acquisition Agreement (CLAA) with Aberdeen Standard Investments

2.2 Agree that a commercial advisor is procured in order to support any future negotiations, to be funded from the Brighton Centre Reserve

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The city has long sought a replacement for the Brighton Conference Centre and an agreement was reached in December 2018 which following a series of conditions being met, would ultimately allow for the purchase by ASI of the current Brighton Conference Centre site. As joint landowner of Churchill Square Shopping Centre and other surrounding landholdings, ASI remain uniquely well positioned to undertake a central site redevelopment. In addition, the aspiration of ASI to purchase the seafront site allowed the council to negotiate a number of key agreements within the CLAA which de-risked the city council from the costs of delivering the new venue, but allowed the council to build and own the new venue.

Local Enterprise Funding

3.2 Details of the CLAA are set out in the report to PRG on General Release dated 6 December 2018 and the subsequent Appendices 1 to 4.

3.3 The funding agreement included a sum of £12.1m of grant funding from the Coast to Capital Local Enterprise Partnership to be spent on a package of Enabling Works and on capital funding for the new venue, intended to be located at Black Rock.

3.4 At the time of the legal agreement (December 2018) it was still the intention of the city council and ASI to achieve the targets required to allow for both projects to share the C2C funding.

3.5 The city council officer team prepared to utilise the funds for the Enabling Package once the CLAA was signed in April 2019. However, due to revised timelines by ASI for the central site proposals, the team instead expanded the Enabling package of proposals to include a Marina access link and further pedestrian and cycle improvements. This proposed approach is set out in another report on this agenda, and would ensure the funds would remain with the project. It also supports the spirit of the C2C funds, which was to de-risk the Black Rock site and support its future regeneration. The approach ensures that the C2C LEP business case could be fulfilled and the timescales could be met.

3.6 On 14th October the C2C LEP confirmed this approach was acceptable during an on site visit and audit of the project.

Progress with the Conditional Land Acquisition Agreement (CLAA)

3.7 Since the signing of the CLAA in April 2019 Aberdeen Standard Investments (ASI) have been dedicating resource to revisiting the opportunities available on the Central site. This includes the Brighton Centre site, Kinsgwest site and NCP site to the rear of the Grand Hotel. With the acknowledged structural changes in the retail market, as intended by the CLAA, their first task has been to fully interrogate and understand what will support a commercial proposition for the long term on the Central site.

3.8 In July an approach was made to officers to see if exploring an option of a venue on the central site could be made to work and to check whether this would be received favourably by the city council if time and resource were invested.

3.9 The proposal presented as a concept at this stage demonstrated that with the new land holdings now acquired by ASI, there would be an opportunity to revisit a venue on a centrally located site, rather than at Black Rock. It was understood by all parties that if this opportunity were to be fully explored, and the council were to support it, an agreement to "pause" the existing legal agreement would be required.

3.10 A 12 month timescale was agreed as reasonable in order to allow both a practical exploration of the logistics and capabilities of the site and interface with other uses, and also to agree broad commercial terms that would be acceptable to both parties. ASI undertook to begin drafting an agreement to share with officers.

Standstill Agreement

3.11 The 12 month timescale for the agreement will allow both parties to agree a proposed revised set of terms amending the original legal agreement, but most importantly, not a revoking of the current agreement.

3.12 The outcome of the commercial and legal negotiations will be reported back to this committee in 12 months time.

3.13 To support this process, a revised procurement process to appoint legal and commercial advisers is underway.

3.14 Aberdeen Standard Investments have written to the council with the following statement to support their decision:

"*In order that ASI can investigate the viability of a venue being contained within the Central Site without it having a detrimental effect on ASI's rights under the CLAA, we think a standstill agreement is an effective way of allowing ASI the time to investigate such viability while continuing to retain ASI's contractual right to acquire the Central Site (and ASI having the right to progress the Black Rock development to obtain the Central Site if a venue at the Central Site is not viable).*

We believe there are merits for both parties - as ultimately if the Central site solution does not work (for viability, procurement or other commercial, reasons) we would want to revert to 'Plan A'. At that point we could then be certain that no central site solution could be made to work. We are not requesting to Standstill to give time to explore Plan A but rather because there has been a material change to the potential location for the venue (which has significant economic and political benefits for the City) and so we require time to explore how to put together a viable revised commercial and legal structure.

The standstill agreement would effectively put a pause on all the parties' rights and obligations under the CLAA meaning that the parties' obligations to seek to satisfy the conditions and ASI's obligations to provide (or procure) the Waterfront East Pre-Construction Services (and deliver a venue at Black Rock) would be paused as would the parties' rights to review the satisfaction of the conditions

and bring about the termination of the CLAA (if such conditions have not been satisfied and there is no reasonable prospect that they will be).

The standstill agreement would have the effect that each of the condition dates would be extended commensurate to the length of the standstill meaning that at the end of the standstill period the CLAA would re-commence as if the standstill had not happened (save for the extension to the condition dates previously mentioned).

As we have discussed with council officers, we would expect a standstill period that is sufficient to allow the parties to determine the viability of developing a venue on the Central Site (including allowing the parties to reach a direction on the commercial structure of any revised commercial arrangement).

We would be happy to support and recommend a period of 12 months to our Board.

In addition, from the expiry of the 12 month period, we would need to agree a revised timetable to discharge the first conditions from the moment the Standstill expires. We suggest 3mths - but are open to discuss.

We have this week (w/c 21.10.19) received Board Approval to the principle of entering a Standstill - subject to agreement of dates.

We do acknowledge there are other ways to extend the agreement (exchange of letters for instance) but we believe this is the most sensible course to take - bearing in mind the fact we want to explore the central site solution which we feel on face value is a credible, deliverable, exciting and a less expensive solution for all parties".

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The legal agreement with ASI allows for certain conditions to be met within certain timescales. The city council would need to agree to extend the timescales for the First Condition, expiring in December 2019, if the standstill agreement is not approved.

4.2 ASI believes a central site solution can potentially be delivered. It is considered that the standstill approach rather than extension of the current legal agreement (which relates to the two site solution) is therefore considered a positive opportunity for both parties.

4.3 The two site solution, as encapsulated within the CLAA contains a range of commercial and legal safeguards for both parties which the standstill agreement does not provide for. This will be an area of negotiation during the 12 month period.

4.4 A process for amending the CLAA and revisiting the above arrangements and the many others agreed within the CLAA, will be required in advance of the next meeting of this committee in 12 months.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 ASI has begun a soft engagement with a number of key stakeholders in the immediate area to appraise them of their revised plans. ASI inform us these have been received largely positively, subject to further information being forthcoming with regard to more detailed plans. Ongoing engagement on the project will be led by ASI.

6. CONCLUSION

6.1 The city worked for over 10 years to explore how to re-provide a venue on the current central site and also ensure a business case to support its re-provision. Aberdeen Standard Investments are in a position to assist the council in progressing this aspiration again. This remains due to the fact their own interests, and that of the city, remain largely aligned. They are seeking a long term performing asset to support the growth of their pension fund. The city council is seeking a long term performing venue to support its local economy. This would suggest there is everything to be gained by both parties further exploring this opportunity.

6.2 Lower build and infrastructure costs are also extremely attractive while funding is extremely tight. Local authorities face difficult choices about spending options and the reduced risk profile this proposal appears to offer coupled with lower potential cost has to be something that the council explores if this can limit the call on future public funds.

6.3 If a central site solution can be delivered on commercial and legal terms that are acceptable to the council, this will also release the opportunity to revisit what might be delivered at the Black Rock site. At this point, the enabling project will be complete and the site will have been improved, allowing a commercial proposition to be explored that also meets the aspirations of the city plan and seafront strategies for a signature high quality development that will help regenerate the eastern seafront for the long term.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The Brighton Waterfront scheme includes the re-provision of a conference centre for the city at an estimated cost of £143.6m. The existing financial plans for this include funding the new conference centre through a combination of capital receipts from the site; Local Enterprise Partnership funding; and borrowing with the financing costs funded from improved financial performance of a new centre, and increased business rates retained in the city.

7.2 The proposals to standstill on the existing scheme and pursue a single site option has the potential to drive down infrastructure costs and provide economies of scale and therefore potentially improving the robustness of the business case. Nearly £78m of the capital cost is funded through increases in business rates over a 20 year period. The methodology for future retention of business rates by local authorities is currently under review with the government plans for implementing an amended scheme now deferred until at least 2021/22. The proposed new scheme includes resets which could result in the potential loss of

part or all of the additional income generated and therefore represents a significant risk to the funding of the project. Officers are therefore exploring whether a separate deal could be struck with the Government for this project. Similar deals have been struck by other councils. If an alternative scheme reduces the capital costs of the project, this will help mitigate the risks to the current funding model.

7.3 The Waterfront report to Policy Resources and Growth Committee in December 2018 outlined the council funded project development costs and confirmed these would be met from the Brighton Centre Redevelopment reserve. Any council costs incurred during the standstill period and in connection to the evaluation of a revised single site proposal will be met from this reserve which currently stands at £2.8 million.

7.4 A report on the enabling works at Black Rock is included on this committee agenda highlighting the planned works at the site funded from Local Enterprise Partnership (LEP) Grant. The standstill agreement outlined in this report is not expected to impact on those works or the LEP funding.

Finance Officer Consulted: James Hengeveld Date: 21/10/19

Legal Implications:

7.5 The legal implications of the current CLAA are set out in full in the report to Policy & Resources on 6 December 2018.

7.6 The CLAA was executed on the 16 April 2019. The First Condition should be completed by the 17 December 2019. The failure of the parties to meet the First Condition enables either party to terminate the agreement by serving notice on the other party.

7.7 At this stage there are insufficient details relating to the new proposal to consider the legal and procurement issues but these will be reported to this committee if appropriate in due course.

7.8 ASI have provided a draft standstill agreement which Officers are reviewing with the Council's external legal advisors.

Lawyer Consulted: Alice Rowland Date: 29/10/19

Equalities Implications:

7.9 Equalities implications of this project will be dealt with as part of any future scheme proposals. These will most likely relate to the funding and ownership model for the future venue, design of the spaces and the mix of uses that is proposed for the central site.

Sustainability Implications

7.10 The Climate Emergency now declared by this council will have considerable impacts for the Waterfront project and officers have begun to engage upon a mechanism to support circular economy principles being adopted as part of the

project. The setting up of an advisory circular economy panel to inform the central site project during early conceptual stages has been proposed. This is an example of where the council may wish to influence how the work on the central site is progressed, bearing in mind that the development timescale will result in delivery of a new set of proposals and final build at some point in the next 5-8 years. It is therefore recommended that zero carbon aspirations be built in from the outset and to this end a panel set up during the next 12 month period to advise and support the Project Board and Aberdeen Standard Investments as the project is explored further.

Any Other Significant Implications

7.11 Corporate and Citywide

Previous economic appraisals based upon a new venue of 10,000 seats and the regeneration of two significant seafront sites anticipated the combined developments would be worth an estimated £540 million to the city and create an additional 2,000 jobs. Boosting spending by £150 million annually within the city, they would earn an extra £4.6million a year for the public purse – seen as crucial in an era of reductions to council funding. A revised and updated socio-economic report applicable to the one site solution will be available for the committee meeting.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Documents in Members' Rooms

1. Policy and Resources Committee December 6 2018

Background Documents

POLICY & RESOURCES COMMITTEE	Agenda Item 82 Brighton & Hove City Council

Subject:		**Brighton i360 Loan Restructure**
Date of Meeting:		**5th December 2019**
Report of:		**Executive Director, Economy, Environment & Culture**
Contact Officer:	**Name:**	**Max Woodford**
	Email:	**max.woodford@brighton-hove.gov.uk**
Ward(s) affected:		**All Wards**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report sets out the positive economic impact that the BAi360 has had on the Brighton & Hove visitor economy, but acknowledges that the attraction has not had the expected level of visitor numbers meaning it has had to defer paying its debt obligations to the council in full. The report sets out that performance is being actively addressed by the management and proposes a restructure of the debt.

1.2 The report also proposes that a loan from Coast to Capital Local Enterprise Partnership ['the LEP'] is 'novated' to the city council (at no cost to the council) and is included in the loan restructure. 'Novation' in this case means that the debt is passed from one body to another – i.e. the debt must be repaid to the city council and not the LEP. The report also acknowledges that a previous repayment received by the council was paid in error as it should have gone to the LEP, and so recommends that sum is repaid to the LEP and the amount recovered as an outstanding debt that the i360 owes the city council.

2. RECOMMENDATIONS:

2.1 That the committee notes the economic and social impact benefits the BAi360 has had on the city's visitor economy as set out at 3.1 and in the report at Appendix 1.

2.2 That the committee agrees to Coast to Capital Local Enterprise Partnership novating their Growing Places Fund loan of £4.06m and grants delegated authority to the Executive Director Economy, Environment & Culture to agree the terms of the novation agreement, enter into that agreement and take any other steps necessary to effect the novation.

2.3 That the committee acknowledges that £312,000 of loan repayment from BAi360 was paid in error to the city council and agrees to repay that money to Coast to Capital Local Enterprise Partnership whilst noting that it is a debt owed to the Council by the i360.

2.4 That the committee agrees to the loan restructure principles as set out at 3.16 and delegates authority to the Executive Director Economy, Environment & Culture and the Executive Director Finance & Resources; in consultation with the Members' Working Group as set out at 2.6, to negotiate a revised loan agreement to cover both the principal loan and the novated LEP loan based on those restructure terms and enter into any legal agreements necessary to effect that restructure.

2.5 That the committee notes that the restructure cannot take place until early in the new year and agrees to defer up to £ £880,304.25 of the total payment due on 31 December 2019 under the loan agreement; and agrees not to take default action at this stage in relation to the failure to hit the financial ratios set out in the loan agreement.

2.6 That the committee agrees to establish a new permanent Members' Working Group, in accordance with the terms of reference at appendix 2, to oversee the city council's relationship with the BAi360. This will include agreeing future business plans and receiving regular updates on performance.

2.7 That the committee agree to officers procuring ongoing advice on the visitor attraction market to help inform the process of agreeing the annual business plan.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The i360 opened to the public on 4 August 2016 and has since carried well over one million visitors. Appendix 1 is a copy of a report recently commissioned by the i360, which sets out the strong economic and social impact the Brighton i360 has had, already contributing £89.6 million to the Brighton & Hove economy. By the time the £36.2 million loan from the city council and the £4.0 million LEP loan, that were invested to fund its construction, are repaid in 2041, the i360 will have contributed £640 million to the city's economy. This represents a return of £15.90 for every £1.00 of public sector investment. It has also generated direct additional income for the council which has been or will be reinvested in the seafront; in particular in the landscaping of the council owned land around the i360, contributions towards the refurbishment of the Madeira Terraces and festoon lighting along the seafront.

3.2 However, recent reports to this committee have noted that visitor numbers have been lower than anticipated; and in particular they were lower than forecast through 2018, in keeping with a number of indoor attractions in the city, such as the Royal Pavilion, which suffered falls in visitor numbers despite it being a very hot summer. This meant that the i360 has not been able to make in full the last three six-monthly payments to the city council of both the loan repayment and the margin.

3.3 Previous PR&G committees have agreed to defer a total of £2.792m, with the deferred sum being rolled into the principle loan amount. No debt has been written off – it has been capitalised instead.

3.4 On these previous occasions when the Council agreed to defer payments, it also agreed not to take default action in relation to the failure to achieve the financial ratios set out in the loan agreement.

3.5 The Council has instigated work to consider restructuring the loan in the long term to protect the council's position and maximise the returns on the loan payment. Avison Young (formally GVA) were appointed to work on financial modelling with a view to arriving at a preferred recommendation for restructuring the loan. They produced an initial report which was noted by Committee in December 2018. However, without a better understanding of the BAi360's plans to turn around its performance – and the visitor numbers that might support – Avison Young were not able to recommend a restructure option to the December 2018 PR&G meeting. Likewise, they were not able to advise whether the city council should step in to take control of the i360. They did advise that stepping in is not necessarily the option that would result in the city council getting the largest amount of its money back as it could immediately result in a write down of the value of the asset.

3.6 For this reason, PR&G Committee decided in December 2018 that the city council should defer any loan restructure until after the summer season of 2019 to take a view on the steps the i360 Board were taking to improve visitor numbers. The committee decided that officers should return with this report to agree the shape of a loan restructure following the summer.

3.7 The December 2018 PR&G report also set out that the city council had appointed visitor attraction specialists LDP to look into the existing and potential commercial performance of the attraction and to advise on whether the i360 is taking all available steps to maximise income and enable it to meet its obligations to the council under the loan agreement. LDP found that the attraction was underperforming in key market sectors, and that this could be attributable to a lack of marketing spend. If the i360 were to be performing at the expected level for an attraction of this type, and therefore having the expected degree of market penetration, then it should be achieving visitor figures of 433,204 by 2020/21 and 486,419 by 2021/22. This level of visitor number would enable the i360 to pay all of the PWLB element of its loan from 2021/22.

3.8 For this reason it was it was also recommended that the i360 be set a number of key performance indicators to show that the board has considered both the advice of LDP and is enacting its own plan for a turnaround in visitor number. These KPIs included:

- Marketing spend should be on target to reach 8% - 10% of revenue over the year.
- A clear marketing strategy for the effective spend of that budget should be in place and be delivered.
- Visitor numbers should remain on target to hit 364,860 by the end of the 2019/20 financial year.
- The i360 Board should show an ongoing commitment to ensuring it has the relevant skills and experience sitting around the table.

3.9 As set out in the previous PR&G report, the i360 Board has addressed the suggestions in the LDP report. The improved management team and focus on performance has resulted in many metrics showing improvements. During the

Spring and early Summer season there were significantly improved visitor numbers, with over 14% more visitors in the period April to July. However, this year from the start of August through to November has seen very poor weather, which has negatively impacted on the visitor number growth. It has to be acknowledged that the BAi360 is an attraction that is weather dependent, whoever manages it. Despite this, it has been consistently evidenced throughout the last few months of poor weather that when the attraction is compared to days where there was similar weather to last year it is performing very well, which suggested that awareness amongst visitors has grown substantially over the past 9 months. Examples during September where the performance vs last year was very strong on specific days include:

10th Sept +54%
13th Sept +21%
15th Sept +24%
17th Sept +68%
19th Sept +54%
21st Sept +83%

3.10 In addition other figures showed strong performance despite the weather. A joint ticketing arrangement with the Pavilion and the Sea Life Centre has also been promoted. The Brighton Explorer offers 35% off these key all-weather city attractions. In September their yield (average ticket price) was £12.50, versus a budget of £12. This demonstrated that despite the poor weather they are managing the pricing strategy well and not reverting to deep discounting that could damage the business in the long term. This helps maintain a better gross profit and has ensured an admissions income from January to September that is up by 6.5% despite the challenging weather in the peak summer holiday period. They are also controlling their operating costs well, which came in on budget for September and are showing a saving year to date of £22,000 vs budget and £83,000 vs last year. They are managing to do this while remaining a Brighton Living Wage employer. Their operating profit before depreciation and financing costs in the year to date at the end of September (so a period of 3 months) is showing at £769,687, which is £153,277 up on last year.

3.11 Part of the work Avison Young has done has been to look at whether it would be in the council's financial interest to exercise its step-in rights under the present loan agreement and take control of the attraction. Their report sets out several reasons why such action would not be advisable, and the advice is that the council should seek to avoid enforcement options. The asset benefits from sponsorship and maintenance arrangements that could be terminated as a result of an insolvency or step-in by the city council, and there would be a loss of value to the asset that is likely to be worse than restructuring the loan. Furthermore, as the directors of the i360 are operating the asset in way that substantially meets the requirements of the city council and are being co-operative, there is currently no clear rationale to pursue an enforcement strategy. The advice from Avison Young is the same as they would give to a commercial lender in similar circumstances, which gives the city council a degree of reassurance that it is in compliance with State Aid laws.

3.12 At the time the i360 was built, the main funder was (and remains) the city council. However, the LEP also loaned the attraction £4.06m from its Growing Places Fund as it recognised the economic and regeneration value to the city region's

economy. The LEP loan is mezzanine funding: i.e. it is a second- ranking lender with subordinated rights and protections than the city council, but that higher risk is reflected with a higher level of interest payable on the LEP loan. The LEP loan is due to be repaid in 2021. The attraction does not have sufficient cashflow to repay on that date. However, for the LEP the loan has fulfilled its main economic and regeneration purpose by delivering the new attraction to the city region, and the LEP do not need to continue to retain an interest in the asset. They have therefore proposed that the LEP loan that is repayable to them is granted (via novation) to the city council. 'Novation' means that a contract (in this case the loan agreement) is passed form one body to another, but the terms of the contract remain the same. The city council would then be able to restructure this loan on such terms as it wishes (subject only to minimal restrictions imposed by the LEP). This transfer of the loan would be at no cost to the city council – i.e. the city council can collect the loan without needing to repay the money to the LEP.

3.13 Avison Young have advised on the costs and benefits of the city council receiving the novated LEP loan. Their advice is that the proposed transaction will consolidate the interest of a third-party stakeholder under the control and ownership of the city council and the transaction would entitle the city council to additional upside above its current level of debt. It would also remove the impending cashflow issue of the LEP loan becoming repayable in the near future. For these reasons they state that the city council would be advised to conclude this transaction with the LEP

3.14 Unconnected to the transfer of the main LEP loan, the LEP has raised an issue that they should have been paid an amount of £312,000 towards the LEP loan. The city council has taken legal advice on this, and the view is that the LEP were due to receive that payment, and while the city council acted in good faith in taking the payment, it could be regarded legally as being a unilateral amendment to the inter-creditor agreement as we have received funds from BA i360 which were due to the LEP under the terms of that agreement. The LEP require this money as it is budgeted within the financial year. For this reason it is proposed that the city council pays the money it received in error to the LEP. That money is still due from the i360, but now becomes payable to the city council rather than the LEP, so it is proposed that the sum is added back into the overall principal loan amount payable from the i360 to the city council.

Loan Restructure

3.15 The report from Avison Young into the suggested form of the loan restructure looks at options, focused on attracting appropriate return for the additional risk involved in continuing to support the business. It considers how a commercial lender would approach the issue, as that is necessary to avoid the restructure being at risk of being determined to be State Aid . The main principles of a commercial lender would be to:

- Maximise repayment/minimise loan write off
- Receive payments as quickly as possible
- Reflect additional risk, potentially through an upside agreement
- Introduce controls to ensure cash is available to service debt obligations and management are delivering the agreed business planis that the proposed that the restructure takes the following form:

3.16 The report's proposal is therefore in the following form:

- That the council and i360 agree a business plan as part of the loan restructure with this being reviewed as a minimum every year. The business plan will include a target Net Operating Income (NOI). The NOI will be after reasonable expenses to allow the i360 to continue to operate and deliver the business plan.

- There is a full 'cash sweep' of NOI going to the city council. i.e. the i360 retains enough cash to continue to operate as a solvent entity and meet obligations around marketing etc, but that any money left over each year automatically goes to the city council to service the debt. As the attraction performs better in future years, this would mean the council gets paid off more quickly than the original loan envisaged.

- Some form of arrangement would need to be in place for the city council to have more control over the account where all of the i360 income and expenses are managed. This control would allow the council to ensure that only agreed expenses are being released from the account with full NOI being available to pay down the loan. The council would also have full visibility and access to the i360's day to day accounts.

- To provide a commercial incentive to the directors (who are also shareholders of BAi360) to perform, any Net Operating Income over and above the business plan is shared 60%/40% (Council/Shareholders). This share of excess NOI will give the council a return above the current loan payments, for continuing to support the operation. If there is no commercial incentive for the directors to make any profit at all then it would be less likely they would perform effectively, meaning the council would be less likely to see the debt repaid.

- Failure to hit certain thresholds in the business plan would carry implications. For example, if they are more than 20% short of the business plan NOI, then that would mean they are once more in default.

- There would be an arrangement fee to cover the council's costs in this process, as well as fees for prepayment of the loan above the restructured loan payments profile.

3.17 Due to the slow nature of the turnaround process, the poor weather since August and the additional money that the board is investing into marketing, the cash flow situation at the BAi360 means that there will need to be a deferral of an element of the December 2019 payment, which is payable before the terms of the final restructure can be agreed. The exact figure deferred cannot be set until the end of December as this is an important month with Christmas income yet to have come in. The i360 expect to be able to match last December's payment of at least £612,000 on the 31 December. Officers therefore propose setting this as a minimum payment, with more to be paid if available. This would therefore require a maximum deferral of up to £880,304.25.

3.18 The proposed restructure requires an ongoing strong working relationship with the i360. In particular, the city council will need to agree the business plan every year and then monitor performance against that business plan. There will be a need for officers to continue to involve members in this process. It is therefore

suggested that a new permanent Member's Working Group is set up to give members a chance to have oversight of this process. The proposed Terms of Reference of the working group are at Appendix 1, but in summary the group would:

- Be consulted on the final detail of the loan restructure agreement.
- Be consulted on the business plan every year.
- Receive reports on the performance of the attraction every six months.
- Offer a 'critical friend' role to the management of the attraction about performance.

It is also likely that the city council will need to procure experts in the visitor attraction industry to offer some light touch advice every year on the existing market and to help to agree the business plan.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The city council has also commissioned Avison Young to advise on the options around undertaking any step-in and taking control of the asset, as we would be able to do under the terms of the funding agreement. This report states that step-in would not be advisable for the reasons set out above at 3.11.

4.2 The proposed loan restructure follows a detailed options appraisal process, also carried out by Avison Young.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The i360 has received a wide range of supportive statements from local businesses, charities and other organisations. Businesses have focussed on the beneficial impact on tourism to the city and the improvements made to a previously run-down part of the seafront.

5.2 The council is due to receive 1% of ticket sales in perpetuity to spend on local initiatives with about 25% of this sum allocated to fund part of the landscaping works and discussions continue with local organisations about how to spend the remainder.

6. CONCLUSION

6.1 The BAi360 has been a catalyst for regeneration, both on the seafront and in the wider city and will be into the future, no matter what happens with the way the attraction has been financed. It has had a strong positive impact on the city's visitor economy while also delivering new funding streams that the city council would not otherwise benefit from. It is an iconic structure that has quickly become a key part of Brighton & Hove's global brand and imagery. In the report at Appendix 1, the Executive Chairman of Tourism South East, Mark Smith comments that "*Brighton i360 has helped raise the profile and awareness of Brighton and the South East region on the worldwide tourism stage. It has attracted over one million visitors in less than three years and has repositioned Brighton & Hove as a resort with modern attractions to complement the rich traditional heritage of this dynamic city*."

6.2 Strong steps have been taken towards turning around the financial performance of the attraction, which have seen improvements this year, despite very poor

weather in much of the peak season. However, a full turnaround will take some time to get in place, and the existing loan needs to be restructured both to give time for this to happen, but also to give the city council opportunity to be paid back at the earliest possible opportunity and to potentially benefit from any upside in improved performance.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The original loan to the BAi360 included the principle, rolled up interest during construction, and arrangement fees totalling £36.222 million. The loan was planned to be repaid on an annuity basis to the 30 June 2041 including a market rate of interest, resulting in 6 monthly payments of £1.492 million which includes both capital repayment and interest.

7.2 The city council has agreed to defer £2.792m of the payments due since June 2018 whilst options for the future relationship and recovery of outstanding debt are explored. The total outstanding debt as at 30 June 2019 as a result of these deferrals is £37.366 million. However, of the payments received by the city council since June 2018, £0.312 million is due to be paid to the LEP and therefore the outstanding debt will become £37.678 million once this amount is paid.

	Opening Principle Debt	**Interest due**	**Payment**	**Closing Principle**	**Deferred (cumulative)**
	£'000	£'000	£'000	£'000	£'000
30/06/2017	36,222	1,184	-1,492	35,913	-
29/12/2017	35,913	1,173	-1,492	35,594	-
29/06/2018	35,594	1,163	-922	35,835	570
31/12/2018	35,835	1,152	-612	36,375	1,450
28/06/2019	36,375	1,141	-150	37,366	2,792
LEP Adj	37,366	-	312	**37,678**	3,104

7.3 A restructure of the debt with the BAi360 is expected to provide the best financial outcome for the city council. The restructure principles are set out in paragraph 3.16 and assume no debt is written off. The restructure will be based on an agreed business plan for the attraction demonstrating that future net revenues will be sufficient to repay the city council. This approach is expected to mean that there will be lower payments initially resulting in the outstanding debt increasing, but with greater payments in the future, the debt reduces more rapidly. This proposal is not without risk as it relies on continuous financial improvements over the next 2 years driven by improvements to patronage and controlling costs. Evidence to date suggests that financial improvements are already taking effect

but substantial improvements are still required. The proposed scrutiny by external consultants and the members working group will be critical in ensuring the restructure is viable.

7.4 In addition to the council's loan, the LEP have an outstanding loan to the BAi360 of £4.060million. The LEP are proposing to novate this loan to the city council at no cost. This proposal will facilitate the restructuring of the loan agreement with the BAi360 by simplifying the process to a bilateral arrangement; it will increase the notional outstanding debt the attraction has with the city council but this increase does not expose the city council to further financial risk. This restructure is in line with the expected actions of a commercial lender as advised by Avison Young and set out in paragraph 3.15.

7.5 The loan restructure is planned to be completed in the new year and therefore the council needs to agree to defer up to £880,304.25 of the December 2019 payment under the current loan arrangements to avoid a default.

7.6 The outstanding debt is funded from a combination of external PWLB loans and rolled up marginal interest. The PWLB debt repayments are £0.922 million every 6 months and the marginal interest forms part of the BAi360 reserve. This reserve increases as each payment becomes due however, given the financial position of the BAi360 and the amount of debt deferred, no new commitments can be made against this reserve until the debt restructure to recover all outstanding debt is agreed and there is evidence this is being delivered. The initial lower repayments have a negative impact on the city council's cashflow, but on the basis these payments will increase in the future, and the city council is not making commitments against the reserve, this impact is not material.

In addition to the loan, the ongoing viability of the BAi360 has a number of other financial implications for the city council. The city council receives a 49% share of the business rates from the attraction and potentially benefits from increased parking revenue from Regency Square car park.

Finance Officer Consulted: James Hengeveld Date: 15/11/19

Legal Implications:

7.7 The options for enforcing the council's security were set out in the report which went to PR&G in June 2018.

7.8 Loan arrangements such as this comply with state aid law if they meet the market economy operator principle (MEOP) – sometimes also referred to as the market economy investor principle (MEIP). The council is required to act in a similar manner to a commercial investor in the same circumstances. The report from Avison Young confirms that their recommendation can meet the MEOP test. However, the Council will need to be able to show that the percentage of the net operating profit which is kept by the shareholders is the result of robust commercial negotiations.

7.9 It is lawful to defer the December 2019 payment in these circumstances as a commercial lender would be expected to take the same steps whilst putting in place a restructure.

7.10 In order to protect its position, the council will send a reservation of rights letter to i360 as it has in relation to previous deferrals. The Council continues to take

external legal advice in relation to the loan arrangements to ensure it complies with state aid law and to support the council to achieve the best commercial outcomes.

7.11 Although the LEP's primary claim is against the BAi360, our external legal advice is that the LEP have a strong argument that in accepting the (incorrect) payment the city council has agreed to an amendment of the payment order of priorities set out in the financing documents, which would be a breach of the city council's obligations and that in failing to ensure that the order of priorities is observed by BAi360 (or, more particularly, by acquiescing with the amendment to the order of priorities), the city council is in breach of the intercreditor arrangements between the city council and the LEP. The LEP therefore would have a strong case against the city council which, if it pursued its claim successfully, would enable it to recover its loses from the city council.

7.12 Permanent member groups (as opposed to 'task and finish' groups, set up on a time-limited basis) may only be established by the Policy and Resources Committee. The terms of reference of all permanent groups shall be approved by Policy & Resources and included in the Constitution.

Lawyer Consulted: Alice Rowland *Date: 07/11/2019*

Equalities Implications:

7.13 The i360 is accessible throughout to people with disabilities and has improved access to the seafront lower promenade by the building of a new lift to the east. Unisex toilets are open to members of the public who are not using the centre or visiting the attraction. The i360 has introduced a range of concessions for local residents and free tickets for local schools. The i360 is a living wage employer and does not offer zero hour contracts. There is an apprenticeship scheme in place and training opportunities for staff at all levels of the organisation.

Sustainability Implications:

7.14 The report at Appendix 1 sets out some of the environmental strengths of the i360. It is a low energy user, with energy recovery when the pod is descending. The installation of heat pumps provides air heating and cooling in the pod and main building and provides an estimated 30% of the total thermal heating energy use. All electricity is purchased from renewable energy sources. Grey water and rainwater recycling has been included. Purchasing policies are based on sourcing environmentally friendly local products particularly the Sky Bar, café and restaurant.

Any Other Significant Implications:

7.15 All significant implications are dealt with in the body of the report.

SUPPORTING DOCUMENTATION

Appendices:

1. Brighton i360 Economic and Social Impact Report
2. Terms of Reference for Members' Working Group

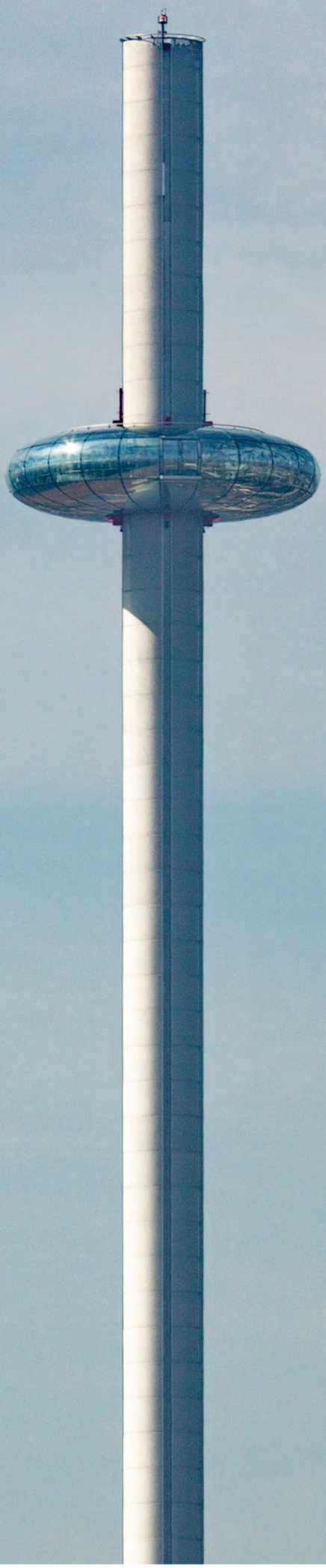
Conceived and designed by Marks Barfield Architects

ECONOMIC AND SOCIAL IMPACT REPORT



BRITISH AIRWAYS
i360 Viewing Tower
Brighton's best views

BY MARSHALL REGEN LTD



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WELCOME



I am delighted to present Brighton i360 Ltd's economic and social value impact report.

Brighton i360, now trading as British Airways i360, has become Brighton and Hove's top paid tourist attraction and a key landmark on the city's seafront. Officially opened by the Duke of Edinburgh in 2016, we have welcomed over 1.1 million visitors. Brighton i360 has helped broaden and strengthen the city's visitor economy and is also a multiple award-winning visitor attraction.

Brighton i360 has financed improvements to the public realm around the West Pier and our presence has contributed to the emergence of independent and creative businesses in the arches. We have, and will continue to, make a major contribution to the city's priorities of creating a fair, sustainable, open, talented and growing city.

Our economic and social value impact is significant both as a visitor attraction paying the living wage and as an environmentally responsible business addressing climate change challenges. I am delighted to champion our commitment to working with and supporting local businesses and in contracting with a wide range of local suppliers. We pride ourselves in showcasing the work of many Brighton & Hove artists.

The Brighton i360 Board has plans to continue to improve the performance of the attraction. We will strengthen our focus on marketing, develop a diverse range of offers and work closely with partners, including Visit Brighton, the Tourism Alliance and the City Council, to ensure that Brighton i360 remains a key part of the city's economic, cultural and social identity in the future.

Throughout the report we refer to Brighton i360 Ltd, the registered company name. Of course, we trade as British Airways i360, and are extremely proud of our sponsorship by British Airways.

Julia Barfield
Chair



EXECUTIVE SUMMARY

Brighton i360 is Brighton & Hove's most popular paid for visitor attraction[1]. Since its opening in August 2016 it has attracted over 1.1 million visitors and received £18.6 million of direct income through ticket sales, sponsorships, retailing, food and drink sales.

It is one of the world's most slender viewing towers, offering passengers outstanding views along the coast towards Beachy Head and the Isle of Wight, north to the South Downs National Park and south across the English Channel towards the Rampion offshore windfarm.

It also hosts a wide range of themed activities and events, including Sky Dining; Yoga in the Sky; Silent Disco in the Sky; Santa Flights and the i-drop, in which participants experience a controlled descent back to earth from the full height of the pod.

However, its impact on the city's economy is much wider than this. It has already contributed **£89.6 million** to the Brighton & Hove economy. By the time the £36.2 million loan from the Public Works Loan Board (PWLB) and the £4.0 million Local Enterprise Partnership loan, that were invested to fund its construction, are repaid in 2041, Brighton i360 will have contributed **£640 million** to the city's economy, representing a return of **£15.90** for every £1.00 of public sector investment.

Brighton i360 has diversified the city's tourism offer, complementing its existing attractions, broadening the appeal of Brighton & Hove and attracting new visitors to the city.

Annual contribution to local economy

£29.9 million

Contribution to local economy since opening

£89.6 million

Total value of benefits by 2041

£640 million

Value of benefits for every £1 of public sector investment

£15.90

[1] Based on the Annual Survey of Visitor Attractions, Visit Britain (2018)



VISION

"Just as the West Pier invited Victorian society to walk on water so the Brighton i360 invites visitors to walk on air."

David Marks
Architect

In November 2015, Brighton i360 Ltd signed a 5-year, landmark deal with British Airways, as the attraction's naming rights headline sponsor. British Airways is committed to flying the flag for British tourism, bringing more people to the UK than any other airline. In supporting Brighton i360, British Airways helps further promote Brighton & Hove to the international tourism market.

Brighton i360's unique and innovative design reflects the city's creativity. It is the centrepiece of the City Council's long-term strategy to diversify its 13km seafront. Brighton i360 has been the catalyst for further private and public sector investment in the seafront and neighbouring arches and it has strengthened the position of the West Pier Trust.

Since its opening, Brighton i360 has received numerous local and national awards for the design ingenuity of its engineering and construction and for the outstanding visitor experience that it provides. These include the Supreme Award for Structural Engineering Excellence at the Institution of Structural Engineers' Structural Awards in 2017; National Award for RIBA; and Visit England's Award for Excellence, Gold Award for Innovation in Tourism.

Brighton i360 is more than a visitor attraction. It is the embodiment of the city's character and the city's environmental, social and community values are central to how Brighton i360 operates. Brighton i360 is an award-winning responsible employer. It pays the Local Living Wage; provides a complimentary ticket to every primary school pupil in the city; produces curriculum materials to support learning at Key Stages 1 and 2; supports local charities, both directly and indirectly, by allowing the attraction to be used for fundraising activities; and where it can, Brighton i360 sources goods and services from within the city, enabling local businesses to prosper and grow.

Brighton i360 has strong environmental credentials too. During the construction phase as little material as possible was sent to landfill and much of the shingle excavated from the foundations went to Shoreham to be returned to the beach. More than 50% of the energy needed to power the pod upwards is captured again on its descent. In 2018, Brighton i360 switched to green energy provided by Ecotricity, reducing its environmental impact. From late 2019, Brighton i360 will be partnering with Good Energy to provide 100% clean power.

Brighton i360 has plans to further broaden the appeal and raise the profile of the iconic viewing tower nationally and internationally. It will continue to work with the City Council and tourism partners within the city on joint ticketing and promotional campaigns and collaborate on other initiatives to secure Brighton & Hove's position as one of the UK's foremost visitor destinations over the long term.

Over 100,000 of the city's annual tourists cite Brighton i360 as the main trigger in choosing to visit the city[2]. With its partner, Sodexo, which operates the popular West Beach Bar & Kitchen, Brighton i360 supports 447 local jobs through direct employment; and indirectly through local purchasing; spending by its employees and spending by visitors who visit Brighton & Hove because of Brighton i360.



[2] Based on the Brighton & Hove Visitor Survey 2018, TSE Research

AN ICONIC VISITOR ATTRACTION

RAISING THE CITY'S INTERNATIONAL PROFILE

"Brighton i360 has helped raise the profile and awareness of Brighton and the South East region on the worldwide tourism stage. It has attracted over one million visitors in less than three years and has repositioned Brighton & Hove as a resort with modern attractions to complement the rich traditional heritage of this dynamic city.

On the wider tourism front, Brighton i360 is reported to have increased turnover for accommodation, retail, F&B, entertainment and transport businesses and generated over £2 million in operating profits that the City Council has been able to reinvest in capital improvements across Brighton and Hove."

Mark Smith
Executive Chairman
Tourism South East

Since its opening in Summer 2016, Brighton i360 [trading as British Airways i360] has quickly become established as one of the south east region's most outstanding visitor attractions, enhancing the reputation of Brighton & Hove and the wider area around the world.

Brighton i360 is one of the world's most slender viewing towers. It hosts up to 190 passengers, with flights scheduled every thirty minutes throughout the year. The unique viewing tower offers an unrivalled experience and outstanding views across the city, Sussex and the coast, complementing the city's other major visitor attractions, including Brighton Palace Pier, the Royal Pavilion, the Sea Life Centre, Brighton Marina and the beach itself. It is now the city's most visited paid-for attraction[3].

The West Beach Bar & Kitchen, located at the attraction, comprises 116 covers and has terrace seating for 160 overlooking the structure of the West Pier. There is also a café bar with 16 covers, a gift shop, an exhibition space and conference and event facilities.

When Brighton i360 secured planning consent in October 2006 the aims were for the attraction to:

- Strengthen the city's cultural and lifestyle appeal to residents, visitors and future investors;
- Regenerate the land base of the West Pier, which was destroyed by fire in 2003; and
- Become a central feature of the city's seafront economy, strengthening the out-of-season visitor offer and improving the attractiveness of the 13km seafront between Hove Lagoon and Saltdean.

Built at a cost of nearly £50 million, including a £36.2 million loan from the Public Works Loan Board (PWLB) and £4.0 million Local Enterprise Partnership (LEP) loan, Brighton i360 is a long-term, strategic infrastructure project aimed at maintaining Brighton & Hove's status as one of the UK's leading coastal visitor destinations. It is a crucial part of creating a high quality seafront with year round attractions, events and activities.

Conceived and designed by Marks Barfield Architects, the creators of the London Eye, Brighton i360 was built over a two-year period and provided work for the equivalent of around 83 long-term jobs[4].

The construction of Brighton i360 has been a catalyst for further private and public sector investment in the seafront and neighbouring arches. Small local business entrepreneurs now occupy once derelict buildings providing a dynamic seafront with independent retail, food and beverage outlets.

In addition, new public open space has been created around Brighton i360. This includes the sculptural spiral of the old West Pier columns to the East and new public piazza to the west, including an attractive space for events and temporary exhibitions and attractions, such as the Upside Down House.

[3] Based on the Annual Survey of Visitor Attractions, Visit Britain (2018)
[4] Based on the number of workers required over one year (16.6) for every £1 million of capital investment: Calculating Cost per Job Best Practice Note (2015); Homes & Communities Agency (now Homes England). This is then divided by ten to provide an estimate of long-term jobs.



GLOBAL BRAND RECOGNITION

"Brighton is an important community for British Airways, it's home to many of our valued customers and colleagues. It's on the doorstep of Gatwick Airport which is one of our main bases so it's a natural fit to sponsor this popular attraction at the heart of this local community. The British Airways i360's commitment to exceptional customer experience aligns with our ambition; as well as our desire to be pioneering with a keen eye for design."

Sophie McKinstrie
Marketing, PR & Comms Manager
British Airways

BRITISH AIRWAYS SPONSORSHIP

In November 2015, Brighton i360 Ltd signed a 5-year, landmark deal with British Airways, as the attraction's headline sponsor. British Airways and Brighton i360 share a similar market regionally in the South East and both organisations share a proud history of engineering and design excellence.

British Airways is one of this country's most iconic and respected travel brands with a significant presence in the South East, operating more than **40,000 flights a year** from Gatwick airport. **British Airways employs 2,500 people** at Gatwick airport, **1,000 of whom live in Sussex**, including several hundred Brighton & Hove residents.

British Airways is committed to flying the flag for British tourism, bringing more people to the UK than any other airline. By supporting Brighton i360, British Airways will help further promote Brighton & Hove to the international tourism market.



REGENERATING THE CITY'S SEAFRONT

"West Pier Trust is the charity which owns the West Pier site and is the landlord of BA i360. The rent that we receive from the attraction guarantees us a regular annual income which has enabled us to open the West Pier Centre, expand our team, extend our education outreach and generally raise our profile. In addition, Brighton i360 has given us a solid base to begin the Kiosk restoration project on West Pier Piazza.

Although our income is not enough to fund the project, it puts us on a far more secure footing to make it happen. Equally, once the Kiosk is reinstated our strengthened status will put us in a stronger position to start discussions with interested parties about the building of a new West Pier."

Rachel Clark
Chief Executive
West Pier Trust

A STRATEGIC INVESTMENT

Brighton & Hove City Council's decision to support the development of Brighton i360 through a Public Works Loan Board (PWLB) loan reflects the importance that it attaches to improving the city's seafront, which acts as the city's 'shop window' for visitors, residents and investors.

Many of the city's 400 annual outdoor events are hosted on the seafront, including the Brighton Marathon, classic car runs and London to Brighton bike rides. Its unique character combines heritage Victorian infrastructure, a varied and vibrant range of businesses, retail and leisure opportunities, and proximity to the city centre.

The City Council's Seafront Investment Programme (2015) includes developing a co-ordinated programme of investment; creating the conditions to ensure that all parts of the seafront fulfil their potential; taking a more commercial investment approach in the seafront's assets; and co-ordinating improvements to the seafront's infrastructure.

When the West Pier was destroyed by fire in 2003, plans for its restoration were shelved following the withdrawal of funding. Brighton i360 represented an opportunity to create a new, unique viewing platform – a vertical pier - on the land that is owned by the West Pier Trust. The aim was to uphold the heritage of the West Pier and develop and regenerate the city's seafront. The rent paid to the West Pier Trust has enabled it to open the new West Pier Centre for residents and visitors and to start planning other projects.

SUPPORTING ECONOMIC GROWTH

Brighton i360 makes a significant contribution to each of the priority themes within the Brighton & Hove Economic Strategy (2018-2023):

- An Open City - As an iconic visitor attraction, it contributes to the Open City theme, by enhancing the city's reputation as one of the UK's leading visitor destinations, improving its international reputation for innovation and creativity, and helping Brighton & Hove to become the most distinctive city in the UK. Brighton i360 is cited as a best practice case study for the National Coastal Tourism Academy, an organisation that aims to improve the quality of the UK's coastal destinations[5].

- A Sustainable City - As a green energy attraction, it supports the Sustainable City theme, making the best use of state of the art technology to maximise the use of renewable energy to operate the ascending and descending Pod. During the construction phase as little material as possible was sent to landfill and most of the shingle excavated from the foundations went to Shoreham to be returned to the beach. Ingredients at the West Beach Bar & Kitchen and Nyetimber Sky Bar are mainly sourced from local suppliers.

- A Talented City – Brighton i360 and West Beach Bar & Kitchen support the Talent City theme by providing 132 direct jobs, providing educational opportunities and producing curriculum materials to support learning in the city's schools.

- A Fair City – Brighton i360 supports the Fair City theme by paying the Local Living Wage, partnering with charities to raise funds for important local causes, and providing discounted and complimentary 'flight' tickets to local residents and school children.

- A Growing City – The very existence of such an innovative attraction and its capacity to bring income to Brighton & Hove reflects the Economic Strategy's Growing City theme.

Brighton i360 is not just a Brighton & Hove attraction; it is a significant regional asset, too, which is why the Coast to Capital Local Enterprise Partnership (LEP) invested £4.0 million in its construction.

Its high visibility and iconic status contribute to the vision for the region's towns and cities "to be known around the world as fantastic places to live, to grow and to succeed", which shapes the actions and priorities in the LEP's strategic economic plan (2018-2030), 'Gatwick 360°'.

TOURISM'S ROLE IN THE BRIGHTON & HOVE ECONOMY

Tourism is a key component of the Brighton & Hove economy and central to its identity and cultural life. In 2017 the city welcomed 10.89 million visitors. 1.45 million of these were staying visitors (including 387,000 from overseas), who stayed for 4.85 million nights, spending £514 million. In addition, there were 9.4 million day visitors, who spent a further £335 million in the city.

Including local spending by businesses in the supply chain and by the industry's employees, tourism is worth £1.1 billion to the city's economy and it supports over 21,000 jobs. Visitor survey[7] evidence shows that Brighton & Hove has a strong reputation as a welcoming, cosmopolitan and liberal city with a good range of places to eat and drink and a vibrant nightlife.

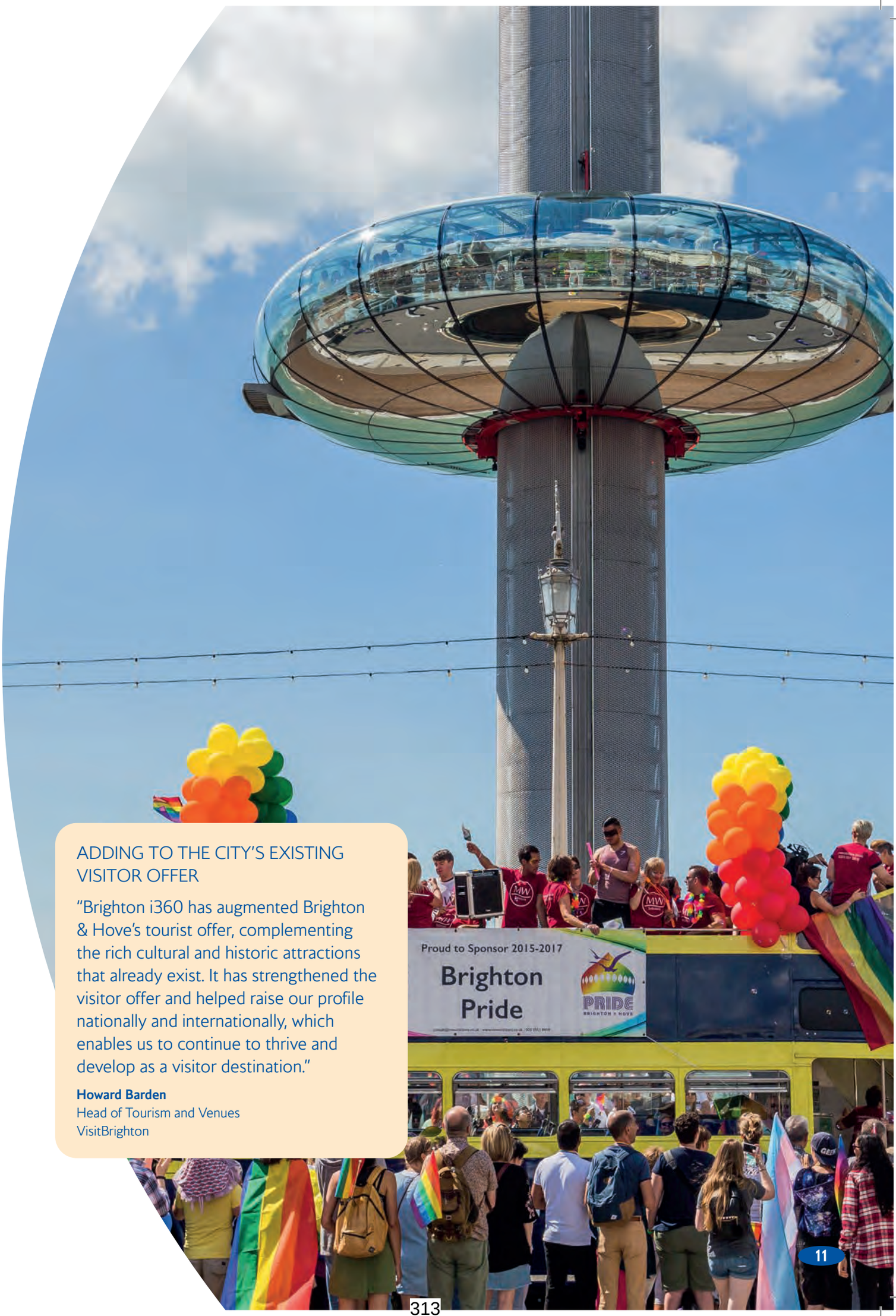
Brighton i360 is the main driver of visits for 1%[8] of all the city's tourists. This means that it is the main factor in bringing over 100,000 visitors to Brighton & Hove each year[9].

The Brighton & Hove Visitor Economy Strategy (2018-2023) focuses strongly on the need to retain and nurture higher value conference and business tourism, which currently accounts for around 154,000 visitor trips to the city. There are ambitions to grow the volume of overnight trips and international visitors and to support initiatives that strengthen Brighton & Hove's position as a year round visitor destination – tackling the challenges of seasonality which blight so many coastal destinations.

The strategy sets targets to grow the value of conferences by 5% per year from a baseline of £53 million; and to deliver a 3% annual increase in bed nights and overnight visitor spend over the lifetime of the strategy. As a unique venue for a conference reception, a meeting or a dinner, Brighton i360 is helping the city meet these tourism targets.

There is a strategic focus on creating visitor experiences that reflect the 'free-thinking city' brand. This focuses on culture and well-being and the strategy identifies a need to package, present and promote these experiences more effectively, something supported by the Brighton i360 and it's sales and marketing activity.

[5] https://coastaltourismacademy.co.uk/resource-hub/resource/best-practice-british-airways-i360-brighton
[6] Economic Impact of Tourism on Brighton & Hove 2017, Tourism South East
[7] Brighton & Hove Visitor Survey 2018, TSE Research
[8] Brighton & Hove Visitor Survey 2018, TSE Research
[9] ibid



ADDING TO THE CITY'S EXISTING VISITOR OFFER

"Brighton i360 has augmented Brighton & Hove's tourist offer, complementing the rich cultural and historic attractions that already exist. It has strengthened the visitor offer and helped raise our profile nationally and internationally, which enables us to continue to thrive and develop as a visitor destination."

Howard Barden
Head of Tourism and Venues
VisitBrighton



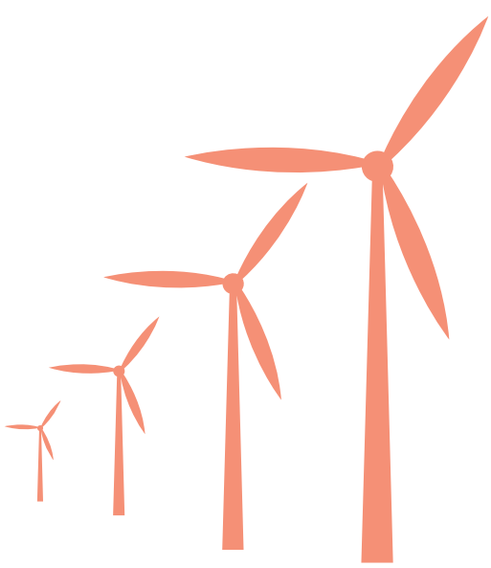
AN AWARD WINNING RESPONSIBLE BUSINESS

RESPONSIBLE, SUSTAINABLE AND ETHICAL CREDENTIALS

Brighton i360 was built and is operated with sustainability at its heart, with each team committed to delivering responsible operations throughout its business. This is demonstrated in careful environmental and site management, ethical recruitment and people policies, traceable local supply chains, meaningful community relationships and a business model which delivers clear benefits to the city of Brighton & Hove.

Brighton i360 is a showcase attraction for sustainable tourism. All its components use green energy and the restaurant menus feature fresh, locally sourced ingredients that have been caught, reared or grown in Sussex.

Brighton i360 is proud to be a local living wage employer, one of over 570 that have committed to the Brighton & Hove Living Wage, paying all employees a decent hourly rate. While paying the Living Wage has clear benefits for employees, it also creates value for Brighton i360 by raising staff retention rates; saving costs of recruitment and induction training; reducing absence and sickness levels; improving staff motivation and morale; and enhancing profile and reputation of the business.



CHARITABLE AND LOCAL COMMUNITY SUPPORT

Brighton i360 is a socially responsible company, which makes a significant contribution to the social and cultural life of the city. It was amongst Brighton & Hove's first tourism businesses to commit to paying the Local Living Wage. In its opening year, Brighton i360 supported Trust for Developing Communities (TDC) as its core charity partner, raising awareness and funds for a wide range of activities and projects.

Brighton i360 also provides discounted and complimentary tickets, and enables local charities to use the viewing tower to raise money for good local causes. Since 2017 some £28,000 worth of free of charge meetings, events or other activities have been held at the attraction. Organisations that have been supported include:

- Comic Relief
- Brighthelm
- Martlets
- Brighton Science Festival
- British Red Cross
- The Clock Tower Sanctuary
- Macmillan Horizon
- The Rockinghorse Appeal

In 2019 alone, local businesses and organisations using Brighton i360 have raised over £100,000 for charity.

HELPING LOCAL BUSINESSES GROW

"When I found out that the Brighton i360 project had been given the go ahead I approached them with the idea of installing a webcam so the general public could see it being built – allowing people to feel more involved with the build. Working with Brighton i360 has given me a greater visibility to not only the general public but also large companies who are looking for a local company to install and manage maintenance on potentially complicated sites.

It has been a great advertisement for me locally and has actually brought new work to the company on the back of having completed the Brighton i360 installation. I am very proud to be a partner of the Brighton i360".

Christopher Dean
Managing Director
Brighton CCTV

SUPPORTING LOCAL BUSINESSES

During the construction phase, Brighton i360 contracted with several local suppliers for professional services, including the Hove-based project managers, Hemsley Orrell Partnership, contractors Mackley and cost consultants Robinson Low Francis.

Brighton i360 is committed to working with and supporting local businesses and commercial partners, contracting with a wide range of local suppliers including:

- **Curve IT** – a local IT support provider based in New England House, Brighton
- **Kreston Reeves** - accountants and financial advisers based in North Laine, Brighton
- **DMH Stallard** - solicitors, established in Brighton since 1970
- **Brighton CCTV** – a local company providing the CCTV at Brighton i360
- **Preston Insurance** - a specialist insurance broker based in Brighton
- **Ticket Media** - Brighton i360's ticket printer and one of the UK's leading ticket advertisers, based in Hove
- **Solution 17** - a web design and digital marketing agency based in Hove



Brighton i360 also prides itself in working with and showcasing the products and work of many Brighton & Hove artists. With 90% of its retail suppliers being UK-based and 46% based in Sussex, Brighton i360 supports the following local artists and makers:

Artist/Maker	Product Category
Artists Anon	Clothing
David Freeman Photographic	Postcards, Books, Calendars
Dowse	Prints
Hoogly Tea Limited	Food & Drink
I Drew This	Prints & Greeting Cards
Ken Eardley	Ceramics
JJ Waller	Books
Lee Gone Publications	Postcards, Books, Calendars
Linescapes	Homeware, Prints, Greeting Cards
Lowe & Behold Designs	Greeting Cards
Purple Pod	Food & Drink
Red Roaster	Food & Drink
Ruth Mulvie	Accessories, Greeting Cards
Serena Sussex	Postcards, Greeting Cards
Sussex Promotions	Gifts, Beach Games, Clothing, Stationery, Homeware
The Kindness Co-Op	Clothing, Accessories, Stationery

Brighton i360's Nyetimber Sky Bar, located within the Pod, sells Nyetimber English sparkling wine, locally-sourced Hoogly Tea, Harvey's beer, Brighton Gin and Folkington's Juices.

Brighton i360 also has successful partnerships with Visit Brighton, Tourism South East and the city's other attractions and event organisers to maximise visitors' experiences. Campaigns and events include working with the West Pier Trust, Brighton Pride, Paddle Round the Pier, Brighton Triathlon, the Naked Bike Ride, Swing Patrol, Brighton Festival, Brighton Fringe, Fiery Foods Festival, Brighton Jazz Festival, Theatre Royal, University of Brighton, Sussex University, Greater Brighton Metropolitan College (the MET), the Brighton Centre and many more.

Since opening, Brighton i360 has offered combination tickets with the Royal Pavilion and the Sea Life centre. In February 2019, these were relaunched as the Explorer Pass, resulting in an 86% increase in joint ticket sales.

ENVIRONMENTAL CHAMPIONS

During the construction phase as little material as possible was sent to landfill and most of the shingle excavated from the foundations went to Shoreham to be returned to the beach, helping to reverse the long shore drift.

In 2018, Brighton i360 switched to green energy provided by Ecotricity. This has reduced its environmental impact and contributed to Britain's energy independence and the growth of the green economy. From late 2019, Brighton i360 will partner with Good Energy to provide 100% clean power. Good Energy will supply the site with 1,900,000 kilowatt hours of renewable power over the next two years, delivering an estimated saving of 667,000 kilogrammes of carbon dioxide if the equivalent power was to come form non-renewable sources. This is equivalent to a new car driving from London to Beijing 518 times.

Environmental sustainability is also embedded within Brighton i360's site management plan, key features of which include:

ENERGY

- Low-energy LED lighting is used across the site, saving an estimated 213kWh per annum, and appliances are A+ rated.
- Heating and air conditioning systems are powered by high-efficiency air-source heat pumps which reuse energy, increasing efficiency by up to 28%.
- All energy to the site is electric and is generated from renewable sources. No fossil fuels are burned and carbon emissions are kept to a minimum.
- More than 50% of the energy needed to power the pod upwards is captured again on its descent.

WASTE

- All waste is disposed of responsibly and nothing is sent to landfill.
- Cleaning products do not contain bleach or other harmful compounds.
- There are recycling points across the site for customers and staff.

Several retail items sold at Brighton i360 are recyclable, including the Re-useable, Recyclable Travel Mug and the Brighton i360 Flying Disc (which is made from recycled yoghurt pots and margarine tubs). Brighton i360 uses paper carrier bags and has signed up a local No Plastic Straws pledge.





SCHOOLS AND EDUCATION

Since opening in August 2016, Brighton i360 has given more than 46,000 free tickets to Brighton & Hove state schools – this equates to £320,000 of social value. There is also a 'Graduates Go Free' ticket and a special deal for University of Brighton students during Freshers Week.

Brighton i360 has produced curriculum materials to support Key Stages 1 and 2 with a variety of curriculum links to differing subjects. This year, Brighton i360 is inviting students at the University of Brighton and Greater Brighton MET to submit designs for a festive display on the pod. The winner will be able to design and install their work at the attraction.

Brighton i360's mobile app, which provides translation in ten languages also[10] includes games and fascinating facts about the attraction for school children, as well as being an essential tool for language school students and international visitors.

[10] English, Spanish, German, French, Italian, Chinese, Russian, Japanese, Dutch and Portuguese.

NATIONAL AND LOCAL AWARDS

Since its opening, Brighton i360 has received national and local recognition for its contribution to the visitor economy.

2019

- Finalist in the Beautiful South Awards for Excellence: Ethical, Responsible and Sustainable Tourism Award category (to be announced 10 December 2019)
- Visit England Quality Assured Visitor Attraction Accreditation
- Trip Advisor Certificate of Excellence 2019
- Gatwick Diamond Business Awards, Finalist for Responsible Business of the Year

2018

- Tourism South East's Beautiful South Awards, Highly Commended for Large Visitor Attraction of the Year
- Visit England's Awards for Excellence, Gold Award for Innovation in Tourism

2017

- Tourism South East's Beautiful South Awards, Cafe/Tearoom of the Year for West Pier Tea Room
- Tourism South East's Beautiful South Awards, Gold Award for Business and Venue Tourism
- The Institution of Structural Engineers Supreme Award for Structural Engineering Excellence by Jacobs UK
- Structural Awards 2017, Award for Tall or Slender Structures
- Constructing Excellence National Awards, Commendation in Innovation
- British Guild of Travel Writers Awards, Merit Award for Best UK Tourism Project
- RICS National Award for Design through Innovation
- British Construction Industry Awards The Judges' Special Award
- North West Structural Awards Project Constructed Outside of the North West Region
- Institution of Civil Engineers South East England Award Engineering Excellence Awards 2017 Innovation
- Sussex Heritage Trust Awards 2017 Public and Community Award
- Constructing Excellence in London and the South East Awards 2017 Innovation
- LABC South East Building Excellence Award 2017 Best Public Service Building
- RIBA National Award 2017
- RIBA Regional Awards- South East Awards 2017
- RICS South East Awards 2017 – Design Through Innovation
- RICS South East Awards 2017 – Tourism & Leisure
- RICS South East Awards 2017 – Project of the Year

VISITORS AND GLOBAL REACH



VISITOR DEMOGRAPHICS

"The visitor demographic of Brighton & Hove is very diverse and the high brand presence of Brighton i360 sits perfectly with this city's target audience. It complements the arts, culture & heritage of the existing museums and galleries whilst also offering a unique and fun family experience for visitors to enjoy the sights of the city from up high!"

Max Leviston
General Manager
Brighton SEA LIFE Centre

VISITORS

Brighton i360 welcomed 440,000 in its first year, **347,000 in its second year** and **324,000 in its third year**. This is not an uncommon pattern for viewing platforms, which are highly tourist oriented and, therefore, attract fewer regular visits from local residents than many other tourist attractions[11].

A report for Brighton i360 by LDP[12] suggests that the viewing tower could achieve 500,000 visits per year by greater investment in marketing, on-going development of the visitor experience and delivering a strategy and campaigns aligned with attractions industry best practice.

Market research[13] suggests that Brighton i360 appeals to a broad demographic, with most visitors being drawn from London and the South East. Visitors are more likely to be from higher socio-economic groups and older people, and less likely to be from lower socio-economic groups and to be families with younger children. This may reflect the relatively high Experience Value that is a common feature of viewing attractions.

The Economic Impact of Tourism on Brighton & Hove (2017) shows that the profile of all visitors to the city is made up of 86% day visitors and 14% staying visitors. Brighton i360's own survey suggests that 54% are day visitors and 46% of visitors to the attraction are overnight visitors[14]. Whilst this differs from the proportions in the Economic Impact Study, it is supported by a survey[15] of visitors to the Royal Pavilion, which showed it received a similar proportion of staying visitors to the Brighton i360. This suggests that visitors to paid attractions are more likely to be staying in the city.

A performance review[16] of Brighton i360 conducted by Visit England found the overall experience to be 'very good, with the arrival experience assessed as "exemplary"'. Visitor satisfaction and enjoyment rates have also been rated very high in market research[17], with a Net Promoter Score of 62.

The views of Brighton & Hove and the south coast and the "amazing, awe-inspiring experience" are most commonly cited as its main attractions. The attraction rates very well on both Google with 4.4 star rating (nearly 8,000 reviews) and 4.0 on TripAdvisor, including a Trip Advisor Certificate of Excellence, with 81% of reviews rating the attraction as either 'excellent' or 'very good'.

[11]British Airways i360, Brighton Report, LDP (2019)
[12]British Airways i360, Brighton Report, LDP (2019)
[13]ibid
[14]Visitor Experience Tracker Interim Report; DJS Research (2019)
[15]Brighton Cultural Quarter Venue Visitor & Economic Impact Study, TSE Research for Brighton & Hover City Council (2012)
[16]British Airways i360 Attraction Visitor Report; Visit England Assessment Services; 2019
[17]ibid

NATIONAL AND GLOBAL REACH

Brighton i360 has been featured on all major UK national broadcast channels including BBC's The One Show, Location, Location, Location on Channel 4, Sky News, BBC Children in Need, ITV and Channel 5. It has also had coverage in all major national newspaper in print and on-line, including in The Times, The Daily Mail, the Guardian, The Telegraph, The Sun, The Scottish Sun and The Mirror.

Brighton i360 has a strong on-line media profile. It has over **11,400 Instagram followers**, over **30,000 Facebook 'likes'** and over **11,500 followers on Twitter**. A significant database of more than **50,000 subscribers** and resident members are communicated to on a weekly basis by the attraction.

Brighton i360 is a member of key trade associations, including UK Inbound, Coach Tourism Association and the Association of Group Travel Agents. Brighton i360 is helping to promote the city's visitor economy by building partnerships with trade wholesalers, such as Hospitality Line, Booking.com and Trip Advisor; group travel organisers, such as PG Trips; and Language Schools, such as Education First. Staff also promote Brighton & Hove when they attend travel trade exhibitions, such as the Group Leisure Travel Show and the Excursions Show.

Brighton i360 has also penetrated the international tourism market. Over **30,000 international tourists** have visited the Brighton i360 through an organised trade group visit and there has been a strong interest from language schools, who have brought visitors from France, Italy, Germany, Spain and China.

The viewing tower and the city are promoted at major international travel shows, including at the World Travel Market in 2015 - 2018; and through partnerships with Tourism South East, Visit Brighton and Visit England. These include joint campaigns in France, Belgium, Holland, Germany, Scandinavia, the USA and China.

The attraction has received international press coverage in most European countries, China, India, Thailand, Australia, USA, Canada, Russia and many other countries around the world. Its total PR reach, nationally and internationally, has been estimated at around **2.5 billion** since August 2016.



ECONOMIC IMPACT AND CONTRIBUTION TO THE CITY

MAKING A MAJOR CONTRIBUTION TO THE CITY'S ECONOMY

"Brighton i360 has contributed nearly £90m to the Brighton & Hove economy since it opened three years ago and hundreds of jobs in the city have been created as a result of its operations. It has made a significant contribution to the city's economy".

Gavin Stewart
Executive Director
Brighton & Hove Economic Partnership

In the three years since its opening, Brighton i360 has already made a significant contribution to Brighton & Hove, in economic, social and educational terms, as well as becoming a key feature of the city's cultural life and seafront.

As well as direct economic and employment impacts, it supports additional economic activity throughout the city's economy indirectly through purchasing of goods and services within Brighton & Hove and local spending by its employees.

The most significant contribution that Brighton i360 makes to the city's economy is attributable visitor spending. The viewing tower is now established as the city's most popular paid for visitor attraction and it has added significantly to the range and quality of the city's offer as a visitor destination.

Brighton i360 and Sodexo, which runs the West Beach Bar & Kitchen, also make significant contributions to HM Treasury through tax, National Insurance and VAT contributions.

By 2041, when the £4.0 million LEP loan and the £36.2 million Public Works Loan Board (PWLB) loan are scheduled to be repaid, Brighton i360 will have contributed £640 million to the city's economy in Net Present terms. This represents a return of £15.90 for every £1.00 of public sector money invested.

Annual contribution to local economy	Contribution to local economy since opening	Total value of benefits by 2041	Value of benefits for every £1 of public sector investment
£29.9 million	£89.6 million	£640 million	£15.90

CONSTRUCTION PHASE

Brighton i360 was built over a two-year period between 2014 and 2016 with a capital cost of nearly £50 million. It involved over 100 separate contracts and provided the equivalent of 83 full-time equivalent long-term jobs .

Much of Brighton i360 was constructed offsite. Dutch steelwork specialist Hollandia prefabricated the cylindrical steel sections of the tower – known as cans – in their workshops in the Netherlands Each can weighs between 45 and 85 tonnes. It took 180,000 hours of labour to make them. The 94 tonne glass passenger pod was designed and built by French cable car specialists Poma who also built the London Eye capsules.

Whilst the cylinders for the tower and the viewing pod were constructed in Holland and France, the on-site construction phase included site excavation, with engineers digging deep foundations going more than 20 metres into the ground. Before any work below ground could start, a 120m length of new sewer had to be built to re-route Brighton's main sewer. As well as these diversions, the construction phase also involved levelling, laying electrical cables, constructing concrete piles and, when they arrived from overseas, the cylinders were welded together and the tower and the pod were assembled.

[18] Based on the number of workers required over one year to deliver £1m of capital investment in Calculating Cost per Job Best Practice Note; Homes & Communities Agency (now Homes England); 2015. This figure has then been divided by ten to provide a broad estimate of long-term jobs.



OPERATIONAL PHASE

The economic contribution that Brighton i360 makes to the city's economy is made up of the following components:

- Direct Impacts - the amount generated by Brighton i360 and Sodexo through ticket sales and other sources of revenue.
- Indirect Impacts – the amount generated through purchases of goods and services locally by Brighton i360 and Sodexo.
- Induced Impacts – the amount generated through local purchasing by staff employed at Brighton i360 and at the West Beach Bar & Kitchen.
- Public Sector Impacts – payments in PAYE, National Insurance, VAT, Business Rates and for other licences and registrations.
- Tourism Impacts – the amount of additional spending by tourists, whose main reason for visiting Brighton & Hove was Brighton i360.
- Local Multipliers – the additional indirect and induced spending resulting from the direct additional visitor spending generated by visitors to the city for whom the main reason for visiting is Brighton i360.

DIRECT IMPACTS

Since its opening in August 2016 over 1.1 million visitors have taken flights on Brighton i360. This is an average of around 371,000 per year. This has resulted in a total gross direct income of £18.6 million and an annual average of £6.2 million.

In addition to this, Sodexo, which operates the West Beach Bar & Kitchen, has welcomed 132,000 visitors in 2019 alone, contributing £1.8 million in direct revenue over the past 12 months and an estimated £5.3 million over the three year period.

Annual Average Gross Direct Impact

£8m Gross Direct

£3.7m	£0.9m	£1.3m	£0.3m	£1.8m
Ticket Sales	Retail Sales	Concessions and Sponsorship	Room Hire	Sodexo

Ticket sales account for an average of £3.7 million per year of Brighton i360's annual income [net of VAT]. Based on an annual average of 371,000 visitors, this works out at an average yield of £9.84 [net of VAT] per visitor which is made up of adult tickets, half price child tickets, half price resident tickets, travel trade commissionable tickets, special offer tickets and complimentary tickets.

A proportion of the income that is received by Brighton i360 and by Sodexo will be income that would have been spent elsewhere in the city had it not been spent at the viewing tower.

A 28% displacement rate has, therefore, been applied to the ticket sales, retail sales and West Beach Bar & Kitchen. This is based on the proportion of visitors to Brighton i360 who are Brighton & Hove residents (28%). A 50% displacement factor for room hire and private events income received by Sodexo has been applied.

By applying these displacement adjustments, the total net direct income at Brighton i360 and West Beach Bar & Kitchen combined is estimated to be £16.7 million with an annual average of £5.6 million.

After allowing for displacement, annual ticket sales have a net direct impact of £2.6m, retail sales, sponsorship and concessions £1.6 million each, room hire £0.2 million and Sodexo's net direct impact is estimated at £1.1 million per year.

Annual Average Net Direct Impact

£5.6m Net Direct[19]

£2.6m	£0.6m	£1m	£0.2m	£1.1m
Ticket Sales	Retail Sales	Concessions and Sponsorship	Room Hire	Sodexo

[19] Note: Figures do not sum due to rounding

INDIRECT AND INDUCED IMPACTS

INDIRECT IMPACTS

Indirect impacts come from spending within the Brighton & Hove economy that is generated by Brighton i360 and Sodexo's spending on goods and services in the local economy.

Brighton i360 has spent £2.2 million on goods and services within Brighton & Hove since it started operating in August 2016. This works out at an average of £0.73 million per year.

Supplying the West Beach Bar & Kitchen also involves contracting with local businesses. In 2019, Sodexo purchased £830,400 worth of goods and services with 17% of this coming from Brighton & Hove suppliers. This amounts to £141,000.

Based on the same level of purchases for the previous two years, the indirect impact of Sodexo's supply chain expenditure on the Brighton & Hove over a three year period is £423,500. Although this is quite modest, 92% of spending by Sodexo on goods and services was with suppliers in Sussex, so the indirect benefits to the Greater Brighton region are more significant.

INDUCED IMPACTS

Induced impacts are the result of spending in the local economy by staff employed at Brighton i360 and the West Beach Bar & Kitchen.

Brighton i360 directly employs 77 staff and has a gross salary bill of £1.5 million. This equates to £19,975 per employee. Sodexo employs a further 55 staff and has an annual salary bill of £0.8 million. This equates to £14,909 per employee.

The PAYE tax and employer and employee National Insurance contributions have been removed from the gross salary bill. This produces an estimate of disposable incomes for both Sodexo and Brighton i360 employees[20]. This is the amount that could be spent within the Brighton & Hove economy. However, much of people's net income flows out of the local economy.

A 50% leakage factor has, therefore, been applied. Based on these assumptions, employee spending in the Brighton & Hove economy amounts to £0.7 million per year and around £2.1 million since the Brighton i360 started operating.

Annual Average Indirect and Induced Impact

£1.6m Indirect & Induced Impacts

£0.7m i360 Indirect

£0.1m Sodexo Indirect

£0.9m Total Indirect[21]

£0.5m i360 Induced

£0.2m Sodexo Induced

£0.7m Total Induced

The total indirect and induced impacts of the Brighton i360 and the West Beach Bar & Kitchen is £1.6 million, with indirect impacts accounting for £0.9 million and induced impacts accounting for an estimated £0.7 million.



[20] The induced impacts have only been applied to the net additional jobs, taking into account displacement.

PUBLIC SECTOR IMPACTS

Brighton i360 Ltd and Sodexo and their employees make around £1.2m worth of contributions to the public sector each year, in the form of PAYE taxes, national insurance, contributions, VAT and business rate payments. These are contributions to national government, apart from around half the business rates, that do not benefit the city directly.

Annual Average Public Sector Impact

£1.2m
Public Sector Contributions

£0.5m
VAT

£0.1m
PAYE Tax

£0.1m
Employers National Insurance

£0.1m
Employees National Insurance

£0.3m
Business Rates

£0.1m
Licences & Registrations

Since its opening Brighton i360 and its employees have contributed £3.6 million to HM Treasury in the form of taxes and other payments – enough to pay the average salaries of nearly fifty nurses for three years[22].

Almost all of the public sector payments benefit the national economy, rather than Brighton & Hove directly. We have assumed that the only local impacts are 50% of the business rate contributions, which equates to around £150,000 per year or £450,000 over the three year period.



[21] Note: Figures do not sum due to rounding
[22] Based on Annual Average Salary of £24,700:https://www.payscale.com/research/UK/Job=Registered_Nurse_(RN)/Salary

A THRIVING VISITOR ECONOMY

"We welcome the opportunity to work with tourism partners in the City such as Brighton i360. Through promoting and packaging a whole visit experience to the City, whether this be to the group and travel trade market or for individuals we are more likely to benefit from increased prominence of Brighton as a visitor destination. Our joint Explorer Pass developed with Brighton i360 and Sea Life and launched in December 2018, is just one example of how our teams have worked together to promote the City as a whole whilst boosting footfall and income for the individual attractions".

Janita Bagshawe
Head of Royal Pavilion and Museums

TOURISM IMPACTS

The most significant impact that Brighton i360 has made to the Brighton & Hove economy is its additional contribution to the visitor economy. Brighton & Hove welcomes nearly 11 million visitors each year and they spend a total of £837 million. Day visitors spend, on average £35.52 per visit and staying visitors spend, on average, £353.02 per visit.

According to the 2017 Brighton & Hove Visitor Survey, Brighton i360 was the main "trigger" for visits to Brighton & Hove for 1% of all visitors. This means that, on average, Brighton i360 is the main driver for 108,910 visitors to the city each year, equivalent to 29% of visitors to Brighton i360.

Customer research[23] for Brighton i360 suggests that 54% are day visitors and 46% of all visitors to the attraction are staying visitors. This means that 58,800 day visitors and 50,100 staying visitors come to the city each year specifically because of Brighton i360. Visitors to the viewing tower are much more likely to be staying visitors than visitors to the city in general, but this is also the case for visitors to the Royal Pavilion.[24]

Annual Average Attributable Tourism Spend Impact

£16.6m Attributable Tourism Impacts

58,811 Day Visitors

£2.1m Day Visitor Gross Spend

£0.4m Day Visitor Net Spend

50,098 Staying Visitors

£17.7m Staying Visitors Gross Spend

£16.2m Staying Visitors Net Spend

Attributable gross annual income from day visitors is £2.1 million and attributable gross annual income from staying visitors is £17.7 million. However, a proportion of this has already been accounted for by the direct spending at Brighton i360 and the West Beach Bar & Kitchen. This is estimated at £1.7 million of day visitors spending and £1.5 million of staying visitors' spending. This means that the attributable additional tourism spending in the city is £16.6 million annually.

LOCAL MULTIPLIERS

Attributable spending by visitors to the Brighton i360 in other parts of the economy results in further spending on goods and services and by employees working in organisations where tourists spend. The Economic Impact of Tourism of Brighton & Hove (2017) found that the £837 million of direct spending by visitors to Brighton & Hove resulted in a total impact of £1.14 billion once indirect and induced impacts had been taken into account.

This represents a multiplier of 1.36, which applied to the Brighton i360 attributable tourism expenditure equates to an annual additional impact of £6.0 million and an impact of £18.0 million since opening.

[23] British Airways i360 Visitor Experience Tracker – Interim Report DJS Research 2019 and British Airways i360 Visitor Research 2018
[24] Brighton Cultural Quarter Venue Visitor and Economic Impact Study, TSE Research, 2012



TOTAL ECONOMIC IMPACTS

Brighton i360 and the West Beach Bar & Kitchen make an annual contribution to the city's economy of £29.9 million per year. This means that since opening it has contributed around £89.6 million to the city's economy – a much greater contribution than the direct income from ticket sales that it has received.

Total Annual Economic Impacts

£29.9m
Total Economic Impact

£5.6m
Net Direct Impact

£1.6m
Indirect & Induced Impact

£16.6m
Attributable Tourism Impacts

£0.2m
Local Public Sector Impact

£6m
Tourism Multiplier Impact

£59.39
Impact per Visitor

When all the factors are taken into account, the average economic impact per visitor is estimated to be £59.39[25].
This is 3.5 times more than the headline ticket price for a flight on Brighton i360.

[25] Note This includes visitors to the West Beach Bar & Kitchen

EMPLOYMENT IMPACTS



Brighton i360 and Sodexo make a major contribution to employment in Brighton & Hove. Between them, they provide 132 direct jobs in a number of occupations including finance, retail, marketing, sales, security, hosting, catering and engineering. Once displacement has been taken into account 87 of these are additional to the local economy.

Nearly all the jobs are filled by people who live within Brighton & Hove. In addition to the direct jobs, spending with local suppliers (indirect), spending by employees (induced) and tourism spend supports other jobs in the Brighton & Hove economy.

For induced jobs (employee spend), estimates are based on turnover per job in the retail, accommodation & food service, and arts, leisure and recreation sectors combined (£93,145) - these are produced by the Office for National Statistics.[26] Estimates for Brighton i360 indirect jobs (spending on local goods and services) are based on the turnover per job for each sector in which the spending has occurred[27]. Sodexo indirect jobs (spending on local goods and services) are based on turnover per job for the whole economy (£186,689)[28].

Estimates for direct and indirect & induced tourism jobs are based on turnover per tourism job (£53,474) in Brighton & Hove calculations in the local tourism sector in the Economic Impact of Tourism in Brighton & Hove[29] (2017) study. Turnover per job for the whole economy (£186,689) has been used to estimate the number of additional jobs supported by contributions to the public sector locally.

Jobs Supported

447
total jobs

87
Net Direct Jobs

9
Indirect Jobs

7
Induced Jobs

1
Public Sector Jobs

311
Direct Tourism Jobs

32
Indirect & Induced Tourism Jobs

Brighton i360 supports 447 jobs in the Brighton & Hove economy. In addition to the 87 net direct jobs, spending by employees and on local goods and supplies supports a further 9 indirect jobs, spending by Sodexo and Brighton i360 employees supports a further 7 induced jobs and business rate contributions support one additional public sector job.

The main employment impact that Brighton i360 has is on tourism jobs that are the result of attributable additional expenditure in other parts of the local economy. This supports 311 direct tourism jobs and a further 32 indirect and induced jobs in the city's economy.

[26] Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in the UK for SIC 2007 broad category, Office for National Statistics (2019)
[27] ibid
[28] ibid
[29] Economic Impact of Tourism in Brighton & Hove, TSE Research (2017)



RETURN ON INVESTMENT

Brighton i360 and Sodexo are delivering significant return on the public sector investment that was secured through the Public Works Loan Board (PWLB) and the Coast to Capital Local Enterprise Partnership (LEP) to fund the project. The PWLB investment was £36.2 million and the LEP loan was £4.0 million. Brighton i360 could expect to deliver a return on investment of £640 million in Net Present terms by 2041, when the full PWLB loan is scheduled to be repaid. This represents an economic value of £15.90 for every £1.00 of public sector investment.

Economic Value – Return on Investment by 2041

Net Present Benefit

£640 million

Public Sector Investment

£40.2 million

Value per £1 of Public Sector Investment

£15.90



FUTURE GROWTH

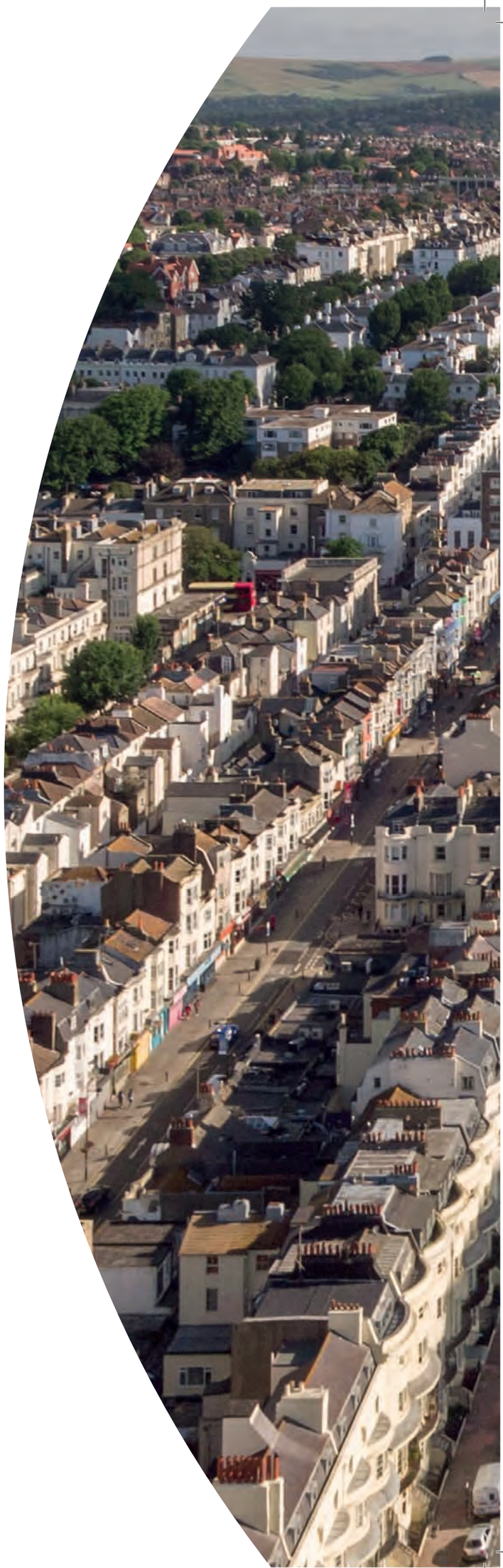
Brighton i360 makes a major contribution to the city's priorities of creating a fair, sustainable, open, talented and growing city and it contributes significantly to the city and region's reputation for risk, innovation, creativity and distinctiveness.

An independent report for Brighton i360 by Leisure Development Partners (LDP)[30], a leisure and entertainment real estate consultancy, suggests that the viewing tower could achieve 500,000 visits per year by 2023/24. Brighton i360 has performed ahead of the LDP key performance indicators for 2018/9.

Visitor numbers were +12% ahead of LDP's forecast for the financial year. Actual operating costs as a percentage of revenue were lower than LDP's expectation, at 65.2% versus 68%. LDP recommended an industry benchmark ratio of marketing spend to revenue of between 8 – 10%. Brighton i360 has significantly increased marketing spend to now be 9% of revenue.

Brighton i360 performance in 2019 clearly indicates that it is delivering the right strategy. It demonstrates that strong growth is achievable and it should continue to grow as the key elements of the new marketing strategy take effect.

Brighton i360 will continue to work closely with partners, including Visit Brighton, the Tourism Alliance, the City Council and its partners to ensure that Brighton i360 remains a key part of Brighton & Hove's economic, cultural and social identity in the future.



[30] British Airways i360, Brighton Report, LDP (2019)





BRITISH AIRWAYS
i360 Viewing Tower

Brighton's best views

Photos by Ben Harvey, Brighton Pictures, Kevin Meredith
JC Decaux, Sussex Sports Photography and Visual Air

Design by **sublime** wearesublime.com

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1. Name

Brighton i360 Member Working Group

2. Purpose

The Brighton i360 Member Working Group will be a permanent working group with will have oversight of the city council's loan to the Brighton i360. It will consider reports on the performance of the attraction, as well as agreeing the business plan each year that will form the basis of the loan repayment 'cash-sweep.'

The loan to the Brighton i360 is a long-term arrangement, and once the loan is restructured there are not expected to be further opportunities for members to engage through the committee process. For this reason, it is proposed that the this member working group receive regular updates on how the attraction is performing, and therefore at what rate it will pay back the loan. It also gives members an ability to oversee the negotiations between officers and the Brighton i360 Board about the setting of a business plan and net operating income.

2. Status

The Brighton i360 Member Working Group shall be an advisory board to the Policy & Resources Committee. The Board will not have subcommittee status and the political balance rules in section 15 of the Local Government and Housing Act 1989 will not apply.
However, it is expected that the Board will be established on a cross party basis.

3. Areas of focus

The MWG will focus on:

- Receiving reports from the Brighton i360 as to its performance over the previous six-month period.
- Where necessary, receiving each June the opinion of external consultants who have knowledge of the leisure attractions market about how the Brighton i360 has performed against the market average in the last year.
- Considering the opinion of the same consultant as to what is a reasonable expectation of performance for the coming year.
- Receiving feedback from officers about the negotiations that have gone into setting the business plan for the next year.
- Agree that business plan for the next year, and with it the Net Operating Income.
- If there is a breach of the restructured loan agreement, make recommendations to Policy & Resources Committee about how to remedy the situation.

4. Reporting

The Board will report to Policy & Resources Committee, with recommendations as necessary.

6. Membership

Membership of the Board shall consist of 3 elected Members, following nominations by their Group Leaders to reflect the political composition of the Council.

7. Meetings and ways of working

The Group will meet every six months, ahead of the 31st December and 30th June dates that loan repayments become payable from the Brighton i360. The December meeting with just be an update on performance, while the June meeting will agree the Business Plan for the next year.

The Group will agree ways of working appropriate to the role and remit of the Group.

8. Review

These terms of reference may be reviewed and amended by the Policy & Resources Committee from time to time.

POLICY & RESOURCES COMMITTEE	Agenda Item 81 Brighton & Hove City Council

Subject:		**Governance of Major Regeneration and Infrastructure Projects**	
Date of Meeting:		**5 December 2019**	
Report of:		**Executive Director – Economy, Environment & Culture**	
Contact Officer:	**Name:**	**Max Woodford & Sam Smith**	**Tel: 01273 291383**
	Email:	**sam.smith@brighton-hove.gov.uk** **max.woodford@brighton-hove.gov.uk**	
Ward(s) affected:		**All**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 In the 'Review of the Council's Constitution' report to Policy & Resources Committee on 28 April 2016 members agreed to disband major project's project boards and introduce a Strategic Delivery Board to oversee all Major Projects in the city.

1.2 The Strategic Delivery Board (SDB) has been effective in giving lead members oversight of major projects, however both councillors and officers have, in the case of some projects, missed the detailed understanding of major projects that was enabled through the project boards and working groups.

1.3 This report proposes the reintroduction of cross-party Project Boards, where considered appropriate, in order to strengthen the governance of major regeneration projects and to support the work of the Strategic Delivery Board.

2. RECOMMENDATIONS:

That the Policy & Resources Committee:

2.1 Notes that the Committee has previously given approval to set up a Project Boards for the King Alfred Centre redevelopment and Waterfront projects and agrees the Terms of Reference attached at Appendices 4 and 5.

2.2 Agrees to establish Project Board for the Madeira Terraces project and agrees the Terms of Reference attached at Appendix 6.

2.3 Agree to establish a Task and Finish Member Working Group for the Black Rock site and agrees the Terms of Reference attached at Appendix7.

2.4 Agree to the name change for the Estate Regeneration Board and the revised Terms of Reference for Housing Supply Member Board attached in appendix 8.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The April 2016 Policy & Resources report introduced the SDB to provide oversight of all major projects in the city (Terms of Reference in Appendix 1). This aim was to provide consistency in terms of membership and increase the efficiency of governance by having a single board with overarching responsibility.

3.2 Major projects are defined in the Terms of Reference of SDB as falling in to two categories:

(a) *Those that involve the council either as the deliverer, a direct procurer or a facilitator of the provision of a major capital asset and / or regeneration of a site or area; or*

(b) *Those not directly involving the council as landowner but which are of strategic significance to the city, such as the regeneration of a non-council owned site or the provision of major infrastructure works.*

3.3 The SDB has enabled key members to have oversight of the broad range of projects in the city by having regular updates and providing a steer at key stages in a projects development and lifecycle. SDB has also proved effective in strengthening collaboration and city wide planning. It has also, when necessary, held developers to account who are working on major projects in the city that do not directly involve the council, by having them present and update the Board on their projects outside of the statutory planning process. A list of projects currently reported to SDB split into the categories above is attached in appendix 2.

3.4 The large number of projects in the city has meant that the SDB has often been pulled into the detail of projects at key stages, thus diverting it from the strategic role for which it was created. However this level of detail has not been enough for members to get a deep understanding of individual projects in order to act as 'city champions' for the project or give officers the level of input that some of the more complex projects require. This may have sometimes also increased the level of disconnect between the projects and the local residents and communities.

3.5 It is proposed that there is a slight change of approach and that the Council establishes project boards for certain major projects. Councillors have previously agreed to establish project boards for the Waterfront project at the December 2018 meeting of Policy Resources & Growth Committee and for the King Alfred Centre project at the October 2019 meeting of Policy & Resources Committee when reports about these projects were considered. The Madeira Terraces project has also been identified as a projects which requires a project boards. It is also proposed that the Council makes more use of task and finish groups in respect of major projects and it is proposed that the Black Rock site would benefit from such a group.

3.6 The current Terms of Reference for the Strategic Delivery Board allow it to establish project boards in 'exceptional circumstances'. In the absence of exceptional circumstances, new project boards need to be established by Policy & Resources. The proposed project boards will provide strategic direction to the projects and steer them at key decision points. Task and finish Working Groups are time limited and enable member engagement and input in a less formal setting than that of a board.

3.7 Some projects do not require the level of member input offered by a board or are past the stage where board level input is needed, for example Circus Street and Preston Barracks which are both now onsite and progressing well. It is proposed that Project Boards are therefore established as required and on a case by case basis, rather than for every major project. For some projects a task and finish working group may be more appropriate than a project board, for example the Environment, Transport and Sustainability Committee agreed at its 25 June 2019 meeting to establish two task and finish Member Working Groups to oversee projects in Stanmer Park and Valley Gardens Phase 3.

3.8 Terms of Reference need to be drafted for each project board and working group in line with the corporate Member Working Groups template (appendix 3); the aim is to achieve a level of consistency, whilst recognising that each project will have its own requirements. In order to manage diaries, it may be that regular meetings of the Boards are timetabled, however they would only need to meet when there are new issues to discuss or key points in the project requiring direction. The very nature of major projects means that the board will be dealing with sensitive and commercially sensitive information and it will therefore be necessary for the boards to operate on a confidential basis, although it is recognised that Board Members will wish to brief their Political Group.

3.9 Board membership would be appointed on the basis of nominations from Political Groups, with the expectation being that senior councillors would be nominated. Consideration will need to be given to potential conflicts of interest; for example ward councillors may feel conflicted with a project that is contentious in their ward, but brings benefits to the wider city. Some projects are dependent on the partners, for example developers or other public sector organisations, and this would need to be reflected in the board membership. Project Boards will be chaired by elected Members, with appointment agreed at the inaugural meeting. Boards would generally need to reach decisions by consensus and take a collaborative approach to working.

3.10 The Estate Regeneration Member Board recently agreed new Terms of References and a name change - the Housing Supply Member Board. Changes to the Terms of Reference need to be confirmed by Policy & Resources Committee. The amended Terms of Reference are attached as Appendix 8.

4. ANALYSIS & CONSIDERATION OF OPTIONS

4.1 The option of disbanding the SDB has been considered, however members and officers have indicated that they find the Board of value and the re-introduction of project boards should ensure its focus remains on its strategic and leadership roles. Project boards would provide the opportunity for Members to gain an understanding of project detail to provide guidance on achieving the best outcomes withint the agreed strategic objectives.

4.2 The absence of project boards for certain projects has been identified as a gap in the governance of major projects by members and officers (including programme and project managers responsible for projects).

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Community engagement and support is critical to the success and development of major projects. It is anticipated that the re-introduction of project boards will give members more accountability to the city's residents for individual major projects and will enable them (along with ward councillors) to give advice and direction on the level and type of engagement required at key stages within a project.

6. CONCLUSION

6.1 The re-introduction of project boards will support more effective governance of major projects whilst enabling SDB to focus on strategic issues and its leadership role. Boards will only be established as required and meet only at key points in projects which should prevent the governance structure becoming over complex, resource intensive, or cumbersome.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial implications

7.1 There are no direct financial implications arising from the recommendations of this report.

Finance Officer Consulted: James Hengeveld Date: 26/9/2019

Legal Implications:

7.2 The Policy & Resources Committee has the function of reviewing 'major projects and any project Boards having regard to capacity to deliver, corporate priorities and resources, and advise the Policy and Resources Committee as appropriate'.

7.3 The Council's Constitution allows committees to establish member working groups. Permanent member groups (as opposed to 'task and finish'

groups, set up on a time-limited basis) may only be established by the Policy and Resources Committee. The terms of reference of all permanent groups shall be approved by Policy & Resources and included in the Constitution.

7.3 Under the Council's Constitution, committees are able to appoint task and finish member Working Groups which are time-limited (six months, with the option to extend for a further six months), in order to carry out focused pieces of work, reporting back regularly to their parent body.

Lawyer consulted: Alice Rowland Date: 18/11/19

Equalities Implications:

7.3 The re-introduction of project boards will enable members to have better oversight of equalities implications associated with individual projects and opportunities to tackle inequality through major projects.

Sustainability Implications:

7.4 Project boards will enable members to have more detailed oversight of the sustainability implications and opportunities related to individual major projects and ensure that they are in-line with the council's ambition to move towards becoming a zero carbon city by 2030.

Any Other Significant Implications:

Crime & Disorder Implications:

7.5 Project boards will enable members to have more detailed oversight of the crime and disorder implications of individual projects

Risk and Opportunity Management Implications:

7.6 Project boards will enable members to have more detailed oversight of the risks and opportunities associated with individual projects.

Public Health Implications:

7.7 Project boards will enable members to have more detailed oversight of the public health issues associated with individual projects for example provision of GP surgeries within projects.

Corporate / Citywide Implications:

7.8 Major projects have potentially significant economic and social benefits for the city and project boards will enable members to have closer oversight to see that these are monitored and realised.

SUPPORTING DOCUMENTATION

Appendices:

Appendix 1 – Terms of Reference Strategic Delivery Board

Appendix 2 – List of projects reported to the Strategic Delivery Board

Appendix 3 – Terms of Reference template for Member Working Groups

Appendix 4 – Terms of Reference for King Alfred Centre Redevelopment Project Board

Appendix 5 – Terms of Reference for Waterfront Project Board

Appendix 6 – Terms of Reference for Madeira Terraces Project Board

Appendix 7 – Terms of Reference for Black Rock Working Group

Appendix 8 – Terms of Reference for Housing Supply Member Board

Appendix 1 Terms of Reference for Strategic Delivery Board

1. Purpose

The Council has been involved and will continue to be involved in major commercial, regeneration and infrastructure projects across the city; projects that are key to the city's future success and prosperity. These projects have to date been overseen by ad hoc project boards with mixed member/officer representation.

The purpose of the Strategic Delivery Board ('the Board') is to enable a more coordinated approach to the management and delivery of major projects. It will provide the strategic overview of major projects and provide a mechanism for focused and systematic member input to ensure maximum efficiency and accountability. It will report to the Policy, Resources and Growth Committee, the Economic Development & Culture Committee or other Committees as necessary.

2. Status

The Board shall be an advisory board to the Policy, Resources and Growth Committee and the Economic Development & Culture Committee. The Board will not have subcommittee status and the political balance rules in section 15 of the Local Government and Housing Act 1989 will not apply. However, it is expected that the Board will be established on a cross party basis.

3. Areas of focus

- To consider the progress of major projects undertaken by the Council and advise the Policy, Resources and Growth Committee, other Committees or officers as appropriate
- To review major projects having regard to capacity to deliver, corporate priorities and resources and advise the Policy, Resources and Growth Committee or other Committee as appropriate
- In exceptional cases, to establish or recommend the establishment of a project-specific Board to oversee a particular major project where this is considered necessary due to capacity, complexity of the issues or other reasons.

4. Definition of Major Projects

For the purposes of the Board, major projects fall into one of two categories.

(a) Those that involve the council either as the deliverer, a direct procurer or a facilitator of the provision of a major capital asset and / or regeneration of a site or area; or

(b) Those not directly involving the council as landowner but which are of strategic significance to the city, such as the regeneration of a non-council owned site or the provision of major infrastructure works.

5. Reporting

The Board will report to the Policy, Resources and Growth Committee, the Economic Development & Culture Committee or other relevant Committee, with recommendations as necessary.

6. Membership

Membership of the Board shall consist of 5 elected Members, following nominations by their Group Leaders to reflect the political composition of the Council.

No Member may serve on the Board, whether as a substantive or substitute member, unless they have undergone the required training for Board members providing that training may be provided after Members are appointed and before they take their role.

7. Meetings and ways of working

The timing and number of meetings will be dictated by the volume of business for the Board.

The Board will agree ways of working appropriate to the role and remit of the Board.

8. Review

These terms of reference may be reviewed and amended by the Policy & Resources Committee from time to time.

Appendix 2 List of projects reported to the Strategic Delivery Board

Project directly involving the council (Definition a)

Regeneration

Circus Street
Falmer Released Land
Homes for Brighton & Hove partnership
King Alfred Development
Madeira Drive Regeneration
New England House Growth Centre
Preston Barracks
Patcham Court Farm
Royal Pavilion Estate Capital Project
Stanmer Park Restoration-HLF
Stanmer Park – Traditional Agricultural Buildings
Waterfront Central (Churchill Square, Brighton Centre & Kingswest)
Waterfront East (Black Rock)

Transport

Electric Vehicle Charging
Former West Street Shelter Hall
Gateway to the Sea (Queen's Road/West Street)
Valley Gardens Phases 1 & 2
Valley Gardens Phases 3

Project not directly involving the council (Definition b)

3Ts Hospital Development
Aquarium Terraces
Brighton General Hospital
Saltdean Lido Restoration
Sea Lanes
Toad's Hole Valley

Appendix 3 – Terms of Reference template for Member Working Groups

1. Name

Insert the name of the MWG

2. Purpose

Briefly outline the purpose of the MWG: what is it intended to achieve and why is this important?
Why do we need the MWG - i.e. why can't its business simply be conducted by the relevant Policy Committee?

3. Status

The name of MWG shall be an advisory board to the list the Policy Committee(s) that the MWG will report to. The Board will not have subcommittee status and the political balance rules in section 15 of the Local Government and Housing Act 1989 will not apply.
However, it is expected that the Board will be established on a cross party basis (NB: delete if this does not apply).

4. Areas of focus

List the areas that the MWG will focus on.
You may also want to list areas that the MWG is excluded from examining if this is relevant.

5. Reporting

The Board will report to the relevant Policy Committee(s), with recommendations as necessary.

6. Membership

Membership of the Board shall consist of X elected Members, following nominations by their Group Leaders to reflect the political composition of the Council.

NB: the above is standard wording for a cross-party MWG. If this does not reflect the membership of the MWG then use different working.

7. Meetings and ways of working

The timing and number of meetings will be dictated by the volume of business for the MWG. *(Or the Group will meet quarterly etc.)*

The Group will agree ways of working appropriate to the role and remit of the Group.

8. Review

For permanent MWGs:

These terms of reference may be reviewed and amended by the relevant Policy Committee from time to time.

For ad hoc MWGs:

This is an ad hoc group established for a limited time. The work of the group is expected to finish by XXXXX when it will report back to the parent Policy Committee.

Draft Terms of Reference for King Alfred Project Board 14/11/19

1. Name

King Alfred Project Board

2. Purpose

In October 2019, when ending the last project, the Policy & Resources Committee agreed that it was appropriate to re-establish a Project Board to lead the creation of the new project and to oversee its delivery.

The Board will provide an effective means of ensuring full cross-party engagement and active Member involvement in the process by which the new project is established. It will provide the strategic management, set the objectives, agree the development aspirations, and agree detailed delivery arrangements at key stages of the process.

2. Status

The King Alfred Project Board shall be an advisory board to the Policy & Resources Committee. The Board will not have subcommittee status and the political balance rules in section 15 of the Local Government and Housing Act 1989 will not apply.
The Board will be established on a cross party basis and it is the goal of the Project Board to attempt to reach decisions by consensus.

3. Areas of focus

The following objectives were agreed for the previous Project Board. These are considered to remain relevant and will be reviewed by the Board at its inaugural meeting:

- To secure the long-term replacement of the outdated sports facilities currently on offer at the King Alfred Leisure Centre.
- To oversee delivery of modern and extended sport and leisure facilities in the west of the city.
- To consider options for the wider regeneration of the King Alfred site which incorporates the sports and leisure facilities on site (or alternative location in the west of the city) within a high quality mixed development which enhances the seafront and surrounding area.
- To achieve a development which is cost neutral to the Council in capital terms, which is sustainable in revenue terms and which provides affordable and accessible public sports and leisure facilities.

In meeting these objectives the Project Board will:

- Provide overall strategic direction to the project so that it achieves its objectives.
- Confirm key tasks, priorities, and timetable for future phases of work.
- Supply relevant Committees with appropriate information to facilitate decision making.
- Receive progress reports and act as required.
- Ensure that in-house resources and consultancy are used as planned.
- Support the Project Manager in gaining access to the requisite resources.
- Ensure that processes are put in place to learn from project experience.

4. Reporting

The Board will report to the Policy & Resources Committee with recommendations as necessary.

6. Membership

Membership of the Board shall consist of three elected Members, following nominations by their Group Leaders to reflect the political composition of the Council.

7. Meetings and ways of working

The Project Board shall be chaired by an elected Member [to be nominated and appointed at inaugural Board meeting] who will act as the lead elected Member for the project.

The frequency of meetings will be determined by the level of business and the stage of development but it is anticipated that they will typically be bi-monthly/quarterly.

A number of principles will underpin the working of the Board:

- Operate in the spirit of partnership and attempt to build consensus
- Council officers and external specialists will attend as required
- Administered by the council with agenda and papers circulated at least 3 days ahead of meetings
- Schedule of future meeting dates to be agreed by Board

The nature of the business discussed by the board may mean that some issues are of a confidential or commercially sensitive nature:

- Members should treat relevant information and that of a commercially sensitive nature as confidential
- Guidance should be given to Board members on briefing political groups and wider stakeholders on an ongoing basis

8. Review

These Terms of Reference may be reviewed and amended by the Board from time to time to ensure that they remain relevant throughout the life of the project.

Appendix 5 Draft Terms of Reference for Waterfront Project Board

1. Name

Waterfront Project Board

2. Purpose of the project board

The Project Board shall oversee the development of the Waterfront site/s including a new venue and conference centre to replace the current Brighton Centre. The Board will provide an effective means of ensuring full cross-party engagement and active Member involvement in the process by which the project is progressed. It will provide the strategic leadership and agree detailed delivery arrangements at key stages of the process.

3. Status

The Waterfront Project Board shall be an advisory board to the Policy & Resources Committee. The Board will not have subcommittee status and the political balance rules in section 15 of the Local Government and Housing Act 1989 will not apply.
The Board will be established on a cross party basis and it is the goal of the Project Board to attempt to reach decisions by consensus.

4. Areas of focus

- To ensure the views, considerations and perspectives of those they represent are communicated to assist in developing the project.
- To share information pertinent to the development of the project.
- To be a positive advocate for the project when appropriate and beneficial to do so.
- To understand the legal, financial and practical barriers to future development of the full Madeira Terrace and work with the officer team and the community to actively promote and support solutions to the restoration of the Terrace.
- To engage with skilled professionals and those offering to provide support for the project and help steer these resources, with the project team, to help with the successful delivery of a replacement for the Brighton Conference Centre
- To act as ambassadors for the project and to ensure a business case is developed which the council is able to support for the longer term project.
- To act as a sounding board for officers developing the project and to oversee terms and conditions of the legal, financial and commercial terms for development of the project.

4. Reporting

The Board will report to Policy & Resources Committee.

Individual Panel members will be responsible for reporting back activities of the Board to their group. On occasion there will be confidential information which will be shared with all group members. Where these pertain to tendering or procurement procedures Members will need to respect the confidential nature of this information to comply with the council's procurement protocol. Other expert panel members will be invited to join the board from time to time to engage with Members on specific issues or work together to achieve objectives.

5. Membership

Membership of the Board shall consist of three elected Members, following nominations by their Group Leaders to reflect the political composition of the Council.

6. Working methods / ways of working

Board members will be asked to adopt a shared learning approach of working collectively to achieve a common objective. Ideally board members will share knowledge and complement each other's skills/areas of expertise.

The Board will meet as the project requires input. This may involve more regular meetings at times of specific activities e.g. procurement of a design team or agreement of revised commercial terms. At other times, these will be more spread out. It will depend upon the needs of the project.

The Council's Regen Team admin service, will perform the role of secretariat.

Agenda topics will be decided in the first instance by officers during the induction phase, and following this, by members of the board.

Agreed standard agenda items will also be agreed during the first meeting.

The Project Manager will report on project progress (time, cost, scope) and any other agreed standing items.

- It is suggested Members suggest items a minimum of 5 working days in advance of agenda circulation.
- The agenda will be circulated one week in advance of any board meeting. Papers will be attached to the Outlook meeting invite prepared by the secretariat one week in advance of the meeting and will include notes/minutes and actions from last meeting and agenda for next meeting.

The meetings could take a variety of formats depending on what is needed by the board and the information being exchanged e.g. presentation, group discussion etc.

The format can also change if and when appropriate e.g. site visit.

Non-members can be invited to the group if required to provide information/advice. This will be agreed with other Panel members in advance.

The secretariat for the group will be the programme support officer at BHCC. The secretariat will prepare the agenda (as instructed by the Panel Chair), write, check and circulate meeting notes/minutes and arrange room bookings if/when necessary.

It is important that members of the board report back and communicate information on the project development and delivery.

Any information or documents which could be deemed publicly sensitive beyond the board will be stated as such to all group members. This information will be for board use only and not shared outside the group, as and when necessary.

7. Review

The board will review the relevance and value of its work and the associated Terms of Reference bi-annually.

Appendix 6 Draft Terms of Reference for Madeira Terraces Project Board

1. Name

Madeira Terraces Project Board

2. Purpose of the project board

The Madeira Terrace Project Board shall oversee the restoration of Madeira Terraces initially focusing on 30 arches (MT30). The Board will provide an effective means of ensuring full cross-party engagement and active Member involvement in the process by which the project is progressed. It will provide the strategic leadership and agree detailed delivery arrangements at key stages of the process.

3. Status

The Madeira Terraces project Board shall be an advisory board to the Policy & Resources Committee. The Board will not have subcommittee status and the political balance rules in section 15 of the Local Government and Housing Act 1989 will not apply.

The Board will be established on a cross party basis and it is the goal of the Project Board to attempt to reach decisions by consensus.

4. Areas of focus

- To ensure the views, considerations and perspectives of those they represent are communicated to assist in developing the restoration project.
- To share information pertinent to the development of the project
- To be a positive advocate for the project when appropriate and beneficial to do so.
- This panel was established following the Policy and Resources meeting of Brighton & Hove City Council on 5th December 2019 which agreed to the setting up of a number of project boards to assist the delivery and governance of Major Projects.
- To understand the legal, financial and practical barriers to future development of the full Madeira Terrace and work with the officer team and the community to actively promote and support solutions to the restoration of the Terrace.
- To collaborate with the Advisory Panel for MT30 and engage where appropriate with representatives of the team.
- To engage with skilled professionals and those offering to provide support for the project and help steer these resources, with the project team, to help with the successful delivery of the restoration of Madeira Terrace
- To represent the interests of the council and the respective end users of Madeira Terrace when working alongside the Council's project team to restore Madeira Terrace.

- To act as ambassadors for the project and to ensure a business case is developed which the council is able to support with the support of the community.

5. Reporting

The Board will report to Policy & Resources Committee.

Individual Panel members will be responsible for reporting back activities of the Board to their group. On occasion there will be confidential information which will be shared with all group members. Where these pertain to tendering or procurement procedures Members will need to respect the confidential nature of this information to comply with the council's procurement protocol. Other expert panel members will be invited to join the board from time to time to engage with Members on specific issues or work together to achieve objectives.

6. Membership

Membership of the Board shall consist of three elected Members, following nominations by their Group Leaders to reflect the political composition of the Council.

7. Meetings and ways of working

Board members will be asked to adopt a shared learning approach of working collectively to achieve a common objective. Ideally board members will share knowledge and complement each other's skills/areas of expertise.

The Board will meet as the project requires input. This may involve more regular meetings at times of specific activities e.g. procurement of design team. At other times, these will be more spread out. It will depend upon the needs of the project.

The Council's Regen Team admin service, will perform the role of secretariat.

Agenda topics will be decided in the first instance by officers during the induction phase, and following this, by members of the board.

Agreed standard agenda items will also be agreed during the first meeting.

The Project Manager will report on project progress (time, cost, scope) and any other agreed standing items.

- It is suggested Members suggest items a minimum of 5 working days in advance of agenda circulation.
- The agenda will be circulated one week in advance of any board meeting. Papers will be attached to the Outlook meeting invite prepared by the secretariat one week in advance of the meeting and will include notes/minutes and actions from last meeting and agenda for next meeting

The meetings could take a variety of formats depending on what is needed by the board and the information being exchanged e.g. presentation, group discussion etc.

The format can also change if and when appropriate e.g. site visit.

Non-members can be invited to the group if required to provide. information/advice.

This will be agreed with other Panel members in advance.

The secretariat for the group will be the programme support officer at BHCC. The secretariat will prepare the agenda (as instructed by the Panel Chair), write, check and circulate meeting notes/minutes and arrange room bookings if/when necessary.

It is important that members of the board report back and communicate information on the project development and delivery.

Any information or documents which could be deemed publicly sensitive beyond the board will be stated as such to all group members. This information will be for board use only and not shared outside the group, as and when necessary.

8. Review

The board will review the relevance and value of its work and the associated Terms of Reference bi-annually.

Appendix 7 Draft Terms of Reference for Black Rock Members Working Group

1. Name

Black Rock Member Working Group

2. Purpose of the Task and Finish Group

This group will provide guidance, support and advice to the Black Rock project team and effective means of ensuring full cross-party engagement and involvement in the process by which the project is progressed.

3. Status

The Black Rock Working Group shall be an advisory group to the Policy & Resources Committee. The Board will not have subcommittee status and the political balance rules in section 15 of the Local Government and Housing Act 1989 will not apply.

The Board will be established on a cross party basis and it is the goal of the Project Board to attempt to reach decisions by consensus.

3. Areas of focus

- To ensure the views, considerations and perspectives of those they represent are communicated to assist in delivering the project.
- To share information pertinent to the delivery of the project
- To be a positive advocate for the project when appropriate and beneficial to do so.
- To work with the officer and the design team and where appropriate, the community representatives, to actively promote and support solutions to the delivery of the project.
- To oversee progress and help support the project team to deliver the project to time and to budget and in a way that will offer most advantageous benefit for the community.

4. Reporting

The Board will report to Policy & Resources Committee.

Individual working group members will be responsible for reporting back activities of the Board to their group. On occasion there will be confidential information which will be shared with all group members. Where these pertain to tendering or procurement procedures Members will need to respect the confidential nature of this information to comply with the council's procurement protocol. Other expert panel members will be invited to join the board from time to time to engage with Members on specific issues or work together to achieve objectives.

5. Membership

Membership of the Board shall consist of three elected Members, following nominations by their Group Leaders to reflect the political composition of the Council.

6. Meetings and ways of working

Group members will be asked to adopt a shared learning approach of working collectively to achieve a common objective. Ideally members will share knowledge and complement each other's skills/areas of expertise.

The group will meet as the project requires input. This may involve more regular meetings at times of specific activities e.g. procurement of a contractor or agreement of revised commercial terms. At other times, these will be more spread out. It will depend upon the needs of the project.

The Council's Regen Team admin service, will perform the role of secretariat.

Agenda topics will be decided in the first instance by officers during the induction phase, and following this, by members of the group.

Agreed standard agenda items will also be agreed during the first meeting.

The Project Manager will report on project progress (time, cost, scope) and any other agreed standing items.

- It is suggested Members suggest items a minimum of 5 working days in advance of agenda circulation.
- The agenda will be circulated one week in advance of any group meeting. Papers will be attached to the Outlook meeting invite prepared by the secretariat one week in advance of the meeting and will include notes/minutes and actions from last meeting and agenda for next meeting.

The meetings could take a variety of formats depending on what is needed by the group and the information being exchanged e.g. presentation, group discussion etc.

The format can also change if and when appropriate e.g. site visit.

Non-members can be invited to the group if required to provide information/advice. This will be agreed with other group members in advance.

The secretariat for the group will be the programme support officer at BHCC. The secretariat will prepare the agenda (as instructed by the Panel Chair), write, check and circulate meeting notes/minutes and arrange room bookings if/when necessary.

It is important that members of the group report back and communicate information on the project development and delivery.

Any information or documents which could be deemed publicly sensitive beyond the group will be stated as such to all group members. This information will be for group use only and not shared outside the group, as and when necessary.

7. Review

The board will review the relevance and value of its work and the associated Terms of Reference after 12 months.

Appendix 8 Housing Supply Members Board

1. Name

Housing Supply Members Board

2. Purpose

The Board will drive initiatives undertaken by the council to increase the supply of affordable housing for the city. It aims to operate in a spirit of partnership to improve understanding of housing supply initiatives and to attempt to build consensus on key issues.

3. Status

The Housing Supply Members Board shall be an advisory board to the Housing & New Homes Committee. The Board will not have subcommittee status and the political balance rules in section 15 of the Local Government and Housing Act 1989 will not apply.

4. Areas of focus

The Board will oversee council initiatives to increase the supply of new homes undertaken by the council including the following programmes, projects and works-streams:

- New Homes for Neighbourhoods
- Homes for Brighton & Hove
- Hidden Homes
- Home Purchase Policy
- Council owned Temporary Accommodation

The Board shall provide the following functions:

- Provide advice and steer on key issues
- Explore development options and issues such as rent levels, viability and tenure mix
- Monitor progress, delivery, budget and retained Right to Buy spend
- Communicate programme background and progress to other members of Housing & New Homes Committee, political groups and leaders
- Review design and specification standards
- Monitor and advise on sustainability standards and moving towards zero carbon housing

5. Reporting

The Board will report to Housing & New Homes Committee with recommendations as necessary.

6. Membership

Membership of the Board shall consist of three elected Members, following nominations by their Group Leaders to reflect the political composition of the Council.

7. Meetings and ways of working

The Board will meet every 5 to 8 weeks depending on level of business.

The Board will chaired by the Chair of Housing & New Homes Committee.
.
A number of principles should underpin the working of the Board:

- Operate in the spirit of partnership and attempt to build consensus
- Council officers and external specialists should attend as required
- Administered by the council with agenda and papers circulated at least 3 days ahead of meetings
- Schedule of future meeting dates to be agreed by Board

The nature of the business discussed by the board may mean that some issues are of a confidential or commercially sensitive nature:

- Members should treat relevant information and that of a commercially sensitive nature as confidential
- Guidance should be given to Board members on briefing political groups and wider stakeholders on an ongoing basis

8. Review

These terms of reference may be reviewed and amended by the Board from time to time.

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

Subject:		**New England House**	
Date of Meeting:		**5 December 2019**	
Report of:		**Executive Director, Economy, Environment & Culture**	
Contact Officer:	**Name:**	**Alan Buck**	**Tel: 01273 292287**
	Email:	**alan.buck@brighton-hove.gov.uk**	
Ward(s) affected:		**St Peter's & North Laine;**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The Committee is being asked to agree a programme of work – to include detailed design, stakeholder engagement and preparation of a business case - towards providing for the refurbishment and expansion of New England House (NEH) in order to secure the building's future and consolidate its role as a 'flagship' business centre for creative, digital and IT businesses in the city. A list of likely additional resources, that aren't currently provided for and which will be required for the next phase of work and in the longer term, is shown in Appendix 2 of this report.

2. RECOMMENDATIONS:

2.1 That the Committee delegates authority to the Executive Director Economy, Environment & Culture to commence procurements required to facilitate progressing this project towards a detailed design and business case that will be brought to a future Policy & Resources Committee.

3. CONTEXT/ BACKGROUND INFORMATION

City Deal

3.1 In 2014 the council received £4.9 million from central government towards securing Greater Brighton City Deal outputs in respect of New England House (NEH) – to consolidate the building's role as a hub for Creative, Digital and IT (CDIT) businesses, through its refurbishment and expansion with a net increase of 7,090 sq metres of employment floorspace.

3.2 As freeholder of the Longley Industrial Estate (adjacent to NEH) the council has been working towards a land deal with Maplebright (the current leaseholder) and Legal & General (L&G). The land deal was agreed in principle in June last year by the former Policy, Resources & Growth Committee (PRG). In essence, the land deal involves the council issuing a new long lease to L&G that will allow

them to redevelop the Longley site for a substantial mixed-use scheme comprising 'build-to-rent' residential flats and employment floorspace. The council will receive a premium in exchange for granting the new lease. PRG agreed to 'ring-fence' the premium for the City Deal NEH project. Employment floorspace provided on the Longley scheme will contribute towards the City Deal output for NEH of 7,090 sqm.

3.3 The land deal was subject to L&G receiving planning permission for their proposal. This was secured this year, with the Section 106 agreement completed and planning permission issued at the end of September. The granted scheme includes 201 residential units and 3,270 sqm of employment floorspace. This will leave the council with a minimum target of 3,820 sqm net additional employment floorpace on the NEH site, along with the building's refurbishment to secure City Deal outputs. The premium payable to the council from the Longley land deal is a significant sum and will be added to the £4.9 million already secured through City Deal.

New England House proposals

3.4 A range of design work for NEH has been undertaken over the last year by council architects, based on the assumption that the L&G development proposal for Longley (along with the associated land deal) would be secured and delivered. The brief informing all design options has been to retain the basic industrial character of the building, leaving existing units unchanged as far as possible. The intention is to preserve the building's strengths, by continuing to provide basic affordable workspace for a wide range of CDIT businesses, while delivering new workspace opportunities through extensions to the building. An urgent element of the proposed refurbishment works is the overdue replacement of the building's long-failing curtain walling. The preferred option is to "over-clad" the existing building. This would provide major energy efficiency improvements – and would have benefits in reducing disruption to existing units over the course of construction works and enable the majority of tenants to remain in situ during this period.

3.1 The preferred design concept comprises the following elements:

- Provision of external cladding to the existing building, along with a range of essential mechanical and engineering (M&E) upgrades to its interior
- Extending the building via an infill on its New England Street elevation, additional storeys at rooftop level and two 'towers' on the building's York Hill elevation. These elements would collectively provide a net additional 4,448 sqm of net additional floorspace.
- Relocation of the NEH management office and café and further changes within the building to provide for access to the new elements, extending the lifts to service the ground floor and rooftop extension and revised servicing arrangements (with HGV servicing to be undertaken in the car park area).
- Public realm and public access improvements including commercial kiosks on Elder Place and a pedestrian access ramp to replace the existing staircase between York Hill and New England Street.

3.2 A range of issues and assumptions require further investigation to obtain a full understanding of final costs and move the project forward. These include:

- A better understanding on the impacts of disruption on existing tenants from construction works, costs associated with decanting tenants (where necessary) - and the effect on rental income over the course of the build programme.
- Further exploration of total project costs, along with opportunities for value engineering to reduce development costs.
- Exploring options to increase finance available for the project – including potential opportunities from external funding sources.
- Consulting with Avison Young (the building's managing agent) and NEH tenants in respect of the preferred design option and a strategy for managing future works. This process will need to be carefully managed, with tenants likely to be concerned over a range of other issues including disruption, potential loss of light, rents, etc.
- More detailed design work by council architects.
- Further design work on wider public realm (and associated funding) – in particular, improving Elder Place as part of a wider project in conjunction with the Longley development and the probable future redevelopment of the nearby Vantage Point/Circus Parade site. Ward councillors and the London Road LAT are particularly interested in improvements to the local area within and around Elder Place, London Road and Preston Circus. S106 funds will be available from the Longley planning application, but there will be an expectation for further funds and/or improvements to be secured from any future planning application in respect of the proposed refurbishment and expansion of NEH.

3.3 A 'high-level' timetable for design and construction work is provided in Appendix 1 of this report.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 A range of alternative options to delivering the refurbishment and expansion of NEH have been explored – particularly when preparing the City Deal business case in 2014. This was predicated on a public-private delivery mechanism (but assumed the outputs would be delivered on the NEH site alone). While the Longley land deal provides a revised 'two-site' approach to securing City Deal outputs for NEH, it can still be considered a public-private means of delivery, albeit with the private (L&G) and public (council) elements being split between the adjacent Longley and NEH sites and delivered by two separate developers.

4.2 A 'do-nothing' approach would result in continued deterioration of the building's exterior, which is in urgent need of replacement. A 'refurbishment-only' approach (without extending the building) is not financially viable as it would not generate sufficient additional income to finance necessary borrowing – unless, possibly,

workspaces within the building were significantly upgraded and rents significantly increased to a level that would be uneconomic to many existing tenants .

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The current concept design for the building has been developed following comments actively sought and received from a range of sources at various stages over the last few years, including feedback from businesses in the building, the building's on-site managers and council officers (including officers in the planning and transport teams).

5.2 A consultation strategy will be developed to ensure the next stages of work are informed by a wide range of stakeholders. This will include (but not be limited to) NEH tenants, Avison Young (the council's managing agents for the building), ward councillors and the London Road LAT.

6. CONCLUSION

6.1 The substantial funding that has been secured for the NEH project (via City Deal and the Longley premium) provides the financial means to undertaking and procuring a range of work necessary to progress the project towards planning permission. The next stages of work will include stakeholder engagement, undertaking more detailed design work and ongoing exploration of options to secure a viable business case. These combined elements will give the project much-needed momentum, with potential to tap-into potential new financial opportunities as and when they arise. The detailed design and business case will be brought back for consideration and approval to a future meeting of this committee in mid-2020, prior to further working of the design to RIBA Stage 3 and submission of a planning application.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 Funding has been set aside within the 2019/20 Capital Investment Programme from the Strategic Investment Fund to support the resourcing of the project including all legal, financial and specialist advice. The funding of the design works will be met from resources already identified for the project which includes the £4.9m secured through the City Deal. The project will be financed from a combination of different resources including the City Deal funding, the premium as a result of the lease and borrowing financed through rental stream income. Updates on the business case will follow as the design work and negotiations continue.

Finance Officer Consulted: Rob Allen *Date: 14/10/19*

Legal Implications:

The council signed an Agreement for Lease with L&G in April 2019. Full details of that agreement are contained in the report to Policy, Resources & Growth Committee in June 2018. Planning permission was granted on 26 September 2019. Under the terms of the Agreement for Lease the council then need to wait 6 weeks and 10 days following that grant of planning permission. Assuming there is no appeal, the planning condition will be satisfied. L&G will also need to satisfy the funding condition. This requires them to provide evidence that they have internal or third party funding available sufficient to enable them to carry out the development. Once these conditions have been satisfied the council can proceed with final steps to completion when L& G will enter into a long lease of the site and the Council will receive a premium.

7.2 When procuring contracts for services to progress this project, the council will need to comply with its Contract Standing Orders and the Public Contracts Regulations 2015.

Lawyer Consulted: *Alice Rowland* *Date: 14/10/19*

Equalities Implications:

7.3 Providing for the building's future will ensure that it continues to provide basic but relatively affordable workspaces for the city's diverse population.

Sustainability Implications:

7.4 The proposed works to the building will provide significant benefits in improving its thermal performance and reducing carbon emissions.

Any Other Significant Implications

1.2 The refurbishment and expansion of the building will secure a key output of the Greater Brighton City Deal, under which £4.9 million was awarded in 2014 for NEH. The project has recently gained momentum and will receive a significant financial injection following the realisation of a land deal between the council, Legal & General (L&G) and Maplebright on the adjacent Longley Industrial Estate. The supply and range of business accommodation and net increase in jobs to be delivered across the NEH and Longley sites will help deliver strategic objectives of the council's Economic Strategy, and provide the city with greater resilience in an uncertain economic climate.

SUPPORTING DOCUMENTATION

Appendices:

1. New England House – High Level Timetable for Design and Construction Work

2. New England House Proposed Consultants/Work Required

Background Documents

1. Greater Brighton City Deal (2014)

2. Brighton & Hove Economic Strategy 2018 - 2023

New England House – 'high level' work programme

Task	Timeline
Tender Initial Consultants	Oct – Dec 2019
Develop and test feasibility	Oct 2019 – Jun 2020
P&R Committee – agreement for next stages	5 Dec 2019
Appoint M&E, Structure, QS, Fire, Cladding, condition surveyor	Jan 2019
Specialist Surveys	Feb – Jul 2020
P&R Committee – agreement for next stages	Summer 2020
Develop Design/Planning application (RIBA 3)	Aug 2020 – Jul 2021
Submit Planning Application	Jun – Jul 2021
Planning Determination Period	Jul - Dec 2021
Planning Conditions	Dec 2021 – Mar 2022
Technical Design Period (RIBA Stage 4)	Jul 2021 – Mar 2022
Measurement and Pricing	Apr 2022 – Jul 2022
Mobilisation and Tender Evaluation	Aug 2022 – Dec 2022
Start On Site	Jan 2023
Build Period (18 months)	Feb 2023 to Jul 2024

New England House Proposed Consultants/Work Required

	Required in shorter term (following P&R approval on 5 Dec 2019)	**Required in longer term (following future P&R check-in and approval)**
Design – possible additional resource to support council architects	Possibly	✓
Transport/Highways – full Assessment is likely to be needed		✓
Landscape – Hard and Soft – Landscape Impact Assessment needed		✓
Planning Consultant		✓
Daylight/Sunlight – Impact on nearby buildings	✓	✓
Sustainability		✓
Carbon Assessor		✓
Archaeology – could be desk top study		✓
Arboricultural		✓
Flood Risk –desk top study		✓
Ecology		✓
Public Realm	Possibly	✓
Fire Assessor	✓	✓
Cladding Specialist	✓	✓
Condition Survey - Surveyor	✓	
City Clean for refuse strategy		✓
Title report for whole site (possibly in-house Estates team)	✓	
Car-Park team		✓
Planning		✓

POLICY & RESOURCES COMMITTEE	Agenda Item 86 Brighton & Hove City Council

Subject:		**Royal Pavilion & Museums – Transfer to RPM Trust**
Date of Meeting:		**5 December 2019**
Report of:		**Executive Director, Economy, Environment & Culture**
Contact Officer:	**Name:**	**Nick Hibberd** **01273 293756**
	Email:	**nick.hibberd@brighton-hove.gov.uk**
Ward(s) affected:		**(All Wards);**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 Council budgets are under severe pressure and with the requirement for ongoing savings, it is more important than ever to ensure our culture and heritage are supported with enough resources for future generations to enjoy.

1.2 The purpose of moving the Royal Pavilion & Museums service to the Royal Pavilion and Museums Trust (RPM Trust) is to enable our museums services to be sustainable, resilient and able to deliver the current high standards for residents and visitors over the long term. We have a unique and highly-regarded museums service delivered by a dedicated professional team of people who are key to its future success.

1.3 Following an independent, detailed evaluation of the options, the Policy Resources & Growth Committee agreed in October 2018 to transfer the Royal Pavilion & Museums services to a standalone trust, on a 25 year contract. It was subsequently agreed at Policy & Resources Committee (P&R) that the preferred route was to develop the trust out of the existing Royal Pavilion and Museums Foundation - a long-established and successful fundraising charity supporting the service. The Foundation has since changed its name to the Royal Pavilion and Museums Trust (RPM Trust).

1.4 The strong track record of the RPM Trust will provide a sound basis for building on the successes of our museums service and our internationally-recognised collections and buildings such as the Royal Pavilion. The RPM Trust will be able to access new charitable income streams and operate outside of the constraints of annual local government budget setting.

1.5 This report notes the financial model that sustains the RPM Trust's delivery of the services; updates on the commitments made to staff; and seeks approval for the works required to the Brighton Museum and Art Gallery roof.

2. RECOMMENDATIONS:

That the Committee:

2.1 Approves the legal agreements (the Services Contract and the Transfer Agreement) which will be put in place between the Council and the RPM Trust, and delegates authority to the Executive Director Economy, Environment & Culture to make minor amendments to the legal agreements and to make material amendments in consultation with group leaders;

2.2 Delegates authority to the Executive Director Economy, Environment & Culture to appoint 3 members to the board of the RPM Trust as nominated by the leaders of the three political groups;

2.3 Agrees that the Royal Pavilion & Museums service will transfer to the Royal Pavilion & Museums Trust on 1 April 2020;

2.4 Agrees that leasing the buildings to the RPM Trust will help to secure the promotion and improvement of the economic and social well-being of the area and that the Council should enter into leases based on the appended heads of terms (Appendix 6) and delegates authority to the Executive Director Economy, Environment & Culture to agree the final terms of those leases;

2.5 Delegates authority to take any other steps necessary to implement the transfer of the service to RPM Trust in consultation with group leaders;

2.6 Agrees to the Trust joining the Local Government Pension Scheme (LGPS) as an admitted body on an 'open' scheme basis.

2.7 Approves the amended IPR Policy appended to the Collection Schedule (Appendix 4);

2.8 Approves the proposal for the Council to carry out works to the roof of the Brighton Museum and Art Gallery and authorises the Executive Director, Environment & Culture to commence any procurements necessary to complete these works and agrees to a capital budget of £1.260m being included in the council's Capital Investment Programme;

2.9 Approves the indicative fee of £1.181m reducing to £0.691m per year for the fee term 1 April 2020 to 31 March 2025 subject to approval at Annual Budget Council in February; and

2.10 Agrees to make a cash flow facility of up to £0.500m available to the RPM Trust within the first five years of operation and to delegate authority to the Executive Director, Environment & Culture and the Executive Director, Finance & Resources to agree the terms and repayment period if called upon.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The P&R committee in October formally agreed the in-principle decision taken at the Tourism, Development & Culture Committee that the RPM service should transfer to the RPM Trust.

3.2 **RPM Trust Governance**

Articles

3.2.1 The formal legal structure of the Trust is a company limited by guarantee. At the Council's request the Trust agreed to amend its Articles of Association so that the Council will be a member of the company. The Articles give the Council the ability to veto any changes to the Charity's Articles or its name. The changes to the Articles will also mean that the Council will be able to nominate three Members to its board.

3.2.2 When the Council needs to attend a general meeting of the company and vote on resolutions, Policy & Resources will need to make the decision in advance and delegate to an officer so that that officer can attend the meeting and vote in accordance with the decision of Policy & Resources.

Trustees

3.2.3 The Trust Board will consist of 16 trustees including three Members. Recruitment for new trustees and a Chair took place in November and the Board now has a diverse membership with the range of skills and knowledge required to manage the RPM Trust.

3.2.4 The Members who are nominated to the Board will formally take up their positions on the date the service transfers to the Trust, when the Articles will be changed, and in the meantime, strong informal links will be established with the Board and stakeholders.

Four Tests

3.2.5 The October 2018 Policy, Resources & Growth committee report set out the following four tests that the service would need to resolve before officers could be satisfied that the project could proceed to implementation:

3.2.6 *'The income generation projections need to be fully modelled and a financial strategy developed to manage the uncertainty around future income to ensure the future model is capable of achieving a surplus position'.*
The Finance Working group has carefully and rigorously modelled the first five years of Trust operation (a summary is set out as Appendix 1). Trustees have had the model independently validated. Transferring the service to a charitable company has quantifiable short-term costs but gives potentially substantial financial advantages in the medium and longer term.

3.2.7 *'That the independent charity would need to have the leadership capacity, skills and appropriate structure to manage a museum service'.*
The RPM Trust's review and implementation of new governance arrangements demonstrates how this test is to be satisfied. The management structure is being strengthened by the recruitment of an additional senior finance post. A sole-purpose charitable trust whose primary function is to deliver the RPM service gives the greatest focus on stewardship of the very significant heritage assets in Royal Pavilion & Museum's portfolio.

3.2.8 *'That stakeholders and funders (especially Arts Council England) need to have confidence in the arrangements'.*
Art's Council England (ACE) meets monthly with officers and makes no objection to transferring the service to the RPM Trust under the current proposals. The Charity Commission will also need to approve the proposed governance arrangements.

3.2.9 *'That any proposed trustees would need to be confident that the terms on which the service contract would be offered provide a viable model'.*
The RPM Trust's trustees are engaged with the work of the Joint Project Board which gives them the opportunity to raise concerns about the transition. They are also carrying out their own due diligence exercise so that they are confident that they understand all the costs and risks of the service and to ensure that they can enter into the arrangements with confidence that they will be able to deliver the service with the funding available. The Trust have had the financial model independently validated.

3.3 **Legal work**

3.3.1 The relationship between the Council and the Trust is set out in the Services Contract (see Appendix 3). This document is very close to being finalised but the parties are still in discussions about some aspects of it and other non-material changes may be required prior to the transfer. The key terms of the Services Contract are set out in summary at Appendix 2. The Council will consider the Trust's Annual Service Plan, at it's the Tourism, Equality, Communities and Culture Committee in January 2020 and every subsequent January for the remainder of the term of the Services Contract. The terms on which the collection will be loaned to the RPM Trust are set out in a schedule to the Services Contract (this is currently a separate document but will ultimately form part of the Services Contract).

3.3.2 The heads of terms for the leases are attached at Appendix 6.

3.3.3 It is likely that the Council and the Trust will also need the following agreements:

- A back office support services agreement which sets out the terms on which the Council will provide HR, financial and other services to the Trust, along the model of current provision to existing third parties (schools, South Downs National Park).
- A pensions admission agreement (and associated documents), open to all staff and with a fixed contribution rate for the Trust.
- A loan agreement (if the Council makes cash flow available to the Trust).

3.4 **Finance / Pensions**

3.4.1 The Finance working group aims to develop a financial model that is sustainable over the long term, that maximises the benefits of Trust status, and which gives the council and Trustees confidence in the financial viability of the contract. A summary of the Model was provided to the Committee in October, which was presented to Directors though their Corporate Modernisation Delivery Board, and to RPM's existing Trustees, who have had the model independently

validated. The financial model, summarised at Appendix 1, has been updated from that reported to Committee in October for the proposed funding of the Museum and Art Gallery capital works, as well as to reflect the RPM Trust operating an 'open' admitted pension scheme.

3.4.2 A five year cash flow forecast has been produced as part of the financial modelling which suggest that the Trust should have sufficient availability of cash to fund its operations on a day to day basis. However, due to the risks associated to some of income sources of the Trust, it is recommended that a cash flow facility of up to £0.500m be made available by the council to the Trust for a period of 5 years in the event of temporary cash flow issues.

3.4.3 It is anticipated that the Trust will join the Local Government Pension Scheme (LGPS) as an admitted body on transfer. The pension scheme actuaries have reported on the pension position for the Trust based on known conditions and staff membership for both an 'open' and 'closed' admission arrangement, and provided estimates for contribution rates for both types of scheme. The offer of a closed scheme would mean the Trust would provide an alternative pension scheme for new employees, weakening the commitment to avoid a two-tier workforce. The financial model has been amended to relect the RPM Trust operating an 'open' scheme,

3.4.4 An open scheme would allow "new entrants" to join the LGPS in the future, i.e. in addition to the transferring staff, and therefore, the overall membership may increase in future years. This type of scheme would have a lower contribution rate (to the employer) because there will be greater contributions coming in from both the employer and employees in respect of new employees enrolled into the scheme. This effectively provides greater cash flows to the pension fund with which to generate investment returns before pensions become payable. However, over the longer term, the total employer costs of the scheme are significantly higher compared to a 'closed' scheme.

3.4.5 This report is recommending that the Committee approve the open pension scheme due to the non-financial considerations, particularly relating to maintaining similar conditions for all employees and maintaining stability of Trust employment relative to the council as Awarding Authority. When considering this recommendation, the Committee should note the impact on the financial model and potential additional cost to the council in supporting this option. More information is provided on this as part of the financial implications.

3.4.6 The council is currently seeking clarification on whether the Trust can become an admitted body on a pass-through arrangement, the key principles of which are summarised below.

- The letting authority retains the key pension risks associated with the outsourcing. This means that any pension surplus or deficit generated during the contract is retained by the authority. The contractor 'walks away' from the Fund on exit without paying any deficit or receiving any surplus.
- The contractor pays a contribution rate that is agreed in advance with the letting authority which applies during the full period of the contract. Typically the contribution rate is either fixed at a certain percentage of

pay, or is linked by pooling to the ongoing contribution rate payable by the letting authority.

- The contractor is normally liable for any pension costs that arise due to items over which it exerts full control e.g. excessive pay increases, or redundancy programmes where the staff involved receive enhanced pensions on early retirement. If this type of arrangement is not granted by East Sussex Pension Fund, then the Trust would be at risk of potentially large increases in employer contribution rates if the pension fund does not perform as anticipated.

3.5 **Staffing and HR**

3.5.1 There has been a significant amount of engagement with staff throughout the process, attempting to give all staff an opportunity to engage, regardless of their working pattern.

3.5.2 Further staff engagement is planned as part of the TUPE process, subject to the outcome of this Committee. This will include one-to-one meetings with staff, and the opportunity to meet with the new employer.

3.5.3 Both parties will consult with staff independently. Closer to the point of transfer there may also be benefit in having a joint meeting where managers and HR from both the Council and the Trust are present to discuss issues and answer questions from staff.

3.5.4 In addition to keeping the local government pension scheme open to all, the Services Contract includes commitments to 'no worse' pay and conditions in order to avoid a 'two tier' workforce. New staff will be appointed on NJC terms and conditions.

3.6 **Property**

3.6.1 A building maintenance strategy sets out where the various maintenance budgets sit now and then under the Trust. This has been agreed and aims to maximise the financial benefit to the Trust. Detailed condition surveys have been completed setting out the repair and maintenance priorities for each building. The council will retain its right to carry out repairs, but the obligation to maintain, repair and meet statutory compliance duties will sit with the Trust, which will become the responsible body for the safe management and operation of the buildings. A five-year and annual programme of planned maintenance works will be agreed between the Trust and the council.

3.6.2 In October, P&R agreed the reallocation of capital funds allocated to the Royal Pavilion as part of the RP Estate works to Brighton Museum & Art Gallery to support the repairs required to the roof as identified in condition surveys. The total project cost is estimated to be £1.259m. It has also been recommended that these repairs need to take place in the next year. It is recommended that the Council undertakes these works as the Council is not liable to pay VAT.

3.6.3 The Heads of Terms for the leases are attached. The Council is leasing the properties at an undervalue. However this undervalue is less than £2m in each case so the disposals are permitted (see legal implications). The disposals will

help to secure the promotion or improvement of the economic, social or environmental well-being of its area for the reasons set out in this report (and previous reports relating to this transfer).

3.7 **ICT systems & Information Governance**

3.7.1 Following the transfer of the service the RPM Trust will run its own ICT systems and Information Governance independent of the council (although access to HR and financial systems may be temporarily maintained for a smooth transition). On the Trust's behalf, the council has commissioned an ICT consultant who is advising on the design and delivery of the new ICT systems including new hardware, hosting, internet connectivity, telephony, antivirus, security, Office 365, software licencing, business continuity, backup and support.

3.7.2 The initial investigation by the council and the Trust's consultant has identified the need to address some historic weaknesses in the ageing underlying infrastructure. This is not unique to the RPM service. Funding to renew this infrastructure is being identified so that the ICT service can be transferred with resilient foundations.

3.8 **Support Services**

3.8.1 The RPM Trust will buy HR and Financial services from BHCC in the short term. A separate Back Office Services agreement is being drafted as the requirements become clearer, similar to the arrangements the council already has with schools or with the South Downs National Park Authority.

3.8.2 The Trust is procuring its own ICT support.

3.8.3 At this stage, it is felt unlikely that the Trust would require any other services, but other services modelled on the current offer to schools (H&S; Safeguarding; Learning and Development) are being explored.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 Previous options considered and rejected by this Committee included retaining the service in-house; transferring the service to the Brighton Dome and Festival Ltd; or creating a new Trust from scratch.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Arts Council England as a major funder and stakeholder has been kept updated during the process, and monthly meetings take place between RPM managers and the Arts Council. Their concern has been to ensure the focus is on the high quality delivery to the public of the funded activity programme during any change process, to have a properly resourced and skilled team, to address the actions needed to continue to meet the accreditation standard, and to ensure the service, which is of national importance, has a sustainable future. As applications for the next round of national portfolio organisation grants will commence in July 2020 it is important that the move to Trust to ensure this sustainable future has taken place prior to the commencement of the grant application process.

5.2 The GMB and UNISON Trade Unions attend the Joint Project Board to ensure that issues that relate to staff are considered. Union ballots in October 2018 showed the majority of staff were in favour of the move to RPM Trust.

5.3 To support the service during 2019-20 the Arts Council requested the establishment of a Museums Advisory Group. Two reports were presented and agreed at TDC (January and March 2019) outlining the role and composition of the Advisory Group, which includes, for example, independent senior level expertise in relation to collections, historic buildings and programming.

5.4 As key stakeholders, the confidence of staff in the proposals is of key importance. Regular Communication updates are being provided to the Royal Pavilion & Museums staff as the project progresses and formal consultation with staff and trade unions under the TUPE regulations will take place during the next phase of the project.

6. CONCLUSION

6.1 As Council budgets come under increasing pressure, it has been necessary to look at ways to maintain a high quality service, and to protect and conserve and utilise the sites and collections for public benefit in the longer term, whilst meeting necessary savings targets. It is recognised that there are greater opportunities to raise income in the charitable sector and therefore secure the long term sustainability of the city's heritage and museum assets and develop more services and programmes to ensure they continue to contribute to the city's priorities.

6.2 Trust status provides opportunities to increase income such as through gift aid on admissions donations, as well as through greater fundraising opportunities to protect the fabric of the buildings and heritage assets. This will help to offset reductions in council financial contributions. The ambition is for the service to support the delivery of key city priorities through more exhibitions and changes to displays as well as the completion of the Royal Pavilion Estate improvements to attract visitors to the sites, and therefore to the city, to support the visitor economy.

7. FINANCIAL & OTHER IMPLICATIONS:

7.1 <u>Financial Implications:</u>

7.1.1 A detailed five-year financial model has been developed to identify the likely financial implications of the proposed transfer of the RPM service to a charitable trust. Consistent with previous modelling, the latest financial model suggests that there are favourable financial implications in the medium to long term from a transfer to trust compared to the service remaining under control of the council. A summary of the financial model has been provided at Appendix 1, which includes comments on some of the key assumptions made. The financial model's viability has been independent validated on behalf of the Royal Pavilion and Museums Trust.

7.1.2 The financial modelling suggests that the net financial benefit of moving to a charitable trust would maximise future budget savings to the council, however one-off funding to support initial setup and transition would be required in the short term. It should be noted that the short term additional funding is partly due to an increased annual financial contribution to the planned maintenance of the RPM estate. This additional funding would be required under both in-house and transfer to trust scenarios to meet maintenance requirements identified in the completed condition surveys. The anticipated impact on council budgets over the first five years of operation are provided in the table below:

Impact on Council Budgets					
	Year 1 £'000	**Year 2 £'000**	**Year 3 £'000**	**Year 4 £'000**	**Year 5 £'000**
Contribution to Charitable Activities	1,181	1,119	1,065	734	691
Contribution to Planned Maintenance	655	669	684	684	684
Funding of Museum roof works	1,259	0	0	0	0
Borrowing Repayment	0	60	60	60	60
Total Council Contributions	**3.095**	**1.848**	**1.809**	**1,478**	**1,435**
Funded From:					
Direct Service Revenue Budget	1,161	1,184	1,208	1,232	1,257
Planned Maintenance Budgets	481	491	500	510	521
BHCC Capital Receipt	500	0	0	0	0
Borrowing	759	0	0	0	0
Contributions (to)/from Reserves	194	173	101	(264)	(204)
Total Funding	**3,095**	**1.848**	**1,809**	**1,478**	**1,574**
Remaining Budget Deficit / (Surplus)	**0**	**0**	**0**	**0**	**(139)**

7.1.3 The table above identifies that budget savings will be achievable from year five once initial funding from reserves have been repaid. It is likely the annual savings after the initial five year funding period will increase as the RPM Trust becomes more financially independent. In addition to the financial implications in the table above, the transfer to RPM Trust will enable savings to be made by the council's various support services due to the Trust buying into these services, or reduced activity should the RPM Trust procure these services from elsewhere.

7.1.4 Previous financial modelling of the RPM Trust has been based on the adoption of a closed pension scheme (3.4 above), as this is the most financially advantageous and seen as a key driver in the council generating budget savings. High level calculations comparing an open and closed scheme have been carried out to determine the longer term financial implications of each scheme. Modelling of both schemes suggest that there could be an adverse financial impact of £0.231m over the first five year period should an open scheme be approved. Depending on a number of variables, it is estimated that the financial difference could range between £0.790m to £1.670m over a ten year period. This is because a new scheme would be likely to have an employer contribution rate of between 5% and 10% and savings would therefore accrue as LGPS staff leave the service to be replaced by new employees on the new scheme (at a comparatively lower employer contribution rate). Over time, this

annual variance increases as members leave the LGPS. The anticipated variance continues to increase each year beyond year 10 modelled above. The decision to operate an 'open scheme will therefore have an impact on the availability of funds the Trust holds and/or contributions required from the council and subsequent potential savings in the longer term.

7.1.6 The report seeks approval to a capital budget of £1.260m being included in the council's capital investment programme to carry out works to the roof of the Brighton Museum and Art Gallery. These works will be funded from a combination of capital receipts (£0.500m) and council borrowing (£0.760m). The capital receipts will be reallocated from £1.000m of capital receipts funds previously earmarked for the Royal Pavilion Estate capital programme. The council borrowing will be repaid over a period of 20 years, which has been assumed in financial model.

7.1.7 The report seeks agreement to make a cash flow facility of up to £0.500m available to the RPM Trust within the first five years of operation. As mentioned in the body of the report, a five year cash flow forecast has been produced and mitigations will be in place to reduce the risk the RPM Trust having cash flow issues. However, due to the potential risk associated to some of the Trusts income sources, it has been deemed appropriate and prudent to make a cash flow facility available to the Trust should it be required to meet temporary cash flow commitments. Any facility will be subject to Executive Director, Environment & Culture and the Section 151 Chief Finance Officer's approval and based on an assessment of the RPM Trust cash flow requirements linked to its business plan. If called upon, the facility will be managed by the council as part of its cash flow management.

7.1.8 It should be noted that, in accordance with the proposed legal agreements, the council will act as funder of last resort should the RPM Trust become insolvent to ensure continuity of the service and to meet pension fund obligations. The terms of the various legal agreements and current due diligence and independent validation processes will ensure that financial risks are minimised, and termination clauses will be in place to mitigate against this risk.

Finance Officer Consulted: Steven Bedford Date: 25/11/2019

7.2 <u>Legal Implications:</u>

7.2.1 The RPM Trust is company which is limited by guarantee. The Trust is in the process of becoming registered with the Charity Commission. Its members are currently its directors (known as its trustees). Once the Articles are amended the Council will also be a member of the company. The company will have a board of 16 trustees, of whom 3 will be members of the Council. The Council cannot have greater representation than this without the company becoming 'a local authority influenced company' for the purpose of S68 of the Local Government and Housing Act 1989 which would have implications for the Council's accounting framework.

7.2.2 To comply with Charity Commission guidance, Members who are nominated to sit on the Board need to be aware that they will not be able to take part in

decisions the RPM Trust board takes which relate to the RPM Trust's contract with the Council.

7.2.3 The legal implications relating to the procurement and state aid risks were set out in the report to PRG committee in October 2018. Leading Counsel has advised and concluded that the risk that there is legal challenge to the Counsel directly awarding a contract (i.e. without undertaking a procurement) is low. He also confirmed that entering into a contract with a charitable trust will not amount to state aid.

7.2.4 The council is under an obligation when leasing its buildings to achieve the best consideration reasonably obtainable (s123 Local Government Act 1972). However the Secretary of State has issued a general consent: Circular 06/03: Local Government Act 1972 general disposal consent (England) 2003 which allows the Council to dispose of land for less than best consideration provided that the undervalue does not exceed £2m and the authority considers that the disposal will help it to secure promotion or improvement of the economic, social or environmental well-being of its area. The undervalues in respect of the leases referred to in this report do not represent an undervalue of more than £2m and the reasons why the authority considers that the disposal meet the well-being test are set out in the body of the report.

7.2.5 The Council was appointed as the sole corporate trustee of the Booth Museum and Stanford Museum and Public Park (Preston Manor). Officers are considering whether any further steps are required in respect of these undertakings prior to the transfer in order to comply with the Council's legal obligations.

Lawyer Consulted: *Alice Rowland* *Date: 26.11.2019*

7.3 Equalities Implications:

7.3.1 An Equalities Impact Assessment has been completed and recently reviewed, covering Governance; Staff; service users, and ICT systems. It is attached as Appendix 7.

7.3.2 No changes are proposed to the service itself, but the project is an opportunity to review the RPM's equalities and inclusion policies and practices. The RPM Trust is committed to protecting the terms and conditions of staff. Staff are represented on the project Board. The ambition is to set up a Community Panel to ensure that citizens are involved with key decisions.

7.3.3 Continuing compliance with the equalities duty has been incorporated into the contract, and will be monitored by council staff.
The recent review and recruitment of Trustees has ensured that there is a diversity of representation on the board. The contract with the Trust will ensure that the service delivers where applicable on the Council's priorities. In line with Arts Council goals, the service increasingly delivers programmes and services in collaboration with communities and citizens of protected characteristics.

7.3.4 No changes to concessionary pricing are proposed as part of this transfer to Trust, and Fees and charges proposals include a section on Equalities which

considers the balance between income generation and access. A charity group rate is offered. Resident adults are offered half price admission at Preston Manor and the Royal Pavilion and free admission at Brighton Museum. All resident children enjoy free admission at all sites. Brighton and Hove schools don't pay admission. All students of the City's universities or higher education colleges are eligible for admission at Resident rate regardless of whether their residence is within the City. The Royal Pavilion has an Annual free day and Brighton Museum hosts monthly free community days. Those that access RPM via the community engagement programme do not incur entrance fees for the duration of their time working with us; e.g. the development of new galleries, specific projects such as Museum Mentors, youth engagement, early years, etc, therefore many of those priority groups are able to access RPM without incurring any cost. All volunteers have free entry to RPM sites, in line with Policy.

7.4 Sustainability Implications:

The service will continue to work on improving its environmental sustainability which it reports on as part of its agreement with Arts Council.

SUPPORTING DOCUMENTATION

Appendices

1 Financial Summary
2 Summary of key contract terms
3 Draft Services Contract
4 Draft Collection Schedule
5 Draft Transfer Agreement
6 Heads of Terms for Leases
7 Equalities Impact Assessment

Documents in Members' Rooms:
None

Summary of Financial Model

Charitable and Trading Activities

The table below provides a summary of the five-year financial business plan for the proposed charitable trust.

Charitable and Trading Activities					
	Year 1 £'000	**Year 2 £'000**	**Year 3 £'000**	**Year 4 £'000**	**Year 5 £'000**
Employee Related	5,188	5,313	5,412	5,518	5,621
Premises Relates	690	755	709	718	727
Administration, Supplies and Services	1,236	1,224	1,215	1,205	1,197
Transport Related	36	36	36	36	36
Payment to Other Bodies	223	217	212	206	200
Irrecoverable VAT	286	286	286	286	286
Total Expenditure	**7,659**	**7,831**	**7,870**	**7,969**	**8,067**
BHCC Contract Contribution	1,181	1,119	1,065	734	691
External Grants	1,210	1,210	1,210	1,210	1,210
Donations / Fundraising	190	261	261	262	263
Income from Charitable Activities	4,211	4,427	4,574	4,714	4,828
Other Trading Income	897	924	949	974	1,001
Total Income	**7,689**	**7,941**	**8,059**	**7,894**	**7,993**
Contribution to/(from) Unrestricted Reserves	**30**	**110**	**189**	**-75**	**-74**
Unrestricted Reserve Level b/f	**706**	**736**	**846**	**1,035**	**960**
Unrestricted Reserve Level c/f	**736**	**846**	**1,035**	**960**	**886**
Unrestricted Reserve / Expenditure	**10%**	**11%**	**13%**	**12%**	**11%**
Total Reserves (excluding endowments)	**1,447**	**1,557**	**1,746**	**1,671**	**1,597**
Total Reserves / Expenditure	**19%**	**20%**	**22%**	**21%**	**20%**

Employee Related costs are based on current council service budgets and inflation assumptions. This also assumes that the RPM Trust will become a pensions admitted body on an open scheme basis.

Premises Related costs are based on existing service budgets, financial benefit of Trust status due to business rate relief and assumptions of below inflation price increases due to anticipated procurement efficiencies.

Administration, Supplies and Services costs are based on existing service budgets with assumptions made for increased investment in product and marketing, costs of support service and governance requirements, as well as the impact of cost of goods sold corresponding to income assumptions.

Payments to Other Bodies relate to payments to other organisations funded by Arts Council England and ring-fenced for a specific purpose.

Irrecoverable VAT is based on a model developed and shared with external consultants taking into account the various assumptions in the financial model. The figure also includes anticipated contributions to the planned maintenance the Trust would be expected to make. The level of irrecoverable VAT payable is subject to agreement with HRMC on an apportionment methodology, so this figure can only be indicative at this stage.

The **BHCC Contract Contribution** reflects the level of contributions previous reported based on the financial modelling.

External Grants relate to existing grants from Arts Council England and are assumed to continue at current levels over the five year period. Where there is corresponding restricted expenditure, this has been included in the expenditure headings.

Donations / Fundraising is based on current levels plus additional contributions likely under trust status.

Income from Charitable Activities includes charges and contributions allowed under charitable activities such as admissions, gift aid and sales of audio guides and guidebooks. Admission and gift aid forecasts are based on existing visitors numbers and type, anticipated changes from increased investment in marketing, and implementation of more responsive charging policies, with prudent estimates, particularly in year one to allow for period of transition.

Other Trading income includes retail income and venue hire. Estimates for increases in income are due to modelled investment in product and marketing.

Assumptions made in the five year financial business plan are considered to be prudent and therefore low risk to the sustainability of a charitable trust. Sensitivity of assumptions has been carried out to determine how changes in assumptions could impact on the affordability of the financial business plan.

Reserves are shown as over the five year period to be used as mitigation against cash flow and unforeseen expenditure. The opening reserves balances are based on forecast Trust balances on transfer, and planned contributions of funds from the council, and may therefore change by the time of transfer.

Planned Maintenance

The table below identifies the estate planned maintenance requirement. This is in addition to the costs identified in the five year financial business model above.

Maintenance Requirement					
	Year 1 £'000	**Year 2 £'000**	**Year 3 £'000**	**Year 4 £'000**	**Year 5 £'000**
Maintenance Requirement	1,696	615	578	578	578
Professional Service Fee	169	61	58	58	58
Term and Other Maintenance	134	134	134	134	134
Total Planned Maintenance Requirement	**1,999**	**810**	**770**	**770**	**770**
BHCC Contribution	655	669	684	684	684
BHCC Capital Receipt	500	0	0	0	0
Borrowing	760	0	0	0	0
Additional Fundraising Requirement	84	141	86	86	86
Planned Maintenance Funding	**1,999**	**810**	**770**	**770**	**770**

Maintenance Requirement is the required cost of maintenance based on condition surveys and / or quinquennial reviews of all buildings to be transferred to the charitable trust. This includes the required works to the Brighton Museum and Art Gallery as mentioned in the main body of the report.

Professional Service Fee is the anticipated costs to instruct an external professional to plan, procure and instruct the required works. This is based on 10% of the value of works based on the current council model.

Term and Other Maintenance are other annual maintenance requirements not included in the figures above. It should be noted that responsive repairs and grounds maintenance are included as recurring costs in the five-year charitable and trading activity.

The **BHCC Contribution** to Planned Maintenance reflects the level of contributions previously reported.

There is an identified annual maintenance funding need of £5.119m over five years, with identified B&HCC contributions of £4.636m, resulting in a funding gap of £0.483m over the five year period. In reality, all annual planned maintenance programmes need to be robustly prioritised and an element of what sits as required maintenance in year one may transfer to year two, and so on. The Trust must aim to close the gap to a more sustainable level as it develops and will have the ability to fundraise for specific capital projects to support the core maintenance budget contribution. The cost in year 1 is particularly high as this includes urgent works required to the Brighton Museum & Art Gallery roof. This has been treated as a separate capital requirement and alternative funding options of council capital receipts and borrowing have been considered to reduce the annual maintenance shortfall as detailed in the main body of the report.

SUMMARY OF SERVICES CONTRACT AND TRANSFER AGREEMENT

This is intended to be a very brief summary of some of the key terms.

Background

The Charity has agreed that it will recognise the unions.

Duration (clause 2)

The Initial Contract Term is 25 years.

This can be extended by a further 5 years by agreement.

The termination provisions are set out below.

Fee (clause 4)

The Fee for the Services will be determined every 5 years. Each period of 5 years is a 'Fee Term'.

Staff Terms and Conditions (clause 10)

The Charity will not amend, without the consent of the relevant Employee, the terms and conditions of any employees who transfer from the Council which result in those terms and conditions being less favourable than they are at the point of transfer.

New employees will be employed on NJC terms and conditions.

If NJC terms and conditions change increasing the cost of delivering the service then the Charity can require the Council to increase the Fee accordingly for the remainder of that Fee Term.

ACE Business Plan and Annual Service Plan (clause 12)

The Council will consider the Charity's Annual Service Plan every year.

The Council will approve the Charity's Business Plans which Arts Council England (ACE) requires it to submit.

Performance Management & Reporting (clause 14)

The parties will meet at least quarterly and the Charity must report various events as promptly as reasonably practicable (e.g. material financial underperformance or increases in expenditure).

Indemnities (clause 22)

The Council will indemnify the Charity in respect of the cost of the open pension scheme.

Default Rectification Procedure (clause 25)

There is a non-exhaustive list of defaults at clause 24 (for example: failure to meet Key Performance Indicators by a margin of 10% or more).

If the Charity defaults the Council can serve a notice. The notice will say whether it is a Minor Default or a Major Default. The notice will set out the remedy required. If the Notice is a Major Default the Council can require the Charity to provide an Action Plan detailing the steps required.

A Minor Default can become a Major Default if the notice is not complied with or if there are persistent breaches over the course of a year.

If a Major Default is not remedied then the Council can terminate the contract.

Termination (clause 26)

Either party may terminate the contract on the tenth (10th) or twentieth (20th) anniversary of the start of the contract by giving no less than one (1) year's written notice to the other Party.

The Council can terminate in a number of circumstances (e.g. if the Charity is insolvent or loses its Arts Council accreditation). The Charity can terminate if the Fee for the next Fee Term will place them in Financial Distress (this is defined in Schedule 1).

Schedule 2 - Specification

The Specification sets out the services which the Charity must provide (e.g. they must keep the museums open) and sets out Key Performance Indicators which the Charity must meet.

Schedule 3 – The Fee

In the fourth year of a Fee Term by the 1 October the Council shall provide the Charity with an Indicative Fee for the next Fee Term. Following the annual budget meeting of full council the Council will confirm whether the Fee will be in line with the Indicative Fee.

NOTE ON THIS DRAFT: Please note that this draft is substantially agreed between the parties but not all the drafting has been finalised. Square brackets have been used to indicate areas where there is likely to be further discussion and work on the drafting but there may be other changes to the drafting.

DATED [insert date]

SERVICES AGREEMENT

BRIGHTON AND HOVE CITY COUNCIL

and

THE ROYAL PAVILION AND MUSEUMS TRUST

Bates Wells

10 Queen Street Place, London EC4R 1BE
bateswells.co.uk

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This agreement (the "Agreement") is dated: _____

BETWEEN:

(1) **BRIGHTON AND HOVE CITY COUNCIL** of Hove Town Hall, Norton road, Hove, BN3 3BQ ("**the Council**"); and

(2) **THE ROYAL PAVILION AND MUSEUMS TRUST** of 4-5 Pavilion Buildings, Brighton, BN1 1EE (registered in England and Wales as a company with registered number 11774969, and as a charity with registered number [_____]) ("**the Charity**"),

each a **"Party"** and together the **"Parties"**.

BACKGROUND:

(A) The Council has agreed to transfer the Undertaking to the Charity for the duration of the Contract Term, as detailed in the Transfer Agreement entered into between the Parties.

(B) The Parties have agreed that the Charity is best placed to deliver the Services and the Charity has agreed that, it will recognise the GMB Union and Unison for the duration of the Contract Term.

(C) The Council has agreed to pay the Fee to the Charity in consideration for the delivery of the Services by the Charity throughout the Contract Term and this Agreement sets out the Terms upon which the Services will be provided by the Charity.

1. **Definitions**

The provisions of Schedule 1 shall apply.

2. **Duration**

2.1 This Agreement will commence on the Commencement Date and continue in full force and effect for twenty five (25) years from the Commencement Date (the "**Initial Contract Term**") unless terminated in accordance with clause 26 (Termination).

2.2 The Initial Contract Term may be extended by written agreement of the Parties, for a period of up to five (5) years at the end of the Initial Contract Term (such period, the "**Extended Contract Term**") provided that the Party wishing to extend shall use its reasonable endeavours to give written notice to the other of a request to extend no later than twelve (12) months before the end of the Initial Contract Term.

3. **Principles**

The Parties agree to adopt the following principles when carrying out this Agreement:

3.1 collaborate and co-operate in the delivery of the Services to ensure that the commissioning objectives of the Council and the objectives of the Charity are met, with regard to appropriate professional standards relevant to the sector;

3.2 be accountable to the other Party for performance of their respective roles and responsibilities set out in this Agreement;

3.3 communicate openly about major concerns, issues or opportunities relating to the Agreement;

3.4 seek to achieve the full potential of the Parties to deliver the Services successfully by sharing information, experience, materials and skills in order to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;

3.5 adopt a positive outlook and behave in a positive, proactive manner;

3.6 act in a timely manner, recognising the time-critical nature of the delivery of the Services and respond accordingly to requests for support from the other Party;

3.7 manage stakeholders effectively;

3.8 act in good faith to support achievement of the Key Performance Indicators and compliance with the principles set out in this clause 3 (Principles); and

3.9 provide coherent, timely and efficient decision-making.

4. **Fee**

4.1 In consideration of the provision of the Services by the Charity, the Council shall pay the Fee.

4.2 The Fee payable from the Council to the Charity in each Contract Year will be calculated as set out in Schedule 3 and may only be varied using the mechanism set out in Schedule 3Part 4.

4.3 Subject to any Change made in accordance with Schedule 3Part 4 and clause 29, the Council shall pay the Fee to the Charity in accordance with the Payment Schedule for each Contract Year set out in Schedule 3. All amounts payable by the Council to the Charity under this Agreement, including the Fee, exclude amounts in respect of value added tax (VAT), which the Council shall additionally be liable to pay to the Charity at the prevailing rate (if applicable), subject to receipt of a valid VAT invoice.

4.4 The amount of the Fee shall not be increased in the event of any overspend by the Charity in its delivery of the Services without the Council's prior written agreement.

4.5 Any expenses incurred by the Charity in its delivery of the Services shall be payable by the Charity, unless agreed with the Council in writing.

4.6 The Fee shall be paid into a bank account in the name of the Charity specified at Schedule 3, or such other ordinary business bank account as is specified by the Charity to the Council in writing.

4.7 The Charity shall not transfer any part of the Fee to bank accounts which are not ordinary business accounts within the clearing bank system, without the prior written consent of the Council.

4.8 The Charity shall promptly repay to the Council any money incorrectly paid to it either as a result of an administrative error or otherwise. This includes (without limitation) situations where an incorrect sum of money has been paid.

4.9 In the event that the Fee, or any part of it, is not paid in accordance with this Agreement by the Council, the Charity shall not be obligated to deliver either any part of the Services to which the unpaid Fee relates or, insofar as the unpaid part of the Fee does not relate to a particular part of the Services, such part of the Services proportionate to the amount of the Fee which remains unpaid as the Charity may determine provided that, in the event that the Council disputes the payment of the Fee (or any part of it), the Charity shall enter discussions with the Council with a view to maintaining the delivery of the Services insofar as is reasonably possible in light of the Charity's finances, and each Party shall enter such discussions in good faith.

4.10 If the Council fails to make a payment due to the Charity under this Agreement by the due date, then, without limiting the Charity's remedies under clause 26 (Termination), the Council shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under this clause 4.10 will accrue each day at 1% a year above the Bank of England's base rate from time to time, but at 1% a year for any period when that base rate is below 0%.

5. **Funding for Repairs**

5.1 The Council shall retain a budget (at its complete discretion) for planned repairs and maintenance, which it shall carry out in accordance with its annual planned maintenance schedule and 5 year maintenance plan, [in accordance with the provisions of the relevant Lease(s).]

6. **Council's Obligations**

6.1 During the Contract Term the Council shall:

6.1.1 co-operate closely with the Charity in all matters relating to the Services and seek to ensure that the reputation of the Charity is not materially damaged by the Council;

6.1.2 when acting in its capacity as a company law member of the Charity (for such time as it has such role), to comply with any legal obligations it has to act in a way which would be most likely to further the purposes of the Charity;

6.1.3 pay to the Charity all sums payable pursuant to the provisions of this Agreement; and

6.1.4 comply with the terms of this Agreement.

7. **Charity's Obligations**

7.1 The Charity shall not be obliged to perform its obligations under this clause 7 unless:

7.2 Subject to clause 7.1, during the Contract Term the Charity shall:

7.2.1 deliver the Services in accordance with the Specification set out in Schedule 2Part 1 and any Annual Service Plan agreed between the Council and the Charity in accordance with clause 12;

7.2.2 perform the Services using all reasonable care and skill (as may reasonably be expected of an appropriately qualified competent provider of museum services experienced in carrying out services of the relevant, scope and complexity as described in Schedule 2) and shall act in such a way as to ensure that the Key Performance Indicators are achieved;

7.2.3 co-operate closely with the Council in all matters relating to the Services and seek to ensure that the reputation of the Council is not materially damaged by the Charity; and

7.2.4 only use personnel who are suitably skilled and experienced to perform the tasks assigned to them, and in sufficient number as is reasonably necessary for proper performance of the Services; and

7.2.5 maintain the Assets in a reasonable condition and replace them when reasonably necessary to enable the Charity to deliver the Services in accordance with this Agreement.

7.3 The Charity shall only make Changes to the Services in accordance with clause 29 (Change Procedure).

7.4 Any liabilities arising at the end of the Contract Term must be managed and paid for by the Charity and the Parties acknowledge that the Council will not be obligated to make any additional funding available for this purpose, unless in each case agreed by the Parties (including without limitation as agreed in the Exit Plan).

7.5 Should the Charity be subject to financial or other difficulties which are capable of having a material impact on its effective delivery of the Services or compliance with this Agreement it will notify the Council as soon as possible so that, if possible, and without creating any legal obligation, the Council will have an opportunity to provide assistance in resolving the problem or to take action to protect the Council.

8. **Compliance with laws and policies**

8.1 The Charity shall deliver the Services in accordance with all relevant ethical and legal requirements, including:

8.1.1 all applicable laws, statutes, regulations relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 in force (from time to time) in the United Kingdom respectively or in any other jurisdiction relating to this Agreement);

8.1.2 all relevant health and safety legislation, rules and regulations;

8.1.3 all relevant equalities rules and regulations, including the Equality Act 2010;

8.1.4 the Data Protection Legislation, in accordance with clause 20 of this Agreement;

8.1.5 the Freedom of Information Act 2000 in accordance with clause 21 of this Agreement;

8.1.6 all appropriate child protection and safeguarding standards;

8.1.7 good employment practice; and

8.1.8 Good Industry Practice in relation to the Services.

8.2 The Charity shall have and comply with the following written policies relating to the Services:

8.2.1 Safeguarding Policy covering as a minimum the protection of children, young people and vulnerable adults;

8.2.2 Equal Opportunities Policy;

8.2.3 Fraud and Whistleblowing Policy;

8.2.4 Insurance Policy; and

8.2.5 any additional policies agreed between the Parties in writing; and

the Charity must ensure that all such policies are kept up to date and comply with Good Industry Practice and must provide copies of such policies to the Council on request at the Charity's cost.

8.3 The Charity must inform the Council promptly if it becomes aware of any material breach of this clause 8.

8.4 The Charity will use reasonable endeavours to meet such other compliance requirements as shall be reasonably requested by the Council in writing from time to time, but any additional cost to the Charity of meeting such compliance requirements shall be payable by the Council to the Charity as an additional expense and shall be deemed to be agreed by the Council in writing in accordance with clause 4.5 of this Agreement.

8.5 The Charity shall put in place a business continuity plan which shall be regularly updated and provided to the Council.

9. **Warranties**

The Charity warrants, undertakes and agrees that:

9.1 it shall, with effect from the Commencement Date, amend its Articles of Association in accordance with the Memorandum of Understanding dated 9 July;

9.2 it has all necessary resources and expertise to deliver the Services (assuming payment of the Fee);

9.3 it has and shall keep in place adequate procedures for dealing with any conflicts of interest;

9.4 it has and shall keep in place systems to deal with the prevention of fraud and/or administrative malfunction; and

9.5 it is not subject to any contractual or other restriction imposed by its own or any other rules or regulations or otherwise which may prevent or materially impede it from meeting its obligations under this Agreement.

10. **Staff Terms and Conditions**

10.1 The Council shall notify the Charity of any changes to the NJC Terms and Conditions.

10.2 The Charity shall:

10.2.1 not make any amendment, without the consent of the relevant Employee, to the terms and conditions of any Employee who transfers on the Commencement Date which would result in those terms and conditions being less favourable than they are at the point of transfer; and

10.2.2 employ any employee (regardless of whether they were employed by the Charity at the Commencement Date) who is solely engaged in the delivery of the Services on NJC Terms and Conditions [unless agreed otherwise with the employee].

10.3 During the course of any given Fee Term, the Charity may, on becoming aware that it is likely to incur any additional costs due to any amendment or revision to the Current NJC Terms and Conditions, submit to the Council a Change Request and the provisions of Schedule 4 (Change Request) shall apply, save that:

10.3.1 the Change Request Impact Assessment shall in addition to those matters set out in Schedule 4 include as a minimum:

(a) an explanation of the reasons that the revision/ amendment will increase Charity's costs;

(b) the likely number of staff impacted by the revision/ amendment; and

(c) the steps (if any are available) that the Charity will take to mitigate the increase in its costs.

10.3.2 The burden of proving the increase in costs will sit with the Charity but where it is able to demonstrate that its costs will increase the Council shall agree to increase the Fee for the remainder of that Fee Term accordingly.

10.4 Any dispute between the Parties as to the cost of the amendment/ revision shall be referred to an independent expert agreed by the Parties and the provisions of clause 33 (Dispute Resolution) shall not apply.

11. **Staffing and Pensions**

The Parties shall comply with the obligations of Schedule 6 (Staffing and Pensions).

12. **ACE Business Plan and Annual Service Plan**

12.1 For each Contract Year, the Charity shall prepare a draft annual service plan ("the **Annual Service Plan**") in substantially the form of the Annual Service Plan for the Contract Year commencing 1 April 2020 which is attached at Schedule 8, which shall set out:

12.1.1 a detailed account of how the Services were performed in the previous Contract Year compared to the Key Performance Indicators and the objectives outlined in the previous Annual Service Plan and any extant ACE Business Plan;

12.1.2 a detailed account of how the Services will be performed in the next Contract Year in order to deliver the Specification at Schedule 2Part 1 of this Agreement and achieve the Key

Performance Indicators at Schedule 2Part 2 of this Agreement, including identifying any proposed changes to the Specification or Key Performance Indicators;

12.1.3 any Changes that could be made to maximise the scope and standard of Services that could be delivered by the Charity in the next Contract Year;

12.1.4 any Changes necessary to reflect changes to the legal, financial or operational environment of the Services in the next Contract Year;

12.1.5 [the proposed fees and charges;] and

12.1.6 the ambitions and aims for the Charity's delivery of the Services for the following three Contract Years (where applicable).

12.2 The draft Annual Service Plan for the next Contract Year shall be submitted to the Council, no later than 1 December each Contract Year and shall be discussed by the Parties at the Annual Review Meeting.

12.3 [The Council's Agreement Manager shall be able to make suggestions to the Charity on the draft Annual Service Plan. The Council and the Charity shall together consider the impact of their respective financial plans, the Fee for the next Contract Year, the significant other institutional funding available to the Charity, the requirements of such institutional funders, and the Services being provided by the Charity, together with such other matters as may impact on the cost and funding of the Services in accordance with the Agreement, in order to ensure that the Charity can prepare a detailed budget for the next Contract Year (in the context of the agreed Fee for the relevant Fee Term).

12.4 The Parties shall work together in good faith to agree the draft Annual Service Plan, [the Specification and the Key Performance Indicators] for the next Contract Year following the Annual Review Meeting, which shall be no later than 20 December of the Contract Year preceding the Contract Year in which that Annual Service Plan shall be followed, or by such other date as may be agreed by the Parties in writing.

12.5 An Annual Service Plan shall only be effective once it has been approved by the relevant Council committee, subject to clause 12.7.3. The Council shall seek this approval prior to 28 February of the Contract Year in which that Annual Service Plan shall be followed. If the requisite approval is not obtained, the Parties shall use best endeavours to amend the draft Annual Service Plan and in the meantime the Annual Service Plan applicable to that Contract Year shall roll-over to the next Contract Year insofar as it is applicable. Following amendments to the draft Annual Service Plan the Council shall again seek the approval of the relevant committee and this process shall be repeated until the requisite approval is obtained (subject to clauses [25.4.2] (Major Defaults) and [26.4.1(a)(ix)] (Termination by Council).

12.6 To assist the Charity in preparing the Annual Service Plan the Council shall use its reasonable endeavours to meet regularly with the Charity to discuss the draft Annual Service Plan at such times as the Charity may propose.

12.7 Where the Annual Service Plan relates to the first year of a Fee Term:

12.7.1 it shall reflect the Indicative Fee provided to the Charity;

12.7.2 if the Indicative Fee is not sufficient to reflect any Additional NJC Terms & Conditions Costs the Parties must nevertheless work together in good faith to agree the Annual Service Plan but the Charity shall in its complete discretion finalise the Annual Service Plan subject to the following conditions:

(a) the Annual Service Plan must comply with the Specification (which shall for the avoidance of doubt include the requirement to keep the museums open as specified in the Specification);

(b) any reduction or alteration to the delivery of the Services shall be reasonable and, in the case of any reduction, shall be as minimal as is reasonably possible;

(c) the Charity shall seek alternative income sources insofar as is reasonably possible;

(d) the Charity shall provide written notice to the Council as soon as is reasonably possible that the Fee is insufficient to cover the Additional NJC Terms and Conditions Costs; and

(e) the Charity shall pay due regard to comments made by the relevant committee of the Council in relation to the Annual Service Plan and shall make any changes recommended by that committee where it is reasonable and practicable to do so; and

12.7.3 if the Fee for any Contract Year in the relevant Fee Term is, once confirmed following the annual budget meeting of full council, more than 1% lower than the relevant Indicative Fee, the Charity may make such amendments to the Annual Service Plan it considers reasonably necessary to reflect the reduced Fee provided they comply with the following principles:

(a) any reduction or alteration to the delivery of the Services shall be reasonable and, in the case of any reduction, shall be as minimal as is reasonably possible;

(b) the Charity shall seek alternative income sources insofar as is reasonably possible.]

12.8 In the event that any Material Change needs to be made to the Annual Service Plan throughout the year, the Change Procedure set out at clause 29 of this Agreement shall be used.

12.9 The Charity shall provide the Arts Council England with a business plan ("**ACE Business Plan**") in accordance with such timetable as may be provided to it by Arts Council England (if any) and shall prior to the submission of an ACE Business Plan to the Arts Council England obtain in good time the Council's approval to that ACE Business Plan (such approval not to be unreasonably withheld). In the absence of the Council's approval to that ACE Business Plan in good time before the Arts Council England submission deadline, the Charity shall be entitled to submit the ACE Business Plan to Arts Council England if the trustees of the Charity consider that failure to do so would endanger the Charity's Arts Council England Museum Accreditation, provided that in such scenario, the Charity shall enter discussions with the Council in good faith with a view to attaining the Council's approval to the ACE Business Plan.

13. **Complaints**

13.1 The Charity shall establish and maintain records of Service User feedback including any material positive feedback and material complaints (as defined in clause 13.5).

13.2 The Charity shall put in place a comprehensive complaints management procedure which shall be shared with and approved by the Council prior to the Commencement Date, and which shall be updated at any time if reasonably required by the Council.

13.3 Without prejudice to the above, the Charity shall proactively deal with any complaints received (whether orally or in writing and whether from Service Users or the general public and whether directly relating to the Services or otherwise) in a courteous and efficient manner and shall take all necessary steps to address complaints in relation to the Services.

13.4 The Charity shall monitor and record the actions to address and resolve material complaints and provide a report on such complaints if reasonably requested by the Council.

13.5 For the avoidance of doubt, a material complaint shall be any serious complaint or repeated complaints received by the Charity relating to the Services. Any complaint regarding safeguarding will constitute a material complaint.

13.6 The Charity shall notify the Council promptly of any and all incidents in which any Service Users are seriously harmed in the course of the Charity's provision of the Services and shall provide such details as the Council shall require regarding any such incidents, subject to compliance with the Data Protection Legislation.

13.7 The Charity shall fully cooperate with the Council in relation any investigations the Council wishes to undertake in respect of the Charity's management of any material complaints.

13.8 Where a complaint is subject to investigation by the Local Government Ombudsman the Charity shall fully cooperate with the Local Government Ombudsman and if necessary the Council in respect of any investigations relating to such complaints. The Charity shall comply with any decisions made by the Local Government Ombudsman insofar as they are relevant to the operation or delivery of the Services.

13.9 Where the Council receives any material positive feedback or complaints in relation to the Services (whether orally or in writing and whether from Service Users or the general public) it shall provide such feedback to the Charity's Agreement Manager as soon as reasonably practicable, and the Charity shall deal with any complaint in accordance with this clause 13.]

14. **Performance Management and Reporting**

14.1 Each Party shall nominate a named Agreement Manager specifying the information set out in 0, which may be changed from time to time and notified in writing to the other Party, to act as contact point for the management of this Agreement. Subject to clause 29 (Change Procedure), the Agreement Manager for each Party will have full authority to represent that Party in all matters pertaining to this Agreement.

14.2 The Charity and the Council shall closely monitor the delivery and success of the Services throughout the Contract Term in accordance with the Key Performance Indicators set out in Schedule 2Part 2 to ensure that this Agreement is being adhered to and that the Services are being successfully delivered.

14.3 The Agreement Managers shall meet throughout the Contract Term in order to monitor the delivery and success of the Services and such meetings shall take place quarterly (or otherwise at such more frequent intervals as the Council's Agreement Manager shall reasonably determine is necessary).

14.4 The Charity shall report to the Council as promptly as reasonably practicable, and in each case within 5 Business Days of the Charity becoming aware of the occurrence of, any of the following:

14.4.1 by reference to the Annual Service Plan any material:

(a) financial underperformance against forecast income or funding; or

(b) increase in expenditure;

in each case, where "material" shall be taken to mean a divergence of 10% or more by reference to the Charity's overall budgeted income, funding or expenditure (as the case may be);

14.4.2 any matter which is likely, in the opinion of the Charity (acting reasonably) have a material impact on the ability of the Charity to:

(a) deliver the Services;

(b) maintain its Arts Council England Museum Accreditation (or if relevant its equivalent accreditation from a successor accreditation scheme run by Arts Council England or its successor or replacement body);

(c) maintain the status of the Collection under the Arts Council England's Designation Scheme (if relevant such successor designation scheme run by Arts Council England or its successor or replacement body); or

(d) maintain its charitable status.

14.4.3 if the Charity is in Financial Distress; or

14.4.4 any event has occurred which has increased the likelihood that the Charity will be in Financial Distress.

14.5 The Agreement Managers shall meet no less than once in each Contract Year at an Annual Review Meeting to review the Charity's performance of the terms under this Agreement, discuss the draft Annual Service Plan for the next Contract Year to be provided by the Charity in accordance with clause 12.2, ensure the smooth running of the Agreement, and identify concerns in the provision of the Services early enough to prevent disputes arising. Either Party may also submit additional matters for discussion at the Annual Review Meeting.

14.6 The Annual Review Meeting shall take place no later than 20 December in each Contract Year, or by such other date as may be agreed by the Parties in writing, in order to allow the Parties time to agree the final Annual Service Plan, for the next Contract Year.

14.7 A written record of the Annual Review Meeting shall be agreed and circulated to the Agreement Managers of both Parties as soon as reasonably practicable following the Annual Review Meeting.

14.8 The Charity shall also provide additional written Progress Reports to the Council quarterly, or at such other frequency as may be set for the review meetings referred to in clause 12.3, in each case at least 5 Business Days prior to such review meetings. Progress Reports shall be prepared by the Charity in the format set out in Schedule 9 and shall be submitted to the Council's Agreement Manager.

14.9 The Council will assess each Progress Report against the Specification and Key Performance Indicators set out in Schedule 2 and the Annual Service Plan for that Contract Year.

14.10 When producing the Progress Reports, the Charity shall include any such additional information as the Council reasonably requests on reasonable notice of such requests, subject to compliance with the Data Protection Legislation.

14.11 The Charity shall take reasonable steps to manage risk in delivering the Services, (for example by means of a risk register) and these shall, on the Council's reasonable notice, be reported to the Council in a Progress Report.

14.12 During the Exit Period the Charity shall report more regularly to the Council in accordance with the Council's reasonable requests.

14.13 The Charity shall provide the Council with a final report upon the expiry of the Contract Term or earlier termination of this Agreement in accordance with clause 26, or on such other date agreed between the Parties in writing. This final report shall confirm whether the Services have been successfully and properly delivered.

15. **Accounts and Records**

15.1 The Charity shall comply with all applicable statutory requirements as regards accounts, audit or examination of accounts, annual reports, confirmation statements and annual returns.

15.2 The Charity shall provide the Council with a draft copy of its annual accounts within six months of the end of the relevant financial year in respect of each Contract Year, and with a copy of its audited accounts within 10 months and one week of the end of the relevant financial year in respect of each Contract Year. The Council may require that the Charity shall have its annual accounts audited, at the Council's cost. For the avoidance of doubt the Council shall not pay the costs of any audits not requested by it.

15.3 Where the Charity has obtained material funding from a third party for its delivery of part of the Services, the Charity shall include the amount of such funding in its annual report together with details of what that funding has been used for.

15.4 The Charity shall keep and retain appropriate financial records relating to the Services for at least [six (6) years], including a record of the admission charges collected by the Charity.

15.5 The Charity shall on request provide the Council with such further information, explanations and documents as the Council may reasonably require in order for it to ensure the Charity's

compliance this Agreement (provided that the Council acknowledges and agrees to treat such information, including any information held by the Charity in relation to admission charges collected by the Charity or otherwise held under clause 15.4, as commercially sensitive where relevant). The Council shall have the right to audit the Charity's compliance with this Agreement and the Charity shall permit any person authorised by the Council reasonable access to its employees, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating the Charity's fulfilment of the Terms and shall, if so required, provide appropriate oral or written explanations from them. Such access shall be arranged for a time mutually convenient to the Parties and any cost to the Charity of facilitating an audit in accordance with this clause shall be met by the Council.

16. **Cooperation and Disrepute**

16.1 The Council warrants that:

16.1.1 it shall, to the extent compatible with its statutory responsibilities, use reasonable endeavours to support and provide all necessary assistance, co-operation, and access to information and materials to the Charity throughout the Term of the Services Contract as are reasonably requested by the Charity to help to ensure the success of the Charity after the Transfer Date; and

16.1.2 it shall promptly forward any enquiries received by the Council about the Undertaking, save for such enquiries as relate to the Council's role as a party to the Services Contract, to the Charity.

16.2 Each Party warrants that it shall do nothing to, nor act in a manner that will, or is reasonably likely to, bring the other Party into disrepute.

17. **Acknowledgment and Publicity**

17.1 The Charity shall acknowledge the Fee in its annual report and accounts, which may include an acknowledgement of the Council as payer of the Fee.

17.2 Subject to clause 17.5, the Charity may acknowledge the support of the Council in any materials that refer to the Services and in any written or spoken public presentations about the Services. Such acknowledgements may include the Council Trade Marks, to be used in accordance with the licence at clause 18.3.

17.3 In using the Council Trade Marks, the Charity shall comply with all reasonable branding guidelines issued by the Council to the Charity from time to time.

17.4 The Parties shall avoid making any comments publically (whether in the press or on social media) which would cause significant embarrassment or harm to the reputation of the other Party.

17.5 Neither Party may publish press statements or significant public announcements referring to the Services or to the other Party without first requesting the written consent of the other Party's Agreement Manager or communications team (not to be unreasonably withheld or delayed). The reviewing Party's Agreement Manager or communications team shall respond to the publishing Party confirming whether such consent has been granted or refused, and where consent is refused detailing its reasons for such refusal, within 2 (two) Business Days of receiving a written request from the publishing Party for such consent or within such other

period as the Parties may agree in writing, failing which the publishing Party shall be entitled to assume that the reviewing Party has no objection to the proposed publication.

18. **Intellectual Property**

18.1 The Council and its licensors shall retain ownership of all Council Background IPR, the Council Service IPR and the Council Trade Marks. The Charity and its licensors shall retain ownership of all Charity Background IPR and the Charity Trade Marks and the Charity shall own all Foreground IPR.

18.2 The Council grants to the Charity, or shall procure the direct grant to the Charity of, a fully paid-up, worldwide, non-exclusive, royalty-free licence during the Contract Term to use, copy and modify the Council Background IPR and the Council Service IPR for the purpose of delivering the Services in accordance with the Terms and authorises the Charity to grant a non-exclusive sub-licence to use such Council Background IPR for the purpose of delivering the Services in accordance with the Terms.

18.3 The Council grants to the Charity a fully paid-up, worldwide, non-exclusive, royalty-free licence during the Contract Term to use the Council Trade Marks for the purposes of promoting the Services and the Council's funding of the Services. Except in accordance with clause [17.4] below, the Charity must not sub-license its right to use the Council Trade Marks without the Council's prior written consent.

18.4 The Charity may sub-license use of the Council Trade Marks to any Permitted Sub-Contractor, provided that:

18.4.1 any sub-licence must be on the same terms as the licence at clause 18.2 of this Agreement; and that:

18.4.2 at the expiry of the Contract Term or earlier termination of this Agreement in accordance with clause 26 (Termination) the sub-licence shall be novated to the Council;

18.4.3 or in the event of the earlier expiry or termination of the Charity's agreement with the Permitted Sub-Contractor for the provision of the Services, the sub-licence shall terminate on such expiry or termination of the sub-contract.

18.5 All goodwill generated by the Charity through the delivery of the Services during the Contract Term will accrue to the Charity and shall:

18.5.1 to the extent that such goodwill is distinct from the Services, remain the property of the Charity on the expiry of the Contract Term or earlier termination of this Agreement; and

18.5.2 to the extent that such goodwill relates directly to the Services, be transferred to the Council on the expiry of the Contract Term or earlier termination of this Agreement.

18.5.3 The Council warrants that it has used best endeavours to ensure that the Charity's use of the Council Background IPR does not infringe the rights, including any Intellectual Property Rights, of any third party.

18.6 The Council shall keep the Charity indemnified in full against all Direct Losses of the Charity as a result of or in connection with any claim brought against the Charity for actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in

connection with, its use of the Council Background IPR or its use of the Council Trade Marks to deliver or promote the Services.

18.7 The Charity shall keep the Council indemnified in full against all Direct Losses of the Council as a result of or in connection with breach by the Charity of the licences granted at paragraphs 18.2 or 18.3 and as a result of or in connection with any breach by any sub-licensee of any sub-licence granted by the Charity.

19. **Confidential Information**

19.1 Each Party shall during the Contract Term and thereafter keep secret and confidential all Confidential Information disclosed to it as a result of this Agreement and shall not disclose the same to any person save to the extent necessary to perform its obligations in accordance with the terms of this Agreement or save as expressly authorised in writing by the other Party.

19.2 Each Party may disclose the other Party's Confidential Information:

19.2.1 to its employees, officers, representatives or advisers who need to know such information for the purposes of exercising the Party's rights or carrying out its obligations under or in connection with this Agreement. Each Party shall ensure that its employees, officers, representatives or advisers to whom it discloses the other Party's Confidential Information comply with this clause 19;

19.2.2 as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority; or

19.2.3 in accordance with clause 21.4 of this Agreement (Freedom of Information).

19.3 Neither Party shall use the other Party's Confidential Information for any purpose other than to exercise its rights and perform its obligations under or in connection with this Agreement.

19.4 The obligation of confidentiality contained in this clause shall not apply or shall cease to apply to any Confidential Information which:

19.4.1 at the time of its disclosure by the disclosing Party is already in the public domain or which subsequently enters the public domain other than by breach of the terms of this Agreement by the receiving Party;

19.4.2 is already known to the receiving Party as evidenced by written records at the time of its disclosure by the disclosing Party and was not otherwise acquired by the receiving Party from the disclosing Party under any obligations of confidence; or

19.4.3 is at any time after the date of this Agreement acquired by the receiving Party from a third party having the right to disclose the same to the receiving Party without breach of the obligations owed by that Party to the disclosing Party.

20. **[Data Protection**

20.1 Both Parties will comply with all applicable requirements of the Data Protection Legislation, to the extent that they Process Personal Data in connection with this Agreement.

20.2 Neither Party will perform its obligations under this Agreement in such a way as to cause the other Party to breach any of its obligations under the Data Protection Legislation. The Parties agree to co-operate with each other to ensure that that each Party is able to perform its obligations under the Data Protection Legislation.

20.3 The Charity shall (and the Council acknowledges and understands that the Charity shall) use reasonable endeavours to ensure that all data relating to individuals (including in particular Service Users) which it provides to the Council in accordance with this Agreement (and in particular its reporting obligations in clauses 13 and 14) is appropriately anonymised so as not to constitute Personal Data (unless the Council specifically instructs that it not be anonymised). Should it come to the attention of either Party that any such data is not appropriately anonymised, that Party shall inform the other Party as soon as reasonably practicable and the Parties shall work together in good faith to mitigate any negative impact and ensure that future data sharing shall be appropriately anonymised.

20.4 The Parties acknowledge and agree that the relationship between them pursuant to this Agreement is not intended to constitute that between a controller and a processor (as those terms are defined in the Data Protection Legislation), and that each Party shall be an independent controller with respect to the Personal Data it Processes in connection with this Agreement.

20.5 The Parties further acknowledge and agree that, in the event that they enter into additional agreements the effect of which is that the relationship between them constitutes that between a controller and a processor (as those terms are defined in the Data Protection Legislation), that the Parties shall in good faith negotiate and enter into an agreement as required under the Data Protection Legislation to govern such relationship.]

21. **Freedom of Information**

21.1 The Charity shall assist and fully and promptly cooperate with the Council as required (including but not exclusively assistance in retrieving information held) to enable the Council to comply with its duties under the Freedom of Information Act 2000 ("**FoIA**").

21.2 The Council shall not be in breach of clause 19 (Confidential Information) of this Agreement if it makes disclosures of information in accordance with the requirements of FoIA.

21.3 If the Charity receives a request for information which relates to the Council or to this Agreement to which FoIA applies or might apply and it shall:

21.3.1 transfer to the Council the request for information as soon as practicable and in any event within 2 (two) Business Days of receiving it;

21.3.2 provide the Council with a copy of all information in its possession or power in the form that the Council requires within 5 (five) working days (or such other period as the Council may reasonably specify) at the Council's request; and

21.3.3 provide all necessary assistance as reasonably requested by the Council to enable the Council to respond to the request for information within the time for compliance set out in the FoIA.

21.4 The Charity shall not (under any circumstances) respond directly to a request for information unless expressly authorised to do so by the Council.

21.5 Notwithstanding any other provision of this Agreement, the Charity hereby gives consent for the Council to publish this Agreement in its entirety (subject to the redaction of any information which is exempt from disclosure in accordance with the provisions of FoIA), including from time to time any agreed changes to the Agreement, to the general public in compliance with its statutory duty under the Transparency Requirements provided that no information that is commercially sensitive to the Charity shall be published and that in publishing the information the Council shall comply with the Data Protection Legislation.

22. **Indemnities**

22.1 Subject to clause [1.8] of the Transfer Agreement, nothing in this Agreement shall pass or be deemed to pass to the Charity, or shall be construed as acceptance by the Charity of, any liability, debt or other obligation of the Council (whether accrued, absolute, contingent, known or unknown) for anything done or omitted to be done before close of business on the Commencement Date in the course of or in connection with the Services (or those activities similar to the Services performed by the Council prior to the Commencement Date) and the Council shall indemnify and hold the Charity harmless against any Direct Losses arising therefrom.

22.2 The Council shall indemnify and hold harmless the Charity in respect of:

22.2.1 all Direct Losses arising out of or in relation to any non-payment of the Fee by the Council on any due date; and

22.2.2 any other Direct Losses arising out of any material breach of the Council's obligations under this Agreement;

22.2.3 [any reasonably incurred costs of the Charity arising from the contributions payable by the Charity to the Fund to the extent these relate to employees of the Charity employed after the Commencement Date who are admitted to the Fund pursuant to an open Admission Agreement].

22.3 Subject to clause 22.4, the Charity shall indemnify and hold harmless the Council, in respect of any Direct Losses arising out of or in relation to any delivery of the Services by the Charity.

22.4 If the Charity's performance of the Terms is prevented or delayed by any act or omission of the Council, its agents, subcontractors, consultants or employees including in relation to the Council's performance of its obligations under the Back Office Services Agreement, the Charity shall not be liable for any costs, charges or losses sustained or incurred by the Council that arise directly or indirectly from such prevention or delay.

22.5 The Parties shall at all times take all reasonable steps to minimise and mitigate any loss for which the other Party is entitled to bring a claim against them pursuant to this Agreement including pursuant to the indemnities.

23. **Limitation of Liability**

23.1 Nothing in this Agreement shall limit or exclude either Party's liability for:

23.1.1 death or personal injury caused by its negligence, or the negligence of its personnel, agents, subcontractors or Permitted Sub-Contractors;

23.1.2 fraud or fraudulent misrepresentation; or

23.1.3 any other liability which cannot be limited or excluded by applicable law.

23.2 Subject to clause 23.1:

23.2.1 neither Party shall have any liability to the other Party, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any indirect or consequential loss arising under or in connection with this Agreement;

23.2.2 [save for any liabilities arising under the indemnity set out at clause 22.2.3], the liability of the Council under this Agreement shall be limited, in relation to liabilities arising in any given Contract Year, to the total of the Fee paid or due in that Contract Year (including any increase in the amount of the Fee agreed in accordance with clauses 4.1 and 4.5); and

23.2.3 the liability of the Charity under this Agreement shall be limited, in relation to liabilities arising in any given Contract Year, to the level of insurance taken out by the Charity in relation to the Services under clause 24 of this Agreement or the total of the Fee paid or due in that Contract Year (including any increase in the amount of the Fee agreed in accordance with clauses 4.1 and 4.5), whichever is lower.

24. **Insurance**

24.1 During the Contract Term the Charity shall maintain in force a full and comprehensive insurance policy of an appropriate level in respect of its activities in delivering the Services, but excluding the Council Insured Matters.

24.2 The Charity shall ensure that such an insurance policy is taken out with reputable insurers acceptable to the Council and that the level of cover and other terms of insurance are acceptable to and agreed by the Council.

24.3 The Charity shall (on request) supply to the Council a copy of such an insurance policy and evidence that the relevant premiums have been paid.

25. **Default Rectification Procedure**

25.1 Without prejudice to any other rights under the Agreement, if the Council finds, in its reasonable opinion, the Charity has:

25.1.1 failed to comply with any of the Terms;

25.1.2 failed to deliver all or any part of the Services in accordance with clause 7.2 of this Agreement;

25.1.3 failed to comply with its current Annual Service Plan;

25.1.4 failed to deliver its Key Performance Indicators by a margin of 10% or more; or

25.1.5 failed to comply with any reasonable instruction or notice issued by the Council;

the Council may take the steps set out below.

Service of Default Notice

25.2 The Council shall serve notice on the Agreement Manager for the Charity in the event of any default detailed above in accordance with this clause 25. The procedure set out in this clause shall be without prejudice to any other rights or remedies available to the Council.

25.3 Any notice may be given verbally where immediate action is required but shall be confirmed in writing by the Council within 72 hours. Failure to do so shall mean such notice has not been served for the purposes of this clause.

25.4 All notices served by the Council shall state:

25.4.1 the date of issue;

25.4.2 whether the notice is in respect of a Minor Default or a Major Default, as determined by the Council, acting reasonably and taking into account the circumstances of the default. For the avoidance of doubt, the Parties agree that each of the following shall amount to a Major Default unless otherwise indicated by the Council:

(a) the Charity fails to keep all of the museums open to the public during the Opening Hours except:

(i) with written consent from the Council; or

(ii) in the case of an unforeseen emergency provided that it is remedied as soon as is reasonably practicable;

(b) the Charity is in the reasonable view of the Council at a material risk of entering into a state of Financial Distress within the following six months;

(c) by three months into any given Contract Year, the Parties have been unable to secure the consent of the relevant Council committee to the draft Annual Service Plan and it appears to the Council that there is no prospect that such consent will be obtained;

25.4.3 the nature of the default;

25.4.4 the remedy required; and

25.4.5 any reasonable time limit imposed for:

(a) compliance by the Charity with the notice; or

(b) in respect of a Major Default, submission by the Charity of an Action Plan as set out in clause 25.9.

25.5 The Charity may notify the Council in writing within four Business Days of receipt of a Default Notice that the Default Notice is unjustified including grounds for its opinion. If the Council, acting reasonably, is satisfied the Charity's grounds are reasonable, it may cancel or amend the Default Notice. The Council shall inform the Charity's Agreement Manager of its decision as to whether the Default Notice is justified within four (4) Business Days of receipt of the Charity's notice. Where the Council considers the Default Notice is justified,

the time period for the Charity to remedy the default shall run from the date on which the Council notifies the Charity that it considers the Default Notice to be justified notwithstanding the Charity's representations.

25.6 In the event that there is a dispute as to the Council's decision under clause 25.5, such dispute shall be determined in accordance with the procedure in clause 33 (Dispute Resolution) below.

25.6.1 Where remedial action is required the Charity must return a copy of the Default Notice to the Council certifying that the default or breach has been remedied within any specified time period.

Major Default Notices

25.7 In addition to the Council's right to serve a Default Notice for a Major Default on the Charity, in the event the Charity commits a Major Default in relation to any of matters listed at clause 25.1 above, the Council may also decide to serve the Charity with a Default Notice for a Major Default in the event that:

25.7.1 the Charity has failed to comply with any Default Notice(s) for a Minor Default; and/or

25.7.2 the number of Default Notices for Minor Defaults served in any single Contract Year constitutes evidence of persistent breaches of the Agreement by the Charity, such that the Charity's continued failure to meet terms of this Agreement constitutes a Major Default .

25.8 The Charity will be required to remedy the default in accordance with the Council's instructions in the Default Notice at its own expense.

25.9 Where a Default Notice for a Major Default is served the Council may require the Charity to submit for the Council's approval an action plan detailing the steps to be taken by the Charity to ensure the Services will be delivered in accordance with clause 7.2 of this Agreement (an "**Action Plan**"), such Action Plan to be followed within 20 Business Days from agreement of the Action Plan or such other time period(s) as may be agreed with the Council in writing. The Council, acting reasonably and in consultation with the Charity, may require the Charity to make changes to the Action Plan if it is not satisfied that the plan will ensure that the Services are delivered in accordance with clause 7.2 above.

25.10 Where a Default Notice for a Major Default has been served and not remedied within the agreed timeframe, the Council:

25.10.1 shall not be required to pay for such part of the Services as are not provided in accordance with clause 7.2 of this Agreement by way of the relevant Major Default; and/or

25.10.2 may terminate the Agreement in accordance with clause 26.4.1(a)(xi).

25.11 The Council may appoint an Alternative Provider for all or part of the Services identified in a Default Notice for a Major Default ("**Alternative Provider**") until the breach has been rectified and the Charity shall provide all reasonable cooperation to the Council and to the Alternative Provider to enable the Services identified in the Default Notice for the Major Default to be successfully delivered by the Alternative Provider until the Charity's breach has been rectified.

25.12 The Charity may be liable for any other costs reasonably incurred by the Council as a result of the Charity's failure to deliver all or any part of the Services identified in a Default Notice for a Major Default, pursuant to clause 22.3 of this Agreement or subject to clauses 22 and 23 of this Agreement including for the avoidance of doubt the reasonably incurred costs of the Council in appointing an Alternative Provider (provided that the Council shall seek to minimise these costs to those reasonably necessary to provide such part of the Services identified in the relevant Default Notice for the Major Default).

25.12.1 Where any amount due under this clause exceeds any sum due to the Charity the difference shall be payable by Charity within 30 days of the Council giving notice in writing of the amount due.

26. **Termination**

26.1 This Agreement shall terminate automatically at the end of the Contract Term unless it is terminated earlier in accordance with the provisions of this clause 26.

26.2 **Termination without Breach by Either Party**

26.2.1 Without limiting its other rights or remedies, either Party may terminate the Agreement with effect from the tenth (10^{th}) or twentieth (20^{th}) anniversary of the Commencement Date by giving no less than one (1) year's written notice to the other Party.

26.3 **Termination for Breach by Either Party**

26.3.1 Without limiting its other rights or remedies, either Party may terminate the Agreement with immediate effect by giving written notice to the other Party if:

(a) the other Party suspends or ceases to operate all, or a substantial part, of its business;

(b) the other Party makes an assignment of this Agreement in breach of clause 30 (Assignment and Sub-contracting);

(c) the right for either Party to terminate this Agreement as a result of a Force Majeure Event arises pursuant to clause 28 (Force Majeure) of this Agreement; and/or

(d) any of the Leases are terminated.

26.4 **Termination by Council**

26.4.1 In addition to the grounds for termination by either Party set out at clause 26.2 above, the Council may terminate this Agreement:

(a) with immediate effect by giving written notice to the Charity if:

(i) the Charity becomes insolvent, or it is declared bankrupt, or it is placed into receivership, administration or liquidation, or a petition has been presented for its winding up, or it enters into any arrangement or composition for the benefit of its creditors, or it is unable to pay its debts as they fall due and any required repayment of funds would be in accordance with and pursuant to any dissolution or liquidation proceeding;

(ii) the Charity is in Financial Distress, provided that, in the event that the Council was or should reasonably have been aware of there having been a material risk of the Charity entering Financial Distress, the Council has first followed the process set out in clause 25 (Default Rectification Procedure) pursuant to clause 25.4.2(b);

(iii) the Charity deliberately provides the Council with any materially misleading or inaccurate information;

(iv) the Charity makes any Material Changes to the Services without the prior approval of the Council;

(v) the Charity acts illegally or negligently;

(vi) the Charity loses its Arts Council England Museum Accreditation or equivalent accreditation from a successor accreditation scheme run by Arts Council England or its successor or replacement body);

(vii) the Collection is, in the opinion of the Council (acting reasonably), at material risk, due to the actions or inactions of the Charity, of losing their status under the Arts Council England's Designation Scheme (or such successor designation scheme run by Arts Council England or its successor or replacement body);

(viii) the Charity loses its charitable status;

(ix) the Charity commits a material breach of clause 8 of this Agreement (Compliance with Laws and Policies);

(x) by 9 months into the relevant Contract Year the Parties have been unable to secure the consent of the relevant Council committee to the draft Annual Service Plan on at least two occasions and it appears to the Council that there is no prospect that such consent will be obtained; and/ or

(xi) the Charity fails to remedy a Major Default following the application of the Default Notice procedure as set out in clause 25.7 (Default Rectification Procedure).

26.5 **Termination by Charity**

26.5.1 In addition to the grounds for termination by either Party set out at clause 26.2 above, the Charity may terminate this Agreement:

(a) with immediate effect by giving written notice to the Council if:

(i) the Council fails to pay any sums due to the Charity in accordance with clause 4 of this Agreement and by the due dates set out in the Payment Schedule; or

(ii) the Council imposes, under any provision of this Agreement or any other legally enforceable agreement between the Parties, a political or editorial stance or position on the Charity which the Charity's trustees, acting

reasonably and in good faith, consider they are unable to comply with (with a view to charity law and regulation); or

(iii) the Council issues a s114 notice or equivalent; or

(iv) with effect from the end of the final Contract Year in any given Fee Term if, [on receipt of the Council's indication of the Indicative Fee for the following Fee Term, the Charity's trustees, acting reasonably and in good faith, consider that] the Indicative Fee for the following Fee Term does not represent a viable financial settlement for the Charity, including without limitation if the Indicative Fee would place the Charity in Financial Distress;

(b) with effect from the end of the initial Contract Year in any given Fee Term if, on receipt of the Council's confirmation of the Fee for the following Fee Term following the annual budget meeting of full council, the Fee is lower than the Indicative Fee and as a result of the difference between the Fee and the Indicative Fee[, the Charity's trustees, acting reasonably and in good faith,] consider that the Fee for the following Fee Term does not represent a viable financial settlement for the Charity, including without limitation if the Feewould place the Charity in Financial Distress.

27. **Consequences of Expiry or Termination**

27.1 Prior to the expiry of the Contract Term, the Parties shall give consideration to the future delivery of the Services and to the suitability of the Exit Plan at Schedule 5 (Exit Plan). The Council shall, with the support of the Charity, consider the options for the future delivery of the Services (including but not limited to transfer of the Services back to the Council or to a Future Provider upon the expiry of the Contract Term, or the agreement by the Council and Charity for the Charity to continue to provide the Services on terms to be agreed). In deciding how the Services should be delivered beyond the expiry of the Contract Term, the Council shall consider which Party or third party will be best placed to deliver the Services successfully and in the best interests of the Service Users, and shall inform the Charity of the outcome of such consideration (in accordance with either clause 27.2, clause 27.3, or otherwise) as soon as is reasonably practicable and no later than twelve months in advance of the expiry of the Contract Term.

27.2 If, after following the process described at clause 27.1, the Council determines that the Services shall continue to be delivered by the Charity following the expiry of the Contract Term (subject to compliance with procurement law and regulation), then, provided the Charity agrees to continue to deliver the Services, the provisions in clause 27.3 and Schedule 5 (Exit Plan) shall not apply and the Parties shall negotiate in good faith to put in place appropriate arrangements to govern the delivery of the Services following the expiry of the Contract Term.

27.3 If, after following the process described at clause 27.1, the Council determines that the Services shall be delivered by the Council or a Future Provider following the expiry of the Contract Term or the Agreement is terminated pursuant to clause 26, then, at the end of the Contract Term or upon the earlier termination of this Agreement:

27.3.1 the Charity shall cease to deliver the Services;

27.3.2 the provisions of the Exit Plan shall come into effect and the provisions of Schedule 6 shall apply and the Parties shall co-operate fully to ensure an orderly transfer of the Services to the Council or to any Future Provider;

27.3.3 the licences relating to Intellectual Property Rights at clause 15 of this Agreement shall terminate and those set out in Schedule 5 (Exit Plan) shall be granted (unless otherwise agreed in writing between the Parties);

27.3.4 either Party may elect to serve notice on the other Party to terminate any Lease granted from the Council to the Charity in respect of the Premises, subject to the provisions of such Lease;

27.3.5 subject to the requirements of clause 27.3.6, the Council shall be under no obligation to make any further payment of the Fee to the Charity; and

27.3.6 the Parties shall apportion the Fee payable from the Council to the Charity for the current Contract Year up to and including the date of termination ("the **Apportioned Fee**") and:

(a) where the actual sum that has been paid to the Charity by the Council at the date of termination is less than the Apportioned Fee owed to the Charity, the Council shall pay any outstanding portion of the Fee to the Charity; or

(b) where the actual sum that has been paid to the Charity by the Council at the date of termination exceeds the Apportioned Fee owed to the Charity, the Charity shall repay any overpayment of the Fee to the Council; and

any payments required by this clause shall be made within thirty (30) Business Days of the date that this Agreement is terminated, or within any other period agreed by the Parties in writing, provided that the Council may withhold any payment due under clause 27.3.6(a) until such time as the Charity has, in the opinion of the Council (acting reasonably), co-operated fully to ensure an orderly transfer of the Services to the Council or to any Future Provider.

27.4 The provisions of clause 1 (Definitions), clause 10 (Staffing and Pensions), clause 15 (Accounts and Records), clause 15 (Intellectual Property), clause 19 (Confidential Information), clause 20 (Data Protection) clause 22 (Indemnities), clause 23 (Limitation of Liability), clause 26 (Consequences of Termination), clause 39 (Governing Law) and Schedule 5 (Exit Plan) shall survive expiry or earlier termination of the Agreement.

28. **Force Majeure**

28.1 Neither Party (provided that it has complied with this clause 28) shall be deemed to be in breach of this Agreement, or otherwise liable to the other by reason of any delay in performance or non-performance of any of its obligations hereunder to the extent that such delay or non-performance is due to a Force Majeure Event ("**the Affected Party**").

28.2 The Affected Party shall:

28.2.1 as soon as reasonably practicable after the start of the Force Majeure Event but no later than 5 Business Days from its start, notify the other Party in writing of the Force Majeure Event, the date on which it started, its likely or potential duration, and the effect of the Force Majeure Event on its ability to perform any of its obligations under this Agreement; and

28.2.2 use all reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations.

28.3 The obligations of both Parties under this Agreement shall be suspended for the duration of the Force Majeure Event.

28.4 If the Force Majeure Event prevents, hinders or delays the Parties' performance of their obligations for a continuous period of more than 5 days, then either Party may terminate this Agreement immediately by giving written notice to the Affected Party.

29. **Change Procedure**

Any Change (including any amendments to the Services) shall be agreed in accordance with the Change Procedure set out in Schedule 4 (Change Procedure).

30. **Assignment and Sub-Contracting**

30.1 Subject to clause **Error! Reference source not found.** and 30.2, neither Party may assign, or otherwise deal in any manner with its obligations under this Agreement, or transfer or pay to any other person any part of the Fee, without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed.

30.2 The Charity may not, without the prior written consent of the Council, sub-contract to any third party the delivery of the Services (such consent not to be unreasonably withheld or delayed), unless:

30.2.1 the sub-contractor is a trading subsidiary of the Charity and the sub-contracting reflect best practice in accordance with relevant charity law and guidance;

30.2.2 the part of the Services that are to be sub-contracted requires expertise which the Charity does not hold in-house (including for example delivery of capital projects or other discrete projects); or

30.2.3 the value of part of the Services that are to be sub-contracted equate to no more than fifteen (15) percent of the value of the Charity's turnover in the relevant Contract Year.

30.3 In the event that the Charity undergoes a Change of Control it shall be entitled to assign the benefit and/or the burden of this Agreement to the body to which Control of the Charity is transferred with the prior written consent of the Council, not to be unreasonably withheld or delayed. For the avoidance of doubt, a Change of Control of the Charity during the Contract Term shall not give rise to termination by either Party in accordance with clause 26 of this Agreement.

31. **Waiver**

No failure or delay by either Party to exercise any right or remedy under this Agreement shall be construed as a waiver of any other right or remedy.

32. **Notices**

32.1 A notice given under this Agreement will be sent for the attention of the person, and to the address given in this clause (or such other address as the relevant Party may have notified to the other Party in accordance with this clause) and will be:

32.1.1 delivered personally; or

32.1.2 delivered by commercial courier; or

32.1.3 sent by pre-paid first-class post, registered post or recorded delivery; or

32.1.4 by email.

32.2 The addresses for service of notice are:

32.2.1 **Council**

Address: [*Insert address*]

Email address: [*Insert email address*]

For the attention of: *[Insert name and/or position*]

32.2.2 **Charity**

Address: [I*nsert address*]

Email address: [*Insert email address*]

For the attention of: [*Insert name and/or position*]

32.3 A notice is deemed to have been received:

32.3.1 if delivered personally, at the time of delivery; or

32.3.2 if delivered by commercial courier, at the time of signature of the courier's receipt; or

32.3.3 if sent by pre-paid first class post, recorded delivery or registered post, 48 hours from the date of posting; or

32.3.4 if sent by email, at the time of transmission;

32.3.5 if deemed receipt under the previous paragraphs of this clause is not within business hours (meaning any time other than 9.00 am to 5.30 pm Monday to Friday on a Business Day), when business next starts in the place of receipt.

32.4 It is sufficient, to prove service by post, that the envelope containing the notice was properly addressed and posted.

32.5 A notice under this Agreement will not be valid if sent by e-mail.

33. **Dispute Resolution**

33.1 In the event of any complaint or dispute (which does not relate to the Council's right to withhold funds or terminate) arising between the Parties in relation to this Agreement the matter should first be referred for resolution to the Council's Agreement Manager or any other individual nominated by the Council from time to time.

33.2 Should the complaint or dispute remain unresolved within fourteen (14) days of the matter first being referred to the Agreement Managers for the Parties or other nominated individual, as the case may be, either Party may refer the matter to the Chief Executive of the Council and the Chief Executive of the Charity with an instruction to attempt to resolve the dispute by agreement within twenty eight (28) days, or such other period as may be mutually agreed by the Council and the Charity.

33.3 In the absence of agreement under clause 33.2, the Parties shall seek to resolve the matter through mediation under the CEDR Model Mediation Procedure (or such other appropriate dispute resolution model as is agreed by both Parties). Unless otherwise agreed the Parties shall bear the costs and expenses of the mediation equally, excluding the cost and expenses of their respective legal and professional advice.

34. **Entire Agreement**

This Agreement constitutes the entire agreement between the Parties in relation to the delivery of the Services, as described in this Agreement.

35. **Severance**

35.1 If any provision of this Agreement (or part of a provision) is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions will remain in force.

35.2 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision will apply with whatever modification is necessary to give effect to the commercial intention of the Parties where this is possible.

35.3 Without prejudice to clause 32.1, if, in the reasonable opinion of either of the Parties, the effect of such a deletion is to undermine the purpose of this Agreement or materially prejudice the position of either Party, the Parties shall negotiate in good faith in order to agree suitable alternative provisions to replace the deleted provisions or a suitable amendment to this Agreement.

36. **No Partnership or Agency**

This Agreement shall not create any partnership or joint venture between the Council and the Charity, nor any relationship of principal and agent, nor authorise any Party to make or enter into any commitments for or on behalf of the other Party.

37. **Counterparts**

This Agreement may be executed in any number of counterparts, each of which is an original and which together have the same effect as if each Party had signed the same document.

38. **Contracts (Rights of Third Parties) Act 1999**

This Agreement does not and is not intended to confer any contractual benefit on any person pursuant to the terms of the Contracts (Rights of Third Parties) Act 1999.

39. **Governing Law**

This Agreement shall be governed by and construed in accordance with the law of England and Wales and the Parties irrevocably submit to the exclusive jurisdiction of the English courts.

Signed by [*insert name in bold and upper case*])
)
for and on behalf of the Council:)

Signed by [*insert name in bold and upper case*])
)
for and on behalf of [the Charity]:)

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Schedule 1 – Definitions and Interpretation

1. In this Agreement, save where the context requires otherwise, the following words, terms and expressions shall have the meanings given to them below:

"2019 NJC Terms and Conditions"	means the national agreement on pay and conditions of service for local government services as of 13 March 2019;
"ACE Business Plan"	has the meaning given in clause 12.9;
"Admission Agreement"	have the meaning given to it in the Transfer Agreement;
["Additional NJC Terms and Conditions Costs"]	[any reasonable costs of the Charity arising from employment by the Charity of employees who are engaged to deliver the Services on the terms set out in the NJC Terms and Conditions (where applicable) pursuant to clause 10.2, to the extent that such costs are in excess of those which would arise from the employment by the Charity of employees who are engaged to deliver the Services on those on those NJC Terms and Conditions which applied or would have applied at the commencement of the Fee Term preceding the Fee Term for which the Fee is to be determined;]
"Agreement"	means this agreement including its Schedules;
"Agreement Manager"	means the named individuals for each Party appointed in accordance with clause 14.1 or such other person as is notified to the other in writing;
"Alternative Provider"	means an alternative provider appointed by the Council in accordance with clause 25 (Default Rectification Procedure);
"Annual Review Meeting"	means the annual meeting between the Parties to assess the Charity's delivery of the Services in accordance with this Agreement, and to agree the Annual Service Plan for the following Contract Year, in accordance with clause 14;
"Annual Service Plan"	means the Charity's business plan, as agreed in accordance with clause 12, setting out the plan for delivery of the Services for the next Contract Year in return for the Fee, as amended during the Contract Year in accordance with the Change

	Procedure in Schedule 4;
"Assets"	has the meaning given to it in the Transfer Agreement;
"Back Office Services Agreement"	has the meaning given to it in the Transfer Agreement;
"Business Day"	means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;
"Change" or "Changes"	means any change or changes to the Agreement which is/are either a Material Change/Material Changes or an Operational Change/Operational Changes;
"Change Procedure"	means the procedure for dealing with any Change as set out in clause 29;
"Change Request"	means a request for a Material Change made in accordance with Part 2 of Schedule 4 (Change Procedure);
"Change Request Impact Assessment"	means the assessment made in accordance with the procedure at with Part 2 of Schedule 4 (Change Procedure);
"Charity Background IPR"	means all Intellectual Property Rights that are owned by or licensed to the Charity and which are or have been developed independently of this Agreement that are necessary to deliver the Services excluding, for the avoidance of doubt, these rights associated with the Charity Trade Marks;
"Charity Trade Marks"	means all names and any logos of the Charity, including any names and logos owned by the Charity prior to the Commencement Date or developed during the Contract Term, whether or not these have been developed in connection with its delivery of the Services;
"Collection"	means the collection subject to the Collection Loan Schedule;
"Collection Loan Schedule"	means the collection loan schedule between the Council and the Charity set out in Schedule 10, which shall for the avoidance of doubt form part of

this Agreement;

"Commencement Date"	[1 April 2020];
"Confidential Information"	means any information which ought reasonably to be considered confidential however conveyed or presented: - that relates to the Fee or to the business, affairs, operations, customers, beneficiaries, processes, budgets, pricing, policies, product information, strategies, developments, trade secrets, Know-How, personnel and suppliers of the disclosing Party, including the disclosing Party's Intellectual Property Rights; and - all information derived by the receiving Party from any such information, and any other information clearly designated by the providing Party as being confidential to it (whether or not it is marked "confidential");
"Contract Term"	means the Initial Contract Term, plus any Extended Contract Term under clause 2.2, in each case unless and until such time as the Agreement is terminated in accordance with clause 26 (Termination);
"Contract Year"	means (each period of twelve months starting with [1 April 2020] or any anniversary of [1 April 2020] during the Contract Term;
"Control"	has the meaning given in section 1124 of the Corporation Tax Act 2010, and the expression "**Change of Control**" shall be construed accordingly;
"Council Background IPR"	means all Intellectual Property Rights supplied by the Council to the Charity for the purposes of this Agreement excluding, for the avoidance of doubt, the Pre-existing Collection IPR and those rights associated with the Council Trade Marks, the Council Service IPR or such Intellectual Property Rights owned by the Charity or that the Charity has the benefit of separately from this Agreement;
"Council Insured Matters"	means such elements of the Services which are insured by the Council pursuant to its obligations under the Collection Loan Schedule and the

	Leases;
"Council Trade Marks"	means the name and logo of the Council and including any name or names and logo or logos used for the Services (excluding those already owned by the Charity or licensed to the Charity separately from this Agreement);
"Council Service IPR"	all proprietary rights and Intellectual Property Rights including copyright, database rights, design rights, working names and domain names owned by the Council and used exclusively by the Undertaking and in each case whether registered or unregistered and including all applications and rights to apply for and be granted, excluding the Council Background IPR, the Council Trade Marks and the Collection IPR including as set out in Schedule 1717930090;
"Current NJC Terms and Conditions"	means the national agreement on pay and conditions of service for local government services as of the date on which any Indicative Fee is set by the Council for any given Fee Term;
["Data Protection Legislation"]	[means, as applicable, (a) the General Data Protection Regulation (EU) 2016/679v; (b) the Data Protection Act 2018; (c) the Privacy and Electronic Communications (EC Directive) Regulations 2003; and (d) all other applicable laws and regulations relating to the processing of Personal Data and privacy, including statutory instruments (and in each case any re-enactment or amendment);]
"Default Notice"	means any notice served on the Charity by the Council notifying the Charity of either a Minor Default or Major Default, in accordance with clause 22 of this Agreement;
"Direct Losses"	means all losses, liabilities, claims, demands, actions, costs, expenses and damages, proceedings, demands and charges whether arising under statute, contracts or at common law;
"Eligible Employees"	as defined in the Transfer Agreement;
"Employees"	as defined in the Transfer Agreement;

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"Exit Group"	means the group established in accordance with paragraph 1 of Schedule 6Part 1 (Staffing and Pensions);
"Exit Period"	means any period of notice to terminate this Agreement which has been given under clause 26 or , where such notice has not been given before twelve (12) months prior to the expiry of the Contract Term (or, if applicable, the Extended Contract Term), the twelve (12) month period prior to the expiry of the Contract Term or Extended Contract Term (as applicable);
"Exit Plan"	means the plan to be prepared for the purposes of clause 27 and a template of which is set out in Schedule 5 (Exit Plan);
"Extended Contract Term"	has the meaning given to it in clause 2.2;
"Fee"	means the sum for the Services to be paid by the Council to the Charity in accordance with this Agreement as detailed in Schedule 3 of this Agreement (subject to the Terms of this Agreement), which is exclusive of any applicable VAT payable;
"Financial Distress"	means that: a) the state of the Charity's finances will have a material and adverse effect on the Charity's ability to deliver the Charity's current Annual Service Plan; b) the Charity has overspent by more than [25]% compared to the Charity's projected expenditure at that point in the financial year without the written agreement of the Council; and/ or c) the Charity's unrestricted funds are less than [10]% of the Charity's projected annual expenditure without the written agreement of the Council.

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"Force Majeure Event"	means and includes war, natural flood, exceptionally adverse weather, strike or lockout (other than strike or lockout which is limited to the Charity's staff or any staff of any Permitted Sub-contractor), civil disorder, act of God, power cuts or delays or other event or occurrence which is outside the reasonable control of the Party concerned (and which is not attributable to any act or omission by the Party concerned including failure to take preventative action). For the Charity only, any failure of the Council to perform its obligations under the Back Office Services Agreement will also be a Force Majeure Event where such failure prevents the Charity from performing its obligations under this Agreement;
"Foreground IPR"	means all Intellectual Property Rights created by the Charity in its delivery of the Services, or otherwise in its performance of this Agreement, including any Charity Trade Marks developed by the Charity exclusively in the performance of the Services but excluding all other Charity Trade Marks and the Charity Background IPR and any goodwill developed by the Charity in its delivery of the Services which is distinct from the Services;
"Fund"	have the meaning given to it in the Transfer Agreement;
"Future Provider"	means any future provider appointed by the Council to deliver the Services or any part of them following the expiry of the Contract Term or the earlier termination of this Agreement in accordance with clause 26;
"Good Industry Practice"	means using standards, practices, methods and procedures conforming to the law and exercising that degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from the Charity with its level of experience in the Services;
"Initial Contract Term"	has the meaning given to it in clause 2.1;

"Intellectual Property Rights"	means all patents, copyrights and design rights (whether registered or not) and all applications for any of the foregoing and all rights of confidence and Know-How however arising for their full term and any renewals and extensions;
"Key Performance Indicators"	means the key indicators and outcomes set out in Schedule 2Part 2 to this Agreement;
"Know-How"	means information, data, know-how or experience whether patentable or not and including but not limited to any technical and commercial information relating to research, design, development, manufacture, use or sale;
"Lease" and **"Leases"**	have the meaning given to it in the Transfer Agreement;
"Major Default"	means a failure by the Charity in accordance with clause 25 that is of a serious nature and which has, or is likely to have a significant impact on the delivery of the Services to the Service Users;
"Material Change"	means a change to the Agreement which may result in variation to the amount of the Fee equal to or greater than the threshold amount at Schedule 3Part 4 and is therefore subject to the Change Procedure set out in Schedule 4 (Change Procedure);
"Minor Default"	means a failure by the Charity in accordance with clause 25 that is of a relatively minor nature with minimum disruption in the delivery of the Services to the Service Users and/ or a breach of the Charity's obligation in clause 10;
"NJC Terms and Conditions"	means the national agreement on pay and conditions of service for local government services or any replacement scheme) operable at the relevant date;
"Opening Hours"	means the opening hours agreed in the Annual Service Plan each year;

"Operational Change"	means a minor change to the Agreement relating to the manner in which the Services are delivered and which is below any threshold agreed pursuant to Schedule 4 and is therefore not subject to the Change Procedure;
"Payment Schedule"	means, for the Initial Fee Term, the schedule for payment of the Fee at Schedule 3Part 2 Schedule 3 and, for each subsequent Fee Term, the schedule for payment of the Fee as is agreed by the Parties in writing in accordance with Schedule 3Part 3;
"Permitted Sub-Contractor"	means a sub-contractor that the Charity is permitted to sub-contract delivery of any part of the Services to, in accordance with clause **Error! Reference source not found.** (which shall include any sub-contractor that the Council has consented to in writing);
"Personal Data"	shall have the meaning given to it in the relevant Data Protection Legislation;
"Potential Returning Employees"	means the employees engaged by the Charity as detailed at paragraph 3 of Schedule 6Part 1 (Staffing and Pensions);
"Premises"	means any premises to which any lease, license or other right to occupy is to be granted by the Council to the Charity, as set out in the Transfer Agreement;
"Process/Processing"	has the meaning given to it in the relevant Data Protection Legislation;
"Progress Reports"	means such additional reports as are provided by the Charity to the Council during the Contract Term regarding the delivery of the Services at the Council's request in accordance with clause 14.8;
"Regulations"	means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended or re-enacted from time to time);

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"Returning Employees"	means those employees wholly or mainly engaged in the provision of the Services (or the relevant part of the Services) as the case may be immediately before the end of the Contract Term or any earlier date on which this Agreement is terminated who are to transfer back to the Council or to a Future Provider, as detailed in Schedule 6 (Staffing and Pensions);
"Service User"	means any person to whom any of the Services are provided under this Agreement;
"Services"	means the activities described in Schedule 2;
"Specification"	means the Specification set out in Schedule 2Part 1 to this Agreement as amended during the Contract Term in accordance with the Change Procedure in Schedule 4;
"Terms"	means the terms and conditions of this Agreement;
"Transfer Agreement"	means the transfer agreement entered into by the Parties on or before the date of this Agreement to transfer the Undertaking from the Council to the Charity;
"Transparency Requirements"	means the Local Government (Transparency Requirements) (England) Regulation 2015 as detailed in section 2 of The Local Government Transparency Code 2015, as amended from time to time;
"Undertaking"	means the business activities transferring/transferred to the Charity from the Council under the Transfer Agreement.

2. In this Agreement, all references to any statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made thereunder and any Terms attaching thereto.

3. In this Agreement, words importing any particular gender include all other genders, and the term "person" includes any individual, partnership, firm, body corporate, government, governmental body, agency, unincorporated body of persons or association and a reference to a person includes a reference to that person's successors and permitted assigns.

4. In this Agreement, words importing the singular only shall include the plural and vice versa.

5. In this Agreement, and word importing a particular gender shall be interpreted to include a reference to all genders.

6. Except where an express provision of this Agreement states the contrary, each and every obligation of a Party under this Agreement is to be performed at that Party's cost.

7. The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.

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Schedule 2 – The Services

Part 1 Specification

The Charity will manage and operate the Royal Pavilion and Royal Pavilion Gardens, Brighton Museum & Art Gallery, Preston Manor, Hove Museum, and Booth Museum (the "**Royal Pavilion and Museums")** in accordance with the Charity's purposes and with a view to using the unique Collection, buildings and knowledge of the Royal Pavilion and Museums to connect people to the past and help them understand the present in order to positively influence their future, in accordance with the terms of this Agreement, the Collection Loan Schedule and the Leases. In particular the Charity shall:

a) perform the Services substantially in accordance with the terms of this Agreement and as more particularly described in the Annual Service Plan as in place from time to time;

b) deliver such strategic aims and objectives for the Royal Pavilion and Museums as may be agreed from time to time;

c) develop the range of Services with a view to encouraging all sections of the community to participate and engage in arts and cultural activities;

d) keep all of the museums open to the public and display the Collection in accordance with the Opening Hours unless there is an emergency which requires closure or the Council has consented to the closure in writing;

e) develop marketing strategies to promote the Royal Pavilion and Museums and encourage the maximum participation in the Royal Pavilion and Museums and its associated events and programmes and online services;

f) continually develop the programming at the Royal Pavilion and Museums to retain existing visitors and to encourage new visitors; and

g) develop activities and programmes accessible to all sections of the local community underpinned by an objective approach to equality and diversity.

For the avoidance of doubt, the Council acknowledges and agrees that the Trustees of the Charity, in their absolute discretion, may elect that the Charity's may via a wholly owned subsidiary undertake non-charitable, non-primary purpose and/or high risk activities in the course of or ancillary to the Services provided that these activities do not jeopardise the delivery of the Services in accordance with the Terms.

Part 2 Key Performance Indicators

1. **Key Performance Indicators**

	Key Performance Indicator	Target Key Performance Indicator
No	Visitors to the Royal Pavilion and Museums	468,000
%	Satisfaction levels of visitors to	86

	Royal Pavilion and Museums	
No	Children & Young People participating in formal learning activity on site	23,416
No	Website sessions for the Royal Pavilion and Museums	680,000
£	Earned income	5.109 m (to be increased annually in accordance with the Retail Prices Index)]
No	Residents visiting Royal Pavilion and Museums	65,000

The Key Performance Indicator Earned income shall increase in accordance with the retail prices index and the updated figure shall be included in the Annual Service Plan.

2. **Key Performance Indicators reporting**

2.1 The Charity will be expected to report on the Key Performance Indicators set out above on a quarterly basis and have regular review meetings (also quarterly) to monitor performance and maximise outcomes for the Council.

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Schedule 3 - The Fee

Part 1 - Fee Structure

1. The Council shall make payments of the Fee annually in advance, as set out in this [Schedule 3].

2. The Council shall make commitments as to the amount of the Fee in terms of five Contract Years (each a "**Fee Term**").

3. All Fee payments shall be paid in quarterly instalments as set out in paragraph 4 of this Part 1 into the following bank account of the Charity, unless the Charity provides alternative bank details in accordance with clause 4.6 of this Agreement:

Account name:	
Account number:	
Sort code:	
Bank name and address:	
Reference for payment:	

4. The quarterly instalments referred to in paragraph 3 of this Part 1 shall be paid in accordance with the following (unless agreed otherwise in writing):

Date in current year	Quarterly Instalment (expressed as a percentage of the Fee for that Contract Year)
1st April	[XX]%
1st July	[XX]%
1st October	[XX]%
1st January	[XX]%

Part 2 - Initial Fee Term

1. The Fee for the Fee Term commencing on the Commencement Date (the "**Initial Fee Term**") shall be as set out in, and shall be paid by the Council to the Charity in accordance with, the following Payment Schedule:

Contract Year	Date of Payment	Amount of Fee Due
1	[_____]	[_____]
2	[_____]	[_____]
3	[_____]	[_____]
4	[_____]	[_____]
5	[_____]	[_____]

2. The Fee amounts at paragraph 1 above shall be increased by the amount of any additional funding agreed in accordance with the Change Procedure, including the payment of any expenses of the Charity payable by the Council in accordance with clause 4.5, and where necessary the Payment Schedule above will be varied as set out in Part 4 to this Schedule 3. The Council agrees that it shall not otherwise review or reduce the Fee for the Initial Fee Term.

Part 3 - Subsequent Fee Terms

1. In the fourth Contract Year of teach Fee Term:

1.1 The Council shall by 1 October of that Contract Year, provide the Charity with an indication of the Fee which it expects to be payable for the each Contract Year in the subsequent Fee Term (the "**Indicative Fee**"), taking into account in its complete discretion:

1.1.1 The cost of any Changes to the Specification of the Services as a result of the Annual Review Meeting as set out in clause 14 (Performance Management and Reporting) of the Agreement;

1.1.2 Any other additional cost or reduction in cost agreed between the Parties to reflect the funding requirements of the Charity to provide the Services;

1.1.3 The Charity's funding requirements including without limitation the costs of membership of the Local Government Pension Scheme pursuant to an open admission agreement [and any Additional NJC Terms and Conditions Costs]; and

1.1.4 the resources available to the Council to meet those funding requirements.

1.2 If there is any dispute in relation to the Indicative Fee which the Parties are unable to resolve, the Parties shall promptly apply the provisions of clause 33 (Dispute Resolution) save that the matter shall be referred directly to the Chief Executive of the Council and the Chief Executive of the Charity and the period agreed by the Parties by which they must resolve the dispute will reflect the obligation on the Charity to submit a draft Annual Service Plan based on the Indicative Fee by 1 December.

1.3 The Council shall inform the Charity in writing, at the time at which the Council's officers make a recommendation to the annual budget meeting of full council as to the Fee for the following Fee Term, whether such recommendation is in line with the Indicative Fee payable in each Contract Year of that Fee Term provided in accordance with paragraph 1.1 of Part 3 to Schedule 3; and

1.4 The Council shall inform the Charity in writing what the Fee for the following Fee Term will be, in the following form, by no later than 5 Business Days following the Council's annual budget meeting of full council in the final Contract Year of each Fee Term. The format for the agreement of the Fees shall be:

Contract Year	**Date of Payment**	**Amount of Fee Due**
[6]	[_____]	[_____]
[7]	[_____]	[_____]
[8]	[_____]	[_____]
[9]	[_____]	[_____]
[10]	[_____]	[_____]

Part 4 – Variations to the Fee using the Change Procedure

1. Within each Contract Year a variation to the Fee (being a Material Change to the Agreement) will only be agreed in accordance with the Change Procedure. The threshold for a variation to the Fee being a Material Change shall be 1% of the Fee agreed for that Contract Year, or such other sum as the Parties shall agree in writing.

2. Where a Material Change is approved which includes either an increase or decrease in the cost to the Charity of providing the Services, the Fee for that Contract Year will be changed to reflect the increase or decrease from the date specified in the Change approval.

3. Following the approval of a Change, the Fee shall be paid in accordance with the agreed payment schedule set out above in paragraph 4 of Part 1 or otherwise as agreed by the Parties.

4. The Annual Review Meeting process will consider all Change approvals made in the relevant Contract Year and determine which will require an amendment to the Specification for the following Contract Year.

Schedule 4 – Change Procedure

1. **Introduction**

1.1 Where the Council or the Charity identifies a need to vary the Agreement, the Council may at any time request, and the Charity may at any time recommend, such Change only in accordance with the Change Procedure.

1.2 Until such time as a Change is made in accordance with the Change Procedure, the Council and the Charity shall, unless otherwise agreed in writing, continue to perform the Agreement in compliance with its terms prior to such Change.

1.3 Any discussions which may take place between the Council and the Charity in connection with a request or recommendation before the authorisation of a Change shall be without prejudice to the rights of the Parties.

1.4 Any work undertaken by the Charity and its staff which has not been authorised in advance by a Change, and which has not been otherwise agreed in accordance with the provisions of this Schedule, shall be undertaken entirely at the expense and liability of the Charity.

1.5 The Change Procedure applies only to Changes, which require a variation to this Agreement and which are Material Changes.

1.6 Operational Changes which may require a variation to the way in which the Services are delivered, but which do not require a variation to the Agreement are intended to be undertaken through the normal operation of the Services by the Charity. The Charity will be expected to provide a schedule of Operational Changes as part of the performance management process set out in clause 14 of this Agreement.

1.7 Where a Change is a Material Change, the Council and the Charity will meet to discuss and agree to implement these Changes as part of the Change Procedure.

1.8 Neither the Council nor the Charity shall unreasonably withhold or delay its agreement to any Change.

2. **Requesting a Change**

2.1 At any time during the Contract Term, the Agreement Managers may request a Change by formally logging a Change Request to the Council's Chief Executive and Charity's Board. Any such Change Request will be submitted in the form substantially as set out in this Schedule and shall provide full details of the requested Change.

2.2 A copy of the Change Request shall be submitted by the requesting Party to the other Party no less than twenty (20) Business Days (or such other period as may be agreed between the Parties) prior to the requested date for the start of implementation of the Material Change.

2.3 The Change Request should contain (where applicable):

2.3.1 the title of the Change;

2.3.2 the originator and date of the request or recommendation for the Change;

2.3.3 the reason for the Change;

2.3.4 full details of the Change, including any specifications or Changes to the Specification;

2.3.5 the cost, if any, of the Change;

2.3.6 a timetable for implementation, together with any proposals for acceptance of the Change;

2.3.7 schedule of payments if appropriate;

2.3.8 details of the likely impact, if any, of the Change on other aspects of the Agreement including:

(a) the timetable for the provision of the Change;

(b) the personnel to be provided;

(c) the date of expiry of validity of the Change Request; and

(d) provision for signature by the Council and the Charity.

2.4 For each Change Request submitted the Councils shall, within the period of the validity of the Change Request:

2.4.1 allocate a sequential number to the Change Request; and

2.4.2 evaluate the Change Request and, as appropriate.

2.5 From time to time, urgent Material Changes may need to be requested and the Council or the Charity may agree to request a Change through an extra-ordinary meeting or via other means of communication.

3. **Change Request Impact Assessments**

3.1 Following the services of a Change Request by either Party, the Parties shall cooperate to investigate the likely impact of the requested Change on this Agreement (if any) and the scope, content or manner of provision of the Services.

3.2 The Parties shall complete the Change Request Impact Assessment, taking account of the business priority of the Change Request and the type of service to which it relates within ten (10) Business Days.

3.3 Where the Parties do not reasonably believe that they will be able to provide the Change Request Impact Assessment within ten (10) Business Days, they may agree such other timeframe within which the Change Request Impact Assessment shall be completed.

4. **Change approval**

4.1 For all Material Changes subject to this Schedule the Chief Executive of the Council and the Charity should review the Change and recommend authorisation to the Agreement Managers of the Council and the Charity as appropriate. Where the Chief Executives are unable to agree that the Change be recommended as required by this paragraph 4.1, such a Change may be dealt with in accordance with clause 33 (Dispute Resolution). Approval

and sign off for any Change shall include authorisation by the Council of any costs or expenses associated with the implementation of the Change to be paid by the Council to the Charity on completion of the Change or in accordance with the updated Payment Schedule included within the Change Request.

4.2 Material Changes shall only be valid and enforceable if they are signed by the Agreement Managers or such other authorised individuals as either Party shall authorise for the purpose and notify to the other Party from time to time.

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Schedule 5 - Exit Plan

1. **General obligations**

1.1 If, after following the process described at clause 27.1, the Council determines that the Services shall be delivered by the Council or a Future Provider following the expiry of the Contract Term or on the termination of this Agreement for any reason, the Charity will provide all reasonable assistance to the Council to facilitate the orderly transfer of the Services back to the Council or to enable any Future Provider to take over the provision of all or part of the Services. Such assistance shall be provided by the Charity as part of the Services in accordance with the Exit Plan.

1.2 This Schedule is a template Exit Plan and sets out the principles of the exit and Service transfer arrangements which are intended to achieve these principles, and upon which the final Exit Plan shall be based. The Agreement Managers shall manage the Parties' respective obligations under the Exit Plan unless either Party notifies the other that it will appoint an exit manager to undertake this task on its behalf.

1.3 The Charity shall regularly review this template Exit Plan no less than once every two years, and amend this template Exit Plan, if appropriate to reflect changes in the Services. Following each update, Charity shall submit the revised Exit Plan to the Council for review. The Parties shall meet and use all reasonable endeavours to agree the contents of the revised Exit Plan, based on the changes that have occurred in the Services since the Exit Plan was last agreed. If the Parties are unable to agree the contents of the revised Exit Plan within 15 (fifteen) Business Days, the previous version shall continue to apply and either Party may refer the dispute for resolution in accordance with the procedure in clause 33 of the Agreement (Dispute Resolution). Agreed amendments to this template Exit Plan shall be recorded in writing. If the Charity does not review and amend this template Exit Plan in accordance with this clause the Council (acting reasonably) shall be entitled to provide an updated Exit Plan to the Charity prior to the termination or expiry of the Agreement which the Charity shall comply with.

1.4 The Charity shall provide lists of the assets, equipment, contracts and grants, Intellectual Property Rights and equipment which shall be transferred or licensed to the Council or a Future Provider on the termination or expiry of this Agreement at least 3 months prior to the termination or expiry of this Agreement.

2. **Duty to document the Services**

The Charity shall promptly and fully answer all reasonable questions about the Services which may be asked by the Council for the purpose of adequately understanding the manner in which the Services have been provided or for the purpose of allowing any Future Provider (or potential Future Provider) to conduct 'due diligence'. For the avoidance of doubt the Charity shall be required to provide such information fully, honestly and in good time.

3. **Assets**

3.1 On termination or expiry of this Agreement the Charity shall return to the Council, as soon as reasonably practicable on or after the expiry or earlier termination of the Contract Term:

a) any assets transferred to the Charity under the Transfer Agreement, and

b) any replacement assets that have been purchased with the Fee during the Contract Term.

3.2 On termination or expiry of this Agreement the Charity shall offer the Council the option of purchasing (for their current market value) any other assets used primarily to deliver the Services in which the Charity holds the legal and beneficial interest prior to selling such equipment to a third party.

3.3 If the Charity leases any assets which are used primarily to deliver the Services, the Charity shall on termination or expiry of this Agreement use reasonable endeavours to assist the Council in novating those leasing contracts to the Council.

4. **Funds relating to the Collection**

On termination or expiry of this Agreement the Council shall be entitled to the return of any Disposal Funds as defined in the Collection Loan Schedule (subject to any restrictions on such funds) and/or any funds provided to the Charity by the Council pursuant to clause [12.7] of Schedule 10.

5. **Intellectual Property**

5.1 On the expiry of the Contract Term or earlier termination of this Agreement in accordance with clause 26, the Charity grants to the Council a fully paid-up, worldwide, non-exclusive, royalty-free licence to use, copy and modify the Foreground IPR and the Charity Collection IPR for the purpose of delivering the Services. The Charity grants the Council, or shall procure the direct grant to the Council of, a fully paid-up, worldwide, non-exclusive, royalty-free licence to use such of the Charity Background IPR as the Council needs to make use of the licence of the Foreground IPR for the purpose of delivering the Services.

5.2 The Council must not sub-license its right to use the Foreground IPR, Charity Collection IPR or the Charity Background IPR licensed under paragraph 5.1 of this Schedule 5 without the prior written consent of the Charity which shall not be unreasonably withheld.

5.3 Where the Council requests the Charity's consent pursuant to paragraph 5.2 of this Schedule 5 to grant such a sublicense to a Future Provider, the Charity shall not unreasonably delay or withhold its consent provided that any such sub-licence must be on the same terms as the licences at paragraph 5.1 of this Schedule 5 and that any such sub-licence shall terminate at the expiry or earlier termination of the Council's Agreement with the Future Provider to provide the Services.

5.4 The Charity warrants that it has used best endeavours to ensure that use by the Council of the Charity Background IPR, the Charity Collection IPR and the Foreground IPR does not infringe the rights, including any Intellectual Property Rights, of any third party.

5.5 The Charity shall keep the Council indemnified in full against all Direct Losses of the Council as a result of or in connection with any claim brought against the Council for actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in connection with, its use of the Foreground IPR, the Charity Collection IPR or the Charity Background IPR to deliver the Services.

5.6 The Council shall keep the Charity indemnified in full against all Direct Losses of the Charity as a result of or in connection with breach by the Council of the licences granted at

paragraphs 5.1 of this Schedule 5 and as a result of or in connection with any breach by any sub-licensee of any sub-licence granted by the Council in accordance with paragraph 4.3 of this Schedule 5.

6. **[Data**

Subject to the Parties working together to ensure compliance with Data Protection Legislation in respect of any Personal Data, on the expiry of the Contract Term or earlier termination of this Agreement in accordance with clause 26, the Charity shall transfer all data held by the Charity in relation to the Services, including all Service User data and any database within which such data is held.]

7. **Contracts, IT equipment, software, and Know-How**

7.1 Where contracts have been entered into by the Charity for the sole purpose of delivering the Services, the Council may require the Charity to use all reasonable endeavours to procure that those contracts are assigned to the Council or a Future Provider.

7.2 The Charity shall offer the Council the option of purchasing (for its current market value) any IT equipment used in delivering the Services which the Charity will not require after the Agreement has expired or terminated prior to selling such equipment to a third party.

7.3 The Charity shall, to the extent that it is not done prior to termination, fully comply with the provisions of this Agreement as to the licensing of Intellectual Property Rights and the delivery of source code and any relevant documentation.

8. **Premises**

8.1 All rights of access and occupation granted by the Council to the Charity in respect of Premises owned or occupied by the Councils will cease when the delivery of the Services ceases in accordance with this Agreement.

8.2 The requirement to deliver the Services set out in this Agreement will cease if the rights of access and occupation granted by the Council to the Charity in respect of Premises owned or occupied by the Councils cease.

9. **Employees**

The provisions of clause10 and Schedule 6 shall apply in relation to employees.

10. **Costs**

The Exit Plan shall specify any additional costs which the Charity reasonably believe that it will incur as a result of the transfer back of the Services and which will be agreed by the Council as part of the process for agreeing the Exit Plan as set out in paragraph 1.3 of this Schedule 5.

11. **Charity's Responsibilities**

11.1 The Charity shall use its best endeavours to ensure that any third party funding received by it (or due to be received by it) which is provided with a view to funding the Charity in the

period after the expiry or termination of this Agreement is transferred to the Council with the permission of the third party funder.

12. **Council's Responsibilities**

In relation to the transfer of the Services back to the respective Council or to a Future Provider, the Council shall:

12.1 act responsibly and promptly at all times; and

12.2 in relation to any amendments to the Exit Plan, not unreasonably withhold or delay approval.

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Schedule 6 – Staffing and Pensions

Part 1 Staffing

1. The Parties will during the Exit Period jointly establish an exit group comprising staff of both Parties to manage transition of the Services, and to implement the provisions of the Exit Plan (the "**Exit Group**"). Each Party will make available sufficient resources to meet the requirements of the Exit Group. The Exit Group will manage all the activities needed for the transfer of the Services from the Charity to the Council or any Future Provider so that the transition is carried out as seamlessly as possible.

2. On expiry or earlier termination of this Agreement the Parties agree that it is their intention that the Regulations shall apply in respect of the provision thereafter of any service equivalent to the Services by the Council or any Future Provider but the position shall be determined in accordance with the Regulations during the Exit Period and this paragraph is without prejudice to such determination.

3. The Parties agree that during the Exit Period, the Exit Group shall work to identify those staff engaged by the Charity who would:

3.1 if they remained employed by the Charity at the end of the Exit Period, be the subject of a relevant transfer (as defined by the Regulations) (a "**Relevant Transfer**") to the Council or any Future Provider in respect of the Services for which the Council or any Future Provider shall become responsible at the end of the Exit Period, or

3.2 be offered employment pursuant to the provisions of paragraph 8 below,

(together the "**Potential Returning Employees**").

4. During the Exit Period, to the extent that any Potential Returning Employees resign or their employment is terminated by the Charity, the Exit Group will agree that in the event that this creates any vacancies within the workforce delivering the Services during the Exit Period, such vacancy shall to the extent possible in light of service delivery requirements in relation to the Services and the Charity's obligation to its other staff either:

4.1 not be filled by the Charity during the Exit Period; or

4.2 be filled by the engagement by the Charity of agency staff or employees engaged on fixed term contracts of employment; or

4.3 the Council shall instead recruit a suitable individual in relation to that vacancy and then second such individual to the Charity for the remainder of the Exit Period to deliver the Services with such secondment to end at the end of the Exit Period; or

4.4 where the Charity recruits any suitable individuals in relation to that vacancy, such recruitment shall be on the basis that the individual will only be engaged in the delivery of the Services and it shall be made clear as part of such recruitment that the individual will be subject to a Relevant Transfer to the Council or any Future Provider at the end of the Exit Period.

5. At the start of the Exit Period, to the extent possible under the Regulations and/or any other applicable law applicable at the relevant time, the Exit Group shall use all reasonable

endeavours to consult the Potential Returning Employees and/or their appointed employee representatives or trade unions, to confirm who will be the subject of a Relevant Transfer to the Council or any Future Provider at the end of the Exit Period.

6. The Exit Group shall use all reasonable endeavours to agree and implement any other steps, measures, processes and/or procedures in order to minimise the potential for any Potential Returning Employees not being the subject of a Relevant Transfer to the Councils or any Future Provider at the end of the Exit Period.

7. Where, despite the requirements of paragraphs 4 – 6 having been complied with, there remain any Potential Returning Employees who may not be the subject of a Relevant Transfer, the provisions of paragraphs 8 to 11 below shall apply.

8. If the Regulations do not apply on the expiry or termination of this Agreement to any Potential Returning Employees, insofar as it is reasonable to do so the Council shall or shall procure that the Future Provider or the Council shall as far as possible offer employment to the Potential Returning Employees employed by the Charity [mainly] in the provision of the Services immediately before the end of the Exit Period.

9. If an offer of employment is made in accordance with paragraph 8, the employment shall be on the same terms and conditions as applied immediately before the expiry or earlier termination of this Agreement including full continuity of employment.

10. Where the Council or any Future Provider does not make any such offer or any such offer as referred to in paragraph 8 is not accepted and the Regulations do not apply to any Potential Returning Employee, the provisions below shall apply regarding any redundancy costs incurred by the Charity:

10.1 The Charity shall only be entitled to dismiss any or all of the Potential Returning Employees by reason of redundancy or for some other substantial reason provided that it has used reasonable endeavours to redeploy those Potential Returning Employees to its activities other than the provision of the Services (if applicable) and the Charity shall carry out in the required manner any obligation to consult with the Potential Returning Employees or any of them, or their respective representatives, and shall use reasonable endeavours to mitigate the amount of any costs payable in respect of the Potential Returning Employees or their dismissal; and

11. [The Council shall indemnify the Charity against (1) 50% of any Direct Losses incurred in effecting lawful redundancies in accordance with paragraph 10.1 above which are reasonably incurred by the Charity, and (2) all other Direct Losses relating to the dismissals referred to in paragraph 10.1 above reasonably incurred by the Charity (including any additional costs incurred in relation to the Local Government Pension Scheme).]

12. Subject to ensuring compliance with the Data Protection Legislation, and insofar as the law allows, during the twelve (12) months preceding the expiry of the Contract Term or the period following service of notice to terminate this Agreement by either Party in accordance with clause 26 of this Agreement, or at any other time as directed by the Council in writing, and within fifteen (15) Business Days of the Charity receiving a written request from the Council to do so, the Charity shall fully and accurately disclose to the Council any and all information in relation to all personnel engaged in providing the Services including, if the Services are to transfer to the Council or to a Future Provider, all Returning Employees who

are to transfer as a consequence. The Council may request, in particular but not necessarily restricted to any of the following:

12.1 a list of employees employed by the Charity in delivering the Services;

12.2 a list of agency workers, agents and independent contractors engaged by the Charity in delivering the Services;

12.3 the total payroll bill (i.e. total taxable pay and allowances including employer's contributions to pension schemes) of those personnel in paragraphs 12.1 and 12.2 of this Part 1 to Schedule 6;

12.4 the terms and conditions of employment of the Returning Employees, their age, salary, date continuous employment commenced and (if different) the Commencement Date, enhancement rates, any other factors affecting their redundancy entitlement;

12.5 details of any disciplinary procedure taken against any of the Returning Employees and any grievance procedure taken by any Returning Employee within the previous two years in circumstances where a Code of Practice issued under Part IV of the Trade Union and Labour Relations (Consolidation) Act 1992 which relates exclusively or primarily to the resolution of disputes applies;

12.6 details of any court or tribunal case, claim or action brought by any Returning Employee against the Charity within the previous two years and any court or tribunal case, claim or action that the Charity has reasonable grounds to believe that a Returning Employee may bring against the Council or any Future Provider arising out of that employee's employment with the Charity; and

12.7 details of any collective agreement which will have effect after the transfer, in its application in relation to any Returning Employees, pursuant to Regulation 5 (a).

paragraphs 12.1 to 12.7 of this Part 1 to Schedule 6 do not apply to unpaid volunteers.

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13. The Charity shall notify the Council as soon as reasonably practicable of any variation in the information provided under paragraph 12 of this Part 1 to Schedule 6 and shall provide the Council with the revised and accurate information. The Charity shall warrant the accuracy and completeness of all the information provided to the Council pursuant to paragraph 12 of this Part 1 to Schedule 6, and shall indemnify the Council for all or any Direct Losses resulting from the provision of inadequate, incomplete or inaccurate information. Furthermore the Charity authorises the Council to use any and all of such information as it may consider necessary for the purposes of its business or for informing any tenderer for any services which are substantially the same as the Services (or any part thereof).

14. Insofar as the law allows, during the twelve (12) months preceding the expiry of this Agreement or where notice to terminate this Agreement for whatever reason has been given, the Charity shall allow the Council or such other persons as may be authorised by the Council to communicate with and meet the Returning Employees and their trade union or employee representatives as the Council may reasonably request, providing always that the Council agrees to indemnify the Charity, subject to clauses 22 and 23, in respect of any and all claims and liabilities arising out of any act or omission of the Council in doing this or such other persons as may be authorised by the Council in doing this.

15. Insofar as the law allows, during the twelve months preceding the expiry of this Agreement or where notice to terminate this Agreement for whatever reason has been given, the Charity shall not without the prior written consent of the Council save where it is as a result of a decision by the Exit Group or where it is bona fide in the ordinary course of business:

15.1 vary or purport or promise to vary the terms and conditions of employment of any employee employed in connection with the Services;

15.2 materially increase or decrease the number of employees employed in connection with the Services; or

15.3 assign or redeploy any employee employed in connection with the Services to other duties unconnected with the Services or assign or re-deploy any employee employed to carry out duties unconnected with the Services to duties connected with the Services.

Part 2 Pensions

1. The Charity shall:

1.1 maintain such documents and information as will be reasonably required to manage the pension rights of and aspects of any onward transfer of any person engaged or employed by the Charity in the provision of the Services on the expiry or termination of this Agreement (including without limitation identification of the Eligible Employees);

1.2 promptly provide to the Council such documents and information mentioned in paragraph 1.1 which the Council may reasonably request in advance of the expiry or termination of this Agreement; and

1.3 fully cooperate with the reasonable requests of the Council relating to any administrative tasks necessary to deal with the pension rights of and aspects of any onward transfer of any person engaged or employed by the Charity in the provision of the Services on expiry or termination of this Agreement.

Schedule 7 Council Service IPR

Working names:	'Royal Pavilion & Museums, Brighton & Hove' 'RPM'
Logos:	  
Domain Names:	1. brighton-hove-museums.org.uk 2. brighton-hove-pavilion.org.uk 3. brighton-hove-rpml.org.uk 4. brightonculture.org.uk 5. brightonmuseums-collections.org.uk 6. brightonmuseums-images.org.uk 7. brightonmuseums-pavilliontour.org.uk 8. brightonmuseums-shop.org.uk 9. brightonmuseums.org 10. brightonmuseums.org.uk 11. dams-brightonmuseums.org.uk 12. heritagelearningbrighton.org.uk 13. mapthemuseum.co.uk 14. mapthemuseum.org.uk 15. murderinthemanor.org.uk 16. pavilionfoundation-development.org.uk 17. pavilionfoundation.org 18. pavilliontour.uk 19. pavillliontour.uk 20. rpm-gallery.org.uk 21. semdp-data.org.uk 22. stoneagequest.org.uk 23. storydrop.org.uk 24. swmdp-data.org.uk 25. talesofthepavilionhospital.org.uk

	26. footballmatters.brightonmuseums.org. 27. queerlooks.brightonmuseums.org 28. fashioningafrica.brightonmuseums.org 29. pavisions.rpm-gallery.org.uk 30. floating.brightonmuseums.org 31. upclose.brightonmuseums.org 32. go.brightonmuseums.org.
Social Media Accounts:	1. Facebook: https://www.facebook.com/royalpavilionandbrightonmuseums/ 2. Twitter: @brightonmuseums 3. Instagram: brighton_museums 4. YouTube: BrightonMuseums 5. Flickr: rpm-brighton-hove
Publications	See Annex A.
Databases	1. Mimsy: relational collection management database recording cataloguing, acquisition, conservation and loan information about the collections. 2. Asset Bank: digital asset management system containing metadata. Open to staff with more limited access to the public. Cataloguing data inherited from Mimsy. 3. Tor: ticketing system containing customers' details 4. Mailchimp: contact emails for public newsletter subscribers and press 5. Artifax: room booking systems shared with Brighton Dome & Brighton Festival, containing some details of those who have booked rooms 6. Deputy: staff rota system used for Visitor Service Officers 7. Rota Cloud: staff rota systems used for Learning Assistants 8. Hanwell: environmental data logging 9. Articheck: condition checking software

DRAFT

Schedule 7 - Agreement Manager's Details

The Council's Agreement Manager

Name	
Address	
Telephone number	
Email address	

The Charity's Agreement Manager

Name	
Address	
Telephone number	
Email address	

DRAFT

Schedule 8 – Form of Annual Service Plan

[*TO BE INSERTED*]

DRAFT

Schedule 9 – Form of Financial and Operational Report

[*TO BE INSERTED*]

DRAFT

Schedule 10 – Collections Loan Schedule

[*TO BE INSERTED*]

DRAFT

NOTE ON THIS DRAFT: Please note that this draft is substantially agreed between the parties but not all the drafting has been finalised. Square brackets have been used to indicate areas where there is likely to be further discussion and work on the drafting but there may be other changes to the drafting.

Schedule 10 – Collection Schedule

1. **Definitions**

1.1 The following definitions apply in this schedule.

"Accreditation"	has the meaning given to it in paragraph 2.2;
"Accreditation Scheme"	means the scheme operated and administered by Arts Council England, setting out the national agreed standard for the management of museums and defines good practice for museums in the UK;
"Accreditation Standard"	means the Accreditation Standard published by the Art Council England (as updated from time to time);
"Accession Registers"	means the registers of both Brighton and Hove dating from 1890 to 1988 kept by the Charity which detail the items which form the Collection;
"Acquisition"	means the addition of an item to the Collection by the Charity through: 1. Acceptance of a bequest; 2. Acceptance of a donation; and/or 3. Purchase of an item.
"Additional Equipment"	has the meaning given to it in paragraph 8.18;
"Arts Council England"	means The Arts Council of England, a royal charter company with company number RC000742 and charity number 1036733;
"Benchmarks in Collections Care for Museums, Archives and Libraries 2.1"	means Benchmarks in Collections Care for Museums, Archives and Libraries 2.1 published by the Collections Trust (as updated from time to time);
"Code of Ethics for Museums"	means Code of Ethics for Museums published by the Museums Association (as updated from time to time);
"**Collection IPR**"	means all Intellectual Property Rights either supplied by the Council to the Charity for the

	purposes of this Agreement relating to the Collection or otherwise arising from the Collection [including the rights to images of any items in the Collection] but excluding, for the avoidance of doubt, the Foreground IPR and those rights associated with the Council Trade Marks or such Intellectual Property Rights owned by the Charity or that the Charity has the benefit of separately from this Agreement;
"Collecting Body"	means the Charity;
"Collection"	has the meaning given to it in paragraph 3.1 of this Schedule;
"Collections Trust"	means the Collections Trust, a company limited by guarantee with company number 01300565 and charity number 273984;
"Collection Management Database"	means the database dating from 1988 (currently Mimsy XG) which records activities relating to the management of the Collection, such as acquisition, cataloguing and loans;
"Disposal Funds"	means the funds received from the disposal of any item from the Collection;
"Disposal Toolkit"	means the Disposal Toolkit published by the Museums Association (as updated from time to time);
"Equipment"	means the storage units, display cases, boards, plinths, mounts and any other equipment for storing or displaying the Collection in the Premises;
"GIS"	means the Government Indemnity Scheme by Arts Council England;
"Guideline" or "Guidelines"	has the meaning given to it in paragraph 5.2.5;
"IPR Policy"	means the policy relating to intellectual property relating to the Collection as included at Appendix 3 or as may otherwise be updated in accordance with this Schedule from time to time;
"Loaned Items"	means items which are held by the Council under loan agreements between the Council as borrower and other trusts, organisations and individuals as lender, as set out in Appendix 1;

"Museums Association"	means the Museums Association, a company limited by guarantee with company number 00252131 and charity number 313024;
"Non-GIS Loan"	means any loan of the Collection to or from the Charity where GIS does not apply;
"Policy" or "Policies"	has the meaning given to it in paragraph 5.4.9;
"Spectrum Management Standards"	means Spectrum Management Standards published by the Collections Trust (as updated from time to time); and
"Surrogate"	means reproductions of items in the Collection, in both physical and/or digital form.

1.2 Any undefined term in this Schedule, shall have the meaning given to it in the Agreement.

1.3 In the event of any inconsistency between the terms of this Schedule and any of the Policies, the terms of this Schedule shall prevail.

2. **Background**

2.1 The Charity will be the custodian of the Collection. This is to ensure that standards relating to the stewardship of the Collection are maintained at the level required by Arts Council England which administers the Accreditation Scheme.

2.2 The Charity has been admitted under the Accreditation Scheme until 27 November 2020 ("**Accreditation**") as the Collecting Body.

2.3 This Schedule sets out the responsibilities of both parties in order to protect, maintain and store the Collection for future generations to enjoy.

2.4 It is the aim of the parties that, by fulfilling their mutual obligations under this Schedule, the Charity will be able to increase access to and enjoyment of the Collection, support the future sustainability of cultural activities for residents and visitors, continue to make a positive impact on Brighton's economy and offer new opportunities for learning and engagement with the Collection.

3. **The Collection**

3.1 The Collection will include the following:

3.1.1 Items which are held by the Council under:

(a) Booth Museum Trust Collection;

(b) Stanford Museum Trust Collection;

(c) South East Arts Craft Collection;

(d) National Toy Museum & Institute of Play Collection;

3.1.2 The Loaned Items as set out in Appendix 1 of this Schedule;

3.1.3 All items described in the Accession Registers;

3.1.4 All items described in the Collections Management Database;

3.1.5 Any information, archives, documents and other media (including those born digital) relating to the Collection including, but not limited to information in its Accession Registers, data in its Collection Management Database, photographs and other Surrogates of its Collection;

3.1.6 Any item acquired through an Acquisition pursuant to paragraph 10; and

3.1.7 Any other item as agreed by the Council and the Charity to form part of the Collection from time to time.

3.2 In the event of a dispute over whether an item falls within the Collection, the Charity acting reasonably has discretion as to whether the item will form part of the Collection and fall under the custody of the Charity.

4. **Ownership and use of Collection**

4.1 The Council will remain the owner of the Collection, except for the Loaned Items, which will remain the property of their respective lenders.

4.2 The items in the Collection shall be treated as a loan to the Charity for the Contract Term, unless extended by the Parties in accordance with clause [2.2], or until this Agreement is terminated in accordance with clause [23].

4.3 Subject to the terms of this Agreement, the Charity's rights to use the Collection will include, and not be limited to the right to:

4.3.1 display and exhibit items;

4.3.2 conserve items;

4.3.3 acquire, dispose of and/or lend items;

4.3.4 use the Collection to support the Charity's learning and engagement offer;

4.3.5 assess risk versus opportunity in decisions to make objects directly accessible for handling sessions and other forms of direct engagement and where appropriate;

4.3.6 use the Collection for marketing, publicity and income generation such as object handling sessions at programmed events;

4.3.7 digitise items to support online engagement;

4.3.8 support research on items in the Collection in order to improve documentation and knowledge.

4.4 In respect of items in the Collection which have been purchased by, bequeathed to, loaned to or donated to the Council with accompanying terms and conditions during the term of the Agreement, the Council shall as far as it is able, provide the Charity with copies of such terms and conditions and promptly inform the Charity of any amendments to such terms and conditions, and the Charity shall as far as it has received copies of such terms and conditions, and as far as reasonably practicable, comply with such terms and conditions.

4.5 The Council represents and warrants that, save as disclosed as part of the due diligence process when the Collection was loaned, the Council is entitled to loan the Collection to the Charity, and shall keep the Charity indemnified against any reasonable costs arising out of a breach of that warranty.

4.6 In the event of any dispute with a third party arising in relation to a Loaned Item, the Charity shall have conduct of claims and the Council shall be responsible for the Charity's reasonable costs in such conduct and incurred costs of the Council in assisting with such dispute or claim.

5. **Obligations of the Charity**

Purpose of the Collection

5.1 The Charity shall use the Collection for the purpose of delivering its charitable objects.

Guidelines and Policies

5.2 The Charity shall perform the obligations under this Schedule with reasonable skill and care, and in accordance with the following guidelines (as updated from time to time):

5.2.1 Accreditation Standard;

5.2.2 Disposal Toolkit;

5.2.3 Code of Ethics for Museums;

5.2.4 Spectrum Management Standards; and

5.2.5 Benchmarks in Collections Care for Museums, Archives and Libraries 2.1 (together with paragraphs 5.2.1 to 5.2.4 , the "**Guidelines**", each a "**Guideline**").

5.3 The Charity shall be responsible for the development, care, management, audit, storage, research, interpretation and use of the Collection, and any reasonable associated costs (including conservation costs) incurred by the Charity. The Charity shall not be liable for any associated costs incurred by the Council, without the prior written agreement of the costs between the Parties.

5.4 The Charity shall have and comply with the following written policies relating to the Collection:

5.4.1 RPM Collections Development Policy;

5.4.2 RPM Collection Care & Conservation Policy;

5.4.3 RPM Documentation & Information Policy;

5.4.4 RPM Loans Policy;

5.4.5 RPM Documentation Procedure Manual;

5.4.6 IPR Policy;

5.4.7 RPM Digital Preservation Policy;

5.4.8 RPM Human Remains Policy; and

5.4.9 RPM Access Statement (together with paragraphs 5.4.1 to 5.4.8, the "**Policies**", each a "**Policy**").

5.4.10 The Charity shall as far as reasonably practicable, update the Policies:

(a) According to the procedure set out in each Policy;

(b) Subject to paragraph 5.5, for any changes required in order to maintain Accreditation; and

(c) For any changes required for the Charity to comply with the Code of Ethics for Museums.

5.5 The Charity shall seek prior consent (such consent not to be unreasonably delayed or withheld) from the Council for amendments to the Policies relating to Accreditation. Consent under this paragraph 5.5 is deemed to have been given by the Council if the Council fails to provide such consent within 2 months of receiving a request for consent from the Charity.

Personnel

5.6 The Charity shall ensure that the Charity personnel responsible for performing the Charity's obligations under this Schedule possess the appropriate experience and skills .

Collection information

5.7 The Charity will research, enhance and maintain accurate records about the Collection and Collection-related activities in accordance with the Accreditation Standard and the RPM Documentation & Information Policy.

5.8 The Charity will maintain accurate records on which items are loaned to the Collection.

6. **Obligations of the Council**

6.1 The Council shall ensure that they have the necessary approvals and consents required to lend the Loaned Items to the Charity. Any costs associated with obtaining the relevant approvals and consents shall be at the Council's cost.

Personnel

6.2 The Council shall ensure that the Council personnel responsible for monitoring the Charity's performance of its obligations in this Schedule has the appropriate level of skills and expertise for the relevant task.

7. **Collecting Body**

7.1 In order to retain the Accreditation the Charity will continue to act as the Collecting Body.

8. **Care and Security of Collection**

8.1 The Charity will (to the extent reasonably practicable) store and display the Collection in accordance with the RPM Collections Care & Conservation Policy and the Accreditation Standard. Any reasonable additional special protective measures required by the Council are to be provided at the expense of the Council, unless such additional measures are required as a result of the Charity's actions in which case the Charity shall be responsible for those costs, as notified to the Charity in writing by the Council and agreed between the Parties.

8.2 The Charity will ensure the Collection comes to no harm and the security of the Collection is maintained in line with the relevant Guidelines and Policies and in accordance with clause 8.5 for the duration of the Contract Term.

8.3 The Charity must ensure that the Collection is kept in areas protected against extremes of temperature, humidity, light and vibration and that naked flames are not being used in close proximity to the Collection.

8.4 The Council may request reasonable additional measures of care and security on the advice of its own staff or that of specialists including the National Security Advisor at Arts Council England, with any costs relating to such additional measures of care and security to be met by the Council unless such additional measures are required as a result of the Charity's actions in which case the Charity shall be responsible for those costs, as notified to the Charity in writing by the Council and agreed between the Parties.

8.5 The Charity shall ensure that the Collection is secured at a level no less than the level of security in place at the commencement date of the Agreement.

8.6 The Charity will be responsible for maintaining and monitoring alarm systems on the Premises, including the associated phone lines. The Charity shall ensure that appropriate action is taken in the event of an alarm activation both during open and closed hours, unless the call out is due to an act of the Charity and such action is therefore not required.

8.7 The Council will provide sets of keys to the Premises and all internally locked doors. Keys for the Collection cases will be held by the Charity.

8.8 Subject to paragraph 8.9, the Charity shall report to the Council annually if the Collection or any part of the Collection is in the reasonable opinion of the Charity lost, seriously damaged or there is a serious deterioration in the condition of the item.

8.9 The Charity shall report to the Council promptly if the loss, serious damage or serious deterioration of the Collection or any part of the Collection is urgent or would cause reputational damage to either Party or the Collection.

8.10 In the event of any emergency which is reasonably likely to result in serious damage (including without limitation a fire or flood) to the Collection or any part of it, the Charity and the Council shall work together in good faith to protect the Collection.

8.11 On identification of a serious loss or damage pursuant to paragraphs 8.8 and 8.9, the Charity shall notify the Council and agree with the Council any related public communications. The Council shall then, in its discretion, notify the insurers of such serious loss or damage.

8.12 The Charity shall assess and determine the conservation needs of the Collection in accordance with the RPM Collections Care & Conservation Policy. Where conservation action is required, the Charity will be responsible for carrying out the conservation work, including and not limited to the appointment of a third party to carry out the conservation work, at the Charity's cost.

8.13 The Charity shall report any major conservation activity to the Council annually using the Annual Report.

8.14 Prior to conducting any conservation work identified pursuant to paragraph 8.12, the Charity shall seek prior consent for such work from the owner of items in the Collection, if such owner is not the Council. The Charity shall not be liable for any serious damage or serious deterioration to an item, should such damage and deterioration result from the lack of or refusal of consent under this paragraph 8.14.

8.15 Access to view any item in the Collection out of its case or to handle any item in the Collection should be given to individuals only in agreement with and under supervision of the Charity. Access requests received by the Charity from the Council should be agreed between the Parties at least two weeks in advance.

8.16 All loan objects should be properly labelled, with acknowledgements to the lender except as otherwise agreed with the lender.

8.17 The Council loans to the Charity the Equipment from the Commencement Date for the Contract Term and warrants to the Charity that the materials used in the construction of such Equipment complies with recognised conservation standards.

8.18 In the event that any additional equipment for storing or displaying the Collection (the "**Additional Equipment**") needs to be purchased during the Contract Term, the Charity shall arrange for such Additional Equipment to be purchased at the Charity's expense, unless otherwise agreed between the parties in writing. All Additional Equipment shall be the property of the Charity but the Charity shall, on termination or expiry of this Agreement, at its sole discretion, either offer the Council the option of purchasing (for its current market value) such Additional Equipment prior to selling such equipment to a third party or transfer such Additional Equipment to the Council at nil value.

8.19 The parties shall ensure that all materials used in the construction of any Additional Equipment purchased in accordance with clause 8.18 comply with recognised conservation standards.

8.20 The Charity shall do no harm to the Equipment and any Additional Equipment. For the avoidance of doubt, the Equipment and the Additional Equipment shall be dealt with under this Agreement only, and is not considered as being included in the Lease.

9. **Third party dealings and loans**

9.1 The Charity must comply with the RPM Loans Policy when lending all or part of the Collection to any third party.

9.2 The Charity will not lend all or part of the Collection not owned by the Council to any third party, where such loan would lead to a breach of the of the terms and conditions of the loan[, donation, purchase] or bequest of that item to the Council, to the extent that the Council has informed the Charity of such terms and conditions pursuant to paragraph 4.4.

9.3 The Charity shall report to the Council on an annual basis using the Annual Report, the items of the Collection which have been loaned to or by a third party.

9.4 The Charity shall inform the Council (as soon as reasonably practicable) of any proposed loan of the Collection where such loan is:

9.4.1 over £2,000,000 in value;

9.4.2 loaned to a location outside of the UK; and/or

9.4.3 of a term greater than one year.

9.5 Prior to accepting an item on a loan with a term of at least 2 years, the Charity shall obtain the agreement of the lender that the Council will become the beneficiary of that loan in the event that the Agreement is terminated unless the Council has provided written consent which waives the Charity's obligation under this paragraph 9.5.

9.5.1 Subject to paragraph 9.5.210.2, consent under this paragraph 9.5 is deemed to have been given by the Council if the Council fails to provide such consent within [10 Business Days] of receiving a request for consent from the Charity.

9.5.2 In exceptional circumstances where Council consent is required at short notice and under 10 Business Days as specified in paragraph 9.5.1, the Charity shall inform the Council of such exceptional circumstances and the parties agree to work together in good faith to achieve the consent of the Council as soon as reasonably practicable.

Government Indemnity Scheme

9.6 For any Non-GIS Loans, the Charity shall ensure that it consults with the Council prior to entering into such loan, and:

9.6.1 The Charity may enter into any Non-GIS Loans if the Council has determined that the item(s) considered under the Non-GIS Loans can be adequately insured at no extra cost to the Council; or

9.6.2 Where the item(s) considered under the Non-GIS Loans cannot be adequately insured at no extra cost to the Council, the Charity shall not enter in such Non-GIS Loan without the consent of the Council (such consent not to be unreasonably delayed or withheld).

9.6.3 In the event of any dispute with a third party arising from a loan of any part of the Collection to a third party, the Charity shall have conduct of claims and shall be responsible for its own reasonable costs in such conduct[, except to the extent that the dispute arises from any breach of the Council's warrant set out in paragraph 4.5 (in which case the Charity may retain conduct of the claim but the Council agrees that it shall be responsible for the Charity's reasonable costs and, if necessary, its own costs)].

10. **Acquisitions**

10.1 Subject to paragraphs 10.3 and 10.5, the Charity shall develop the Collection in accordance with the Accreditation Standards and the RPM Collections Development Policy through Acquisition of items.

10.2 In exceptional circumstances where Council consent for an Acquisition is required at short notice and under 10 Business Days (such as an auction at short notice), any consent required under this paragraph 10 **Error! Reference source not found.** is deemed to have been given by the Council if the Council fails to provide such consent within [2Business Days] of receiving a request for consent from the Charity.

10.3 The Charity shall consult with the Council prior to making any Acquisition with a value of £[-] or above, and:

10.3.1 The Charity shall make the Acquisition where the Council has determined that the item(s) considered for Acquisition can be adequately insured at no extra cost to the Council; or

10.3.2 Where the item(s) considered for Acquisition cannot be adequately insured at no extra cost to the Council, the Charity shall not make such Acquisition without the consent of the Council (such consent not to be unreasonably delayed or withheld).

10.4 The Charity shall report to the Council on an annual basis using the Annual Report of any items obtained through an Acquisition.

10.5 The Charity shall complete an acquisition entry form (as set out in Appendix 2) for each Acquisition.

10.6 Any item acquired through an Acquisition shall be owned by the Council and be loaned to the Charity pursuant to paragraph 4.2, forming part of the Collection and be governed by the terms of this Agreement from the date of Acquisition. For the avoidance of doubt, the Parties agree that this Agreement shall be sufficient to both transfer ownership of any acquired item to the Council immediately upon purchase and to grant to the Charity a licence in accordance with paragraph 15.2.

11. **Disposals of items from the Collection**

11.1 The Charity shall dispose of items from the Collection and use the Disposal Funds in accordance with the Accreditation Standards, the RPM Collections Development Policy, the Code of Ethics for Museums and Spectrum Management Standards.

11.2 Disposal Funds will be paid to the Charity into a ring-fenced account, and shall only be used for the Collection including Acquisitions, maintenance and conservation of the Collection. Any other use of the Disposal Funds shall be agreed between the Parties.

11.3 The Charity shall not charge or use all or part of the Collection as security against any loan or other borrowings.

11.4 The Charity shall report to the Council on an annual basis using the Annual Report of any disposals.

11.5 The Charity shall notify the Council of any disposals, and the Council shall instruct the insurer to update the asset register for the insurance.

12. **Insurance**

12.1 Subject to paragraph 12.2, it is agreed between the parties that the Council shall maintain in force a full and comprehensive insurance policy of a level that is at least as comprehensive as the insurance policy in force prior to the Commencement Date and at a level compliant with industry standard, to insure the Collection, the Equipment and any Additional Equipment against all risks, for the duration of this Agreement.

12.2 Prior to taking out an insurance policy, the Council shall consult with the Charity on the conditions of the insurance policy. The Charity acting reasonably has the right to approve the conditions of the insurance policy to the extent that any conditions of the insurance policy increases the amount payable by the Charity, including but not limited to the excess payable in case of a claim, and the costs of procuring and caring for the Collection. On agreeing the conditions of the insurance policy, the Council shall take out the agreed insurance policy, and the Charity shall comply with all the conditions of the agreed insurance policy.

12.3 The Council shall be liable to pay the insurance premium.

12.4 The Council shall inform the insurer of any changes to the Collection through Acquisitions and disposals promptly upon receiving notification of such changes from the Charity.

12.5 The Council shall (on request) supply to the Charity a copy of such an insurance policy and evidence that the relevant premiums have been paid.

12.6 The Charity shall provide to the Council such information and other assistance as the Council shall reasonably request in the event that the Council needs to make a claim under the insurance policy maintained in accordance with this paragraph 12.

12.7 The Council will receive any payments made pursuant to the Council's insurance policy, and may in its discretion pass that payment to the Charity subject to paragraph 12.8.

12.8 Where the Council receives payments under paragraph 12.7 in relation to an insurance claim for damage, deterioration or loss of an item in the Collection, the Council shall within [10 Business Days] of receiving a payment under paragraph 12.7, transfer the payment to the Charity to hold in a ring-fenced fund and to use it for the purposes of repairing or replacing an item in the Collection to which such payment relates.

12.9 The Charity shall indemnity the Council in relation to any excess due where an insurance claim is a consequence of a breach by the Charity of the Agreement.

13. **Monitoring, Reporting and Communication**

13.1 The Charity and Council shall comply with a communications protocol (set out Schedule [x]).

13.2 The Parties shall notify each other of any events (promptly upon becoming aware of such event) which will have a potential impact on the reputation of the Collection or on the other Party.

13.3 The Charity will provide the Council annually, with such information and access to documents and personnel as the Council reasonably requires in order to monitor the performance of the Charity's obligations under this Schedule, and to comply with the requirements of the Council's auditors.

13.4 The Charity shall maintain records in accordance with the Guidelines.

13.5 When monitoring the Charity's performance, the Council must ensure that the monitoring is conducted by the appropriate personnel as required under paragraph 6.2.

13.6 In addition to access to the Collection under paragraph 13.3, the Council may request to have access to the Collection during the Contract Term provided they provide at least 10 Business Days' written notice to the Charity.

13.7 During monitoring of the Collection, the Council must comply with any reasonable instructions provided by the Charity for the protection of the Collection.

13.8 The Charity may take photographs or make other reproductions of any items in the Collection for the purpose of managing or promoting the Collection whilst it is on loan.

13.9 The Charity shall provide an Annual Report to the Council. The Council may request an additional report on giving the Charity at least three months' written notice.

14. **Refusal and recall of loans**

14.1 It is the intention of the Council and the Charity that the items comprising the Collection shall not be withdrawn during the Contract Term.

14.2 The Council shall give no less than six months' notice of its intention to withdraw any item of the Collection which it has loaned to the Charity.

14.3 In the event that the Council withdraws or recalls any item from the Collection in accordance with paragraph 14.2 above, the Council shall bear the reasonable costs of the return of any such item in the Collection to the Council and of redesigning and reinterpreting any display of the Collection including the reasonable costs of sourcing a suitable replacement item and redesigning and reinterpreting any relevant exhibition, save where the withdrawal or recall arises directly from the breach by the Charity of an obligation under this Agreement.

15. **Intellectual Property**

15.1 The Council shall retain ownership of all Collection IPR.

15.2 The Council grants to the Charity, or shall procure the direct grant to the Charity of, a fully paid-up, worldwide, non-exclusive, royalty-free licence during the Contract Term to use, copy and modify the Collection IPR for the purpose of delivering the Services in accordance with the Terms and authorises the Charity to grant a non-exclusive sub-licence to use such Collection IPR for the purpose of delivering the Services in accordance with the Terms, subject always to the compliance by the Charity with the IPR Policy.

15.3 The Charity may sub-license use of the Collection IPR to any Permitted Sub-Contractor, provided that:

15.3.1 any sub-licence must be on the same terms as the licence at paragraph 15.2 of this Schedule; and

15.3.2 that any such sub-licence (except for those granted under a Creative Commons license) shall terminate:

(a) at the expiry of the Contract Term or earlier termination of this Agreement in accordance with clause **Error! Reference source not found.** (Termination) of the Agreement;

(b) or in the event of the earlier expiry or termination of the Charity's agreement with the Permitted Sub-Contractor for the provision of the Services, on such expiry of termination.

15.4 The Charity shall keep the Council indemnified in full against all Direct Losses of the Council as a result of or in connection with breach by the Charity of the licences granted at paragraph 15.2 of this Schedule and as a result of or in connection with any breach by any sub-licensee of any sub-licence granted by the Charity.

Appendix 1 – The Loaned Items

	Parties to loan agreement	**Item(s) on loan**	**Term of loan**	**Notes**
1.	*[Parties to the loan]*	*[description of item]*	*[include start and end date of loan]*	*[include any additional details such as conditions or restrictions of the loan, costs of the loan etc]*
2.	The Council and [James Henry Green Charitable Trust]			
3.	The Council and [Royal Collection Trust]			
4.				
5.				
6.				

Appendix 2 – Object Entry Form

[Insert Object Entry Form]

Appendix 3 – IPR Policy

Royal Pavilion & Museums

IPR & Reproduction Policy 2018

Agreed:

To be reviewed:

Introduction

This document describes how the Royal Pavilion and Museums (RPM) manages the intellectual property rights (IPR) owned by Brighton & Hove City Council and licensed to the Royal Pavilion and Museums Trust (RPMT) who run the RPM, and the IPR it creates and uses, in the course of its business. It outlines how RPM manages third party rights in the collections and assets in its care, and how it allows others to re-use the IPR that it creates.

Although this policy covers a range of IPR, it is primarily focused on copyright and related moral rights, and database rights. It is guided by current laws and professional ethics including:

- Copyright, Design and Patents Act 1988 (as amended)
- Berne Convention for the Protection of Literary and Artistic Works 1886
- Museums Association, Code of Ethics, London: Museums Association, 2008, revised 2015
- SPECTRUM 5.0 The UK Museum Collections Management Standard, London: Collections Trust, 2017
- 'Is your oral history legal and ethical?' guidance, Oral History Society, 2012

The policy also relates to other policies and procedures including:

- RPM Access Policy Statement 2018
- RPM Collection Development Policy 2018
- RPM Collections Documentation and Information Policy 2018
- RPM Volunteer Policy 2017
- RPM Digital Policy 2018
- RPM Digital Preservation Policy 2018
- RPM Collections Management and Documentation Procedure Manual 2018

Rights Ownership in the Collections[1]

RPM holds a variety of collections, and the copyright status of these is variable. Some objects, such as our archaeology collections, are too old to be protected by copyright; others are not usually eligible for copyright protection as the objects were

[1] The terms ' 'collections' and 'objects' in this policy refer to both physical material and intangible items such as oral histories and born-digital objects.

not created by humans.

Where collections are still protected by copyright or other IPR, this usually belongs to an external individual or organisation. In most cases this will be the creator or their estate. As with many heritage organisations, RPM holds a large number of ‘orphan works’: objects which are legally protected by copyright, but where the owner cannot be identified or traced.

Where copyright was transferred to the museum at the time of acquisition, this will usually belong to Brighton & Hove City Council. This copyright has been licensed to the RPMT.

As RPM’s collections are too numerous and complex to conduct a full IPR audit, rights ownership is usually established and recorded at the point of acquisition, retrospective documentation, digitisation, or recorded use of the object. The decision is usually made by the relevant curator, supported by advice from the Digital Manager where necessary; until the date that the RPM service was transferred, this has been by Brighton & Hove City Council, but, from the transfer, this is done by the RPMT as sub-licensee.

RPM recognises that items lent to it or to Brighton & Hove City Council are frequently protected by copyright, and will follow the advice of the lender in ascertaining ownership.

Rights Ownership in Collection Surrogates and other Information

The copyright status of photographs and other media that capture or reproduce our collections (usually known as ‘surrogates’) frequently differs from that of the original object.

Providing copyright in the original object does not belong to a third party, the copyright of surrogates RPM creates of 3D objects in its collections usually belongs to Brighton & Hove City Council as a result of its contractual agreements with the staff member, volunteer or freelancer who produced it. This copyright has been licensed to the RPMT.

In exceptional circumstances, RPM may permit researchers and other users of its collections to create surrogates and retain copyright, but explicit permission must be granted for this, and will usually only be granted on the condition that the surrogate is placed under an open licence and a copy is provided to RPM free of charge.

RPM does not require the transfer of copyright in photographs and other

reproductions made by members of the public of collections that are on display in our galleries or loaned for display elsewhere.

RPM follows current guidance from the Intellectual Property Office (IPO) and recognises that it cannot claim copyright in faithful 2D reproductions of 2D objects which are no longer protected by copyright. It considers these surrogates to be in the public domain.[2]

Where surrogates of copyright protected objects are created under 'fair dealing' or the specific exceptions that apply to museums, libraries and archives, RPM recognises that copyright remains with the original rights holder for the same term as the original object.[3]

Where possible, RPM claims IPR on behalf of Brighton & Hove City Council in all other information and assets it creates, including image, text, software and data.

Rights Use

RPM will protect and exploit its IPR (including IPR licensed to RPMT by Brighton & Hove City Council) for the purpose of delivering its mission. While its primary purpose is for education, RPM may also use such IPR for commercial purposes, such as marketing and the creation of new retail products.

Where possible, RPM publishes surrogates and catalogue data about its collections under open licences or as public domain assets (see Access section for more details). While these are often made available free of charge, RPM may charge licence fees for some types of use, or for the service of supplying these assets, irrespective of rights.

RPM also uses external agencies, such as Bridgeman Art Library, to commercially exploit its IPR or to manage services such as print on demand. All such agreements are non-exclusive.

IPR owned by lenders and other external bodies is always managed according to the terms of the contract or other written agreement. RPM will ensure that its use of IPR belonging to other bodies is correctly credited at the point of publication, use or

[2] *Copyright Notice: Digital Images, Photography and the Internet*, Intellectual Property Office, November 2015, p 3 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/481194/c-notice- 201401.pdf

[3] *Exception to Copyright: Libraries, Archives and Museums*, Intellectual Property Office, October 2014 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/375956/Libraries_Archives_and_Museums.pdf

supply.

Aside from collection surrogates and catalogue data, RPM will generally reserve all rights in the IPR it creates. However, some items may be released under open licences or through bespoke agreements on a case by case basis.

Management & Systems

A large number of RPM staff and volunteers are involved in the creation and management of IPR. Internal training is periodically delivered in this, and advice is frequently given on specific rights issues.

Two ICT systems are used to help manage IPR:

1. RPM's collection management system, Mimsy XG, is used to record information about the copyright status of objects in its collections. In addition to information about the ownership of copyright, and its expiry date, RPM uses a hazard field to alert users to items that are clearly protected by copyright.
2. RPM's digital asset management system, Digital Media Bank, records information about the rights of digital assets, including collection surrogates, images from lenders, business records and publications. This records details about the rights holder, credit line and licence type, and also embeds this information into the file metadata at the point of download using the IPTC schema.

Access

RPM staff and volunteers can access copyrighted assets through the collection and digital asset management systems mentioned above, alongside its shared drive. All these systems require a log-in to view or download such assets, and access is only granted to staff once they have been trained in the use of these systems and understand the consequences of misuse of such material.

Surrogates of copyright protected objects in RPM's collection may only be made available to the public through supervised onsite sessions, or with the use of dedicated terminals in its museums or at the Keep. These terminals will be configured for offline use only, and users will not be permitted to download or remove copies of the works.

Where there is no significant risk in infringing the copyright of a third party, public access to RPM's collection data and surrogates is through its online catalogue and Digital Media Bank. The catalogue data and images up to 1200 pixels on the longest size are published as open data, and made available through an open API. This feeds

the collection search facility on RPM's website at brightonmuseums.org.uk and partner sites such as the Keep catalogue.

Surrogates in media other than still images, such as copies of oral histories, will be made available through streaming, rendering, and downloadable platforms as appropriate for the available technology and RPM's ability to permit re-use of these assets.

Where RPM owns the IPR in the surrogate (or where Brighton & Hove City Council owns such IPR and has licensed it to RPMT), the image and accompanying catalogue data are made available for re-use under a Creative Commons Attribution-Share Alike licence (CC BY-SA). Where the surrogate is not protected by copyright or any other form of IPR, it will be declared public domain. This open licensing framework is a key component of its data sharing arrangements with the Keep and other partners, and the commitments RPM makes to funders who insist on open outputs from the work they support.

Collection data, surrogates and other assets may also be made available under other agreements to aggregators and distributors, such as Art UK. In some cases, subsets of RPM's collection data may be released under a rights waiver as Creative Commons Zero / Public Domain (CC0).

Credit Lines

All use of RPM's IPR should be credited to the 'Royal Pavilion & Museums, Brighton & Hove'. Where assets are released as public domain, RPM also requests that the same credit line is applied so that researchers and other users can identify the source of the material.

For online use, a link back to the Digital Media Bank or online source of the asset may be requested.

RPM will always ensure that credit lines are clarified with lenders and other organisations as part of the agreement of use. It will ensure that these credit lines accompany use of these works in the form most appropriate for the medium and type of use.

Safeguarding Rights

Unless covered by an open licence or other agreement, written permission should be sought for the use of RPM's IPR. In most cases this will be confirmed in writing by

email, but in some cases a formal licence agreement may be required.

RPM will endeavour to only use the IPR of others where it believes it has permission to do so, or is covered by fair dealing exceptions. It will ensure that all such use is properly credited, as agreed with the rights holder.

In the case of orphan works RPM will take a managed risk approach in its use, assessing the likelihood and severity of complaint against the public benefit in using the work. Third parties wishing to use orphan works in RPM's collections will be required to obtain permission from the UK government's Orphan Works Licensing Scheme before the asset can be supplied.[4]

Third parties wishing to reproduce objects in RPM's collections where the copyright holder is known, will be advised to obtain permission before any assets can be supplied. RPM will not clear rights on behalf of third parties, and all costs must be borne by the third party.

Infringements & Take Down

If RPM becomes aware that its IPR is being used without permission, or beyond the reasonably understood terms of the agreement or open licence under which it was issued, it will request that the relevant asset be taken down in the first instance. If the use is one that RPM would usually charge for, it will request payment of the standard fee. In some cases, RPM may also take legal action.

Staff and volunteers are encouraged to seek advice if unclear about using others' IPR, and to inform the Digital Manager of any infringements made by RPM. In the case of an infringement that is likely to cause complaint, the asset will be taken down, or the action reversed.

Rights holders who believe RPM is infringing their IPR or moral rights are invited to contact RPM setting out a) the basis of their claim to ownership; b) the precise nature of their complaint; c) a suggested course of action to remedy the situation. RPM will enter into such discussions in good faith, but will only take down assets or discuss remedial action once it is clear that there is a robust legal basis to the complaint.

[4] https://www.gov.uk/guidance/copyright-orphan-works

NOTE ON THIS DRAFT: Please note that this draft is substantially agreed between the parties but not all the drafting has been finalised. Square brackets have been used to indicate areas where there is likely to be further discussion and work on the drafting but there may be other changes to the drafting.

DATED

TRANSFER AGREEMENT

BRIGHTON AND HOVE CITY COUNCIL

and

THE ROYAL PAVILION AND MUSEUMS TRUST

Bates Wells

10 Queen Street Place, London EC4R 1BE
bateswells.co.uk

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THIS TRANSFER AGREEMENT is made on

BETWEEN:

(1) **BRIGHTON AND HOVE CITY COUNCIL** of Hove Town Hall, Norton road, Hove, BN3 3BQ ("**the Council**"); and

(2) **THE ROYAL PAVILION AND MUSEUMS TRUST** of 4-5 Pavilion Buildings, Brighton, BN1 1EE (registered in England and Wales as a company with registered number 11774969, and as a charity with registered number [_____]) ("**the Charity**")

(each a "**Party**" and together "**the Parties**").

BACKGROUND:

(A) The Council operates the Undertaking. The Council and the Charity have agreed to enter into the Services Contract, under which the Council will pay a fee to the Charity in consideration of the performance of the Services by the Charity.

(B) The Council has agreed for the Charity to assume responsibility for the Undertaking from the Transfer Date.

(C) This Agreement sets out the terms on which the Council will Transfer to the Charity the Undertaking including the terms regarding Employees and pensions, such Transfer to be effective as of the Transfer Date.

(D) The Employees who are engaged in the Undertaking will transfer to the Charity by operation of the Regulations with effect from the Transfer Date.

(E) The Council will grant [(or, in the case of UB5 only, assign)] and the Charity will take the Leases from the Transfer Date.

1. **INTERPRETATION**

1.1 This Agreement shall be interpreted according to the provisions of Schedule 1 (**Definitions**).

1.2 References to Recitals, Clauses and Schedules are, unless otherwise stated, references to recitals, clauses and schedules to this Agreement.

1.3 References to this Agreement include its Schedules and the Schedules shall have effect as if set out in full in the body of this Agreement.

1.4 Words denoting the singular include the plural and vice versa; words denoting the masculine, feminine and neuter genders shall indicate other genders; words denoting persons include natural persons, bodies corporate and statutory bodies.

1.5 The headings to the Clauses and Schedules are for convenience only and shall not affect their interpretation.

1.6 Reference to any statute or statutory provision shall be deemed to include any instrument, order, regulation or direction made or issued under it and shall be construed so as to include a reference to the same as it may have been, or may from time to time be,

amended, modified, consolidated, re-enacted or replaced except to the extent that any amendment or modification made after the date of this Agreement would increase any liability or impose any additional obligation under this Agreement.

1.7 Reference to a particular government or statutory authority, or public organisation, shall be deemed to include a reference to any successor to such government or statutory authority or public organisation or any authority or organisation which has taken over any or all of either or both of the functions or responsibilities of such government or statutory authority or public organisation. In the case of the Council, its successors shall include any person to whom the Secretary of State, in exercising his statutory powers to transfer property, rights and liabilities of the Council upon the Council ceasing to exist, transfers the property, rights and liabilities of the Council under this Agreement, and any other agreement in connection with the transfer of assets and liabilities to, or services provided by, the Council to which both the Council and Charity are a Party. References to the rights, powers and duties of the Council shall include its rights, powers and duties as the Administering Authority. References to other persons shall include their successors and permitted transferees and assigns. References to the Parties shall be construed accordingly.

1.8 For the avoidance of doubt, in the event of any conflict between the provisions of this Agreement and the provisions of any of the Other Documentation the provisions of this Agreement shall take precedence.

2. APPROVALS AND CONDITIONS PRECEDENT

2.1 The Council confirms it has resolved to enter into this Agreement.

2.2 The Charity confirms its board has resolved to enter into this Agreement.

2.3 This Agreement is conditional upon the Admission Agreement and Other Documentation being entered into by the Charity and the Council and this Agreement shall only take effect if the Admission Agreement and Other Documentation have also taken effect.

3. TRANSFER

3.1 In consideration for the obligations of the Charity detailed in this Agreement, on the Transfer Date:

3.1.1 the Council shall transfer to the Charity with, save as disclosed, full title guarantee the following:

(a) the legal and beneficial interest in the Transferring Assets (save where such Transferring Assets are leased which has been Disclosed);

(b) the benefit of all licences, consents and permissions relating to the Undertaking, including those relating to any Transferring Assets and Premises (and including those listed in Schedule 4Part 3);

(c) all original documentation held by the Council in respect of the Contracts and Transferring Assets and all other material books, files and records relating to the Undertaking including the Council's accounting records (in a form suitable for use by the Charity); and

(d) the benefit of any rights and claims with respect to the Undertaking and of sums to which the Council is entitled either from third parties or insurers in respect of damage or injury to the Premises or other Transferring Assets save to the extent of sums expended prior to the Transfer Date in making good the damage or injury;

3.1.2 the Council shall licence to the Charity in accordance with the terms of the Services Contract the Council Background IPR, the Council Service IPR, the Council Trade Marks and the Collection IPR;

3.1.3 the Council shall grant the Leases, save for the Lease of UB5 which the Council shall assign to the Charity;

3.1.4 the Services Contract shall take effect;

3.1.5 the Back Office Services Contract shall take effect;

3.1.6 the Admission Agreement shall take effect; and

3.1.7 the transfer (subject to the right of any Employee to object) of the contracts of employment of the Employees to the Charity shall take effect.

4. **EMPLOYEES AND PENSIONS**

4.1 The Parties believe and acknowledge that the Transfer pursuant to this Agreement on the Transfer Date is a 'relevant transfer' within the meaning of the Regulations with the effect that on the Transfer Date (subject to the right of an Employee to object) the contracts of employment of each of the Employees will not be terminated by such Transfer but will continue to have effect (except to the extent provided by the Regulations) from the Transfer Date as if originally made between each of such Employees and the Charity.

4.2 Not later than 14 days after the Transfer Date, the Council will make available to the Charity the Personnel Files in respect of the Employees so that they can be copied by the Charity and the Council warrants that such Personnel Files shall be fully and accurately completed up to the Transfer Date.

4.3 The Parties agree to comply with the provisions of Schedule 5 (Employees and Pensions).

5. **ASSIGNMENT OF CONTRACTS AND APPORTIONMENTS**

5.1 Subject to the other provisions of this Clause 5, the Charity will with effect from the Transfer Date assume the obligations of the Council, and become entitled to the benefits of the Council, under the Contracts.

5.2 The Council hereby assigns to the Charity with effect from the Transfer Date all its rights, title and interest under or pursuant to all the Contracts which are capable of assignment without the consent of other parties.

5.3 In so far as a Contract cannot be assigned without the consent of a third party or a novation agreement:

5.3.1 this Agreement does not constitute an assignment or an attempted assignment of the Contract if such assignment or attempted assignment would constitute a breach of the Contract; and

5.3.2 the Council will, at the cost of the Council, use all reasonable endeavours (with the co-operation of the Charity, not to be unreasonably withheld or delayed by the Charity) to procure such consent or novation.

5.4 The Council will, at the cost of the Council (with the co-operation of the Charity, not to be unreasonably withheld or delayed by the Charity), agree and ensure that the Charity is added as a party to a Contract where this is required by the original parties. Subject to Clause 5.3.2, if any consent or novation is not obtained within 90 Business Days after the Transfer Date and the provisions set out in this Clause 5 do not enable the full benefit of a Contract to be enjoyed by the Charity then the Charity will be entitled by notice in writing to the Council to require the Council to treat such contract as an Excluded Contract.

5.5 As soon as reasonably practicable following the Transfer Date:

5.5.1 the Charity shall notify all necessary third parties in writing of the completion and effect of the Transfer to the extent that the Charity deems appropriate; and

5.5.2 (in any event not later than 7 days after the Transfer Date) the Council shall deliver, or procure delivery, to the Charity or make available to the Charity all National Insurance and PAYE records in respect of the Employees and shall warrant that such information is fully and accurately completed up to the Transfer Date.

5.6 In addition to the apportionments in relation to Employees set out in paragraph 2, Schedule 6Part 1 (Employees) or paragraph **Error! Reference source not found.**, Schedule 6Part 2 (Pensions):

5.6.1 The Charity agrees to reimburse the Council in respect of all receipts paid by the Council before the Transfer Date which relate to any Future Liabilities and the Council agrees to reimburse the Charity in respect of all receipts paid by the Charity after the Transfer Date which relate to any Historic Liabilities.

5.6.2 For the purposes of calculating and reconciling any payments due under Clauses 5.6.1 above, the Charity shall provide the Council with the details of any receipts relating to Historic Liabilities and the Council shall provide the Charity with any receipts relating to Future Liabilities, and the Council shall prepare a schedule setting out the values of such payments as soon as reasonably practicable after the Transfer Date ("the **Reconciliation Schedule**") and in the event that either party has made an underpayment or overpayment in relation to any Historic Liabilities or Future Liabilities (including, without limitation, any payments relating to the Undertaking's accounts), the Council and the Charity agree to make such payments to the other party as are required in order to ensure that all charges and outgoings are met by the Parties in accordance with the Clause 5.6.1 and the Reconciliation Schedule.

5.6.3 In agreeing the Reconciliation Schedule the Parties shall also agree timescales for making any payments due to each other in accordance with Clause 5.6.1 and 5.6.2 and in any event any outstanding payment due from one Party to the other shall be made no later than 30 Business Days after the Reconciliation Schedule is agreed or within such other

period as is agreed in writing between the Parties of the outstanding payment being agreed.

5.6.4 All money or other items received by one Party on or after the Transfer Date which belongs to the other Party in accordance with the terms of this Agreement shall be held by the receiving Party on behalf of the other Party and shall be paid or otherwise transferred to the other Party within 30 Business Days or such other period as agreed in writing between the Parties of receipt by the Council.

6. WARRANTIES AND DUE DILIGENCE

6.1 The Parties acknowledge that the Warranties are made on the Transfer Date by reference to the circumstances prevailing on such date.

6.2 The Council shall ensure that nothing is done or omitted to be done which would, at any time before or on the Transfer Date, be materially inconsistent with its Warranties, materially breach its Warranties or make the Warranties untrue or misleading in any material respect.

6.3 The Council warrants to the Charity that as at the Transfer Date, to the extent that it is aware and except as Disclosed:

6.3.1 it has responded diligently and in good faith to the written enquiries raised through the due diligence process documented in Schedule 5 (and has procured that its senior executive officers have done so) and that there are no Material Matters of which the Council is, or reasonably should be, aware which have not been Disclosed;

6.3.2 there are no Contracts transferring to the Charity:

(a) where the third party or the Council has defaulted or is in breach; and/or

(b) where notice of termination has been received or served by the Council and there are no grounds for determination, rescission, avoidance, repudiation or a material change in the terms of any such Contract;

6.3.3 there are no agreements, arrangements or registrations to which the Council is subject that involve obligations or liabilities that ought reasonably to be made known to the Charity;

6.3.4 it is the full legal and beneficial owner of, and has good and marketable title to, all the Transferring Assets and the Premises and such Transferring Assets and the Premises are free from any encumbrance;

6.3.5 none of the Transferring Assets nor the Premises are the subject of any lease, lease-hire agreement, hire-purchase agreement or agreement for payment on deferred terms or are the subject of any licence or factoring arrangement;

6.3.6 it is in possession and control of all the Transferring Assets, except for those it has Disclosed as being in the possession of a third party in the normal course of business;

6.3.7 the Transferring Assets and the Premises comprise all the assets necessary for the continuation of the Undertaking in the manner in which the Undertaking has been carried on by the Council prior to the Transfer Date;

6.3.8 the Material Transferring Assets used in connection with the Undertaking:

6.3.9 are in good working order and have been regularly and properly maintained; and

6.3.10 are capable and will so far as the Council is aware continue to be capable of doing the work for which they were designed;

6.3.11 the activities of the Council in relation to the Undertaking have not infringed, nor are they likely to infringe any Intellectual Property Rights of any third party. No such activities constitute, have constituted or are likely to constitute, any breach of confidence, passing off or actionable unfair competition in any jurisdiction. No such activities give or have given rise to any obligation to pay any material royalty, fee, compensation or any other sum;

6.3.12 in relation to the Undertaking, the Council has fully complied with the requirements of all applicable legislation concerning rights in respect of privacy and Personal Data and has not been subject to any investigations by the Information Commissioner's Office in relation to its data protection practices;

6.3.13 all necessary planning permissions and consents and approvals from all statutory and other competent authorities in relation to the Premises and their development have been obtained and are valid and subsisting;

6.3.14 [the Premises are in all material respects in a good state of repair and condition and will not require substantial expenditure in the foreseeable future]; and

6.3.15 the information Disclosed to the Charity is accurate and complete.

6.4 The Charity acknowledges and confirms that in respect of all matters not covered by the warranties in clause 6.3:

6.5 it has had an opportunity to carry out a thorough due diligence exercise and has asked the Council all the questions it considers to be relevant for the purpose of establishing whether it is able to provide the Services in accordance with the terms of the Service Contract; and

6.6 [it has made and shall make its own enquiries to satisfy itself as to the accuracy and adequacy of any information supplied to it by or on behalf of the Council].

7. **INSURANCE**

7.1 Subject to the terms of the Services Contract, the Council shall maintain in force up to the Transfer Date all the policies of insurance Disclosed as part of the due diligence process.

7.2 For insurance policies which are not Excluded Contracts, the Council undertakes to the Charity that it will notify the interest of the Charity to the relevant insurers and seek to transfer the benefit of the policies to the Charity.

8. **LIABILITIES AND INDEMNITIES**

8.1 The Parties acknowledge and agree that, from and including the Transfer Date:

8.1.1 the Charity shall be responsible for the operation of the Undertaking as set out in this Agreement;

8.1.2 all Historic Liabilities shall belong to, and be paid and discharged by, the Council and the Council undertakes to indemnify and keep the Charity indemnified against any Historic Liabilities and Insured Liabilities; and

8.1.3 all Future Liabilities shall belong to, and be paid and discharged by the Charity and the Charity undertakes to indemnify and keep the Council indemnified against any Future Liabilities save to the extent that any such liabilities and any consequential Losses were caused or contributed to by any act or omission of the Council.

8.2 From the Transfer Date the Council shall continue to be liable for all Losses in relation to the Excluded Assets and the Excluded Contracts save to the extent that any such Losses were caused or contributed to by any act or omission of the Charity.

8.3 Each Party shall provide all reasonable assistance and co-operation to the other Party (including without limitation, access to relevant records or data) as the other Party may request from time to time to enable that Party to effectively deal with or manage any claims referred to in this Agreement or that are insured under insurance policies taken out by the Council prior to the Transfer Date.

9. **CONDUCT OF CLAIMS**

9.1 In respect of the indemnities given in this Agreement:

9.1.1 the indemnified Party shall give written notice to the indemnifying Party as soon as is practicable of the details of any claim or proceedings brought or threatened against it by a third party in respect of which a claim will or may be made under the relevant indemnity;

9.1.2 the indemnifying Party shall at its own expense have the exclusive right to defend, conduct and/or settle all claims and proceedings which may be brought by a third party to the extent that such claims or proceedings may be covered by the relevant indemnity provided that where there is an impact on the indemnified Party, the indemnifying Party shall consult with the indemnified Party and shall at all times keep the indemnified Party informed of all matters which could have a material impact on the indemnified Party; and

9.1.3 the indemnified Party shall, at the indemnifying Party's expense, provide all reasonable assistance and documentation required by the indemnifying Party in connection with, and act as or be joined as a defendant in, any claim or proceedings brought by a third party. The indemnifying Party shall reimburse the indemnified Party for all reasonable costs and expenses (including legal costs and disbursements) incurred in providing such cooperation and/or arising as a result of the indemnifying Party's failure to defend, conduct and/or settle such claims and proceedings.

10. ANNOUNCEMENTS

10.1 No announcement of any kind shall be made in respect of the subject matter of this Agreement except as specifically agreed between the Parties. Any announcement by either of the Parties shall in any event be issued only after prior consultation with the other and the other shall not unreasonably withhold its consent.

10.2 The Parties shall prepare and release agreed joint press statements concerning the Transfer for release on the Transfer Date or such other date or dates as may be mutually agreed.

11. FORCE MAJEURE

11.1 Neither Party (provided that it has complied with this Clause 11) shall be deemed to be in breach of this Agreement, or otherwise liable to the other by reason of any delay in performance or non-performance of any of its obligations hereunder to the extent that such delay or non-performance is due to a Force Majeure Event ("**the Affected Party**").

11.2 The Affected Party shall:

11.2.1 as soon as reasonably practicable after the start of the Force Majeure Event but no later than 5 Business Days from its start, notify the other Party in writing of the Force Majeure Event, the date on which it started, its likely or potential duration, and the effect of the Force Majeure Event on its ability to perform any of its obligations under this Agreement; and

11.2.2 use all reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations.

12. GOOD FAITH AND FURTHER ASSURANCE

12.1 The Charity and the Council shall cooperate with each other and act in fairness and in good faith to each other to enable each of them to discharge their obligations under this Agreement.

12.2 Subject to any other provisions of this Agreement, to the extent that may be necessary, both Parties will:

12.2.1 as and when reasonably required, execute and do all such agreements, conveyances, assignments, assurances, acts and things as may be necessary to give effect to the provisions of this Agreement; and

12.2.2 render all reasonable assistance to the other Party in connection with the conduct by the other Party of any third party claim.

13. DISPUTE RESOLUTION

13.1 In the case of any Dispute in relation to this Agreement and/or the Transfer the Parties shall use their best efforts to negotiate in good faith through their nominated representatives and settle amicably such Dispute through negotiations.

13.2 If any Dispute cannot be settled within 28 days the Parties shall use their reasonable endeavours to agree to elect to settle it by mediation in accordance with the Centre for Dispute Resolution (CEDR) model mediation procedure.

14. **CONFIDENTIAL INFORMATION**

14.1 Each Party shall keep secret and confidential all Confidential Information disclosed to it as a result of this Agreement and shall not disclose the same to any person save to the extent necessary to perform its obligations in accordance with the terms of this Agreement or save as expressly authorised in writing by the other Party.

14.2 Each Party may disclose the other Party's Confidential Information:

14.2.1 to its employees, officers, representatives or advisers who need to know such information for the purposes of exercising the Party's rights or carrying out its obligations under or in connection with this Agreement. Each Party shall ensure that its employees, officers, representatives or advisers to whom it discloses the other Party's Confidential Information comply with this Clause 14;

14.2.2 as may be required by Law, a court of competent jurisdiction or any governmental or regulatory authority; or

14.2.3 in accordance with clause 15.

14.3 Neither Party shall use the other Party's Confidential Information for any purpose other than to exercise its rights and perform its obligations under or in connection with this Agreement.

14.4 The obligation of confidentiality contained in this clause shall not apply or shall cease to apply to any Confidential Information which:

14.4.1 at the time of its disclosure by the disclosing Party is already in the public domain or which subsequently enters the public domain other than by breach of the terms of this Agreement by the receiving Party;

14.4.2 is already known to the receiving Party as evidenced by written records at the time of its disclosure by the disclosing Party and was not otherwise acquired by the receiving Party from the disclosing Party under any obligations of confidence; or

14.4.3 is at any time after the date of this Agreement acquired by the receiving Party from a third party having the right to disclose the same to the receiving Party without breach of the obligations owed by that Party to the disclosing Party.

14.5 Notwithstanding the obligations at Clause 14.1 above, the Council may publish the Charity's Confidential Information to the extent required by the Council to comply with:

14.5.1 its statutory duty under The Local Government (Transparency Requirements) (England) Regulation 2015 as detailed in section 2 of The Local Government Transparency Code 2015; and

14.5.2 any obligations for disclosure placed upon it by government guidance, provided that no information that is commercially sensitive to the Charity shall be published and that in

publishing the information the Council shall comply with the Data Protection Legislation. For the avoidance of doubt, contract information will not be considered to be commercially sensitive if the information is publicly available.

15. **FREEDOM OF INFORMATION**

15.1 The Charity shall assist and fully and promptly cooperate with the Council as required (including but not exclusively assistance in retrieving information held) to enable the Council to comply with its duties under the Freedom of Information Act 2000 ("**FoIA**").

15.2 The Council shall not be in breach of clause 14 (Confidential Information) of this Agreement if it makes disclosures of information in accordance with the requirements of FoIA.

15.3 If the Charity receives a request for information which relates to the Council or to this Agreement to which FoIA applies or might apply it shall:

15.3.1 transfer to the Council the request for information as soon as practicable and in any event within 2 (two) Business Days of receiving it;

15.3.2 provide the Council with a copy of all information in its possession or power in the form that the Council requires within 5 (five) working days (or such other period as the Council may reasonably specify) at the Council's request; and

15.3.3 provide all necessary assistance as reasonably requested by the Council to enable the Council to respond to the request for information within the time for compliance set out in the FoIA.

15.4 The Charity shall not (under any circumstances) respond directly to a request for information unless expressly authorised to do so by the Council.

15.5 Notwithstanding any other provision of this Agreement, the Charity hereby gives consent for the Council to publish this Agreement in its entirety (subject to the redaction of any information which is exempt from disclosure in accordance with the provisions of FoIA to the general public in compliance with its statutory duty under the Transparency Requirements provided that no information that is commercially sensitive to the Charity shall be published and that in publishing the information the Council shall comply with the Data Protection Legislation.

16. **[DATA PROTECTION**

16.1 The Council undertakes on or before the Transfer Date to disclose to the Charity in relation to any transferring Protected Data, the purpose(s) for which it collected the Protected Data, and clear records of:

16.1.1 all consents to the Processing of such Protected Data (if any) which have been obtained from the Data Subjects;

16.1.2 all privacy statements (or policies/notices) provided to the Data Subjects by the Council; and

16.1.3 all consents to the receipt of direct marketing by email or text, phone or other electronic means obtained from the Data Subjects and any 'suppression lists' of Data Subjects who have indicated that they do not wish to receive direct marketing communications from the Council.

16.2 The Council warrants that any Protected Data provided to the Charity pursuant to the Transfer has been collected and processed in compliance with the Data Protection Legislation.

16.3 As soon as is practicable after the Transfer Date and in any event within 30 days of the Transfer Date, the Charity shall notify all Data Subjects that the Charity is now the Controller of their Protected Data and shall provide them with all information which it is required to provide to them under Article 14 of the GDPR.

16.4 The Parties will at all times work co-operatively together in relation to the use of Protected Data and to comply with the requirements of the Data Protection Legislation in relation to the Transfer.

16.5 Both the Council and the Charity shall take all reasonable steps to not do anything which could result in the other Party breaching the Data Protection Legislation in relation to the Protected Data.

16.6 The Council shall indemnify the Charity against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by the Charity in connection with or as a result of the Charity's breach of the Data Protection Legislation and/or this clause 16. Notwithstanding any other provision in this Agreement, nothing in this Agreement shall exclude or limit the liability of the Council under the indemnity in this clause 16.6.]

17. **NOTICES**

17.1 A notice given under this Agreement will be sent for the attention of the person, and to the address given in this Clause (or such other address as the relevant Party may have notified to the other Party in accordance with this Clause) and will be:

17.1.1 delivered personally; or

17.1.2 delivered by commercial courier; or

17.1.3 sent by pre-paid first-class post, registered post or recorded delivery.

17.2 The addresses for service of notice are:

17.2.1 **Council**

Address: [*Insert address*]

For the attention of: *[Insert name and/or position*]

17.2.2 **Charity**

Address: [I*nsert address*]

For the attention of: [*Insert name and/or position*]

17.3 A notice is deemed to have been received:

17.3.1 if delivered personally, at the time of delivery; or

17.3.2 if delivered by commercial courier, at the time of signature of the courier's receipt; or

17.3.3 if sent by pre-paid first class post, recorded delivery or registered post, 48 hours from the date of posting; or

17.3.4 if deemed receipt under the previous paragraphs of this Clause is not within business hours (meaning any time other than 9.00 am to 5.30 pm Monday to Friday on a Business Day), at the time when business next starts in the place of receipt.

17.4 It is sufficient, to prove service by post, that the envelope containing the notice was properly addressed and posted.

17.5 A notice under this Agreement will not be valid if sent by e-mail.

18. **VARIATIONS**

No variation or waiver of this Agreement (or any part of this Agreement) shall be effective unless it is in writing and signed by or on behalf of each of the Parties.

19. **ENTIRE AGREEMENT**

This Agreement sets out the entire agreement and understanding between the Parties in respect of the subject matter of this Agreement and supersedes any prior drafts, agreements, understanding, undertaking, representations, warranties or arrangements of any nature, whether in writing or oral, relating to such subject matter.

20. **ACKNOWLEDGEMENT**

20.1 The Parties acknowledge that they have entered into this Agreement in reliance only upon the representations, warranties and promises specifically contained or incorporated in this Agreement and, save as expressly set out in this Agreement, neither Party shall have liability in respect of any other representation, warranty or promise made prior to the date of this Agreement unless it was made fraudulently.

20.2 Nothing in this Clause shall limit or exclude any liability for fraud or fraudulent misrepresentation.

21. **SEVERANCE**

21.1 If any provision of this Agreement (or part of a provision) is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions will remain in force.

21.2 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision will apply with whatever modification is necessary to give effect to the commercial intention of the Parties where this is possible.

21.3 Without prejudice to Clause 21.1, if, in the reasonable opinion of either of the Parties, the effect of such a deletion is to undermine the purpose of this Agreement or materially prejudice the position of either Party, the Parties shall negotiate in good faith in order to agree suitable alternative provisions to replace the deleted provisions or a suitable amendment to this Agreement.

21.4 This Agreement (other than obligations that have already been fully performed) remains in full force after the Transfer Date.

22. **ASSIGNMENT**

22.1 Neither Party may assign, transfer, charge, dispose of or otherwise deal in any manner with any or all its rights and liabilities under this Agreement without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed.

22.2 This Agreement shall be binding on, and shall enure to the benefit of, the Council and the Charity and their respective successors and permitted transferees and assigns (if any).

23. **RELEASES AND WAIVERS**

23.1 The rights, powers and remedies conferred on any party by this Agreement and remedies available to any party are cumulative and are additional to any right, power or remedy which it may have under general Law or otherwise.

23.2 Either Party may, either in whole or in part, release, compound, compromise, waive, or postpone, in its absolute discretion, any liability owed to it or right granted to it in this Agreement by the other Party without in any way prejudicing or affecting its rights in respect of that or any other liability or right not so released, compounded, compromised, waived or postponed.

23.3 No single or partial exercise, or failure or delay in exercising any right, power or remedy by any party shall constitute a waiver by that party of, or impair or preclude any further exercise of, that or any right, power or remedy arising under this Agreement or otherwise.

24. **EXCLUSION OF THIRD PARTY RIGHTS**

Unless expressly provided in this Agreement, no term of this Agreement is enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it.

25. CHARITIES ACT 2011

The Premises will, as a result of the Leases be held by The Royal Pavilion and Museums Trust, a non-exempt charity, and the restrictions on dispositions imposed by sections 117 to 121 of the Charities Act 2011 will apply to the Premises (subject to section 117(3) of that Act).

26. **NO PARTNERSHIP OR AGENCY**

Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute any Party the agent of the other Party, nor authorise either Party to make or enter into any commitments for or on behalf of the other Party.

27. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which is an original and which together have the same effect as if each Party had signed the same document.

28. **GOVERNING LAW AND JURISDICTION**

28.1 This Agreement and any Disputes or claims arising out of or in connection with it or its subject matter or formation (including non-contractual Disputes or claims) will be governed by and construed in accordance with the Laws of England and Wales.

28.2 The Parties irrevocably agree that the courts of England and Wales have exclusive jurisdiction to settle any Dispute or claim that arises out of or in connection with this Agreement.

EXECUTION OF THE TRANSFER AGREEMENT

IN WITNESS whereof this Agreement has been executed as a deed by the Parties and delivered by them on the date shown above.

EXECUTED (but not delivered until the date shown above))
)
)
AS A DEED by affixing the COMMON SEAL of COUNCIL in the presence of:)
)

Name of Authorised Signatory:

Signed:

EXECUTED (but not delivered until the date shown above)

AS A DEED by **THE CHARITY**

acting by

Name of Authorised Signatory: (a Director) ……

Signed: ……

in the presence of:

Witness signature: ……

Witness name: ……

Witness occupation: ……

Witness address: ……

……

Schedule 1 - Definitions

In this Agreement (including the Recitals) and unless the context otherwise requires, the following words or expressions will have the following meanings:

"Administering Authority"	means the Council in its capacity as the administering authority of the Fund (or any successor to the administering authority from time to time);
"Admission Agreement"	means the agreement to be entered into in accordance with Part 3 of Schedule 2 of the Local Government Pension Scheme Regulations 2013 by the Council and the Charity in the Fund's standard form [with effect from] the Transfer Date or such other form as the Parties may reasonably agree;
"Agreement"	means this agreement (including the Schedules);
"Appropriate Pension Provision"	[in respect of the Eligible Employees who are active members of (or are eligible to join the Fund immediately before the Transfer Date means continued membership or continued eligibility for membership of the LGPS as appropriate or (b) membership or eligibility for membership of a pension scheme which is certified by the Government Actuary's Department (GAD) as being broadly comparable to the terms and value of the LGPS];
"Back Office Services Agreement"	means the agreement to be entered into for the provision of back office services to the Charity by the Council;
"Business Day"	means a day when banks in London are open for business, other than any Saturday or Sunday, any public holiday, any statutory holiday of the Council or any day between 25 December and 1 January (inclusive) each year on which the Council's offices are closed;
"Collection IPR"	has the meaning given to it in Schedule 1 of the Service Contract;

"Confidential Information"	means any information which ought reasonably to be considered confidential however conveyed or presented: - that relates to or forms part of the Transfer or to the business, affairs, operations, customers, beneficiaries, processes, budgets, pricing, policies, product information, strategies, developments, trade secrets, know-how, personnel and suppliers of the disclosing Party; including the disclosing Party's Intellectual Property Rights; - together with all information derived by the receiving Party from any such information; and any other information clearly designated by the providing Party as being confidential to it (whether or not it is marked "confidential");
"Contract(s)"	means any and all contracts, arrangements, licences, grant agreements and other commitments entered into by the Council in relation to the Undertaking, which are operative at the Transfer Date including, without limitation, those set out in Schedule 3Part 1 but excluding the Excluded Contracts set out in Schedule 3Part 2;
"Controller"	has the meaning given to it in the relevant Data Protection Legislation
"Council Background IPR"	has the meaning given to it in Schedule 1 of the Service Contract;
"Council Service IPR"	has the meaning given to it in Schedule 1 of the Service Contract;
"Council Trade Marks"	has the meaning given to it in Schedule 1 of the Service Contract;
"Data Subjects"	means the individuals whose Protected Data is being transferred from the Council to the Charity in connection with this Agreement;
"Data Protection Legislation"	means, as applicable, (a) the General Data Protection Regulation (EU) (2016/679) ("**GDPR**"); (b) the Data Protection Act 2018; (c) the Privacy and Electronic Communications (EC Directive) Regulations 2003; and (d) all other applicable Laws and regulations relating to the Processing of

	Personal Data and privacy, including statutory instruments (and in each case any re-enactment or amendment);
"Disclosed"	means fairly disclosed by the Council prior to the Transfer Date as shown in the schedule of emails sent by the Council as part of the due diligence process set out at Schedule 5;
"Dispute"	means any dispute, claim or difference arising out of or relating to this Agreement;
"Eligible Employees"	[means (a) the Employees who are active members of (or are eligible to join) the Fund immediately before the Transfer Date and (b) any other individuals nominated by the Charity with the agreement of the Council];
"Employee Liability Information"	means the information which a transferor is obliged to notify to a transferee pursuant to Regulation 11(2) of the Regulations;
"Employees"	those employees of the Council to whom the Regulations will apply on the Transfer Date as listed in Schedule 2 (List of Employees), and accurate as at the date on which this Agreement is signed by both Parties;
"Excluded Assets"	means those assets related to the Undertaking that will not transfer under this Transfer Agreement (if any) as more specifically set out in Schedule 4Part 2;
"Excluded Contracts"	the historic insurance policies, contracts, grant agreements and other commitments entered into by the Council in relation to the Undertaking which are operative at the Transfer Date and which shall not transfer from the Council to the Charity under this Agreement, as set out at Schedule 3Part 2;
"Fund"	means the section of the LGPS referred to as the East Sussex Pension Fund or any successor pension fund for the purposes of the LGPS Regulations;
"Future Liabilities"	means all receipts relating to the Undertaking and all Losses and outgoings incurred or payable in relation to the Undertaking from and including the Transfer Date;
"Historic Liabilities"	means all receipts relating to the Undertaking and all Losses and outgoings incurred or payable in

	relation to the Undertaking up to the Transfer Date;
"Indirect Losses"	means loss of profits (other than profits directly and solely attributable to the Undertaking), loss of use, loss of production, increased operating costs, loss of business, loss of business opportunity, loss of reputation or goodwill or any other consequential or indirect loss of any nature, whether arising in tort or on any other basis;
"Initial Contribution Rate"	[means [per cent (x.x%)] of the Eligible Employees Pensionable Pay or such alternative percentage employer contribution rate as is notified to the Charity on or around the Transfer Date by the Administering Authority];
"Insured Liabilities"	means all liabilities of the Council to the extent they are indemnified under any insurance policy of the Council;
"Intellectual Property Rights"	means all patents, copyright, design rights, trademarks, trade secrets, know-how and other intellectual property rights (whether registered or unregistered) and all applications of the same;
"Know-how"	means information, data, know-how or experience whether patentable or not and including but not limited to any technical and commercial information relating to research, design, development, manufacture, use or sale;
"Law"	means any applicable statute or proclamation or any delegated or subordinate law; any enforceable community right within the meaning of section 2(1) European Communities Act 1972; any applicable guidance, direction, order or determination with which the Council is bound to comply; and any applicable judgment of a relevant court of law which is a binding precedent in England and Wales, in each case in force in England and Wales;
"Leases"	[means the leases to be entered into by the Parties on the Transfer Date, (and "**Lease**" means any one of such Leases)];

"LGPS"	means the Local Government Pension Scheme;
"LGPS Regulations"	means the Local Government Pension Scheme Regulations 2013 as amended, re-enacted or superseded from time to time;
"Loss" or "Losses"	means all damages, losses, liabilities, claims, actions, costs, expenses (including the cost of legal or professional services), proceedings, demands and charges whether arising under statute, contract or at common law but, for the avoidance of doubt, excluding Indirect Losses;
"Material Matter"	means any matter or series of connected matters which together, or above, would, or could reasonably be expected to result in a Loss to the Charity in excess of £5,000, or have a material negative impact on its reputation;
"Material Transferring Asset"	[means any Transferring Asset which either has a value in excess of £5,000, or is identified by the Charity in writing as otherwise material to the delivery of the Services];
"Other Documentation"	means the Services Contract, the Back Office Services Agreement and the Leases;
"Pensionable Pay"	[shall have the same meaning as Pensionable Pay as defined in the LGPS Regulations];
"Personal Data"	shall have the meaning given to it in the relevant Data Protection Legislation;
"Personnel Files"	means in respect of the Employees copies of all personnel files or records relating to their employment at the Council and any previous period of continuous employment with the Council including without limitation a copy of any contractual documentation, any documentation relating to job description, pay information, any documentation relating to membership of an occupational pension scheme, training records, information relating to sickness absence, a copy of any disciplinary warnings and a copy of any grievances;
"Premises"	means the premises listed in Schedule 7;
"Processing"	has the meaning given to it in the relevant Data

	Protection Legislation;
"Protected Data"	means any Personal Data which is required for the ongoing operations of the Undertaking, and which is being transferred from the Council to the Charity in connection with this Agreement;
"Regulations"	means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended or re-enacted from time to time);
"Services"	has the meaning given to it in the Services Contract entered into between the Council and the Charity;
"Services Contract"	means the contract for the provision of the Services by the Charity entered into between the Council and the Charity, if any such agreement is entered into in relation to the Transfer;
"Transfer"	means the transfer of the Undertaking from the Council to the Charity pursuant to this Agreement;
"Transfer Date"	means [*Insert date on which Undertaking actually transfers*];
"Transferring Assets"	means those assets owned or leased to the Council and required by the Charity for the purposes of enabling it to operate the Undertaking including, without limitation, those set out in Schedule 4Part 1 but excluding the Excluded Assets set out in Schedule 4Part 2;
"Transparency Requirements"	has the meaning given to it in Schedule 1 of the Service Contract;
"Undertaking"	means the business activities transferring to the Charity from the Council under this Transfer Agreement, including the Services (as relevant to the Transfer) and the Employees, Transferring Assets and Contracts as are relevant for the delivery of the Services; and
"Warranties"	means the warranties set out in Clause 6.

Schedule 2 - List of Employees

This Schedule lists of all persons identified by the Council as being those individuals meeting the Definition of “Employee” in Schedule 1.

Last Name	First Name	POST	DOB	Start date

Schedule 3 - Contracts

Part 1 – Contracts and Grants to be assigned on Transfer

Parties	Subject	Start Date	End Date

Part 2 – Excluded Contracts

Parties	Subject	Start Date	End Date
CTS	Electrical testing (EICR) - fixed wiring installations		
BHCC	Utilities - Electricity		
BHCC	Utilities- Water		
BHCC	Utilities - Gas		
Certas Energy	Utilites - Heating oil (HMAG)		

Schedule 4 - Assets

Part 1 – Transferring Assets

1. **Asset List**

1.1 All equipment including IT, furniture, and tools on the premises currently used in the operation of the Undertaking, plant and equipment which is the subject of any leasing, hire or hire purchase agreements including, without limitation, the inventory of office equipment and furniture (including photocopiers, printers, desks, tables, chairs, filing cabinets etc.) as listed in the Inventory enclosed in Annex B, shop stock and other stock, an allowance for working capital, and RPM reserves held by the Council.

1.2 All goodwill associated with the operation of the Undertaking.

All Protected Data.

1.3 Any cash balance remaining from the Undertaking's budget following completion of due accounting procedures.

Part 2 – Excluded Assets

2. **Asset List**

2.1 [*Insert*]

3. **Inventory**

3.1 [*Insert*]

Part 3 – Consents and Licences

1. **List**

1.1 [*Insert*]

Annex A:

ISBN	Author/s	Title	Pub Date	pages	note	Status
09748723212	Jessica Rutherford	Pavilion Guide Book	22.11.1994			OUT OF PRINT
094872322X	Janita Bagshawe	Children's Guide to the Royal Pavilion	28.11.1994			OUT OF PRINT
0948723238	Louise Tythacott	Hold: acquisitions, perceptions, representations	13.01.1995			OUT OF PRINT
0948723246	Francis Rose	Hold: Habitats and Vegetation of Sussex	6.3.1995			OUT OF PRINT
0948723254	David Beevers (Editor)	Brighton Revealed Catalogue	25.8.1995			OUT OF PRINT
0948723262	Donald, R. Benewick (Editor)	Belief in China: The Art of Men and Gods	31.08.1995			OUT OF PRINT
0948723279	via Camay C-C	The Brighton Panorama	14.3.1997		RPMAG Repro of W.H. Mason's original publication of 1833	OUT OF PRINT

500

948723270	Elizabeth Dell and Karel Arnaut (Editors)	Bedu is my Lover, Five Stories About Bondoukou and Masquerading	16.4.1996	Published by the Green Centre for Non Western art at the Royal Pavilion	IN STOCK-low stock
0948723289	Stella Beddow	Art Deco Fans	7.1.1997		In Stock-for disposal
0948723300	Andrew Barlow	The Prince and His Pleasures: Satirical Images of George IV and His Circle	12.5.1997		OUT OF PRINT
0948723327	Janita Bagshaw	Teachers Book: of Brighton as a resource the dev.	Apr-96		OUT OF PRINT
0948723319	Gerald Legg	History of Sussex Wildflowers	May-97		OUT OF PRINT
0948723343	L. Theophilus/ Janita Bagshawe	Tadek Beutlich: Off the Loom!	Jun-97		OUT OF PRINT
0948723351	Stuart Morgan (Author), Nicola Coleby (Editor)	Lure: New Paintings and Other Work by Suzanne Hutchinson - 'Ecstatic Moments'	5.8.1997		OUT OF PRINT
094872336X	Nicola Coleby (Editor)	A Surreal Life: Edward James, 1907-1984	6.11.1997		OUT OF PRINT
0948723386	Nicola Coleby (Editor)	A Surreal Life: Edward James, 1907-1984	30.1.1998	paperback edition	OUT OF PRINT
0948723378	Brighton & Hove Council	Brighton, Hove and Around Sussex	14.1.1998		OUT OF

						PRINT
0948723394	Matthew Thomas (Editor), Matthew Hodd (Editor)	Wildlife for People: A Wildlife Strategy for Brighton and Hove	May-98		Brighton & Hove Council, Booth Museum of Natural History	OUT OF PRINT
0948723408	Susan Picton (Author), Helena Curtis (Illustrator),Eliz Dell	Access Africa Resource Pack: African Collections at Brighton Museum and Art Gallery	Jun-98			OUT OF PRINT
0948723416	Camay C-C	A Time Remembered	3.7.1998			OUT OF PRINT
0948723424	Camay C-C	Royal Pavilion Construction kit	3.7.1998			OUT OF PRINT
0948723432	Jackie Binns (Author) ,Mike Jones Ed	South East Arts Craft Collection: 1996-1997	4.9.1998	38	Hove Museum & Art Gallery	OUT OF PRINT
0948723440	Jackie Binns (Author) ,Mike Jones Ed	Hove Museum and Art Gallery, Contemporary Craft Collection		40	Hove Museum & Art Gallery	OUT OF PRINT
0948723459	David Beevers (Author)	Preston Manor, Brighton	Jun-99	60	New edition in stock	OUT OF PRINT
0948723467	Nicola Coleby (Editor)	Sculpture catalogue	1.8.1999			OUT OF PRINT
0948723475	Judy Pennington (Author), Julia Pannett - Sexton (Illustrator)	George the Pavilion Cat	21.2.2000	32	New edition in stock	OUT OF PRINT

0948723483	Camay Chapman-Cameron, Brighton & Hove City Council	Full Local Transport Plan: 2001/02-2005/06	31.8.2000			OUT OF PRINT
09487234891	Nicola Coleby and Helen Grundy (Editors)	Kiss & Kill: Film Visions of Brighton	4.9.2001			OUT OF PRINT
0948723505	Stella Beddow (Author)	The Brighton and Hove Collections: 20th Century Decorative Art and Design	27.3.2002		New edition in stock (low stock)	OUT OF PRINT
0948723513	Andrew Barlow (Author)	The Brighton and Hove Collections ; Fine Art Highlights	27.3.2002		New edition in stock (low stock)	OUT OF PRINT
0948723521	Matthew Thomas (Editor)	School Wildlife: the Biodiversity of School Grounds in Brighton & Hove	12.6.2003		Brighton & Hove Council, Booth Museum of Natural History	OUT OF PRINT
094872353X	Michael Jones	An Introduction to The Royal Pavilion's Gardens	19.8.2003		New edition in stock (Set For A king)	OUT OF PRINT
0948723548	Jessica Rutherford (Author)	A Prince's Passion: The Life of the Royal Pavilion	5.9.2003	192	New edition out of stock	OUT OF PRINT
0948723556	Debra Roony (Author) Camay C-C, Mike Jones, et al.	The Young Person's Guide to The Royal Pavilion	3.9.2003	34	New edition out of stock	OUT OF PRINT
0948723564	Colin Pratt - G. Legg	A Modern Review of the History of the Stag Beetle (Lucanus Cervus L) in Great Britain		64		OUT OF PRINT

0948723572	Suzie Plumb, Nicola Colby (Editors)	Guys 'n' Dolls: Art, Science, Fashion and Relationships	7.3.2005	102		OUT OF PRINT
0948723580	Peta Clancy (Author), Cynthia Troup (Author), Panos A. Ioannou (Author), Grace McQuilten (Author), Helen Mears (Editor)	Visible Human Bodies 2005: An Exhibition of Images by Artist Peta Clancy at Brighton Museum and Art Gallery, 30 April-10 July 2005	8.3.2005	140		OUT OF PRINT
0948723599	Matthew Thomas (Author)	Brighton and Hove Biodiversity Action Plan: School Grounds	18.3.2005	31	Brighton & Hove Council, Booth Museum of Natural History	OUT OF PRINT
0948723602	Rose Collis (Author)	Brighton Boozers: A History of the City's Pub Culture	Aug-05	82		OUT OF PRINT
0948723610	Camay C-C	Juvenile Varieties of Brighton	?	?	Repro of book Drawn, engraved, printed & published by I. Bruce (1831)	OUT OF PRINT
0948723629	Mike Jones (Author)	Set for a King: 200 Years of Gardening at the Royal Pavilion	1.1.2006	192	New edition in stock	OUT OF PRINT
0948723637	Jessica Rutherford (Author)	The Royal Pavilion Brighton: The Palace of King George IV	?	?	Guidebook Eng ed New edition in stock	OUT OF PRINT

0948723645	Jessica Rutherford (Author)	Le Pavillon Royal Brighton. Le palais de Georges IV	5.8.2005	80	Guidebook French ed. New edition in stock	OUT OF PRINT
0948723653	Helen Mears	Twelve'	30.8.2005			OUT OF PRINT
0948723661	Eleanor THOMPSON (Author)	A Family Of Fashion: The Messels: Six Generations Of Dress	6.9.2005	192		OUT OF PRINT
094872367x	Stephen Calloway (Author)	Rex Whistler: The Triumph of Fancy	28.2.2006	96		OUT OF PRINT
0948723688	Jessica Rutherford (Author)	Der Konigliche Pavilion’	20.6.2006	80	Guidebook German ed. New edition in stock	OUT OF PRINT
9780948723704	Gillian Perry (Author), Mac Giolla Leith, Caoimhin (Author), Nicola Coleby (Editor)	Alice Maher: Natural Artifice	Dec 18 2006	48	First 13 digit ISBN used-changed from 10 digit 0948723696 (deleted	OUT OF PRINT
9780948723711	David Beevers (Editor)	Chinese Whispers: Chinoiserie in Britain 1650-1930	Oct 2 2007	144		OUT OF PRINT
9780948723728	Amy de la Haye	Land Girls: Cinderellas of the Soil	Aug-09	64	with Sussex land Army Map insert	In Stock-for disposal

9780948723735	Martin Pel	Dress for Excess: Fashion in Regency England	15.3.2011	Mini guide 8 panel		OUT OF PRINT
9780948723742	David Mellor	Radical Bloomsbury	15.3.2011			OUT OF PRINT
9780948723759	David Ventham (Author)	Harpacticoid Copepods from the Sussex Coast (eastern English Channel): Records 1992-1997	14.11.11	133	Booth Museum of Natural History	OUT OF PRINT
9780948723766	David Beevers (Author)	Charlotte, the Forgotten Princess	21.2.12	Mini guide 8 panel		IN STOCK
9780948723773	Martin Pel, Barbara Hulanicki	Biba and Beyond: Barbara Hulanicki	Sep-12	Mini guide 8 panel		IN STOCK
9780948723780	Stella Keen, Jenny Lund	Jeff Keen Catalogue	Feb-12		Paid for and printed by Stella Keen Via Fat Flyers	OUT OF PRINT
9780948723797	Alexandra Loske	Regency Cloour and Beyond, 1785 -1835	Jun-13	Mini guide 8 panel		OUT OF PRINT

9780948723803	Ian Warrell	Turner in Brighton	Oct-13	Mini guide 8 panel	IN STOCK
9780948723810	Stella Beddoe	Subversive Design	Nov-13	Mini guide 8 panel	IN STOCK
9780948723827	Alexandra Loske-Page	Exotic Creatures	Nov-15	Mini guide 8 panel	IN STOCK
9780948723834	Tracy Anderson	Backstairs at the Royal Pavilion	Oct-17	Mini guide 8 panel	IN STOCK
9780948723858	David Beevers	The History and Restoration of the Saloon at the Royal Pavilion, Brighton	Sep-18	Mini guide 8 panel	IN STOCK
9780948723858	David Beevers	The Royal Collection mini Guide (working title)		Mini guide 8 panel	Not Yet Published

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Annex B: Inventory

[To enclose]

Schedule 5 — [Disclosure]

Part 1 – [Emails sent by the Council as part of the due diligence process]

[Further disclosure received prior to Transfer Date to be populated]

Schedule 6 Employees and Pensions

Part 1 Employees

1. **PROVISION OF STAFFING INFORMATION**

1.1 The Council represents, warrants and undertakes to the Charity that:

1.1.1 no persons are employed or engaged in the Undertaking other than the Employees;

1.1.2 save as set out in Appendix 1 of this Schedule 56 none of the Employees has given or received notice terminating their employment or engagement;

1.1.3 full particulars of the terms of employment of all the Employees (including all remuneration, incentives, bonuses, expenses and other payments and benefits whatsoever payable including pension benefits) will by not later than 84 days before the Transfer Date have been disclosed by the Council to the Charity;

1.1.4 no Employee has a statutory or contractual entitlement to notice of the termination of their employment or engagement which exceeds 3 months;

1.1.5 save as set out in Appendix 1 of this Schedule 76, it has not in the last 12 months altered and shall not alter (whether to take effect before, or after the Transfer Date) any of the terms of employment or engagement of any of the Employees;

1.1.6 in relation to each of the Employees the Council has:

(a) in all material respects, maintained adequate and suitable records regarding the service of each of the Employees; and

(b) complied with all collective agreements and customs and practices for the time being dealing with such relations or the conditions of service of each of the Employees;

(c) complied with all relevant orders and awards made under any statute affecting the conditions of service of each of the Employees;

1.1.7 to the best of the Council's knowledge, information and belief there are no circumstances which may result in any industrial dispute involving any of the Employees and none of the provisions of this Agreement including the identity of the Charity is likely to lead to any industrial dispute;

1.1.8 no amounts due to or in respect of any of the Employees (including PAYE and National Insurance but excluding, to the extent provided for in Part 2 below, pension contributions) are in arrears or unpaid; and

1.1.9 save as set out in Appendix 1 of this Schedule 6 no monies or benefits other than in respect of contractual emoluments or pension entitlements are payable to any of the Employees and there is not at present a claim, occurrence or state or affairs which may hereafter give rise to a claim against the Council arising out of the employment or the termination of employment of any of the Employees for compensation for loss of office or employment or

engagement otherwise and whether under contract or any statute or regulations or otherwise.

1.2 Without prejudice to its obligation pursuant to the Regulations to provide the Employee Liability Information, the Council shall on or before the Transfer Date to the extent lawfully permitted provide the Charity with such additional information in relation to the Employees as the Charity shall reasonably request.

1.3 The Council shall notify the Charity of any material change to the information provided to the Charity pursuant to this paragraph 1 above as soon as is reasonably practicable, and shall upon request by the Charity meet the Charity to discuss the information disclosed.

1.4 The Council undertakes to the Charity that during the period from the date of this Agreement up to and including the Transfer Date:

1.4.1 the Council shall enable and assist the Charity and such other persons as the Charity may reasonably determine to communicate with and meet the Employees and their trade union or other Employee representatives;

1.4.2 the Council shall not, without the prior written consent of the Charity, such consent not to be unreasonably withheld:

(a) amend or vary (or purport or promise to amend or vary) the terms and conditions of employment or engagement (including, for the avoidance of doubt, pay and job description) of any Employees (other than where such amendment or variation has previously been agreed between the Council and the employees in the normal course of business, and where any such amendment or variation is not in any way related to the Transfer to the Charity);

(b) terminate or give notice to terminate the employment or engagement of any Employees (other than in circumstances in which the termination is for reasons of misconduct or lack of capability); and

(c) employ or assign to the Undertaking any person who would or might as a consequence of such employment or assignment become an Employee;

and the Council shall indemnify the Charity from and against all Losses incurred by the Charity in connection with or as a result of a breach of its obligations under this paragraph 1.4, save to the extent that the Losses arise from a wrongful act or omission of the Charity; and

1.4.3 the Council has not by act or omission done anything in the [6] months prior to the date of this Agreement which would, if done after the date of this Agreement, constitute a breach of paragraph 1.4.2 above and the Council shall indemnify the Charity from and against all Losses incurred by the Charity in connection with or as a result of a breach of its obligations under this paragraph.

2. **APPORTIONMENTS**

2.1 The Council shall be responsible for all emoluments and outgoings in respect of the Employees (including all wages, bonuses, commission, premiums, subscriptions, PAYE and national insurance contributions) which are attributable in whole or in part to the period up to the Transfer Date, and will indemnify the Charity against all Losses incurred by the Charity in respect of the same.

2.2 The Charity shall be responsible for all emoluments and outgoings in respect of the Employees (including all wages, bonuses, commission, premiums, subscriptions, PAYE and national insurance contributions) which are attributable in whole or in part to the period from and including the Transfer Date, and will indemnify the Council against all Losses incurred by the Council in respect of the same.

3. [The Council further agrees fully to indemnify the Charity on a continuing basis against Losses suffered or incurred by the Charity in consequence of the early payment of a pension entitlement on the grounds of redundancy or premature retirement in the interests of business efficiency following the Transfer. The obligation on the Council under this paragraph 3 shall be limited to paying the same proportion of the total redundancy costs incurred by the Charity as the proportion of the Employee's total continuous service (calculated as appropriate for the relevant purpose) that was accrued by the Employee prior to the Transfer Date.]

4. **INFORMATION AND CONSULTATION**

4.1 The Charity shall comply with its obligations under Regulation 13 of the Regulations during the period prior to the Transfer Date.

4.2 The Council shall comply with its obligations under Regulations 11, 13 and 14 of the Regulations during the period prior to the Transfer Date, save where the Council is unable to do so as a result of the failure of the Charity to comply with its duties under Regulation 13 of the Regulations.

5. **INDEMNITIES**

5.1 The Council shall indemnify the Charity against all Losses incurred by the Charity in connection with or as a result of:

5.1.1 any claim or demand by any Employee (and any other person in respect of whom it is alleged that they are an Employee) whether such claim or demand is based in contract, tort, under statute, pursuant to European law or otherwise, including but not limited to any claim for unfair dismissal, wrongful dismissal, a redundancy payment[, early payment of a pension entitlement on the grounds of redundancy or premature retirement in the interests of business efficiency], breach of contract, unlawful deduction from wages, discrimination on the grounds of sex, race, disability, age, sexual orientation, religion, religious or similar belief, gender reassignment or contractual status, equal pay, personal injury, a protective award or a claim or demand of any other nature, in each case arising directly or indirectly from any act, fault or omission of the Council in respect of any Employee relating tothe period before the Transfer Date, save to the extent that the claim arises from a wrongful act or omission of the Charity;

5.1.2 any failure by the Council to comply with its obligations under Regulations 11, 13 and 14 of the Regulations, or any award of compensation under Regulation 15 of the Regulations, save where such failure arises from the failure of the Charity to comply with its duties under Regulation 13(4) of the Regulations (unless such failure by the Charity is caused by the Council's failure to provide information to the Charity);

5.1.3 any claim (including any individual employee entitlement under or consequent on such a claim) by any trade union or other body or person representing the Employees arising from or connected with any failure by the Council to comply with any legal obligation to such trade union, body or person before the Transfer Date (unless such claim arises in consequence of a wrongful act or omission of the Charity); and

5.1.4 any claim brought by or in respect of any employee or former employee of the Council or any other person engaged or formerly engaged in whatever capacity (other than as an Employee) in respect of which the Charity incurs or is alleged to incur responsibility or liability as a result of the operation of the Regulations, save to the extent that the claim arises from a failure of the Charity to comply with its obligations under the Regulations.

5.1.5 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary or secondary national insurance contributions:

(a) in relation to any Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising before the Transfer Date; and

(b) in relation to any employee who is not an Employee and in respect of whom it is later alleged or determined that the Regulations applied so as to transfer his/her employment from the Council to the Charity, to the extent that the proceeding, claim or demand by the HMRC or other statutory authority relates to financial obligations arising before the Transfer Date;

5.1.6 a failure of the Council to discharge, or procure the discharge of, all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Employees arising before the Transfer Date.

5.2 The Charity shall indemnify the Council against all Losses incurred by the Council in connection with or as a result of:

5.2.1 any claim or demand by any Employee (whether in contract, tort, under statute, pursuant to European law or otherwise) including any claim for unfair dismissal, wrongful dismissal, a redundancy payment, early payment of a pension entitlement on the grounds of redundancy or premature retirement in the interests of business efficiency, breach of contract, unlawful deduction from wages, discrimination on the grounds of sex, race, disability, age, sexual orientation, religion or religious belief, a protective award or a claim or demand of any other nature, in each case arising directly or indirectly from any act, fault or omission of the Charity on or after the Transfer Date, in respect of any Employee save to the extent that the claim arises from a wrongful act or omission of the Council, and save in each case to the extent that the claim is subject to the provisions of paragraph **Error! Reference source not found.** of Part 2 of Schedule 5,;

5.2.2 any failure by the Charity to comply with its obligations under Regulation 13(4) of the Regulations.

Appendix 1 to Part 1 of Schedule 6 - Employee Liability Information

- Details of grievances and or disciplinaries in previous two years;

  [ ]

- Details of any staff engaged in the Undertaking who have given or been given notice to terminate their employment or engagement;

  [ ]

- Details of any changes to the terms & conditions in last 12 months or changes expected to take effect in next 12 months; and

  [ ]

- Details of any money owed to employees.

  [ ]

Part 2 – Pensions

[Note on Pensions drafting: the drafting of these sections has started but requires further negotiations and has therefore not been included in this draft]

Schedule 7 – Premises

Part 1 – Leases

1. [Royal Pavilion and gardens];

2. [Brighton Museum and Art Gallery];

3. [Booth Museum of Natural History];

4. [Hove Museum and Art Gallery];

5. [Preston Manor];

6. [Old Court House, 118 Church Road];

7. [4/5 Pavilion Buildings];

8. [Unit B5, Meridian Industrial Estate, Peacehaven, East Sussex ("**UB5**")].

Leases/Property	1. Royal Pavilion & Brighton Museum (incl. Pavilion Gardens) 2. Hove Museum 3. Booth Museum 4. Preston Manor 5. 4/5 Pavilion Buildings 6. 118 Church Road
Landlord	Brighton & Hove City Council
Tenant	The Royal Pavilion and Museums Trust
Permitted use of Property	As Museums and Art Galleries and ancillary uses For 4/5 Pavilion Buildings as offices For 118 Church Road as offices, workshops and function room / lecture theatre
Term	25 years
Rent Provisions	Peppercorn for all excluding 4/5 Pavilion Buildings Rent for 4/5 Pavilion Buildings £91,200 pa payable quarterly in advance
Rent Review Provisions	N/A where peppercorn payable Rent for 4/5 Pavilion Buildings increased annually on 1 April by 2%
Break Clause Provisions	Landlord only break clause in conjunction with the service contract. Termination to be linked to the Tenants performance of the service contract. 4/5 Pavilion Buildings and 118 Church Road to include annual tenants break option on serving 12 months notice
Insurance	Council to insure and Tenant to reimburse premiums
Repairing obligations	Tenant to be responsible for completing all internal and external repairs and maintenance. Schedule of Planned Maintenance Works to be agreed in advance annually by the Council and Tenant, with reference to a 5 year plan, based on agreed Schedule of Condition. The Tenant will fulfil the role of Client for all building works as defined within the Construction Design and Management Regulations 2015.

	The Tenant to be responsible for all H&S servicing, testing, inspections, audits, assessments, compliance and certification. The council to have the right to complete planned maintenance works in accordance with the annual planned maintenance schedule and 5 year plan by agreement of the Trust.
Alterations	Non Structural alterations to be permitted with the council's consent. Absolute prohibition against structural works, works deemed detrimental to the heritage value of the properties, works that alter design or use.
Alienation	Absolute prohibition against assignment and subletting unless as otherwise stated below: Royal Pavilion and Brighton Museum lease to include permitted underlettings of parts as agreed by the Council, ancillary to the provision of a museum service, to include for example café, ice rink. Hirings also permitted. Preston Manor to include sublet of residential flat as service occupancy tenancy. 4/5 Pavilion Buildings to permit subletting of ground floor café. 118 Church Road to permit subletting of up to 50% of the net internal area of the property. Hirings are also permitted for The Old Court House.
Security of Tenure	Leases to be Excluded
Special conditions	Tenant responsible for rates and outgoings. Royal Pavilion and Brighton Museum lease to include a reservation for the benefit of the Council to facilitate the use of the Upper Lawns and Pavilion Lawns for cultural events as well as access rights.

Brighton & Hove City Council

NHS Brighton and Hove Clinical Commissioning Group

Short Equality Impact and Outcome Assessment (EIA) Template - 2018

EIAs make services better for everyone and support value for money by getting services right first time.

EIAs enable us to consider all the information about a service, policy or strategy from an equalities perspective and then action plan to get the best outcomes for staff and service-users. They analyse how all our work as a council might impact differently on different groups. They help us make good decisions and evidence how we have reached these decisions.

1. Equality Impact and Outcomes Assessment (EIA) Template

First, consider whether you need to complete an EIA, or if there is another way to evidence assessment of impacts, or that an EIA is not needed.

Title of EIA	**Royal Pavilion and Museums – transfer to Trust**	**ID No.**	EEC06
Department	RPM, Environment, Economy and Culture Directorate. (Janita Bagshawe, Head of RPM, ext 2840)		
Focus of EIA	**Governance -** The service is being transferred out of direct council control, on a 25 year contract, to the RPM Trust, formerly the RPM Foundation. The Trust has commissioned a review of its governance, including its commitments to equality, diversity and inclusion. This will be reflected in the recruitment of a new body of Trsutees. It will also inform the development of a Community Advisory Panel (CAP) made up from representatives of RPM's community groups such as the Access Advisory Group, Youth Forum, BME Heritage Network and LGBTQ Network. **Staff** will transfer on their current terms and conditions, and the new employer will contractually ensure that equal pay and conditions compared to their council colleagues will continue – this ends the 'two-tier workforce' and ensures equal pension entitlement for all employees. **Service users/customers** No changes proposed. The service will take the opportunity of the move to Trust status to review how it monitors and build on its approach to equalities and inclusion, for its staff and its customers. **Systems -** The new ICT system will be compatible with equalities standards for accessibility. It will continue to record data that will enable the Trust to demonstrate its compliance with its equalities duties.		

Assessment of overall impacts and any further recommendations

Overall impacts and notes:

Impact on Staff:

- The objective of the transfer is to secure a more sustainable future for the service over the next 20-30 years.
- Staff currently have access to council forums (women's; Disabled; LGBT; BME) and are represented by the council's recognised Unions. Recognition and union facilities for staff will continue with their new employer, the RPM Trust. GMB and UNISON are represented at Board level at all stages of the move to Trust. Staff have been, and will be, involved at every stage using a co-operative approach, with staff/Trustees/managers working together. There will be staff representatives involved in recruiting new Trustees, and there will be an observer slot for staff on both the Board of Trustees and Leadership Team. There are, and will continue to be, regular staff briefings and an open door policy to the Head of Service and other managers. RPM already has a BME Heritage Network with strong links to the BME communities that can be easily expanded to involve more staff; RPM has an LGBTQ Network that already involves staff; RPM has an Access Advisory Group made up of disabled consultants that advise on access and equalities; RPM's lead for Equalities and Health & Wellbeing will be exploring with staff what needs there may be regarding the setting up of forums and networks related to specific protected characteristics.
- No two tier workforce - The contract between the council and the RPM Trust will commit both sides to ensuring equal pay and conditions for new staff, and no worse pay and conditions compared to council colleagues (as represented through the National Joint Council). Aside from contractual employment policies which are covered by TUPE and by the two-tier protections above, staff will be engaged in the process of identifying non-contractual employment policies which they might want to see in place for the RPM Trust.
- Pensions – All existing staff signed up to the Local Government Pension Scheme (LGPS) will continue to access this with no change, and the LGPS will continue to be available to new staff joining the service.

Impact on service users:

- RPM works to ensure that its services are responsive and accessible to a range of communities in the city through the implementation of its Community Engagement Strategy and Equalities Action Plan. No changes (e.g. to concessionary pricing) are proposed as part of this transfer to Trust and continuing compliance with the equalities duty will be incorporated into the contract, and monitored by council staff. Fees and charges proposals include a section on Equalities which considers the balance between income generation and access. A charity group rate is offered. Resident adults are offered half price admission at Preston Manor and the Royal Pavilion and free admission at Brighton Museum. All resident children enjoy free admission at all sites. Brighton and Hove schools don't pay admission. All students of the City's universities or higher education colleges are eligible for admission at Resident rate regardless of whether their residence is within the City. The Royal Pavilion has an Annual free day and Brighton Museum hosts monthly free community days. Those that access RPM via the community engagement programme do not incur entrance fees for the duration of their time working with us; e.g. the development of new galleries, specific projects such as Museum Mentors, youth engagement, early years, etc, therefore many of those priority groups are able to access RPM without incurring any cost. All volunteers have free entry to RPM sites.
- To the extent that the transfer permits the Trust to raise additional funds, access to the buildings and the collection could be

improved for all.

Governance:

- An independent review of the governance of the Trust has ensured that equalities and diversity principles are reflected in the composition of the Board of Trustees. Staff were involved in the Trustee recruitment process. Equality, Diversity & Inclusion will be led by the Trustees ensuring that agreed delivery plans and the Manifesto are embedded at all levels of the organisation. There will be a Trustee rep responsible specifically for Equality, Diversity and Inclusion, linking to the Arts Council's Creative Case for Diversity.
- A Community Advisory Panel (CAP) is being established to work alongside the Board of Trustees. The CAP will be made up form representatives of RPM's networks and groups established with local communities. This includes the BME Heritage Network, the LGBTQ Network, the Museum Collective (youth forum) and the Access Advisory Group (disabled consultants). This will ensure greater diversity in governance and decision making and a greater diversity in skills, knowledge and experience, particularly lived experience and 'grass roots' knowledge.
- In addition, the council retains responsibility for the management of the contract with the Trust, and through that, oversight of the Equalities Duty. Three councillors will serve on the governing Board.

ICT systems:

- New systems will largely be 'off-the shelf' products which already comply with international accessibility standards for the staff that will use them. There are no changes proposed to the information on staff and service users, so the Trust will continue to have the capability to monitor its compliance with its equalities duties.

Potential issues	**Mitigating actions**
• *Impact on staff* • *Impact on service users* • *Governance*	• *Staff reps on the Board and HR Working group. Comms and Engagement Plan produced, and regular engagement opportunities in place through a range of means. Ensures all staff can hold management to account and have their voice heard, in addition to formal TUPE processes.* • *No changes are proposed to the services, but equalities and inclusion will be written into the contract, and monitored.* • *Governance – specific review, explicitly including a focus on diversity and inclusion, including the establishment of a Community Advisory Panel to ensure greater diversity, with reference to lived experience and grass roots knowledge.. 20% of Trustees will be elected members of the council.*

Actions planned

This EIA will be presented to the P&R Committee on 5 December 2019.

EIA sign-off:

Person completing the EIA: **Steve Foster** **Date: 18 November 2019**

CCG or BHCC Equality lead: **Anna Spragg** **Date: 18 November 2019**

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POLICY & RESOURCES COMMITTEE	Agenda Item 87 Brighton & Hove City Council

Subject:		**Corporate plan 2020-2023**
Date of Meeting:		**5 December 2019**
Report of:		**Executive Lead Officer for Strategy, Governance & Law (Monitoring Officer)**
Contact Officer:	**Name:**	**Simon Newell**
	Email:	**simon.newell@brighton-hove.gov.uk**
Ward(s) affected:		**(All Wards);**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The corporate plan 2020-23 is part of the council's policy framework. The plan provides the overall direction for the council over the coming three years. It describes the outcomes the council aims to achieve for the city. It sets out at a high level how the council intends to deliver those outcomes. The plan also drives business planning for the council with detailed delivery plans set out in directorate and service plans. Monitoring of progress is through the council's performance framework which is regularly reported to the Policy & Resources Committee.

1.2 The draft corporate plan 2020-23 is included at appendix 1 of this report.

2. RECOMMENDATIONS:

2.1 That the Committee approves the draft corporate plan 2020-2023 for submission to full Council for final agreement on 19 December 2019.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The plan sets out six intended outcomes. These are:

- A city to call home
- A city working for all
- A stronger city
- A growing and learning city
- A sustainable city
- A healthy and caring city

3.2 For each outcome commitments and actions have been grouped into five themes.

3.3 In addition three priority areas for additional focus have been identified. These are:

- Carbon neutral by 2030

- Housing, homelessness and rough sleeping
- Build community wealth, so that local people and organisations benefit from prosperity in the city.

3.4 Contextual information about the city's population and the council's services and spending is included in the introductory sections.

3.5 The final chapter covers enablers for successful delivery of the plan. These include the council's Customer Promise, the Fair and Inclusive Workplace Promise, work to modernise the way the council conducts its business and partnership working.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The corporate plan 2020-23 is part of the council's policy framework. Consideration of previous plans, earlier drafts and feedback from policy committee chairs has led a more concise plan with a clearer focus on city wide outcomes and priorities to give focus to the work of the organisation.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Priorities in the corporate plan have been discussed with partners and stakeholders and their feedback has been reflected in the draft plan.

6. CONCLUSION

6.1 The Committee are asked to agree the corporate plan for submission to full Council on 19 December 2019 for final approval.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The corporate plan 2020-23 should be considered in the context of preparing a new Medium Term Financial Strategy (MTFS) for the same period, and will consequently inform the budget setting process for 2020/21. Budget proposals will therefore reflect priorities where possible.

7.2 Given the potential for a change in government and also that the existing Spending Review period covers only 2020/21, the detail of any MTFS may have to wait until there is a clearer picture of the funding envelope for local government from 2021-22 onwards.

7.3 Monitoring progress against performance measures is a key element of the Performance and Risk Management Framework; any financial risks or resource requirements identified as a result will be considered in budget monitoring and in developing future years' budgets.

Finance Officer Consulted: David Kuenssberg Date: 05/11/19

Legal Implications:

7.4 The council's Constitution provides that the Policy & Resources Committee has responsibility for formulating the corporate plan, whereas formal approval of the final version is a matter reserved to full Council. The Corporate Plan forms part of the Council's policy framework, which means any decisions of Committees or officers need to be in consistent with the Plan. The adoption of the plan will help the Council is achieving a more coherent policy direction and more effective prioritisation of resources which, in turn, help the Council in complying with its best value duty under the Local Government Act 1999.

Lawyer Consulted: Abraham Ghebre-Ghiorghis Date: 7 November 2019

Equalities Implications:

7.5 The council is subject to the general equality duty set out in section 149 of the Equality Act 2010. This duty covers the following protected characteristics: age, gender, gender reassignment, pregnancy and maternity, race, religion or belief, and sexual orientation.

7.6 In delivering the plan the council must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation
- Advance equality of opportunity between different groups
- Foster good relations between different groups

7.7 The draft corporate plan has been shared with the council's equalities manager and their comments have been reflected in the plan. Given the breadth of the corporate plan and the complexity of relevant protected characteristics and their intersections it is not possible to analyse all the impacts of the plan in relation to legally protected characteristics. However, the council's legal duties (Equality Act 2010) have shaped the development of the plan and inform its content, in relation to eliminating discrimination, advancing equality of opportunity and fostering good relations.

7.8 It is also recommended that specific initiatives set out in the plan require a more detailed Equalities Impact Assessment as part of the council's decision making process. Areas of investment identified in the corporate plan, as well as other decisions relating to implementation of the plan, will require Equality Impact Assessment as proposals are brought forward to relevant committees or Full Council.

Sustainability Implications:

7.9 Sustainability implications are set out across the plan with a particular focus given to sustainability in the chapter *A sustainable city*. The plan as a whole seeks to achieve a fairer city which has a sustainable future.

Any Other Significant Implications:

Crime and Disorder Implications

7.10 Crime and disorder implications are described in the corporate plan in the chapter *A stronger city.*

Risk and Opportunity Management Implications

7.11 Progress against delivery of the corporate plan will be monitored through the council's Performance and Risk Management Framework.

Public Health Implications

7.12 Public health implications are described in the corporate plan in the chapter *A healthy and caring city*. Other measures in the plan will have a direct impact on improving health and reducing health inequalities, for example, improving air quality and facilitating cycling and walking.

Corporate / Citywide Implications

7.13 The corporate plan sets out the outcomes that the council seeks to achieve for the city. These form the basis for work with partners and the wider community to achieve a fairer and more sustainable city.

SUPPORTING DOCUMENTATION

Appendices:

1. Draft corporate plan 2020-23

Documents in Members' Rooms

1. Hard copy of the draft corporate plan 2020-23

Background Documents

None



Brighton & Hove City Council

Our plan 2020 to 2023

A fairer city, a sustainable future

Brighton & Hove City Council

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Introduction

I love our city and I'm proud to tell people where I live. Whenever I meet someone for the first time, they always ask me where I live and when I tell them, they never fail to smile. Everyone has heard of Brighton & Hove and everyone I meet tells me how lucky I am to live here.

I am lucky to live in Brighton & Hove but luck didn't bring me here.

I chose to live in Brighton & Hove. I wanted to live here because of this city's reputation. Its reputation for fun and freedom, for radicalism and rebelliousness, together with its strong sense of tradition and proud history. There's nothing in our city which says all of these things more than the world famous Royal Pavilion.

Every time I see the iconic domes, I'm reminded that meaningful reputations, ones which people really believe in, always come about as a result of actions, things we can see, and not just what someone or an organisation says.

And that's what this plan is about. It's not fanciful and impulsive; it's not aspirational words that once presented at a council meeting will never be seen again. This is a plan that's going to deliver real change across the city. Change that you told us you want to see happen and change that you voted for in May 2019.

This is a plan which clearly says what we're going to do and it's a plan you'll be able to hold us to account to. We've been working closely with our experienced and dedicated council staff who tell us everything in this plan can be delivered and I thank them for their support and their positivity.

There are three areas of change that huge numbers of you told us you want to see in the city and they are:

- **make our city carbon neutral by 2030**
- **improve access to good quality housing and reduce homelessness and rough sleeping**
- **build community wealth so that local people and organisations benefit from prosperity in the city**

Hearing these repeated to me time and time again by residents reminded me again why I choose to live in Brighton & Hove.

We are a city that cares. We are warm people, we throw our arms around others we don't yet know and we welcome them. We are creative and we're world leaders when it comes to technology. We want our city and the people who live here to thrive.

We help people who need it most. We support others to get back on their feet if they've had a bad time. We celebrate difference, we challenge inequality and we will never accept hatred and discrimination towards our diverse communities. We care about the kind of world future generations will live in. We are a City of Sanctuary.

This isn't a plan the council can deliver on our own. We all need to come together over the next three years and play a part in creating a fairer and sustainable city. This is an exciting time of change for us all. This plan will help you be part of it.



Councillor Nancy Platts
Leader, Brighton & Hove City Council

Our city, your council

Our city - who are we?

Knowing who lives in our city, the skills we have, how we're all feeling about where we live and the difficulties people might be facing means we can work better together with communities and organisations across Brighton & Hove to design and deliver the services people want, need and can use.

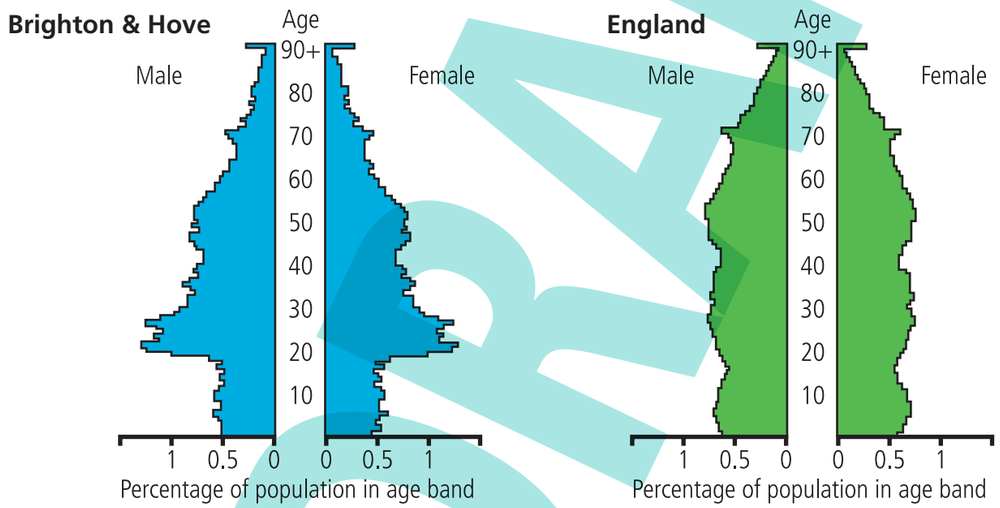
Knowing more earlier means we can reach out and support people. This also helps prevent more expensive interventions meaning public money can be spent on other much needed services.

Population

290,395 residents (2017)

21% under 20 (24% Eng)
62% 20 to 59 (53% Eng)
11% 60 to 74 (15% Eng)
6% 75+ (8% Eng)

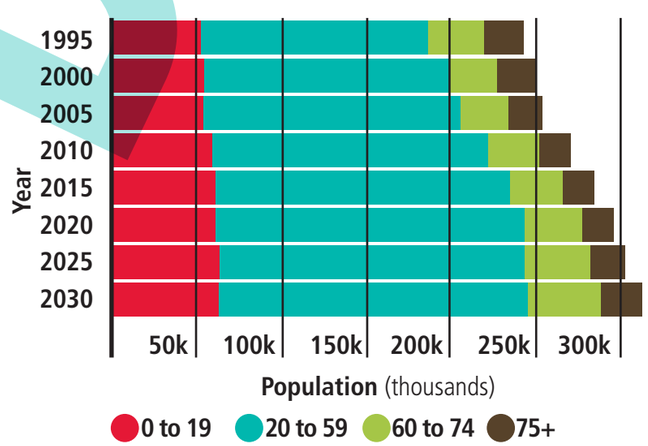
Our population profile is younger than England



Projections

There are projected to be **23,300 more people** living in the city by 2030 (compared with 2017, an 8% increase to 311,500 people).

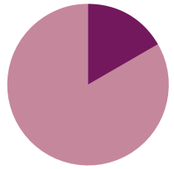
The city's population is predicted to get older, with the greatest projected increases in the 60 to 74 years (33%, 10,800 extra people) and 75+ age group (30%, 5,300 extra people). There are projected to be 700 more 85 to 89 year olds and 400 more 90+ year olds.



Population groups

Our city consists of different population groups living in a range of communities.

One in five people (19.5%) are from a Black or Minority Ethnic group (14.5% South East, 20.2% England).





49% of residents have a religion, lower than the South East (65%) and England (68%).

More than **one in 20** residents say their day to day activities are 'limited a lot' due to a long term health problem or being disabled.



Our best estimate of lesbian, gay and bisexual residents is 11% to 15% of the population aged 16+.



At least **2,760 trans adults** live in Brighton & Hove, with many more who visit to socialise, study or work.

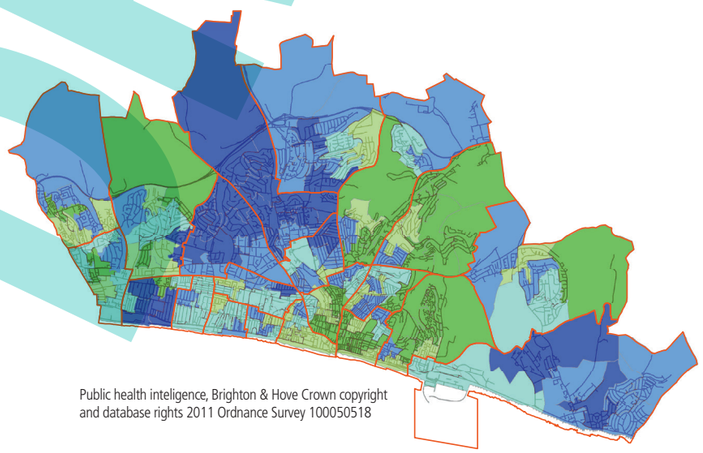


52,000 residents were born outside of the UK (18% of the city's population), higher than the South East (14%) and England (16%).

Deprivation

Our city is the **131st** most deprived local authority in England (of 317).

Indices of deprivation 2019
Index of multiple deprivation (IMD), ranked by score



Some areas are more affected by deprivation than others.

The highest concentration of deprivation is in the **Whitehawk, Moulsecoomb,** and **Hollingbury** areas. Along the coast, to the west of the city and in **Woodingdean,** there are also pockets of deprivation. All these areas are in the **20%** most deprived areas in England.

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Your council

We're proud of our staff who deliver over 700 services for residents and visitors to the city. There aren't many organisations that conduct marriages, support people to leave hospital, shepherd sheep, look after a royal palace and maintain nearly 400 miles of roads, all in a normal working day.

Here's a snapshot of our recent work for the city

We are the corporate parent for **392** children in care & **328** care leavers

In 2018, Ofsted inspected our children's social care services and rated them **'good'** Ofsted

Protecting **3,400** listed buildings forming our unique heritage

Performed citizenship ceremonies for **736** new British citizens

Celebrated **1,233** marriages or civil partnerships

Registered **3,094** births and **2,740** deaths

Our two residential homes for children with learning disabilities are rated as **'outstanding'** by Ofsted

Maintaining and cleaning **700** miles of pavements - that's the same as from Brighton to John O' Groats!

Managing **13km** of seafront from Saltdean to Hove Lagoon

Almost **5m** refuse collections and **2.5m** recycling collections a year

£962,422 worth of benefits re-instated in 2017/18 and 2018/19

250+ outdoor events with more than **1m** attendees a year

3x winner of the National Transport Local Authority of the Year

We have **15** social work teams working with **1,961** children in need through a whole family approach

38km of designated cycle routes

Jubilee Library is the fifth most popular library in the country with **932,994** visits a year

Helped bring **125** empty properties back into use between April and December 2018

In 2018, seafront lifeguards saved **24 lives**

717 households prevented from becoming homeless in 2018/19

Generated **£11.5m** over the last 4 years to invest in city infrastructure

£1m funding secured to increase electric vehicle charging in the city

Biggest builder of affordable housing in the city

£2.2 million invested in the voluntary sector per year through the Third Sector Commission, supporting 35,959 people in its first year and levering in £6.27 million

Invested **£23 million** across our 11,500 council homes in 2018/19 - we've had 100% decent homes standard since 2012

Completed **197** newly developed rented council homes with 500 more in the pipeline

Managing:
45 playgrounds
74 outdoor spaces
55 cemeteries & churches
452 benches

All of Brighton & Hove's adult learning disability residential homes have been rated as **'good'** by the CQC

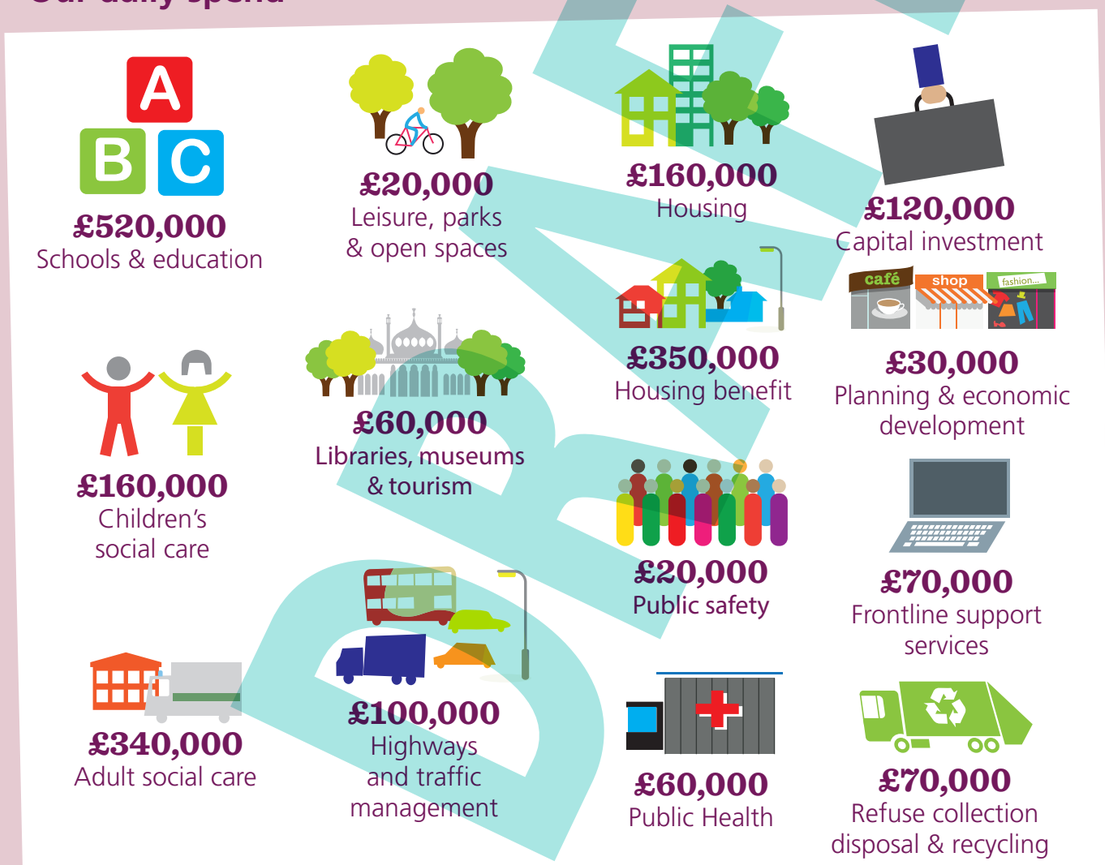
Where does the council's money come from and how is it spent?

The council's money is your money and we take spending and using it really seriously.

We work hard to make sure that we have enough money to pay for things that legally we have to provide such as schools, public health and housing with enough left over to pay for the other services that you tell us are wanted and needed in the city.

It currently costs just over £2 million every day to run your council services meaning in 2019/20 we are spending £757.4 million in total on services across the city.

Our daily spend

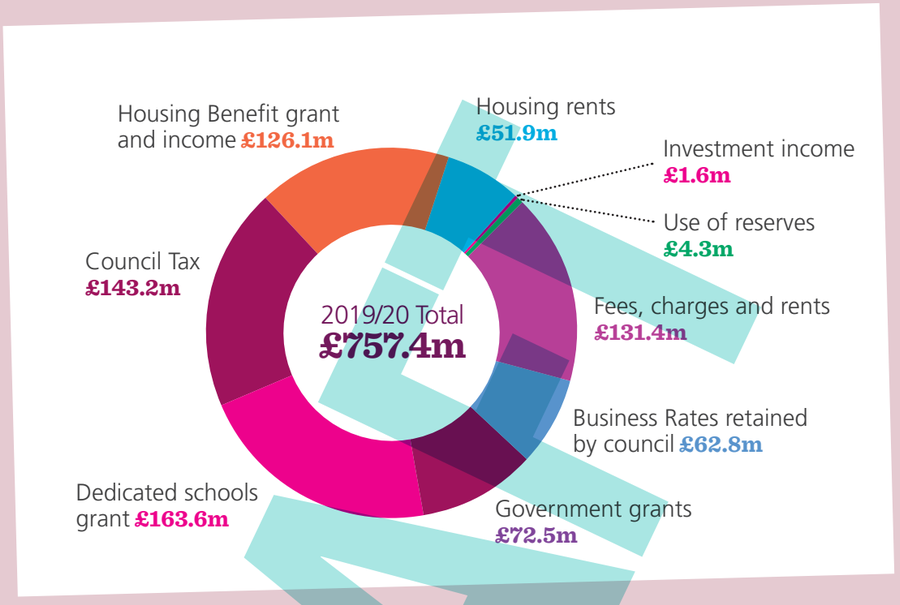


Learn more about our budget at
www.brighton-hove.gov.uk/bhbudget

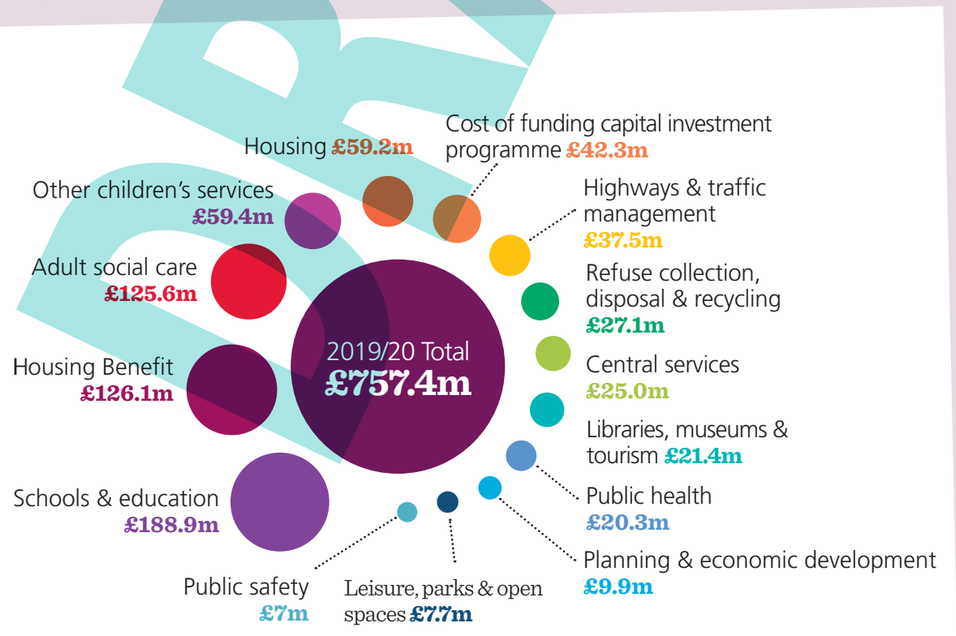
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Where the money comes from



Services provided



A fairer city a sustainable future

What does a fairer city with a sustainable future really mean?

We have identified six outcomes that we want to achieve for the city. Under each outcome there are five key areas of action and more detail about what we will do. You'll be able to see that we're doing what we said we'd do.

In Brighton & Hove, a fairer city with a sustainable future is

A city to call home

More people than ever are at risk of homelessness. We know that some people who are raised in the city have to leave because they can't afford to live here. Rents and prices are high. Land and properties sit unused and unoccupied. Standards in many private rented homes are unacceptably low.

One of our main priorities is to improve access to good quality housing and reduce homelessness and rough sleeping.

A city working for all

We celebrate the uniqueness of Brighton & Hove and its economy. We need to protect and support the many small businesses that ensure the strength of our city during times of economic uncertainty. We want to develop high quality jobs for local people and to become a global centre for innovation. To achieve this we will work with partners across the Greater Brighton city region and the Coast to Capital Local Enterprise Partnership.

One of our main priorities is to build community wealth, so that local people and organisations benefit from prosperity in the city.

A stronger city

We want the city to be a fair and inclusive place for everyone. We will listen to and work with all our communities to make the city a great place for them to live and thrive. We will ensure that the city continues to be a place where people feel safe, supported and valued. We recognise that some communities are under represented in civic life, in particular, Black and Minority Ethnic (BME) communities and disabled people. We will work to ensure that participation and engagement is fair and representative of the whole city.

A growing and learning city

We are proud of our schools and services for children, young people and families and of the progress they have made. We want them to be among the best in the country. Listening to children and families is at the heart of everything we do. We will focus on inclusion and improving outcomes for the most disadvantaged. We provide services with valued partners so that children and families live happy, safe, healthy and positive lives. We undertake preventative work to support safe and stable families.

A sustainable city

We declared a climate emergency in December 2018. We have to address the climate crisis urgently and make radical changes. The city's transport network is crucial to carbon neutral status and keeping the city moving.

One of our main priorities is to take all action required to make our city carbon neutral by 2030.

A healthy and caring city

We will ensure that the most vulnerable residents in the city are prioritised. We will strive for the very best quality in our services by introducing a new model of delivery which takes into account people's and communities' strengths and assets as well as their needs. We will ensure that people have a strong say in how their local health and wellbeing services develop.

A city to call home

We will



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Reduce homelessness and rough sleeping

We will work towards eliminating the need for rough sleeping. We will develop homeless guardianship schemes and strengthen partnership working with community and faith projects. We will involve homeless people in a review of the support offered to them and adopt a Bill of Rights for homeless people.

We will provide a **365** day a year night shelter.

We will replace privately run temporary and emergency accommodation with council owned properties. We will negotiate a new agreement with the local charity Seaside Homes to develop better ways of supporting homeless people.

We will treble Housing First provision for accommodating rough sleepers and single homeless people.

To support homeless people we will encourage voluntary contributions from the local tourist industry. We will explore using the Community Infrastructure Levy to provide support. We will also support voluntary organisations and businesses to set up enterprises involving homeless people.

We will identify ways we can increase support for those struggling to afford the cost of housing. This will include making full use of discretionary payments. We will protect anyone at risk of eviction because of arrears resulting from bedroom tax or universal credit shortfalls. We will protect tenants from service charge arrears evictions by introducing and enforcing new licences.

Provide genuinely affordable homes

We have developed an emergency plan to expand housing supply: buying back homes lost through the right to buy or replacing lost council properties with alternatives at affordable rents. We will also increase social housing stock by buying off plan from developers at a discount.

We will consider options for quick build homes to alleviate housing shortages. Over time we aim to reduce costs by directly employing staff and building stable teams to work on council projects. We will look at creating an ethical loan scheme where the council matches community investors. We will also consider the council becoming a developer.

We will buy and build homes to meet a range of housing needs including providing a minimum of **800** additional council houses.

We will ensure there are more council homes at living and social rents. To do this we will fund more truly affordable living and social rents through commercial income.

We will develop **700** other new homes that are as affordable as possible.

We will use public land for community-led housing at a price to maximise social value, identifying ten sites and working with the community to develop them.

A city to call home

We will borrow in order to buy land for affordable housing. We will support innovative developments including small site and hidden homes and mixed property size developments. We will apply a Community Infrastructure Levy to new developments that fully reflects the city's infrastructure needs.

We will increase earlier involvement with leaseholders before undertaking major works to council owned properties. We will ensure that leaseholders' voices are heard and financial support is offered where necessary. We will reduce the interest rates charged when providing a loan for residential leaseholders. We will also expand self-build opportunities.

We will provide **500** shared ownership homes through joint venture and other developments.

Improve private rented housing

We will introduce selective licensing to drive up quality in more of the city's private rented homes. This includes fire safety improvements in private sector properties across the city. We will tackle hazardous housing conditions by increasing capacity for hazard inspection and identifying properties for inspection. To do this we will create a private rented sector team to enforce housing and energy efficiency standards.

We will set up a council run, not for profit, lettings agency. We will support the expansion of good landlord schemes, encouraging landlords to offer homes at lower rents to those on benefits and low incomes. We want to stop landlords refusing to let to people on benefits and will provide advice and support for private renters including support for groups impacted by welfare changes including disabled people and those at risk of eviction. We will protect tenants from service charge arrears evictions. We will set up a tenants' forum for private renters.





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Improve council housing

We will introduce a decent environment standard for council estates to go with the decent home standard. We will take forward fire safety improvements in council owned properties across the city and involve residents in improving fire safety. We will work to prevent illegal subletting and fraudulent right to buy applications.

We will work to increase community involvement in housing and meet the Tennant Involvement and Empowerment Standard, for example by using participatory budgeting to decide improvements on estates.

Make better use of existing housing capacity

We will target unoccupied and underused properties including using Compulsory Purchase Orders to bring them back into use. We will provide grants for households relinquishing council tenancies.

We will develop and promote the Rent a Room Scheme to maximise use of spare rooms in under occupied properties. We will explore how to restrict conversion of properties into short term holiday let homes or Airbnb property development.

We will bring at least **650** empty housing properties back into use.







A city working for all

We will



541

Build community wealth

We aim to become the lead UK city for community wealth building and ethical employment practices. To do this we will use the city's spending power to procure local services for the benefit of our communities. We will bring together the purchasing power of the council and other major institutions such as universities, schools and hospitals to keep money circulating in our local economy. Where possible, we will buy goods and services locally to build the wealth of our communities. We will change the way we outsource services to help small local suppliers win council contracts. We will bring services in house if it will increase social value and improve the development and retention of a highly skilled council workforce.

We will ensure that local home building provides opportunities for young people to develop skills, for example through apprenticeships. We will use regeneration schemes to provide social and sustainability benefits.

We will build Brighton & Hove's reputation as a giving city. We will promote the Brighton & Hove Living Wage, and encourage sign up to a social responsibility and social value charter to provide opportunities to citizens in our most deprived neighbourhoods.

Transition to a sustainable economy

We will promote a sustainable economy by supporting low carbon growth and encouraging businesses to reduce waste and pollution.

> We will establish a circular economy framework focusing initially upon the built environment and visitor economy.

We will work with businesses, universities, regional development organisations and others to become a global centre for innovation and creative, digital and immersive technologies.

We will encourage sustainable development in the city through our planning policies including the City Plan.

> We will support the move to a resilient, zero carbon and smart energy system through the delivery of the Greater Brighton energy plan and facilitate change to a resilient, integrated water environment through the Greater Brighton water plan.

We will work with partners to attract investment in ultrafast broadband infrastructure across the city region.

Support local businesses and charities

We will support local businesses, especially small and medium sized ones, with a focus on cooperatives, community businesses and social enterprises. We will work in partnership with the Greater Brighton Economic Board and Coast to Capital Local Enterprise Partnership to secure investment in the city's infrastructure to support our economy.

Enhance skills and provide housing for the city's workers

We will collaborate with education institutions and businesses to plan for future skills needs and increase the take up of apprenticeships. In particular, we will support women, disabled people and BME groups to achieve their full potential. We will work with our two universities to identify opportunities to transform their innovation and research into new products and services that generate value for the economy. We will build more affordable and key worker housing to help retention and recruitment of staff in public services.

Develop our visitor economy

We will protect the uniqueness of Brighton & Hove with our independent shops, cafés, bars, and our distinctive arts and cultural offer. We will work with local businesses to deliver our visitor economy strategy and destination experience plan.

> We will seek investment to improve the accessibility of our seafront and beaches and invest in seafront infrastructure.

We will continue to work to raise money to restore our heritage including the Madeira Terraces. We will also consider a voluntary tourist tax, a coastal business improvement district, and a combined discount card for tourist attractions, local businesses and public transport.

A stronger city

We will

- Tackle crime and antisocial behaviour
- Increase participation in civic and community life
- Address the causes of poverty and its impact on our communities
- Improve access for disabled people
- Remain a proud City of Sanctuary

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Tackle crime and antisocial behaviour

We will deliver a new three year community safety strategy which will address crime and disorder in the city, including tackling antisocial behaviour, violence against women and girls, hate crime and preventing exploitation, extremism and terrorism.

We will establish a fund to enhance neighbourhood services and community policing to tackle crime and antisocial behaviour.

We will protect spending on independent, LGBTQ inclusive, services for survivors of sexual or domestic violence. We will recommission these services in consultation with victims and other stakeholders. We will support the campaign to have misogyny recognised as a hate crime.

We will identify and tackle the causes of hate crime and antisocial behaviour. We will support activities that bring people and communities together to promote mutual understanding, including awareness raising in schools.

We will invest in an independent support service for people who have experienced racial and religiously motivated hate crime.

We will campaign to ensure that people who attack rough sleepers are prosecuted.

Increase participation in civic and community life

We will work alongside communities on what matters to them. We want to increase participation by using neighbourhood action plans and ward budgets as building blocks for engagement. We will preserve and develop the civic spaces that are vital to communities to ensure that people have a space to meet in and where they can get online, preventing digital exclusion.

We recognise that some communities are under represented in civic life and we will support projects such as Operation Black Vote to ensure that participation is fair and representative of the whole city. We will also invest in a civic leadership programme for under represented groups.

We will continue to invest in a strong and independent voluntary and community sector.

We will promote a city equalities standard together with our partners to promote fair employment practice to tackle the under representation of people from BME communities and disabled people.

We will support community activities and festivals focused on sports, arts and science, bringing people together for the benefit of their neighbourhood and the city.

Address the causes of poverty and its impact on our communities

We will examine the impacts of poverty on individuals and communities and deliver an action plan to make life fairer for those affected by poverty and the consequences of living in poverty.

Improve access for disabled people

We will improve access to all parts of our city and our services for people with physical, sensory and learning disabilities.

We will support disabled people into work, tackle discrimination and disability hate crime, and improve access to learning and leisure activities.

Remain a proud City of Sanctuary

We will continue to play our part in the international refugee crisis and promote our status as a proud City of Sanctuary.

A growing and learning city

We will

- Support high quality early years provision
- Ensure that schools continue to improve and all children do well
- Ensure that no child or family is left behind
- Deliver high quality youth services
- Promote lifelong learning and transition into adulthood

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Support high quality early years provision

We will support our children's centres and local authority nursery schools to provide high quality early years services.

Ensure that schools continue to improve and all children do well

To drive improvement we will establish a Local Education Board to coordinate and improve provision in our schools building on our Family of Schools model.

We will introduce a programme to end the attainment gap for disadvantaged children.

We will support continued improvement in the city's schools and maintain strong Ofsted ratings.

We will extend the successful Every Child a Reader programme and introduce the Every Child Counts programme. We will also develop the role of arts, music and cultural learning including encouraging schools to use the Artsmark programme.

We will introduce a workload agreement to give teachers and professionals more time to teach.

We will reintroduce a local authority supply teacher service to save schools money and ensure high quality teaching.

We will apply the highest standards of safety management in schools and lobby central government to provide funding for the safe removal of asbestos.

We will support early intervention programmes in schools to address sex discrimination and sexual harassment.

We will work with schools to encourage access to sports facilities and kitchens during school holidays. We will promote outdoor education and programmes to increase children's exposure to nature, theatre, music and physical activity.

Ensure that no child or family is left behind

We will ensure that our services promote outcomes in the Every Child Matters standards, assessed by our regulators such as Ofsted. We will protect and improve special educational needs services and other centrally delivered support for schools including mental health. We will maintain services, including out of school services, for children with additional support needs or from disadvantaged groups including children with learning disabilities, and physical disabilities.

We will continue our extensive services for children in care and work to attract, support and retain foster carers. We will lobby central government to properly fund the Staying Put programme for 18 year olds leaving care.

We will open two autism spectrum condition centres.

Deliver high quality youth services

We will identify council owned premises suitable for partners to offer youth services. We will maintain services for refugees and LGBTQ young people and ensure that sexual health services and mental health support are delivered at youth centres across the city.

We will protect funding and review youth services across the city to improve coordination, establish a central youth hub and deliver services directly where possible.

We will give young people a stronger voice in future services.

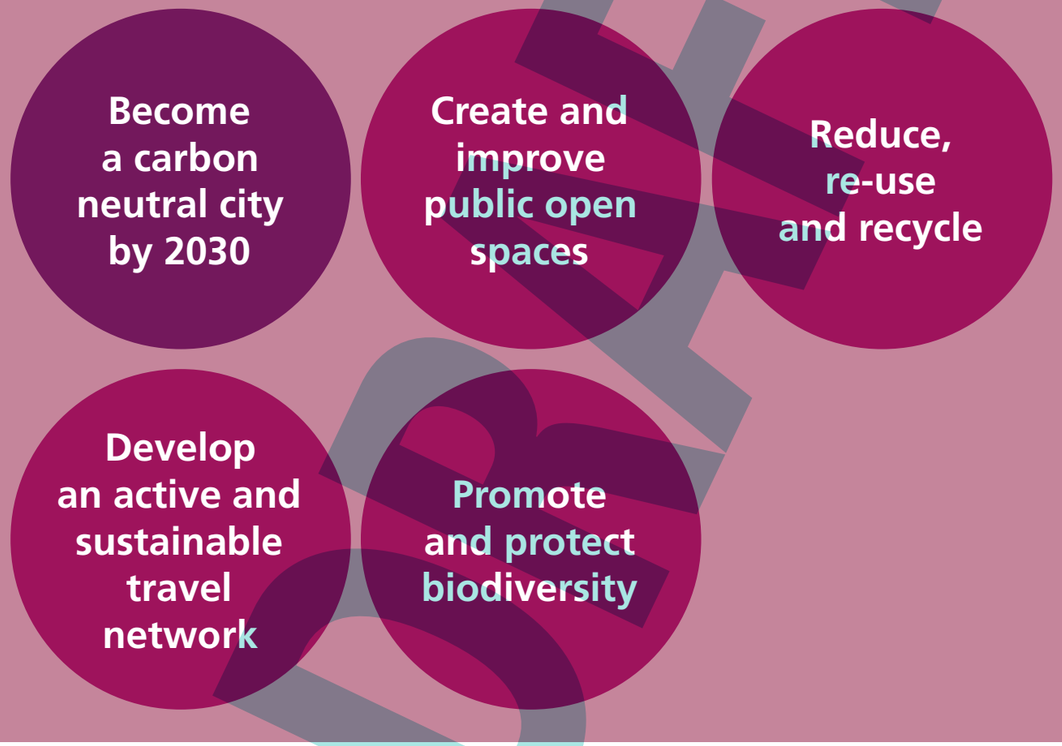
Promote lifelong learning and transition into adulthood

We will promote the benefits of being a university city and strengthen the links between students and residents.

We will ensure that transition services are in place to support young people moving into adult services and that they are integrated.

A sustainable city

We will



Become a carbon neutral city by 2030

We will deliver an ambitious ten year programme to become a carbon neutral city by 2030.

We will set up a climate assembly to develop a programme of action on the climate crisis.

We want to involve young people so we meet the expectations of the next generation. We will work with visionary small businesses to identify ways of making the city carbon neutral.

We will build sustainable council housing to make a significant contribution to our goal. Where possible we will recycle building materials. We will treble spending on solar panels and fuel efficiency measures for council homes.

We will support the development of low carbon housing and sustainable energy. This includes buying energy saving resources in bulk and supplying them at low cost to residents and others. We will support district heat networks and community energy projects.

We will reduce CO_2 emissions from council owned properties and vehicles, with an energy efficiency audit of all council buildings. We will deploy energy efficient technology on council assets. We will increase delivery of self financing energy efficiency and renewables projects.

We will set ambitious fuel poverty reduction targets.

Create and improve public open spaces

We will increase accessible open space for the benefit of residents and visitors.

We will invest in the biodiversity of our parks and in providing children's playground facilities.

We will continue to restore the city's seafront. We will oppose fracking on council land. We will protect properties from surface water flooding by installing sustainable urban drainage schemes. We will tackle graffiti and tagging.

Reduce, re-use and recycle

We will encourage people to reduce the amount of refuse they generate, promote re-use and increase recycling. We will collect a wider range of plastics for reprocessing when market conditions improve.

We will introduce a food waste collection and composting service.

We will install drinking water fountains and promote Refill Brighton & Hove.

Develop an active and sustainable travel network

We will deliver a transport system which provides sustainable travel with investment in walking, cycling and smart traffic signalling. We will encourage mixed mode travel with good transport interchanges and better integration of travel information and ticket purchasing. We will protect vital bus services, especially in outlying areas. We will increase bus use by supporting multi-operator fare payment technology. We will improve air quality through clean, efficient buses and seek further investment in zero emission buses.

We will invest in the maintenance of the city's road and pavement network.

We will install hundreds of on street electric vehicle charging points and rapid charging hubs for taxis.

Promote and protect biodiversity

We will develop a new city downland estate plan with the aim of promoting biodiversity, mitigating climate change and delivering health and social benefits for communities.

We will work towards ending the use of pesticides such as glyphosate across the council and the city.

We will encourage tree planting and green corridors to support biodiversity. We will maintain the quality of our beaches and work with partners on marine conservation. We will refresh the UNESCO biosphere management plan.

We will support the bid for Brighton & Hove to become a Gold Sustainable Food City.

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A healthy and caring city

We will



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Increase healthy life expectancy and reduce health inequalities

We will focus on preventative services in delivering the high level goals of our health and wellbeing strategy: starting, living, ageing and dying well. This includes promoting healthy eating, physical activity, sexual health, reducing smoking and substance misuse and reducing social isolation. We will ensure that people know where to turn for help and advice to manage their physical health, mental health and social care needs.

We will develop social prescribing, helping people to improve their wellbeing by referral to community led services. We will address the broader determinants of health by improving housing conditions, supporting people into work, improving air quality and encouraging active and sustainable travel.

Support people to live independently

We will ensure that every resident who is eligible receives social care support at a level that enables them to live as independently as possible. We will work to increase understanding and reduce prejudice and discrimination relating to disability and mental health problems. We will work to prevent mental health problems and to identify and treat them as early as possible. We will ensure that all people are respected and supported to participate in decisions about their lives.

Support people in ageing well

We will support older people to stay in their own homes longer.

We will work with voluntary and community sector partners to deliver an Ageing Well service.

We will implement our commitments to become a Dementia Friendly City.

Support carers

We will review and recommission homecare services to ensure that people and their carers have the support they need.

We will support informal carers with a Carers Passport for workplaces.

As one of the largest employers in the city, we will make the council an exemplar in supporting staff who are carers.

Ensure that health and care services meet the needs of all

We will work with our partners to create a joined up health and social care system which provides high quality, seamless care. We will work with BME groups, disabled people and others to audit social care services to ensure that they are accessible and meet the needs of all. We will encourage care homes to pay their staff in line with the Ethical Care Charter principles.

We will extend the council's My Shop card offering discounts in local shops, cafés and leisure venues and subsidised transport to care workers across the city.

We will review the city's Health & Wellbeing Board to ensure that the voices of all are represented and heard.

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How will the plan be delivered?

This plan provides the opportunity for us all to come together and play our part delivering a fairer city with a more sustainable future. Over the next three years, we'll make it easy for you to know what we're doing and what we can all do to help make the city fairer for everyone who lives in, works in or visits our city.

Measuring our progress

We will be accountable and open in our actions. Our business plans will set out in detail how we will deliver the six city outcomes. Key performance indicators for each outcome will be monitored quarterly to make sure we are on track to deliver this council plan.

A well run council

Council services are under huge pressure as the local population grows, demand increases and our funding reduces. Tough choices will have to be made, through each coming budget round, about what the council is able to deliver and we need to be able to respond to the developing opportunities and challenges for our city, and national regulatory and legislative change.

We will involve people in decision making and service design, and create opportunities for people to help each other. We want to improve the experience of people who use council services and review the different ways people contact us. We plan to move as many services as possible online, whilst ensuring we maintain personalised support for those who need it.

A fair and inclusive council

Brighton & Hove is a vibrant city that is culturally, economically and socially diverse. We take seriously our equality, diversity and inclusion responsibilities under the Public Sector Equality Duty and will challenge inequality in the city and within the council.

We will assess the actions in this plan to identify how they will impact on people from all communities.

We are working towards employing a workforce that reflects and understands the diverse city we serve and want all our staff to experience fairness, dignity and respect in the workplace. We will take a leading role in increasing equality and inclusion in the council and across the city.

A modernising council

We will seek the most effective and efficient way of delivering our services and be well placed to take advantage of social, cultural, environmental and technological change.

We will streamline the way we work, reducing demand on high cost services by preventing problems from arising or dealing with them early on. We will provide the best value for money and an excellent customer experience.

Our customer promise

Our vision of getting things right first time, every time, drives our promise to residents, visitors, people who work or study in the city, local businesses and organisations. We will make it clear how you can contact or access our services. We will be clear and treat you with respect. We will try to understand what you need and get things done.

Our workforce

Our staff are our greatest asset. We can only deliver this plan by recruiting and retaining the right people, making best use of each employee's skills, talents, abilities and experience.

We will be clear to our present and future staff what our employer offer is and how they will be supported to do their jobs well. Our People Promise is a series of five commitments from the council to our workforce.

We promise

- to support staff wellbeing in the workplace
- to be a fair and inclusive employer that values diversity and individuality
- to provide opportunities for staff to do their best through training and developing skills
- to recognise and reward great work
- and to be a good place to work so we can do our best for the city

Working in partnership

We believe that collaborating with other organisations is the key to better outcomes for the city. Brighton & Hove Connected is the main city wide partnership and provides a single vision and direction for the city. It brings together the different parts of the public sector, as well as business, community and voluntary sectors.

The City Management Board is made up of decision makers from each of the major public services, the council, police, NHS, fire service, probation service, and the two universities.

The Health and Wellbeing Board works to improve the health and wellbeing of the population of Brighton & Hove through improved and combined health and social care services.

We also work with other councils and regional bodies to promote economic, environmental and social wellbeing for the city. These include the Greater Brighton Economic Board and the Coast to Capital Local Enterprise Partnership which aim to increase investment in the Greater Brighton city region.

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

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6799 Brighton & Hove City Council Communications Team

POLICY & RESOURCES COMMITTEE	Agenda Item 88 Brighton & Hove City Council

Subject:		**Climate Assembly**	
Date of Meeting:		**05 December 2019**	
Report of:		**Executive Director, Economy, Environment & Culture**	
Contact Officer:	**Name:**	**Giles Rossington,** **Chloe Sands**	**Tel: 01273 295514,** **Tel: 01273 290353**
	Email:	**giles.rossington@brighton-hove.gov.uk,** **chloe.sands@brighton-hove.gov.uk**	
Ward(s) affected:		**(All Wards);**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report provides an update on the work of the council to reduce city carbon emissions, including plans to establish a carbon reduction programme with the aim of making Brighton & Hove carbon neutral by 2030.

1.2 Approval is also sought for the creation of a cross-party member working group to oversee the implementation of the carbon reduction programme and the development of an engagement programme to include a Brighton & Hove City Assembly. A Programme Initiation Document (PID) with more details of the programme is included as **Appendix 1** to this report. Terms of Reference for the proposed cross-party member working group are included as **Appendix 2**.

1.3 At the 24th October Brighton & Hove Full Council meeting the Council approved a Green Group Notice of Motion (NoM) on a Green New Deal (GND). The NoM requires that certain issues be referred to P&R for decision. This report also addresses these issues.

2. RECOMMENDATIONS:

2.1 That the Committee:

2.1.1 approves the establishment of a City Assembly;

2.1.2 notes the council's ongoing work to reduce carbon emissions;

2.1.3 notes the establishment of a carbon reduction programme to achieve the target of Brighton & Hove becoming carbon neutral by 2030;

2.1.4 notes the requirement to develop an engagement programme to inform this work, to include a City Assembly;

2.1.5 agrees to establish a cross-party member working group to oversee the implementation of the 2030 Carbon Reduction Programme; and

2.1.6 notes the Notice of Motion agreed at 24th October Full Council and agrees that work on these measures be taken forward as part of the Carbon Reduction Programme.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The council has long recognised the need to reduce city carbon emissions and is already committed to achieving a 42% reduction in emissions (from 2005 levels) by 2020 and an 80% reduction by 2050. By 2018/19 emissions had been reduced by 40% and we are currently on target to meet the 2020 and 2050 pledges. Per capita emissions have reduced from 5.5 to 3.1 tonnes CO2 (2005 to 2017) despite a 14% increase in city population over this period.

3.2 This represents considerable progress, albeit an element of the reduction has been due to decarbonisation of the National Grid electricity supply rather than from local measures. However, it is increasingly accepted that we need to reduce carbon emissions with more urgency. The UK Government has committed to becoming carbon neutral by 2050 and cities across the world have declared climate emergencies and have adopted ambitious emissions reduction targets.

3.3 Brighton & Hove City Council declared a climate emergency at the 13th December 2018 Full Council meeting (and debated the issue again in response to a petition at the 31st January 2019 Full Council meeting). The Council agreed to explore the adoption of a 2030 carbon neutral target. A 2030 carbon neutral commitment formed part of both the Labour and the Green Group manifesto pledges in the 2019 local election and the Groups have subsequently agreed to work together to deliver this as a policy priority.

3.4 The commitment is for the city to be carbon *neutral* by 2030 rather than *zero* carbon. This recognises that it may not be possible to eliminate all emissions by this date, but that residual emissions can be off-set against carbon-positive measures such as tree planting. It should also be noted that 'carbon' is used as shorthand for a set of greenhouse gases: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. All emissions of these gases will need to be eliminated or effectively off-set by 2030.

3.5 **The Sustainability and Carbon Reduction Investment Fund (SCRIF).** At 28th February 2019 Budget Council it was agreed that additional resources were needed to support more ambitious carbon reduction targets, and both resource and capital allocations were made for this purpose. Policy, Resources & Growth Committee subsequently agreed to establish the SCRIF at its 21st March 2019 meeting. The SCRIF will support the development and delivery of citywide initiatives which aim to reduce carbon emissions, build resilience, protect and enhance biodiversity, and develop a circular economy.

3.6 **Carbon Reduction Cross-Party Member Working Group.** It is proposed that a Carbon Reduction Cross-Party Member Working Group be established to guide and oversee the council's actions to meet the 2030 carbon neutral target. Terms of Reference for this Group are included as **Appendix 2** to this report.

3.7 **Carbon Reduction Programme.** To meet the challenging target of 2030 carbon neutral, it will be necessary to coordinate existing and new emissions reduction work as a carbon reduction programme. This programme will be overseen by the Carbon Reduction Member Working Group. A draft PID for the programme is included for information as **Appendix 1** to this report.

3.8 **Public Engagement and a Climate Assembly.** There are steps that the council, public sector partners and local businesses can take to reduce their carbon emissions. However, it is evident that the 2030 target will not be met without considerable buy-in from city residents. There is consequently a clear need for an engagement programme to run in parallel to and inform city carbon reduction work. In part this engagement will involve working in partnership with the many individuals and organisations in the city that are passionate about climate change. In addition it has been proposed that we hold a local City Assembly. This type of deliberative public engagement brings together a randomly selected, representative group of citizens to learn about the challenges of carbon reduction and make recommendations for action.

Deliberative processes of this type are intended to capture the views of 'not engaged' citizens rather than the views of people who are already expert in and passionate about an issue. The model has recently been trialled by councils in Oxford and in Camden. The Carbon Reduction Cross-Party Member Working Group will oversee the development of a local engagement model and the delivery of a Carbon reduction City Assembly in Brighton & Hove.

The assembly model described above is typically supported/delivered by a third party organisation, both because there is considerable expertise required in working with randomised citizen groups, and because it is important that any assembly is seen to be independent from the council. Resources of £75k have been identified to support this community engagement process and the commissioning of specialist facilitation to support the City Assembly process. BHCC officers will develop a tender specification for third party support for the Assembly, subject to the approval of the Member Steering Group.

3.9 **Green New Deal Notice of Motion.** At the 24th October Full Council meeting a Green Group Notice of Motion (NoM) on a Green New Deal (GND) was agreed. The NoM included a request that Policy & Resources Committee commission a report on specific issues relating to the GND:

This Council further requests that Policy & Resources Committee commission a report detailing how, alongside existing work:

- poverty, inequality and accessibility can be addressed through the council's plan to become net carbon neutral ('net zero') by 2030;
- the council can work with partners (e.g.: Greater Brighton Economic Board, Chamber of Commerce) and specifically through the Local Enterprise Partnership, Coast2Capital, with particular reference to the Local Industrial Strategy and regional collaboration to lobby government for a stimulus package for low-carbon, 'green' jobs and decarbonisation projects;
- the council can demonstrate good practice as a major employer by developing net-zero initiatives and employment opportunities;
- council can optimise the green credentials of council-owned buildings and public transport.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 There is no requirement as such for a Member Working Group to oversee the council's carbon reduction work: for example the work could be delegated to

officers and progress periodically reported to committee. However, this is a core policy objective for the Council, and as such will benefit from a mechanism that allows for regular, informal input from members of all political groups.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 None undertaken at this point. There will be an engagement programme in support of the Carbon Reduction Programme.

6. CONCLUSION

6.1 Making Brighton & Hove carbon neutral by 2030 is a core policy objective for the city council. This will require the coordination of existing and new emissions reduction work via a carbon reduction programme.

6.2 Whilst the progress of the carbon reduction programme will be regularly reported to committee, it is essential that there is also day-to-day member oversight of and input into the programme. This will be provided by the Carbon Reduction Cross-Party Member Working Group.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 It is anticipated that the establishment and ongoing facilitation of a cross-party member working group to oversee the implementation of the 2030 Carbon Reduction Programme will result in increased administration; however the cost of this is expected to be minimal and funded from within approved resources. The purpose of the working group is to help achieve the council becoming carbon neutral by 2030, and will therefore support the effective use of resources in achieving corporate objectives.

7.2 The other recommendations in this report are for noting and therefore do not have any direct financial implications. Financial implications associated to actions detailed in this report and towards the 2030 Carbon Neutral Programme will be assessed in accordance with the councils Financial Procedures and appropriate approvals will be sought where required,

Finance Officer Consulted: Steven Bedford Date: 3110/19

Legal Implications:

7.3 Under the Council's Constitution, committees are able to appoint task and finish member Working Groups which are time-limited (six months, with the option to extend for a further six months), in order to carry out focused pieces of work, reporting back regularly to their parent body.

7.4 The third party organisation will need to be procured in accordance with the Council's Contract Standing Orders.

Lawyer Consulted: *Alice Rowland* *Date: 6/11/19*

Equalities Implications:

7.4 An equalities impact assessment(s) (EIA) will be undertaken of the 2030 Carbon Neutral Programme and the projects within it to ensure that a policy, project or scheme does not discriminate against any disadvantaged or vulnerable people.

Engagement plans relating to carbon reduction will need to ensure that there is an opportunity for all communities in the city to participate, including protected groups, and particularly those groups with the greatest interest in climate change (e.g. young people).

Approaches to a City Assembly are likely to include the randomised selection of citizen-participants to ensure that there are representative of city demographics. However there may be opportunities to include specifically participants from communities particularly impacted by climate change.

Sustainability Implications:

7.5 The Carbon Reduction Programme will coordinate all the council's carbon reduction work and as such will significantly contribute to sustainability goals, specifically the city 2030 carbon neutral target.

Risk and Opportunity Management Implications:

7.6 As the Carbon Reduction Programme develops there may be a need to update corporate and citywide Risk Registers to reflect the work of the programme in relation to risks relating to climate change, air quality, traffic congestion and other areas.

Public Health Implications:

7.7 Achieving a carbon neutral city by 2030 represents the local contribution to ameliorate the impacts of climate change including impacts on population health (for example the negative effects of increasing temperatures).

Individual programmes to reduce emissions will also have positive Public Health effects: e.g. reduced traffic emissions will improve air quality and lead to better respiratory health for local people; improvements to home insulation may also have direct health benefits, particularly for those who currently experience fuel poverty. More detailed analysis of the population health implications of carbon reduction programmes will be undertaken at individual programme level.

Corporate / Citywide Implications:

7.8 Achieving carbon neutral by 2030 is a core Council policy priority. The aim is that the city of Brighton & Hove will be carbon neutral by 2030 and meeting this target will consequently require close co-working with partners in the city and across the Greater Brighton Economic area.

SUPPORTING DOCUMENTATION

Appendices:

1. Draft 2030 Carbon Reduction PID

2. Draft Terms of Reference for the proposed 2030 Carbon Reduction Cross-Party Member Working Group

Documents in Members' Rooms

None

Background Documents

None

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2030 Carbon Neutral Programme	
Project or Programme Name	2030 Carbon Neutral
Directorate / Service	Citywide Programme
Name of PID Author	Nick Hibberd, SRO.
Date PID drafted	October 2019
Executive	Executive Director, EEC
Programme or Project Manager	Chloe Sands

1. Programme Definition

Brighton & Hove City Council **declared a climate emergency** in December 2018 and has committed to becoming carbon neutral by 2030. This was a demonstration of the city's commitment to tackling climate change.

Along with the many other UK cities declaring the aim to be carbon neutral, we will need to focus on scale, transformation and acceleration – 'business as usual' will not be enough.

The 2030 Carbon Neutral Programme will oversee the development and then delivery of a co-ordinated programme of projects which aim to tackle climate change and transition the city to become carbon neutral.

2. Programme Objective

The core objective of the Programme is to develop a co-ordinated programme of projects (the 2030 Carbon Neutral Programme) by May 2020. As well as developing the Programme, work will also involve:

- Agreeing a methodology for recording emissions that allows the Council and the City to readily compare our progress with other UK and international cities working to achieve similar targets (e.g. the SCATTER model developed by Manchester University)
- Developing and delivering an engagement plan and a Citizens' Assembly process for residents to hear and discuss evidence, and make recommendations
- Developing a high-level plan to meet the 2030 target – delivered through a co-ordinated programme of projects
- Developing a communications plan to support activities and engagement.
- Continuing to collate information on our current carbon reduction initiatives and assess the contribution these will make to the 2030 target.

3. Scope

'Carbon neutral by 2030' is a target which specifies how much carbon must be cut, and how quickly. It is a science-based target, aligned with the goals of the Paris Agreement – to limit global warming to well below 2°C compared to pre-industrial levels.
The target is based on the concept of a carbon budget – the amount of carbon emissions that can be released into the atmosphere from now on, and still stand a chance of remaining below 2°C.

Brighton & Hove City Council carbon neutral target is based on:

- Geographical boundary of the city council (we could also include emissions from agricultural land owned by BHCC outside the city boundary, this would require additional calculations)
- Full year data
- Emissions from all sources, including the council's own activities and estate, as well as activities where the council has no direct control and limited ability to influence.
- To be agreed – interim targets for greenhouse gas reduction

Appendix 3 provides more detail on measuring carbon emissions and creating a pathway to 2030 in Brighton & Hove.

4. Timescales

See Phase 1 Programme Timetable at **Appendix 1**.

The Programme will initially have two Phases:

Phase 1. September 2019 – May 2020	Development of 2030 Carbon Neutral Programme
Phase 2. May 2020 Onwards	Delivery of 2030 Carbon Neutral Programme

5. Programme management team structure

The development and delivery of the Programme will be overseen by a Cross-Party Member Working Group. An Officer Steering Group will oversee the work commissioned by the Member Working Group. A project team will undertake the day to day work required to develop and deliver the programme.

6. Governance

Cross-Party Member Working Group

Role: Oversight of the development and delivery of the 2030 Carbon Neutral Programme.

The list of Cllrs involved in the informal steering group to date is below. On setting up of a formal Cross-Party Member Working Group, it is suggested that membership should change to align with the constitution. This will consist of 2x Labour Cllrs, 2x Green Cllrs and 1x Conservative Cllr.

Labour Cllrs	• Nancy Platts (Chair) • Anne Pissaridou • Tracey Hill • Theresa Fowler • Gary Wilkinson
Green Cllrs	• Phelim MacCafferty • Pete West • Siriol Hugh-Jones
Conservative Cllrs	• Lee Wares

Officers (from the Officer Steering Group below) would attend to support and administer the Cross-Party Member Working Group.

N.B. Consider a formal cross-party board along the lines of Procurement Advisory Board, to reflect the constitution and P&R agreement around establishing cross-party Boards?

Officer Programme Group

Role: Oversight of the work commissioned by the Cross-Party Member Working Group.

• Executive Director EEC	• Nick Hibberd (Chair)
• Head of Policy, Partnerships & Scrutiny	• Simon Newell
• International & Sustainability Manager	• Rachel Williams
• Sustainability Programme Officer	• Mita Patel
• Sustainability Project Officer	• Kirsten Firth
• Biosphere Programme Manager	• Sarah Dobson
• Senior Policy, Partnerships & Scrutiny Officer	• Giles Rossington
• Policy, Partnership & Scrutiny Officer	• Chloe Sands
• Communications Business Partner	• Julie Harris
• Digital Design Team Business Partner	• Sophie Gregory

Programme Manager

Role: Lead co-ordination of the development and delivery of the 2030 Carbon Neutral Programme

Officer: Chloe Sands

Programme Team

Role: Undertake the day to day work to develop and deliver the 2030 Carbon Neutral Programme.

• International & Sustainability Manager • Sustainability Programme Officer • Sustainability Project Officer • Biosphere Programme Manager • Senior Policy, Partnerships & Scrutiny Officer • Policy, Partnership & Scrutiny Officer	• Rachel Williams • Mita Patel • Kirsten Firth • Sarah Dobson • Giles Rossington • Chloe Sands

7. Stakeholder and Community Engagement

Community Engagement

A deliberative process through a City Assembly type approach.

Stakeholder Engagement:

The Living Coast Biosphere Board (tbc)

8. Risk Management

Risk Register to be developed by Officer Steering Group and presented to Member Working Group.

9. Communication Management

Communications Plan to be developed.

10. Quality Assurance and Monitoring

Consideration of establishing an Experts Panel such as the Greater Brighton Infrastructure Panel.

11. Resources

Revenue resources of £75k has been identified to support community engagement and commissioning of specialist facilitation of a City Assembly process.

Sustainability & Carbon Reduction Investment Fund

Capital funding of £500k towards investment in sustainability and carbon reduction projects was agreed at Budget Council in February 2018. The Sustainability & Carbon Reduction Investment Fund (SCRIF) fund will support work to help deliver on the ambitious commitment to be a carbon neutral city by 2030.

Full details of the SCRIF can be found at **Appendix 4**.

12. Equality Implications

An equalities impact assessment(s) (EIA) will be undertaken of the 2030 Carbon Neutral Programme and the projects within it to ensure that a policy, project or scheme does not discriminate against any disadvantaged or vulnerable people.

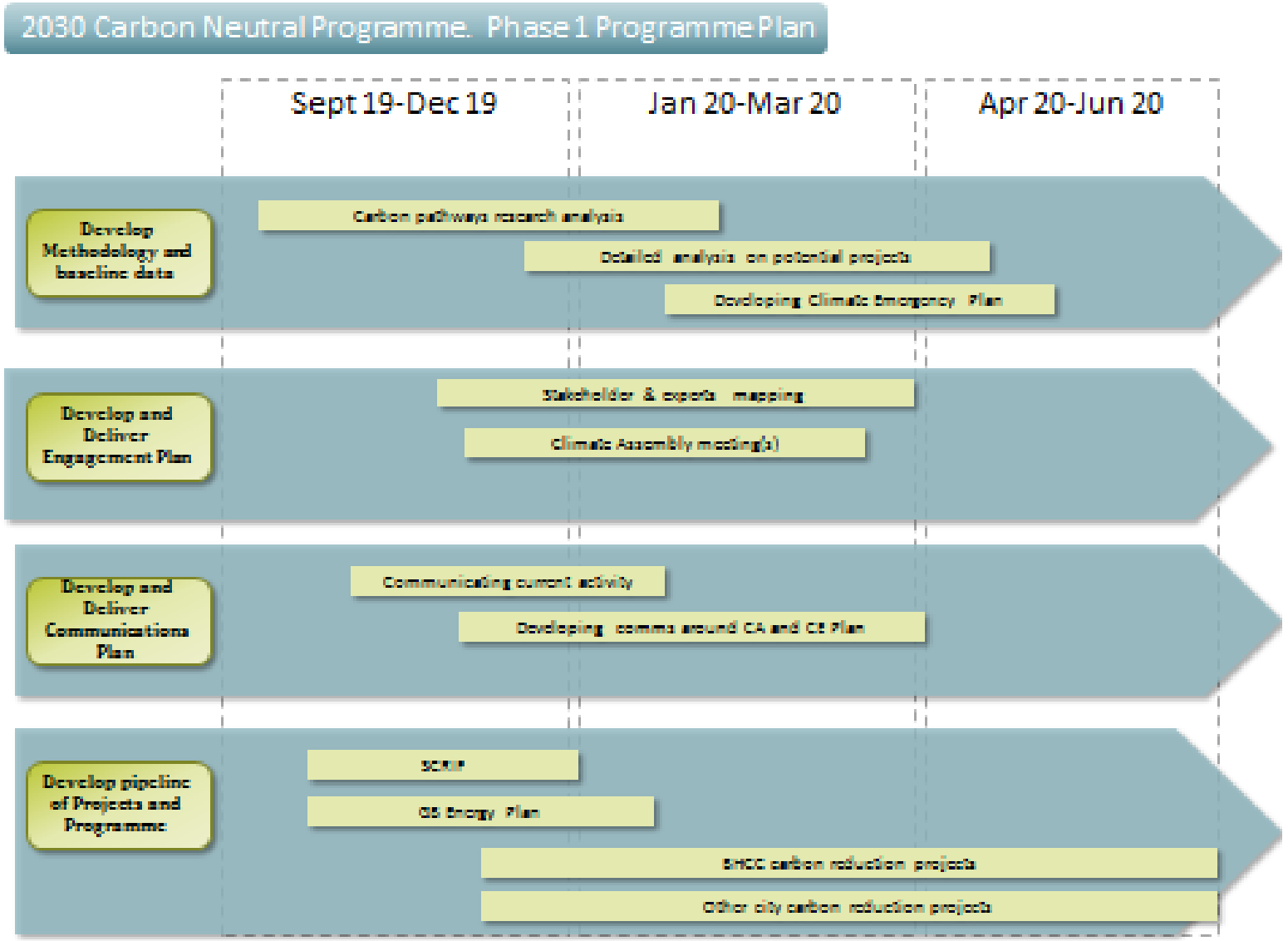
14. Links to other Strategies and policies

In order to be successful, the 2030 Carbon Neutral Programme will need to ensure that the development of other key council strategies and policies also support the aim of becoming a carbon neutral city by 2030. Examples of key strategies are:

- Local Transport Plan 5
- Local Cycling & Walking Infrastructure Plan
- Economic Strategy and Circular Economy Framework
- Biosphere Management Plan
- City Downland Estate Plan
- Greater Brighton Energy & Water Plans

A table of the key strategies that will support the delivery of the 2030 Carbon Neutral Programme is at **Appendix 2**.

Appendix 1. Phase 1. Programme Plan. (to be completed)



Appendix 2. Core Strategies that support delivery of 2030 Carbon Neutral Programme

Thematic area	Policy / Stategy	Timetable for Policy / Strategy Development	Thematic partnership(s)
Transport	Local Transport Strategy Local Cycling & Walking Infrastructure Plan	June 2019 ETS Committee agreed outline timetable for the development a new Local Transport Strategy and new Local Cycling & Walking Infrastructure Plan The new plan will set out an ambitious vision for the future of mobility in the city, outlining how transport investment and the promotion and application of advances in transport-related technology can help contribute towards high level goals such as:- • Supporting sustainable economic growth • Reducing carbon emissions – to become a carbon neutral city • Promoting equality of opportunity • Contributing towards better safety, security and health • Improving quality of life and a healthy, natural environment.	Transport Partnership Transport for the South East Greater Brighton Economic Board
Land	City Downland Estate Plan Biosphere Management Plan	Downland Estate Plan under development in partnership with the South Down National Park. Plan will build upon the existing Downland Estate Policy	Biosphere Board South Downs National Park Authority
Property	Asset Investment Plan Housing Strategy	Asset Investment Plan being considered by the cross-party Asset Management Board	Asset Management Board
Economy	Circular Economy Framework	Economic Strategy approved Jan 2019 Circular Economy Framework under development	Economic Partnership Greater Brighton Economic Board Circular Brighton & Hove Biosphere Board
Waste	Waste & Recycling Strategy	To be discussed.	Tbc
Energy	Greater Brighton Energy Plan	Draft Vision for Greater Brighton Energy Plan: *"By 2050 Greater Brighton will have a resilient, zero carbon and*	Greater Brighton Economic Board Biosphere Board

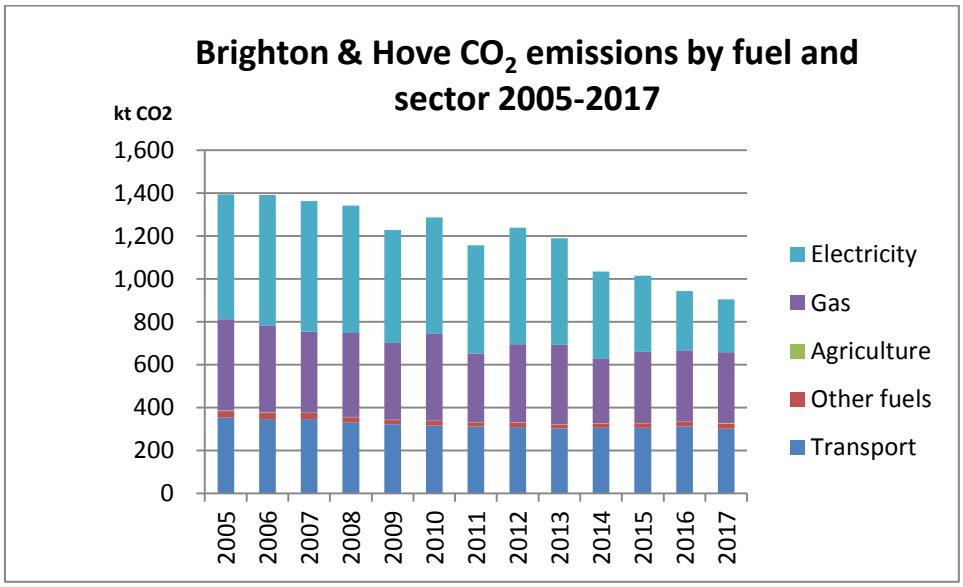
Thematic area	Policy / Stategy	Timetable for Policy / Strategy Development	Thematic partnership(s)
		smart energy system that enables and supports a sustainable and healthy economy, environment and society across the city region" - 12 September 2019: Draft Energy Plan to be shared at Greater Brighton Infrastructure Panel meeting - 12 September 2019 to mid-November 2019:Wider consultation on draft Energy Plan with relevant stakeholders (not public consultation) - 9 December 2019: Finalised plans to be shared / signed off at Infrastructure Panel meeting - 28 January 2020: Review / Sign off on finalised plans by Greater Brighton Economic Board.	
Water	Greater Brighton Water Plan	Draft Vision for Greater Brighton Water Plan *"By 2050, Greater Brighton will enjoy a resilient, integrated water environment, underpinning sustainable growth, with a popular appreciation of the fundamental role water plays in supporting daily life."* - 12 September 2019: Draft Water Plan to be shared at Greater Brighton Infrastructure Panel meeting - 12 September 2019 to mid-November 2019:Wider consultation on draft Water Plan with relevant stakeholders (not public consultation) - 9 December 2019: Finalised plan to be shared / signed off at Infrastructure Panel meeting - 28 January 2020: Review / Sign off on finalised plan by Greater Brighton Economic Board.	Greater Brighton Economic Board Biosphere Board

Appendix 3. Measuring carbon emissions and creating a pathway to 2030 in Brighton & Hove

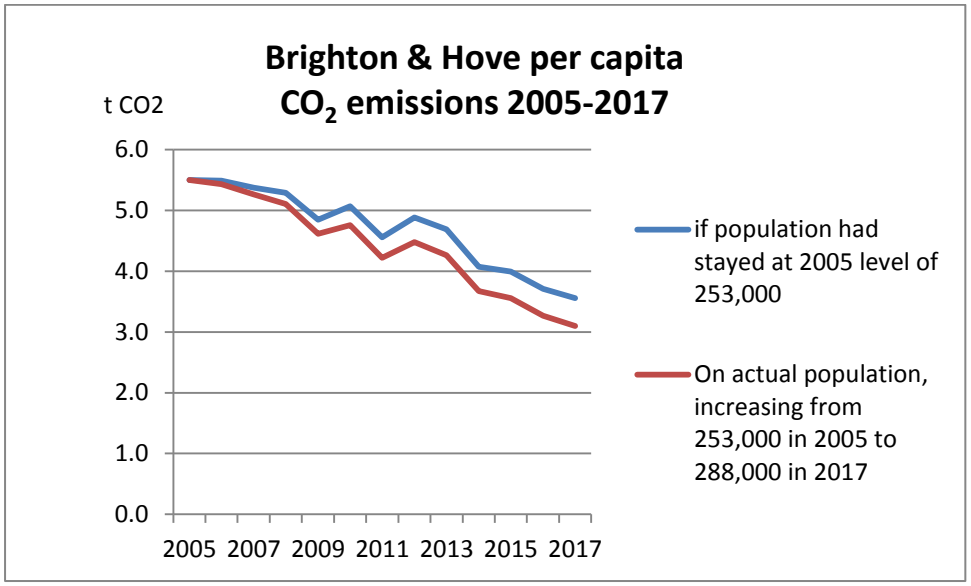
Briefing by International & Sustainability Team Sept 2019

Carbon reduction targets in Brighton & Hove – to date

BHCC pledged to reduce carbon emissions across the city by 42% by 2020 and 80% by 2050, from a 2005 start point. In 2018-19, B&HCC had achieved a 40.6% reduction, and is confident of achieving the 42% reduction target by 2020.



The main reason for falling CO_2 emissions was the rapid decarbonisation of the national electricity grid.



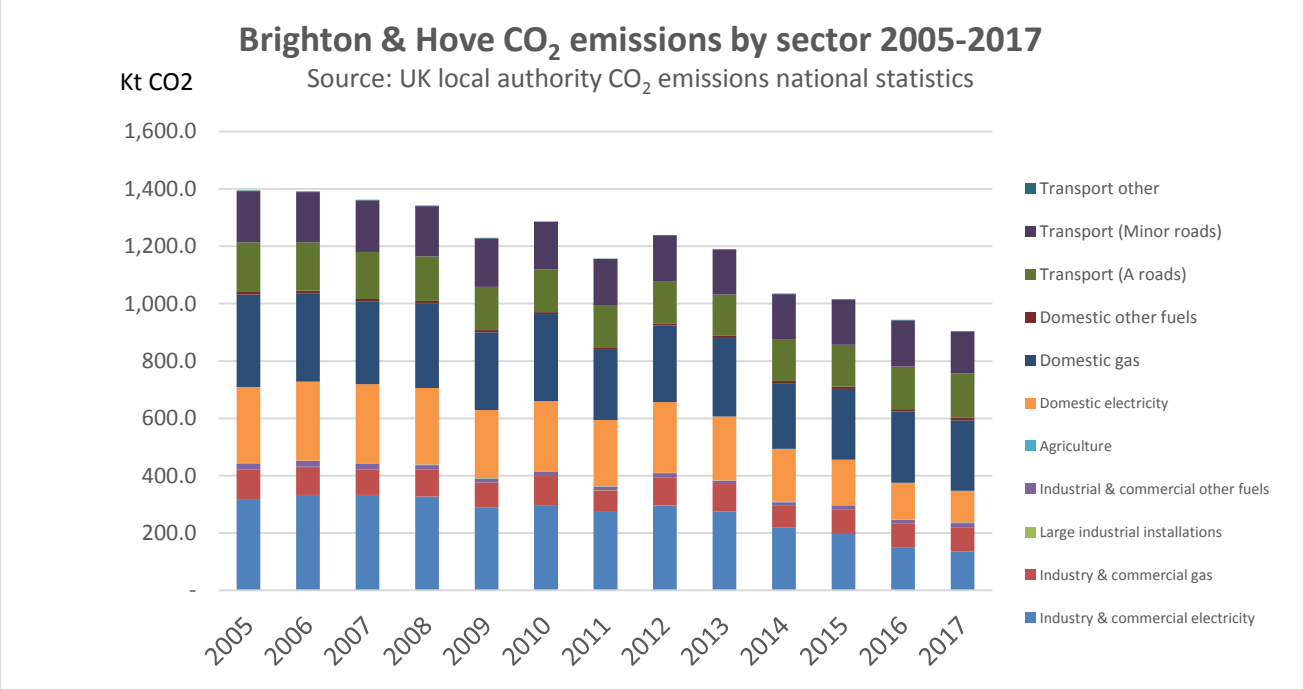
While the population of Brighton & Hove increased by 35,000 (14%) from 2005 to 2017, per capita carbon emissions fell from 5.5 to 3.1 tonnes CO_2

Carbon emissions

Often used as shorthand for **Greenhouse Gases (GHG).** There are six main greenhouse gases which increase global warming and are linked with human activity:

Carbon dioxide (CO_2) Methane (CH_4) Nitrous Oxide (N_2O)
Hydrofluocarbons (HFCs) Perflurocarbons (PFCs) Sulphur hexafluoride (SF_6)

The different gases can be converted to "Carbon dioxide equivalent" (CO2e) to compare or aggregate their global warming potential



A bit more detail:

- Gas consumption fell somewhat, because of better insulation and more efficient boilers
- CO_2 emissions from transport and agriculture fell hardly at all
- Around 40% of emissions came from the home, and one-third from transport.
- In 2016, Brighton & Hove ranked 7th of 16 comparator UK cities

Towards 2030 – a route map to carbon neutral

Carbon neutral = Reducing carbon emissions as much as possible AND offsetting residual carbon emissions, eg through tree planting or fuel poverty programmes, so the net emissions are zero.

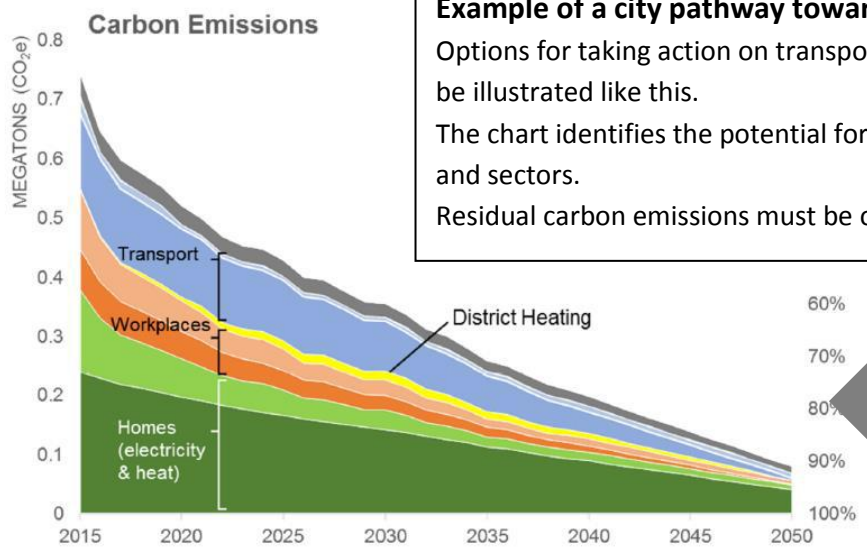
Net Zero Carbon = Same as carbon neutral – perhaps greater emphasis on actions to cut carbon

Zero Carbon = No carbon emissions

'Carbon neutral by 2030' is a target which specifies how much carbon must be cut, and how quickly. It is a science-based target, aligned with the goals of the Paris Agreement – to limit global warming to well below 2°C compared to pre-industrial levels.
The target is based on the concept of a carbon budget – the amount of carbon emissions that can be released into the atmosphere from now on, and still stand a chance of remaining below 2°C.

Brighton & Hove City Council carbon neutral target is based on:

- Geographical boundary of the city council (we could also include emissions from agricultural land owned by BHCC outside the city boundary, this would require additional calculations)
- Full year data
- Emissions from all sources, including the council's own activities and estate, as well as activities where the council has no direct control and limited ability to influence.
- To be agreed – interim targets for greenhouse gas reduction



Example of a city pathway towards carbon neutral by 2050

Options for taking action on transport, workplaces and homes can be illustrated like this.

The chart identifies the potential for carbon saving in different fuels and sectors.

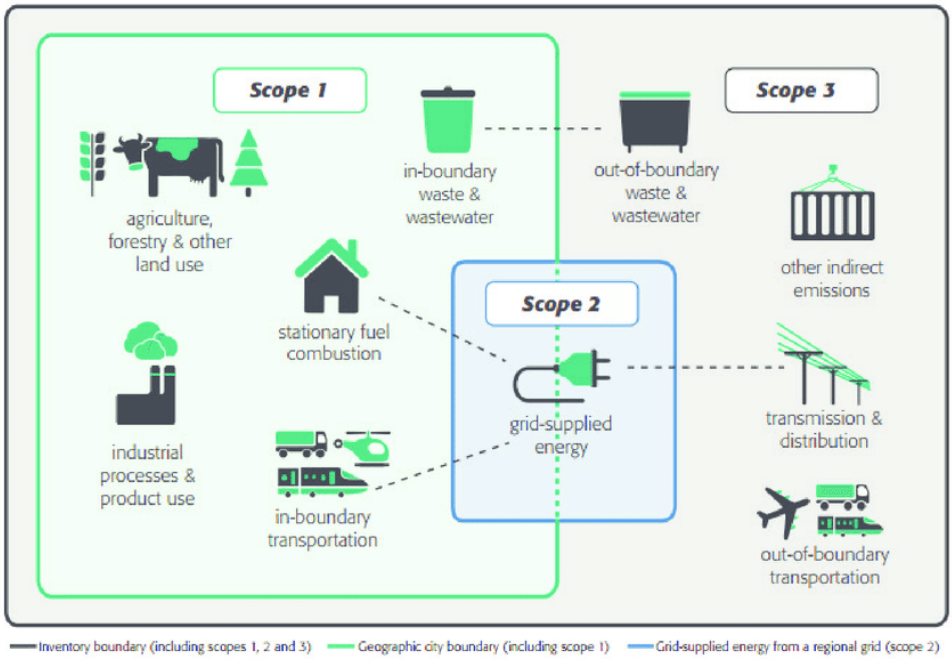
Residual carbon emissions must be offset to achieve carbon neutral.

Measuring carbon emissions – KPIs

At BHCC's Policy, Resources and Growth Committee on 11 July 2019, BHCC agreed to include an additional corporate KPI to measure performance in respect to sustainability and carbon reduction to meet the objective of the City being carbon neutral by 2030.

Scope 1, 2 and 3 carbon emissions

Scope 1 = All direct emissions produced inside the city, eg gas combustion, transport, waste
Scope 2 = Indirect emissions from grid-supplied electricity produced outside the city
Scope 3 = **All other indirect emissions** that occur outside the city boundary, as a result of activities and consumption taking place within the city, such as aviation, waste disposal, agriculture; and water, food and services produced outside the city



Currently BHCC KPIs track the widely used LA estimates of CO_2 measure of emissions from electricity, gas, transport and agriculture within the city boundary, produced by BEIS.

Cities which are signed up to the Global Covenant of Mayors, C40, the Carbon Disclosure Project (CDP) and those which use BSI PAS 2070 (most London boroughs) report on Scope 1,2 + 3 emissions.

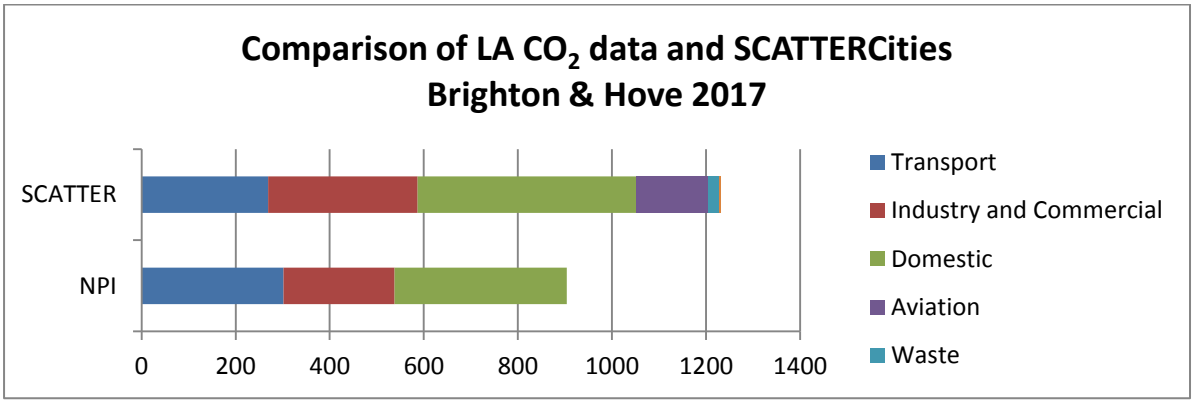
SCATTER Cities is a new tool for measuring carbon emissions, created by Manchester, Nottingham and the Tyndall Centre with support of BEIS. SCATTER follows the globally recognised city-wide emissions reporting standard, the Greenhouse Gas Protocol for Cities (GPC), and is compatible with the Global Covenant of Mayors and others.

COMPARISON	**Local Authority CO_2 estimates**	**SCATTER CIties**
Scope	Scope 1, 2	Scope 1, 2, 3
Greenhouse gases measured	Carbon Dioxide	Carbon dioxide, Methane, Nitrous Oxide
Years data is available for	2005-2017 and ongoing	2017 and ongoing
Compliant with reporting required by…	Partial only	Global Covenant of Mayors Common Reporting Framework (including C40) Carbon Disclosure Project

		(partial) Greenhouse Gas Protocol for Cities
Other features	none	Simple scenario modelling Visual outputs - graphs
Cost	Free	Free

The total emissions measured by SCATTER are greater than those measured by the LA CO_2 estimates data on which BHCC's KPI is currently based. For example, SCATTERCities includes emissions from aviation, whereas the LA CO_2 data does not.

It would not be difficult to run SCATTER side by side with BHCC's existing KPI .



Appendix 4. Sustainability & Carbon Reduction Investment Fund – Overview

25 September 2019

Background

Capital funding of £500k towards investment in sustainability and carbon reduction projects was agreed at Budget Council in February 2018. The Sustainability & Carbon Reduction Investment Fund (SCRIF) fund will support work to help deliver on the ambitious commitment to be a carbon neutral city by 2030. The SCRIF will support projects under the following themes:

- **Energy Efficiency, renewable and community energy** development, including solar PV and district heating, in line with the emerging Greater Brighton Energy Plan
- **Biodiversity enhancement** in the urban and rural estate in support of the Brighton Hove & Lewes Downs Biosphere Management Strategy
- **Active and Sustainable travel**, and supporting the decarbonisation of the transport network
- **Green Infrastructure**, Sustainable water and Sustainable Urban Drainage projects in line with the emerging Greater Brighton Water Plan and the Biosphere Management Strategy
- Moving towards a **Circular & Sustainable Economy** in line with the Sustainable City objective of the Economic Strategy
- **Healthy, sustainable and fair food** for all through the delivery of the City's Food Strategy

Further background on the SCRIF is contained in two reports taken to Policy, Resources & Growth Committee on 21 March 2019 and 11 July 2019.

Key info

- SCRIF can only fund **capital** items. The definition of capital expenditure is on The Wave
  here
- The SCRIF fund will support commissioned projects, delivering directly against the above themes.
- There will be an initial call for projects in September 2019, followed by additional call(s) as required, depending on remaining funds.
- Council officers are invited to put forward projects using the SCRIF Expression of Interest form (EoI).
- Projects will be objectively assessed against various themes (eg strategic fit, deliverability, budget including additional funding leveraged, risk) using agreed criteria. Please see attached project assessment form for info.
- Decisions on project approvals will be taken by the Executive Director, EEC, in consultation with the SCRIF Member Oversight Group.

- Whilst this is not an open call for projects (ie outside the city council), council officers are encouraged to work with local partners as appropriate.
- There is a maximum SCRIF contribution of £100k per project. There is not a lower limit.
- SCRIF funding can be spent in 2019/20 and 2020/21.
- Leads for SCRIF projects will report on project delivery and spend on a quarterly basis and updates will be reviewed by the SCRIF Member Oversight Group.

Timetable and next steps

- First call for SCRIF projects 27 September 2019 via email
- Deadline for submission of SCRIF Expression of Interest form to sustainability@brighton-hove.gov.uk by **18 October**
- Member Oversight Group meeting to approve projects week of 18 or 25 November (tbc)
- Project decisions communicated to SCRIF project leads late November / early December

More info

For general queries on SCRIF and the Expression of Interest process contact:

rachel.williams@brighton–hove.gov.uk x 1098

mita.patel@brighton-hove.gov.uk x 3332

For queries / advice on estimating carbon savings contact:

kirsten.firth@brighton-hove.gov.uk x2426

For queries / advice on capital expenditure contact:

rob.allen@brighton-hove.gov.uk x 1245

Appendix 5. Climate change mitigation and adaptation projects. August 2019

Mita Patel, Sustainability Programme Office, Brighton & Hove City Council

In January 2019 Brighton & Hove City Council declared a climate emergency and committed to becoming carbon neutral by 2030. This was a demonstration of its commitment to tackling climate change and in its role as lead authority for the Greater Brighton region and for the Brighton & Lewes Downs UNESCO Biosphere programme – The Living Coast.

Brighton & Hove is already delivering ambitious programmes & activity across all areas. It is worth highlighting some of core areas of activity that will underpin our ambitions towards carbon neutrality and helps to drive this forward.

- The city council is the lead authority for the UNESCO Biosphere designated programme - The Living Coast – which makes the region an international demonstration area for sustainability and sets our commitment on a global stage for tackling climate change.
- We are creating a Circular Economy Routemap for the council and city which will present opportunities to understand how better use of materials, resources and space can help to significantly reduce our carbon footprint.
- The council is investing in developing a corporate energy programme both across its assets and across transport infrastructure which will accelerate energy production from renewables, reduce carbon emissions, support significant costs savings, and future proof the city by investing in sustainable transport infrastructure and also in supporting more sustainable forms of travel for residents and visitors.
- The council is lead authority for the Greater Brighton Economic Region which is delivering on an Energy Plan and a Water Plan for the Greater Brighton area. Both will support long terms environmental resilience and future proofing around these two key areas of energy & water, whilst maximising opportunities this can bring for supporting growth in the region.

The list below provides a comprehensive list of key projects, activities and programmes that Brighton & Hove City Council are investing in to tackle climate change, reduce carbon emissions and making the city more prepared and resilient to the impacts of extreme weather events.

Area	Description
Corporate Energy projects	
Solar PV installation schools	Supporting schools to install solar PV on a rent-a roof basis through a framework set up by P&D
Solar farm feasibility work	Feasibility study for a solar farm at Falmer. This work will be funded from an EU funded project call SOLARISE
Solar PV to corporate buildings	Installation of solar PV to corporate buildings. £565k budget for 2019-20 and £500k for 2020-21 approved.
LED lighting	Installation of LED lights to corporate buildings if funding made available from the SCRIF
Multi-Functional Devices (Printers, Scanners, Copiers)	The Corporate Contract for MFD's is currently being re-procured. As part of the requirements we are requesting that suppliers demonstrate • Carbon reduction in manufacturing, delivery operations • Device Carbon footprint • Device energy efficiency
Heat pump retrofit feasibility	Feasibility study to replace night storage heating system at a seniors accommodation scheme with a ground source heat pump
Funding bid for Housing energy efficiency retrofit	Joint funding bid with University of Brighton to upgrade 70 social housing properties from EPCs D/E to C/B/A. If the funding bid is successful, this programme of work will allow BHCC to fully cost the ambitions set out in the 2018 HRA Energy Strategy.
Transport & Travel	
Personalised Travel Planning	3,000 door knocks in specific are, 1,000 travel conversations, 200 motivational interviews, 60 people assisted in depth (£300 of in-depth help with walking and cycling for those seeking work or training).
Personalised Travel Planning	Grants for cycle storage, parking and other facilities - Housing trusts; Charities
Access to Education	School travel planning (geographical focus); Working with 12 school sites in Access Area One to increase walking, cycling and public transport and reduce the number of pupils and staff travelling by car. Also support for 2nd 'Bike it' officer. Sustainable travel events; Walk to school week and month; School streets temporary road closures. Support for Air Quality education programmes in 7 city schools.
School travel planning	Grant funding for nurseries and schools to improve buggy, scooter and cycle storage and other facilities.
Access To Work	Work based sustainable travel events; Work based travel planning support & personalised travel planning; DC travel planning support
Work based travel planning	Grant funding for employers to improve cycle storage and shower facilities.

Encouraging Cycling	City Cycle skills and maintenance programmes for Adults; E Bike and E-cargo bike promotions. Funding for Sustrans Bike it officer - in depth project working with 7 schools. Air quality training; Extra-curricular clubs at Primary and Secondary including skills, maintenance & repair; Girls' cycling groups.
Bikeability training	Free cycle training for schools; Holiday park courses for under 14s.
Access Road Safety Campaigns	Share the roads' campaigns - Safe Pass for Drivers and Cyclists; Exchanging places events for Cyclists; Distraction campaigns for pedestrians and cyclists; Junction awareness.
Bikeshare support (revenue)	Service crew seasonal expansion to meet peak demand
Extension of bikeshare scheme	Fleet expansion from 450 to 570 bikes ; Hub expansion from 50 to 70 hubs
Lamp post EV charger installations	In April 2018 the council secured £300k funding from the Office for Low Emission Vehicles (OLEV) to be matched by £100k investment from the private sector. This is for 200 lamp post chargers located mainly in the city's controlled parking zones in streets without off street parking.
Rapid EV charger installations	In November 2018 the council successfully bid for £468k of OLEV funding (again 75% of total cost) towards 4 rapid charger hubs for taxis.
EV Charging Points (new homes)	All parking bays being delivered under the New Homes For Neighbourhoods programme will be fitted with the necessary infrastructure to facilitate EV charging.
Housing energy projects	
SHINE project (EU funded)	SHINE is an EU funded project that provides energy saving advice, small energy saving measures and boiler enhancements
HRA Boiler Replacement Programme	Upgrade of HRA boilers to A rated highly efficient gas boilers
Warmth for wellbeing	Annual programme of energy saving advice and small measures
Ground Source Heat Pumps	Alternative energy sources to fossil fuels are being actively explored for sites being delivered under the New Homes for Neighbourhoods Programme. Research is being undertaken into the Whole Life Costs associated with GSHP, ASHP and traditional gas fired central heating for the Victoria Road Housing scheme
Living Walls	Living walls are being built into the design of some key housing projects under the New Homes for Neighbourhoods Programme. These walls reduce the building's carbon footprint, reduce air pollution, control temperature within the building, reduce noise transfer, increase biodiversity and increase wellbeing through their biophilic properties
Waste & Recycling	

Recycling	Increasing recycling through moving from box collections to larger wheelie bin containments, where possible across the city. A number of awareness campaigns are also being introduced with a current focus on students, to increase levels of recycling. A review of the refuse and recycling collection service is also underway, to assess options for improving the rounds and introduce efficiencies impacting on the levels of emissions.
Fleet improvements	Investigating procurement of a new fleet and carbon emissions developments in relation to electric vehicles and other low emission types and to make recommendations to committee.
Community Composting	Working together with Brighton and Hove Food partnership, to provide community composting bins across the city. The aim is to support residents to recycle food waste and reduce the amount of waste created. There continuing efforts to explore sources of funding, to enable expansion of the scheme which is in high demand. Subsidised home composting kits are also made available to encourage residents to recycle their food waste.
Adaptation to Climate Change	
Brighton Chalk Integrated Catchment Management Partnership (ChaMP)	CHaMP is a partnership project between the city council, South Downs National Park, Southern Water, Environment Agency and Natural England. It aims to protect and improv the quality of groundwater in the Brighton chalk block as a valuable natural resource for public water supply. Promoting best practise in sustainable land management to protect the aquifer. Reducing chemical inputs and improving soil health in rural environments, promoting better delivery of solutions in the urban environment including sustainable drainage systems, best practise amenity land and industrial site management. Raise awareness, build understanding, contribute to and undertake robust research to inform work in preventing ground water pollution. High quality groundwater requires less energy intensive processing to make it fit for public water supply, as well as preventing environmental and ecological damage.
Shaping Climate change Adaptive PlacEs (SCAPE) (EU funded)	SCAPE is an EU funded project provides the opportunity to explore and test innovative ways of helping to reduce the risk of flooding to vulnerable properties in two areas of the city: Norton Road (Hove) and Carden Avenue (Brighton).
Rain gardens	We have delivered two Sustainable Urban Drainage System (SUDS) projects for alleviating surface water flooding using our natural engineering's. These projects have also benefited in creating natural habitats for supporting biodiversity and wildlife.
Tourism	
Bio-Cultural Heritage Tourism	BCHT is promoting and enabling sustainable tourism within the Brighton & Lewes Downs Biosphere area to increase value to the visitor economy whilst decreasing impacts from over-tourism. This

(EU funded)	includes working with SMEs in the visitor economy to improve their sustainability performance particularly around energy use, product sourcing and travel; mapping current and predicted tourism impacts against environmentally sensitive areas to enable tourism masterplanning; and developing new sustainable tourism experiences in locations with capacity e.g. Stanmer Park.
Sustainable Events	We are working to support all our outdoors events to reduce their environmental impacts by: adopting more sustainable and circular approaches to running events; finding reusable alternatives for single-use plastics; driving down waste; investing and installing hard infrastructure including power, water, waste facilities so reducing the need for diesel generators, and reducing the need for these to be delivered during set-up of events so reducing carbon emissions associated with deliveries, negative impact to local air quality from congestion associated with events – particularly with city centre event locations. This work is also supported through the Sustainable Events Policy.

Programmes & Policies	
Zero Carbon Homes	A pilot project which aims to deliver zero carbon homes is underway and will be delivered under the New Homes for Neighbourhoods Programme
Sustainable Procurement Policy	The Sustainable Procurement Policy set out the council's approach to sustainable procurement including
Workstyles Phase 4	Workstyles 4 contains a range of projects that have potential to reduce carbon through modernising operational property. These include: Moulsecomb Hub & Housing Scheme, Wellington House, Hollingdean Depot, Brighton Town Hall, City Parks Depot
Environmental Education Programme in schools	The Brighton & Hove Environmental Education Programme (BHee) supports the City's schools in the teaching of environmental issues, supporting schools through delivering on the national Eco-Schools accreditation programme. This includes, delivering classrooms activities, assemblies, workshops with pupils, teachers and twilight training sessions with staff as well as advice over school grounds use.
Planning policy (carbon reduction)	City Plan Part 1 2010-2030 (2016) and draft City Plan Part 2 (2018) - various policies support carbon reduction including Development Area policies (DA1-DA8), Sustainable Buildings policy (CP8), Energy Efficiency & Renewables (DM44), Community Energy (DM45), Heating and Cooling Network Infrastructure (DM46).
Planning guidance (carbon reduction)	PAN08 External Wall Insulation; PAN09 Householder Guidance on Energy Efficiency for Historic Houses in Conservation Areas
Planning policy (adaptation)	City Plan Part 1 2010-2030 (2016) and draft City Plan Part 2 (2018) - various policies support climate change adaptation including Sustainable Buildings policy (CP8), Flood Risk policy (CP11), Green Infrastructure (DM37), Protecting the Water Environment (DM42), and

	Sustainable Drainage (DM43).
Planning guidance (adaptation)	Sustainable Drainage SPD (under preparation)
The Living Coast UNESCO World Biosphere programme	The Brighton & Lewes Downs UNESCO world Biosphere programme - known as The Living Coast - is designated as a global example area for sustainable development, encouraging a balanced relationship between people and their environment. Biosphere reserves have 3 core priorities: to conserve and enhance nature; to support sustainable human development; and to promote environmental awareness, knowledge, learning & engagement. The Living Coast programme includes projects on developing green infrastructure networks; enhancing green spaces; increasing biodiversity; environmental education for school age children on the water cycle; environmental awareness and engagement for adults and children; health & wellbeing in nature for urban residents; and sustainable management of local natural resources (land and water). All projects positively impact climate change mitigation either directly (via operational delivery) or indirectly (via increased knowledge and awareness).
Urban Design Framework (UDF)	The Urban Design Framework (UDF) will be a city-wide document that will seek to identify and set out: - Priorities for planning design guidance; Support public realm improvements that create pedestrian-cyclist friendly spaces and accommodate the needs of all people; Contribute towards the implementation of Public Spaces Public Lives, Streetscape Design Guidelines and other relevant strategies.
Greater Brighton Energy and Water Plan	Energy Plan: Brighton & Hove City Council is leading on the Energy Plan for the Greater Brighton city region which will: 1. review existing and previous Energy Plans completed at local authority, regional and national levels 2. analyse current and future energy demand across the region and provide scenarios for carbon reduction towards 2050 and / or 2030 3. provide an indicative pipeline of potential energy projects within the Greater Brighton city region 4. more detailed look at solar and storage opportunities 5. hold 3 workshops to identify appropriate delivery models Water Plan: This is being led by Southern Water and supports collaborative approach to making the region more resilient to the longer terms impacts of climate change, ensuring water accessibility and affordability; supporting positive behaviour change around sustainable water use; sustainable solutions to coastal and urban flooding including more natural solutions for tackling surface water flooding; future-proofing water infrastructure and delivering innovative circular solutions around water and energy.

Appendix 6. 2030: Carbon Neutral: Information from the Communities and Third Sector Team

There are four potential third sector resources for carbon neutral activity:

1. Commissioning Prospectus. The tender for the three year Commissioning Prospectus has just been published. The Prospectus has four Strategic Outcomes, one of which is:

"**Protecting and enhancing the health and wellbeing of residents and providing a robust response to climate change through a more circular, sustainable and resilient economy"**

There is consequently the potential for initiatives which support carbon reduction to be funded by the £890Kpa prospectus fund. Decisions on the prospectus tender will be made by the Executive Director Neighbourhoods, Communities & Housing under delegated authority. Successful bids will be the best bids that meet the criteria of any of the strategic objectives (there is no requirement to meet all of the objectives or for a particular proportion of funding to be allocated to projects that deliver specific objectives).

Decisions on the prospectus tender are shared for information with the cross-party Members' Advisory Group: Grants. The prospectus strategic objectives were agreed by NICE Committee in July 2019.

2. Communities Fund. The council's annual grants programme provides funding to smaller scale CVS groups. This is an annual funding programme, so there is more potential to increase focus on projects that support a 2030 carbon neutral target. However, there is much less funding on offer than via the prospectus.

3. Rampion Fund/Philanthropy. Rampion provides significant community investment across Sussex (more than £1M to date). This fund is managed by the Sussex Community Foundation (SCF). More generally, SCF works to link potential benefactors with projects to invest in. There is potential for SCF to try to link philanthropic funding to specific carbon reduction projects. The success of this work depends on finding benefactors keen on investing in these types of initiatives.

4. Climate Change Action Fund. Climate Action fund is due to be launched by the National Lottery Community Fund in Autumn 2019. There will be £100 million available over 10 years. It will support community led partnerships in the areas of sustainable energy, sustainable transport, consumption and waste, food and protecting and regenerating spaces and habitats. If required, there will be money for development funding for these partnerships. They are looking to support between 10 and 15 communities, initially, to make the changes they believe will help them take action on climate change. Before applications open in Autumn 2019, they would like to hear from community-led and place-based partnerships who believe they are

already working on high impact climate action and are able to drive real change in their local community.
https://www.tnlcommunityfund.org.uk/funding/programmes/climate-action-fund#section-1

TERMS OF REFERENCE FOR 2030 CARBON NEUTRAL PROGRAMME CROSS-PARTY MEMBER WORKING GROUP

1. Name

2030 Carbon Neutral Programme Cross-Party Member Working Group (MWG).

2. Purpose

A 2030 Carbon Neutral Programme has been established to help achieve a key policy objective of Brighton & Hove City Council in becoming carbon neutral by 2030. The Cross-Party MWG will oversee the programme development and implementation, including the development of an engagement programme and City Assembly.

2. Status

The 2030 Carbon Neutral Programme MWG shall be an advisory board to the Policy & Resources Committee. The Board will not have subcommittee status and the political balance rules in section 15 of the Local Government and Housing Act 1989 will not apply.
However, it is expected that the Board will be established on a cross-party basis.

3. Areas of focus

The focus of the Cross-Party MWG is to have oversight of the development and delivery of the 2030 Carbon Neutral Programme to help ensure the core programme objectives are met. These objectives are set out in the PID and are to:

- Agree a methodology for recording emissions that allows the Council and the City to readily compare our progress with other UK and international cities working to achieve similar targets (e.g. the SCATTER model developed by Manchester University).
- Develop and deliver an engagement plan / City Assembly process to harness the knowledge and enthusiasm of partners and local residents.
- Develop a high-level plan to meet the 2030 target – delivered through a co-ordinated programme of projects.
- Develop a communications plan to support activities and engagement.
- Continue to collate information on our current carbon reduction initiatives and assess the contribution these will make to the 2030 target.

4. Reporting

The Board will report to Policy & Resources Committee, with recommendations as necessary.

6. Membership

Membership of the Board shall consist of 5 elected Members, following nominations by their Group Leaders to reflect the political composition of the Council.

7. Meetings and Ways of Working

The timing and number of meetings will be dictated by the volume of business for the MWG.

The Group will agree ways of working appropriate to the role and remit of the Group.

8. Review

These terms of reference may be reviewed and amended by the Policy & Resources Committee from time to time.

POLICY & RESOURCES COMMITTEE	Agenda Item Brighton & Hove City Council

Subject:	**Corporate Enforcement Framework**		
Date of Meeting:	**5 December 2019**		
Report of:	**Executive Director for Finance & Resources**		
Contact Officer:			
	Name:	**Graham Bourne**	**Tel: 01273 291800**
	Email:	**graham.bourne@brighton-hove.gov.uk**	
Ward(s) affected:	**(All Wards);**		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report seeks approval from the Policy and Resources Committee to procure enforcement services through a framework. This is intended to replace the informal arrangements that the council currently has with a number of external enforcement companies, with a more robust arrangement.

1.2 There would also be an option for Parking Services to access enforcement services under this framework once they have considered options regarding their collection and enforcement operation.

1.3 Having fully considered the report at the Procurement Advisory Board (PAB) on 14th October 2019, Members agreed to put forward the proposals below for the Policy and Resources Committee to approve.

2. RECOMMENDATIONS:

2.1 That the Committee approves the procurement and award of contracts for enforcement services through a compliant framework for an initial term of 2 years with the option to extend for two periods of up to 12 months.

2.2 That the Committee supports the proposal for the corporate debt team, as part of its improvement programme, to develop business cases for bringing elements of enforcement in house in accordance with the objectives of the Corporate Debt Policy.

2.3 That the Committee notes the importance of debt collection as an essential function in order to be able to fund the priorities of the Council.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 On 24 January 2019 the Policy Resources and Growth Committee approved the new Corporate Debt Policy. This is attached as **Appendix 2** to this report.

3.2 The responsibility to ensure the Policy is delivered falls upon the Corporate Debt Board, which is made of senior representation from all seven of the debt hubs plus an advisory solicitor. The board has four key goals:

- Establish a proportionate, fair and effective end to end approach to debt management;
- Use analytics to understand the debt portfolio and drive best practice for debt management;
- Instil an ethos of fairness, built upon principles that recognise the impact debt collection has on the vulnerable; and
- Have a proportionate enforcement response to those who do not pay on time.

3.3 The policy highlights the best practice that has been established to support residents who are vulnerable or experiencing hardship in dealing with their financial commitments to the council. The principles of early recognition and intervention, sustainable and affordable arrangements, and a pathway to advice and support, are all well embedded in the council.

3.4 Much of the council debt portfolio is business debt and services operate with the appropriate balances to collect this debt efficiently with consideration of the social and economic value of local businesses.

3.5 The Board noted the commitment in section 8 of the Policy to achieve best practice in the use of enforcement agents, and commissioned a piece of work around this. This work uncovered a weakness in the current arrangements with enforcement companies. The proposal in this report seeks to address these weaknesses and provide a stronger platform for delivering the objectives, i.e.:

- to reduce the use of enforcement agents;
- to ensure any vulnerability and hardship cases that are only identified at this late stage are appropriately responded to; and
- to ensure the portfolio of debt is appropriately managed and all parties adhere to the code of practice.

3.6 In 2018/19 the Council collected approximately £445 million in fees, charges, rents, council tax and business rates. Of this amount £363 million is to support council services and the remaining £82 million is collected on behalf of government, police and fire authorities.

3.7 The majority of the sums collected is paid on time by residents and customers via direct debit or other convenient payment methods. Each debt area has its own escalation routes to pursue outstanding payments and its own legislative requirements, but all have built in consideration of vulnerability, hardship and affordability. At the end of these processes for Parking, Business Rates, Council

Tax, and Corporate Collection, the Council exercises the option to refer the debts to external companies for enforcement action. In 2018/19 just under £7m (1.6% of the total annual debt to be collected) was referred to external companies.

3.8 Best practice regarding efficient recovery advocates earliest possible intervention/ collection. This approach is also regarded, provided there is the appropriate welfare support and understanding of affordability, as the best strategy to identify and address hardship and vulnerability.

3.9 As a debt becomes more aged the prospect of recovery diminishes and the pressure on the debtor grows. Certain debts have time limitations for recovery. To manage a debt portfolio efficiently there has to be prioritisation regarding age, level of debt, likelihood of recovery and ability to pay. There is no value in allowing debt to build up while awaiting capacity to deal with recovery. Therefore, in terms of enforcement management it is considered best practice to manage cases over a number of operators to be able to ensure performance levels are maintained and recovery activity is prompt.

3.10 The current engagement of external enforcement companies mostly relates to aged debt where our internal recovery efforts, including those of the Council's own enforcement agents, have been exhausted. There are currently no direct contractual payment for services on the basis that the financial incentive is performance related, either in a percentage of the amount recovered or, more commonly, in terms of costs charged on the enforcement action (the costs are fixed and government stipulated).

3.11 There is also no contractual obligation to provide the companies with specified volumes of work. The debts are not sold to the companies, but collected on behalf of the Council and as such can be withdrawn to the Council at any stage.

3.12 Currently there is variable use of enforcement companies across the Council's collection hubs depending on the legislation that frames the escalation options open to the service. Where they are used, the services departments independently identify external enforcement companies to carry out escalation recovery work. The way they are sourced and secured varies as do the Service Level Agreements. The corporate debt team review shows an inconsistent approach to scrutiny, performance management and review. There are already checks and balances in play in set legislation and industry standards but there is a lack of local accountability with the incentive of obtaining further work being the main reason to comply.

3.13 It is proposed to introduce a more formal, consistent and transparent selection and tender process for enforcement companies. To be successful and contracted to work for the council the companies must show they can meet the standards and requirements of the seven main income streams for the Authority.

3.14 This process would then allow the Council to access quickly and easily enforcement services from providers that have already been vetted and meet the agreed standards of the Authority. This is designed to deliver increased income for the authority through more effective and quicker collection of debt.

3.15 It is envisaged that services will channel their escalated enforcement work through the corporate debt team. The framework in tandem with the team's specialist enforcement software will enable relative performance of external and internal enforcement actions to be measured, analysed and compared. This would enable us to improve outcomes for the Council. Parking may be the one exception to this process. Parking debt had different parameters and it is not decided yet whether, in the longer term, it would be operationally more effective to treat it within its own framework. Whatever the outcome there will be coordination and consistency in approach.

3.16 Enforcement agents (bailiffs) are regulated by court certification supported by a qualifying exam. The Taking Control of Goods (TCOG) Regulations 2013 and the enabling Tribunals Courts and Enforcement (TCE) Act 2007 brought all bailiffs under one set of regulations for the first time and clarified the law. There is also a set of National Standards that enforcement agents, EA companies and creditors should abide by.

3.17 The Council is one of 29 pilot authorities with controlled access to HMRC data. Using this data, the council can affect attachments to earnings and identify potential financial vulnerability cases. This pilot is a quarter the way through its 12 months duration and although in its early days, a number of councils believe this will reduce work being passed to enforcement agencies by around 40%.

3.18 From October 2019 the council will be part of a new BAU (business as usual) pilot to include DWP data as well as HMRC data. This will better inform councils in the course of action to take with the potential to reduce further the number of cases passed to enforcement companies.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 There are two elements to enforcement activity, those being 'desktop' and 'doorstep'. Currently the Council does a limited amount of both, due to capacity and cost effectiveness. The desktop activity can happen anywhere whereas the doorstep activity is geographically determined. It is the officer view that the portion of debt subject to out of area doorstep activity cannot be considered for in-house whilst everything else can potentially be brought in-house.

4.2 Regardless of the degree and efficiency of the in-house activity, there will always be the need for external specialist enforcement agents to undertake out of area work, manage fluctuations in workload and provide a final collection option when in-house enforcement efforts have been exhausted.

4.2 The Corporate Debt Team is currently in the process of implementing software to introduce a modern corporate debt system (ClickDebt). Once established ClickDebt will greatly increase the viability of operating at a level where more in-house work becomes tenable. It will also provide clarity in management information to compare the relative performance of external providers and insight into how this compares with in-house performance.

4.3 Additionally initial results from the first HMRC pilot are very encouraging, and if this leads to a permanent data sharing arrangement then this could significantly increase the business case for in-house provision.

4.4 Effectively the Corporate Debt Team is creating a platform from which they can pro-actively look to bring work in-house when assured that this results in a better outcome for the council. Any progression in this regard will be measured and gradual. The procurement framework provides a safeguard during this progression to ensure escalated cases are still dealt with swiftly where it is beyond our capacity.

4.5 The key benefits we are seeking from this work are to:

- pro-actively reduce the use of enforcement agents, particularly for household debt.
- make our debt prevention and vulnerability interventions more effective
- push effective debt recovery back to earlier stages in the process.
- make sure debt is not created unnecessarily, to ensure we are accurate with our information.
- collect at affordable levels and to intervene early and pro-actively when we recognise payments are falling behind.

4.6 If these objectives are achieved them there are numerous benefits; earlier identification of the financially vulnerable, better collection, better customer service, better workflow and increased opportunity to ensure the escalation workflows are more efficient and manageable in house.

4.7 So while it is difficult to establish a current immediate viability to bring work in house there is the imminent prospect that this situation may change and that a managed transition is a realistic prospect for the future. The emphasis in this transition will be in pro-active desktop intervention stages that reduce the need to use doorstep enforcement visits, not a like for like replacement. Again this is in keeping with the objectives of the corporate debt policy.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 No community engagement has been carried out in terms of this specific recommendation because it is an operational decision in accordance with the agreed objectives of a corporate policy
.

5.2 As stated in the Council Tax Reduction Review Report, also on the 5 December Policy & Resources agenda, the broader intention is to conduct a corporate cross service exercise in exploring options to an improved strategic approach to welfare. This development would be complimentary to and supportive of the aspirations of the Corporate Debt Policy.

6. CONCLUSION

6.1 During PAB, a number of discussions were had, however the Board agreed all the recommendations in the report.

6.2 Further to this, approval is now being sought to proceed with the recommendations set out in Section 2.

6.3 The report recommendations acknowledge that the proposed framework provides a greater legal robustness than existing arrangements while recognising the progress the council wishes to make in accordance with its Corporate Debt Policy. In turn this progression links to the wider ambition to improve the corporate strategic approach to Welfare as outlined in the Council Tax Reduction Review report.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 There are no direct financial implications from the council accessing the framework for external enforcement services as the payment arrangements are the same as those currently in place.

7.2 Reduction in debt reaching the enforcement stage of recovery is likely to support improvements in the level of debt collected thereby reducing arrears, bad debt provisions and debt written off. There may be reductions in court costs income as debt is settled at an earlier stage which would be a better outcome for the debtor. Any impacts on income collection will be reflected through the Targeted Budget Management (TBM) reports that go to the Policy & Resources committee, as well as future years' budget setting.

7.3 The financial implication from any elements of enforcement being brought in-house will be assessed and included in the relevant business cases.

Finance Officer Consulted: James Hengeveld Date: 05/11/19

Legal Implications:

7.4 The procurement of the proposed enforcement contracts from a third party framework agreement must be carried out in accordance with all relevant public procurement legislation as well as the council's Contract Standing Orders (CSOs).

7.5 Legal implications can be given on the proposals to bring elements of enforcement services in house when they are more fully developed.

Lawyer Consulted: Barbara Hurwood Date: 25/11/19

Equalities Implications:

7.6 The corporate debt policy EIA is attached as **Appendix 3**.

Sustainability Implications:

7.7 The Corporate Debt best practice of early intervention should lead to reducing resources used in doorstep recovery and reduce the number of home visits, most of which would include vehicle travel.

7.8 The introduction of the Enforcement Framework and the drive to pre-empt doorstep activity and shift resource and emphasis to pro-active desktop will further enhance these sustainability benefits.

7.9 The tender process will enable the council to identify where we can consider gains in the overall sustainability agenda.

7.10 Part of this consideration will be the use of electric vehicles and the use of intelligent routing software to reduce journey length and times.

7.11 The implementation of new software enhances the Council's ability to move to paperless transactions.

7.12 Effective collection will contribute to the Councils' financial ability to support its overall sustainability agenda.

SUPPORTING DOCUMENTATION

Appendices:

1. Implications

2. Corporate Debt Policy

3. Corporate Debt Policy Equality Impact Assessment

Documents in Members' Rooms

None

Background Documents

None

Crime & Disorder Implications:

1.1 None

Risk and Opportunity Management Implications:

1.2 There are potential risks in not employing the framework in terms of loss of income, reputational damage.

1.3 There are potential risks in not getting the right balance between in-house and external services in terms of loss of income.

Public Health Implications:

1.4 None

Corporate / Citywide Implications:

1.5 The Corporate Debt Policy outlines the social value of applying best practice particularly in the recognition of hardship, vulnerability, affordability and considering the community value of local businesses and organisations. This value will be further enhanced if exercised in conjunction with the welfare support services in the Council and voluntary sector, which is very much the direction of travel.

1.6 The procurement process gives the opportunity to consider the social value of the partner organisations we engage in terms of living wage, value to the local economy in terms of employment. Specifically within the tender process there is a requirement for organisations to have their own vulnerability policy as well as adhering to the requirements of the Council.

1.7 The drive to implement desktop enforcement solutions internally could lead to more local employment within the Council service.

Corporate Debt Policy



Updated 2018

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1. Introduction

1.1 This policy details the council's corporate approach to income collection and debt recovery. The delivery of this policy is overseen by the Corporate Debt Board, which has representatives from all income and debt collection services in the council.

1.2 The policy is aimed primarily at individual/household debtors ('Personal Debt') but wherever possible and where legislation allows, the principles and objectives of this policy will also be applied to businesses from all sectors ('Business Debt').

2. Policy objectives

2.1 The council has a duty to ensure that it collects income and recovers debt efficiently and effectively to ensure it fulfils its financial responsibilities to its citizens and maximises its capacity to provide local services.

2.2 The council also has legislative requirements in respect of income collection and an obligation to collect on behalf of other organisations. The Police and Fire Authorities have dependency upon Council Tax collection, and Central Government and the Fire Authority retain a proportion of Business Rates income.

2.3 In collecting income and recovering debt, the council is committed to adhering to good practice. This good practice includes the recognition of fairness principles that collection arrangements should be manageable and sustainable in the context of both the council's duty to collect and a household's individual circumstances.

2.4 Where possible, the council will act to prevent debt arising or escalating, and will seek to inform citizens so they are aware of their obligations to the council and are in a position to make good decisions that avoid additional costs and pressures. However, ultimately the council will, where appropriate, escalate recovery actions to recover hard to collect debt. When it does so, it will maintain its fairness principles while applying the correct legal options.

3. Structure of income collection and debt recovery

3.1 There are seven collection hubs in the council and table A below shows those hubs and the legislation that determines their income collection, debt recovery and enforcement activities. The legislation listed is not necessarily exhaustive and the council will use any appropriate legal means to collect income or debt:

TABLE A : Collection hubs and legislation

Hub	Function	Type of debt	Main Legislation
Council Tax	Council Tax income collection and associated court costs	Personal	The Council Tax (Administration and Enforcement) Regulations (1992)
Business Rates	National Non-Domestic Rates collection and associated court costs	Business	The Local Government Finance Act (1988)
Benefits Overpayments	Housing Benefit Overpayments	Personal	Housing Benefit Regulations (2006) Social Security Administration Act (1992) Social Security (Overpayment and Recovery) Regulations (2013) Welfare Reform Act (2012)

Corporate Collection Team	All service income and debt not collected by other hubs. Includes: Commercial property rents Adult Social Care charges Life Events charges Library service charges Planning and Building Control fees License fees Highways fees and fines (excludes Parking) Leaseholder, garage and other service charges Royal Pavillion, Museums and other venues charges Trading Standards and Environmental Health charges Educational facilities and lettings charges	Personal and business	Generally recovery is determined by the Local Government (Miscellaneous Provisions) Act (1976). Some debt is also covered by specific legislation as stated below Commercial Rent and Arrears Recovery Act (2007) Care Act (2014) Licencing Gambling Act (2005) Fixed Penalty Notices Section 444 of the Education Act (1996) or Section 106 of the Education Inspections Act (2006) - school fines
Housing Temporary Accommodation	Rental income collection and recharge debts	Personal	Rent Collection - Landlord and Tenant Act (1985)/ Protection of Eviction Act (1977) Removal & storage - Sections 211/212, Part VII of Housing Act (1996)
Housing Management	Rental income, service charge collection and recharge debt	Personal	Housing Act (1985) - tbc Arrears & Escalation - Housing Act (1985 & 1986) complemented by Ministry of Justice Pre-Action Protocol for Social Landlords
Parking	Parking fine collection and associated court costs	Personal and business	Traffic Management Act (2004) - tbc

3.2 Positioned over these hubs is a Corporate Debt Team. The function of this team is to provide the analysis and support to the seven hubs to enable them to deliver maximum performance and best practice. Additionally, it oversees the management of hard to collect debt, and co-ordinates the management of the debt portfolio and relationships with outside agencies and legal advisory services. Work prioritisation is overseen by the Corporate Debt Board. Table B below shows the debt escalated to the Corporate Debt Team:

TABLE B : Debt escalation to the Corporate Debt Team

Source	Escalated function	Type of debt	Main Legislation
Council Tax	Outstanding debt post liability order with no arrangment in place Absconded debt at any stage of collection	Personal	As stated in Table A, plus Taking Control of Goods Regulations (2013)
Business Rates	Outstanding debt post liability order with no arrangment in place Absconded debt at any stage of collection Debt avoidance	Business	
Benefits Overpayments	Absconded debt at any stage of collection Fruadulent and/or large debt	Personal	
Corporate Collection Team	Absconded debt Historical debt over 180 days	Personal and business	
Housing Temporary Accommodtion	Former tenant debt	Personal	
Housing Management	Selective former tenant debt	Personal	
Parking	Selective in-area escalated debt	Personal and business	

The reference to debt in the above table is inclusive of any additional charges or court costs.

4. Function of the Corporate Debt Board

4.1 The Corporate Debt Board consists of senior representatives from all of the collection hubs and ensures a consistent approach to debt collection across the council. It delivers in line with four key principles, namely to:

- establish a proportionate, fair and effective end to end approach to debt management;
- use analytics to understand the debt portfolio and drive best practice for debt management;
- instil an ethos of fairness, built upon principles that recognise the impact debt collection has upon the vulnerable; and
- have a proportionate enforcement response to those who do not pay on time.

These principles are designed to ensure that while there is a financial imperative in debt collection, there is also a public sector responsibility to consider the whole picture and impact upon our citizens.

4.2 While the direct management of the hubs remains within services, the Corporate Debt Board has the primary requirement to:

- prioritise the work of the Corporate Debt Team;
- develop, deliver and monitor a corporate approach to income collection enforcement;

- ensure a corporate training standard for staff undertaking debt recovery;
- oversee a cycle of continuous improvement reviews across debt recovery areas;
- embed demand management principles across debt recovery areas; and
- ensure the development a digital framework that allows the continued improvement of corporate debt collection.

4.3 Additionally, the Corporate Debt Board ensures:

- services are responsible for their own financial management and have procedures to minimise debt caused by delayed administration or error;
- collection hubs operate workflows and procedures that maximise collection with proportionate, appropriate consideration and adjustment to account for individual circumstances of hardship;
- collection hubs work collaboratively in managing multiple debt; they have a holistic view of debt collection that considers the correct prioritisation of multiple debt, so that the council does not pursue collection to the detriment of its holistic aims in providing services to that household;*
- the Corporate Debt Team pursues evasion and avoidance of debt with appropriate but proportionate vigour;
- debt recovery performance is under constant review to identify opportunities to achieve efficiencies through improvements such as sharing best practice, policy changes, process improvement, digital development, training and consolidating debt recovery functions;
- the priorities of the Corporate Debt Team align to strategic priorities;
- adherence to the General Data Protection Regulation (GDPR) requirements for data sharing and information security across all income collection and debt recovery functions;
- all aspects of collection activity are compliant with the Equalities Act; and
- the welfare framework is effective in providing support for those in hardship or who are vulnerable.

*Parking debt/fixed penalty notices/debt incurred by way of fine is normally collected outside of this consideration where it relates to a legal penalty.

4.4 The Corporate Debt Board will review the Corporate Debt Policy annually to ensure it remains aligned to strategic priorities.

5. Scheme of Delegation

5.1 Application of the Corporate Debt Policy will be in line with the delegated functions set out in the council's Scheme of Delegation.

6. Best practice debt collection

6.1 This policy aims to adopt fair debt collection and recovery practices including the aspirations to:

- ensure each stage of debt collection or intervention is delivered at the earliest point to prevent the accumulation of arrears;
- ensure customers receive reminders and messages to keep them informed of their current debt status, and that these interventions are as effective as digital development allows;
- ensure that all debt is valid, accurate and only generated where due;
- ensure that bills are accurate, timely and clear, indicating available payment methods and customer support;
- provide appropriate and easy payment methods with good customer access and services to help prevent the incidence of arrears;
- provide access to contextual information so customers are clear on their responsibilities to make payment, the required timeframes to make payment, the consequences of not making a payment within

the timeframe and what action to take if they have a difficulty in making a payment or dispute the amount being requested;
- make it easy for households or businesses who do fall into arrears to contact the council and agree to payment arrangements appropriate to their circumstances;
- build in mechanisms within debt collection workflows to ensure that hardship or vulnerability is identified at the earliest possible stage and as a consequence, the customer has access to appropriate support and advice regarding benefit entitlement, budget management and welfare/health support;
- filter, segment and prioritise escalated debt so appropriate action or support is put in place;
- have a programme of training for all staff dealing with debt and income collection to ensure they understand the council's strategic approach, its fairness principles, have the skills to negotiate debt recovery, the understanding to recognise vulnerability and the knowledge to provide appropriate support or signpost for appropriate support;
- oversee the whole debt portfolio to ensure that residual debt is actively managed, actions are proportionate and cost effective, and where appropriate, uncollectable debt is written off;
- ensure any agencies acting on the council's behalf commit and adhere to the council's debt collection principles;
- where specific and specialised legal action is required (bankruptcy, avoidance, charging orders), there is a structured approach to risk manage individual cases with a recognised framework of legal support and for this legal support to be developed in-house (Orbis Public Law) to minimise costs; and
- where appropriate, commit the council to national standards of best practice.

6.2 The council is committed to maintaining best practice. To this end, the Corporate Debt Board will monitor the development of good practice in the field of income collection and debt recovery, and incorporate improvements into its strategies and procedures.

6.3 Specifically, the council is working with central government regarding the delivery of their Cross-government Debt Strategy and the input from its Fairness Sub-group. By aligning with a universal approach to public sector debt, the council will be providing a consistent approach to residents and businesses, and operating in a manner that is commensurate with an expansive model of debt collection, if that opportunity arises in the future.

6.4 The council will seek to comply with all nationally approved debt recovery pre-action protocols and where complementary to this policy, also seek to comply with best practice protocols. This will include the following (the list is not exhaustive):

- Collection of Council Tax Arrears Good Practice Protocol (Published by Citizens Advice, June 2017;
- National Standards for Enforcement Agents (Published by Ministry of Justice, April 2014);
- Civil Enforcement Association (CIVEA) Code of Conduct and Good Practice Guide (2012) and
- Taking Control of Goods Regulations (2014).

7. Training

7.1 The council is committed to training staff with the necessary skills to deliver this policy.

7.2 The council will seek to adopt or incorporate any programme of training that reflects any nationally approved debt recovery pre-action protocol or recognised best practice protocols, particularly in relation to the application of fairness and the recognition of vulnerability and hardship.

7.3 The Corporate Debt Board will set the programme of training.

7.4 The training programme will include cyclical refresher training to ensure standards are maintained.

7.5 The programme will include training in:

- negotiation;
- recognition of vulnerability and mental health issues;
- customer service;
- equalities;
- best practice;
- personal safety for outside officers;
- personal resilience; and
- qualification based training for enforcement agents.

8. Enforcement agents

8.1 By employing best practice, it is the intention of the policy to progressively minimise the number of debts referred to enforcement agents.

8.2 Every effort will be made to identify vulnerability at the earliest possible stage in the collection/recovery process. However, this filtration cannot be 100% guaranteed and where vulnerability is identified by enforcement agents, mechanisms will be in place to ensure that support is made available and where appropriate, the approach to the debt modified.

8.3 The Corporate Debt Board oversees the council's activities in pursuing hard to collect debt. The Corporate Debt Team manages the portfolio of enforcement agent debt and is responsible for ensuring the portfolio is managed in accordance with the requirements of this policy.

8.4 The council uses both internal and external enforcement agents. Service level agreements/contracts are set for the external enforcement agents used by the council. Both internal and external agents are equally required to adhere to the standards of this policy. So the required standards are maintained, all agents/ agencies must:

- follow the CIVEA Code of Practice;
- Ministry of Justice National Standards; and
- have the appropriate certification under the Taking Control of Goods Regulations (2014).

9. Fraud and evasion

9.1 The unlawful evasion of charges, taxation or fines reduces the financial resources available to the council and has a direct impact upon all residents, businesses and other organisations that rely upon council services.

9.2 Unlawful evasion or fraud to avoid payment will not be tolerated and where this is identified, the council will, in addition to taking action to enforce payment, seek to impose further penalties or sanctions. This may include prosecution for such offences.

9.3 Where this activity impacts upon other public bodies, such as HM Revenues & Customs and other authorities, the council will work with those organisations to seek legal remedy.

9.4 Where debts arise through evasion or fraud, the council will seek to recover payment in full as quickly as the law regarding the nature of the debt allows.

9.5 Where appropriate, the council will refer matters to the Police for criminal investigation. The council is also committed to fully supporting any investigation initiated by the Police, either in response to a referral or independently.

10. Complaints and disputes

10.1 Any disputes raised regarding the application of this policy should, in the first instance, be raised with the relevant council service. In the event that the dispute cannot be resolved, then it shall be dealt with in accordance with the council's Complaints Procedure.

10.2 Any dispute regarding an individual debt will be dealt with in compliance to the legal requirement of the collection of that individual debt. Any such dispute will only stop the continuation of the recovery process or legal mechanism if it is appropriate in the context of the specific legislation.

11. Use of data

11.1 The council will collect and store personal data for the purposes of the effective billing, collection and recovery of sums due. Data retained for this purpose will be processed in accordance with the Data Protection Act 2018 and stored securely at all times. Data will be shared with agents or contractors appointed by the council for the purposes of the billing, collection and recovery of sums due. Data may also be shared within the council or with external organisations where the law allows and in particular, where it is in the interests of the debtor or where it will prevent fraud or the unlawful evasion of payment of sums due. Further details can be found on the council's website.

12. Equality Impact Assessment

12.1 The council has conducted an Equality Impact Assessment (EIA) in relation to the Corporate Debt Policy.

12.2 The EIA will be refreshed as part of the annual review of the Corporate Debt Policy.

Brighton & Hove City Council

NHS Brighton and Hove Clinical Commissioning Group

Equality Outcome Assessment (EIA) Template - 2018

EIAs make services better for everyone and support value for money by getting services right first time.

EIAs enable us to consider all the information about a service, policy or strategy from an equalities perspective and then action plan to get the best outcomes for staff and service-users[1].They analyse how all our work as a council might impact differently on different groups[2]. They help us make good decisions and evidence how we have reached these decisions[3].

See end notes for full guidance. Either hover the mouse over the end note link (eg: Age[13]**)** or use the hyperlinks ('Ctrl' key and left click).

For further support or advice please contact:

- **BHCC: Communities, Equality and Third Sector Team on ext 2301**
- **CCG: Engagement and Equalities team (Jane Lodge/Meg Lewis)**

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1. Equality Impact and Outcomes Assessment (EIA) Template

First, consider whether you need to complete an EIA, or if there is another way to evidence assessment of impacts, or that an EIA is not needed[4].

Title of EIA[5]	Corporate Debt Policy	**ID No.[6]**	
Team/Department[7]	Corporate Debt Team, Business Operations		
Focus of EIA[8]	The Corporate Debt Policy defines the council approach to collecting debt. The policy applies to the activities of all the services that have income or debt collecting function. The council has the duel responsibility to collect income to pay for services and to have appropriate regard for every household/business in terms of affordability, sustainability, vulnerability and hardship. This is particularly important in the context of the impact that welfare reforms have had in this city. This assessment is not a duplication of the EIAs that separately exist in some of the service areas or in relation to some of the mitigations that the council delivers (such as discretionary payments). It concentrates on the specific debt collection activities and considerations stated in the revised 2019 Policy, particularly in relation to protected groups.		

	The Corporate Debt Board meets regularly to bring together representatives from all the relevant service areas to ensure the principles of the policy are effectively maintained. There are escalation routes in the council to access support for households struggling with their debt repayment responsibilities. The main provision of this support sits within the 'Welfare Framework', a network of internal and voluntary sector services that combine to provide a comprehensive range of support. This structure is overseen by the Corporate Welfare Reform Board and includes, Welfare Rights, Benefit Cap Team, Discretionary Housing Payment, Discretionary Council Tax reduction and Local Discretionary Social Fund. There are strong links to the Debt Prevention Team in Revenues & Benefits and a similar offer within Housing Services. Increasingly, the emphasis is on Universal Credit. Externally, there is direct commissioning of budgeting advice in the third sector both in respect of Welfare Reform and Housing Services. The overall effectiveness of the combined efforts of the council and voluntary sector is managed through attendance of the Advice Services Network and Advice Partnership meetings. This assessment breaks down debt into two types: Household Debt and Business Debt. This assessment primarily concentrates on the former. There is less consideration of Business Debt because expenditure is normally considered as something that should be anticipated in a business model. Because households/businesses move out of the area, debts are incurred by households/businesses that are outside the area. Also, some businesses have central offices outside the area. The council conducts a considerable amount of debt collection activity across the country and sometimes beyond. Where this is the case, the debt impacts are less measurable and the mitigations available are limited. However, the principles within the policy, particularly in relation to affordability, still apply.

2. Update on previous EIA and outcomes of previous actions[9]

What actions did you plan last time? (List them from the previous EIA)	**What improved as a result?** What outcomes have these actions achieved?	**What <u>further</u> actions do you need to take?** (add these to the Action plan below)
There is no previous EIA.		

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3. Review of information, equality analysis and potential actions

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Age[14]	Brighton & Hove has an unusual age demographic. The average age of is lower than the national average with a noticeable peak in population in the range 20-44. • 16 per cent (45,009) were estimated to be aged under 16 in 2011 • 70 per cent (193,632) were estimated to be aged between 16 & 64 • 13 per cent (36,684) were estimated to be aged 65 or more • In terms housing tenants the data for 2016/17 indicates that tenants aged 16-24 are at a higher risk of arrears. This group makes up 1% of tenants but accrues 3% of arrears. • 49% of tenants are aged 55 and over but this group collectively make up only 21% of outstanding arrears. • 51% of tenants aged 16-54 account for 79% of total arrears.	• Staff report that welfare reforms are impacting in terms of debt most significantly on the younger working age population. • For the older pensioner population the fear is accessibility, exclusion and fixed incomes. • For those with children the problem is finding sustainable work and complimentary childcare as a solution to welfare reform impact/ debt. • Older housing tenants can be more distressed by letters about rent arrears.	• Tenants of pensionable age are less affected by any of the government's welfare reforms. • Financial exclusion increases with age and older people of working age are more likely to be digitally excluded and be facing issues of debt, food and fuel poverty • Older people of working age are less likely to be able to find work or increase their hours, which would otherwise exempt them from the impact of welfare reform or address outstanding debt. • Young people are less likely to be aware of, or seek the help of support services or discretions. • Young people are more likely to be over-indebted than older age groups and less likely to seek advice. • Older people over pensionable age tend to be on fixed incomes with very limited capacity to increase their income. • Older people over pensionable age are less	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the support that can be put into place to help household address their budgeting pressures. The following mitigations are applied in addition: • Focus digital inclusion on people of working age • Gather information on the age of those referred to MACS through the Housing Financial Inclusion and Universal Credit contracts • Engage with services that support working age people to ensure sure DHP literature is available to them • Engage with services that support young people to ensure DHP literature is available to them

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			capable of adjusting their expenditure on food or heating without compromising their health. • Older people over pensionable age are more likely to have a disability or a long term health problem • Single people under 35 affected by the welfare reforms have seen large reductions in their entitlement to housing benefit. • Single people under the age of 25 will be living on the lowest out-of-work income and so will be impacted more adversely than older people as shortfalls in Council Tax and Rent will be proportionately more of their total income.	• To promote the single apprenticeship pathway to assist young people into work. • Ensure services that support and engage with people over pensionable age promote energy efficiency grants. • Housing Income Advisors to continue to provide support and advice to vulnerable housing tenants who need additional help to engage. • Support younger housing tenants through the Better Start Guide. • Apply for Alternative Payment Arrangements with the DWP where vulnerable housing tenants are on Universal Credit.
Disability[15]	9,012 known households (in receipt of HB or CTR) with at least one member of the household receiving Disability Living Allowance, PIP or Attendance Allowance. A further 2,197 Households are known to be in receipt of ESA. 7,469 households in total with one member in receipt of ESA.	• Information gathered by the welfare reform team indicates that there are several welfare reform changes that have potentially significant impact on disabled households. • Research suggests that the cumulative impacts of Welfare Reform will have a disproportionately larger impact on disabled people	• Higher cost of living for Disabled people and parents of disabled children means that the increased shortfalls created by the Welfare Reforms could see these families disproportionately impacted. • Some disabled people and parents of disabled children will receive extra premiums in housing	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the support that can be put into place to help households address their budgeting

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	• In 2016/17 48% of council tenants were recorded as having a disability or long term health condition. 39% of rent arrears were incurred by tenants with a disability or health problem and they were issued 36% of all Notices of Seeking Possession. • In the same year 61% of the total arrears and 64% of the Notices of Seeking Possession were attributed to the 52% of tenants with no recorded disability or long term health condition. • This indicates that people with a disability are slightly less likely to be in arrears and issued a Notice of Seeking Possession than people with no known disability.	(and carers) and their families than others[16]. • The B&H Child Poverty Needs Assessment identified that families with a child or parent with a disability have a higher risk of living in poverty and less capacity to repay debt • Information suggests people with a learning disability find the most helpful way to communicate is face to face. This isn't always easily accessible, particularly in relation to UC.	benefit which might increase the level of their award. • Physical access issues to some advice services and financial products that would enable them to address debts. • Accessibility issues to online services, such as UC, may create income difficulties. It also inhibits access to lower cost products available via the internet. • Disabled non-dependents do not exempt a household from the Benefit Cap. This means that a claimant may be unable to work due to their care commitments within the household and so would be affected by the Benefit Cap. Anyone under the benefit cap has extremely limited capacity to address debt. • There are potential risks associated with vulnerable disabled people taking in a lodger to help pay for rent shortfalls caused by the Welfare Reforms. • In relation to higher likelihood of needing help with housing costs: 28% of disabled people are likely	pressures. The following mitigations are applied in addition: • We will maintain a face to face service, including home visits, to support people with DHP applications where appropriate. • Where possible working with agencies, social services and NHS to monitor and feedback the impact to disabled people • When council is procuring advice contracts make sure that accessibility issues and outreach issues are included in contract specification. • Reorganisation of NHS services should make it easier for people with common Mental Health issues such as anxiety and depression to receive help. • We will look to identifying those in receipt of DLA who are also eligible for Adult Social Care services and link with care management • People affected by any of these new benefit policies,

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			to be low paid (on less than £7/hour), compared with 19% of non-disabled people. • Those households who fail reassessment over to PIP may then bring the household into the benefit cap, where previously they were exempt • Because of debt issues there is a risk of disabled people, or parents of disabled children, being faced with moving from a property that meets their need. There is a national shortage of accessible properties and so people in these situations may not be able to find a more affordable option that meets their needs. • A lack of affordable alternative housing may compound debt as well as impact upon the length of hospital admissions due to reduced availability of accommodation to discharge into. • Households with disabled children under the age of 5 will have caring commitments preventing them from work, but it is difficult to successfully	and who also contribute to the cost of social care services, can apply for a reassessment of their charges which may then be reduced. • Apply for Alternative Payment Arrangements with the DWP where vulnerable housing tenants are on Universal Credit. • The Welfare Rights and Welfare Reform teams support households with issues of disability and long term ill health to access appropriate disability benefits, supporting with both the application process and through the appeals process. They will also support households with Non Dependents in receipt of disability benefits claim Carers Allowance, to exempt them from the Benefit Cap.

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			apply for DLA because of the burden of proof. Therefore they may be required to job seek and/or not qualify for exemptions from certain Welfare Reforms. **Learning Disabilities:** • People with learning disabilities are commonly in receipt of low rate DLA care. As there is no low rate under PIP Daily Living element, they could lose their entitlement to disability benefit when this transition comes in, hence reducing their ability to make up their rental shortfall • People with a Learning Disability may face more barriers in seeking advice, in budgeting, understanding Welfare Reforms and managing debt. • People with learning disability often have a representative to help them manage their financial affairs. E.g. An Appointee for benefits **Mental Health** • Being in debt may exacerbate anxiety and stress for some people	

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			• People with mental health issues are commonly in receipt of low rate DLA care. As such they may be affected by the transition to PIP. This may mean they would be less able to manage any rent shortfalls or other debt. • Potential increase in demand for (already stretched) Mental Health Services. • National studies suggest that people with mental health issues may face disadvantage in terms of diagnosis by non-specialist staff and in relation to non-compliance with reassessment. This may, at least in the short term, lead to additional financial pressure. • People with mental health issues may face more barriers in seeking advice, in budgeting, understanding Welfare Reforms and managing debt. • Maintaining a claim of both ESA and UC require continued engagement and prompt communication management. Some people with anxiety and	

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			mental health issues struggle to read or respond to communication, leaving them more open to sanction or ending of their entitlement.	
Gender reassignment[17]	• Brighton & Hove's State of the City report estimated that at least 14% (38,000 of the 2011 census population) of Brighton & Hove's adult residents are lesbian, gay, bisexual or transgender • 0.3% of housing tenants identified as transgender.	• There is limited feedback around transgender issues because of the relatively low numbers. • Issues of debt, benefits and access to appropriate housing, employment, advice and financial products are proportionately higher amongst this diversity group.	Trans people face significant barriers to employment and may face discrimination in the workplace, therefore are more likely to be on lower incomes and be reliant on benefits. This may mean they are less able to meet shortfalls between benefit and rent or other debt.	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the support that can be put into place to help household address their budgeting pressures. The following mitigations are applied in addition: • Share DHP/DCTR info with organisations that specifically support people for the transgender community through the Advice Services Network • Where a persons assigned gender differs from their birth gender the Revenue and Benefits service are legally able to reflect this in decisions about housing benefit.

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Pregnancy and maternity[18]	There were 2704 births in Brighton 7 Hove in 2017. A fertility rate of 1.26%, the third lowest in England and Wales. The national rate was 1.76% All 3rd and subsequent children born to households after 6th April 2017 are not eligible for further Child Tax Credit or UC child element payments.	The period around the birth of a child is one of financial pressure as well as emotional pressure and may be accompanied by difficult decisions in relation to accommodation, work and budgets.	• Women who are pregnant and those with very young children will be less able to seek or increase their working hours, reducing their ability to self-mitigate in light of the reduced income caused by Welfare Reform. • With very young children couples adjust their working hours to account for their childcare arrangements. • A baby does not count in terms of family size until it is born. A family with a pregnant person in it who moves to accommodation of a size which takes into account the expected baby will not receive a level of housing benefit which pays for that property until the baby is born leaving a period of occupation where there will be a shortfall.	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the support that can be put into place to help household address their budgeting pressures. The addition of a child may mean accommodation changes for the household that may conflict with timing of benefit awards. In these circumstances DHP/DCTR is considered to address shortfalls.
Race/ethnicity[19] Including migrants, refugees and asylum seekers	• Equalities data including details of ethnicity are requested on each housing benefit application and DHP form. Unfortunately, the completion rate for these sections is poor and as such the total data held is	Customers who do not consider English as their first language have expressed that they find it easier to overcome language barriers when discussing issues face to face.	• Some groups (particularly Pakistani and Bangladeshi) are less likely to have bank accounts. This will create a barrier to financial inclusion under Welfare Reform, particularly once Universal Credit is	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	not reliable. The below figures are extrapolated from total data for the city compiled in the 2011 Census. • The 2011 census reveals that one out of five Brighton & Hove residents are from a BME background, whilst one in twelve residents do not consider English to be their first or preferred language. • The main languages spoken in Brighton & Hove other than English are Arabic, Polish, Chinese, Spanish and French. • For 2016/17, housing tenants who identified as Black or Black British made up 3% of the total tenant group but were responsible for 4% of total arrears and 4% of all Notices of Seeking Possession issued. • Housing tenants who identified as Asian or Asian British made up 3% of the total tenant group. They were responsible for only 1% of total arrears but 2% of all Notices of Seeking Possession issued, indicating that the		introduced, and ability to repay debt using some of our standard methods. Without a bank account a household will not be able to set up direct debits. They may, therefore be more at risk at not maintaining repayments.* • While every attempt is made to produce plain English documents the language around debt can be specialised and difficult to understand particularly if English is not a first language.* • In relation to higher likelihood of needing help with housing costs: nearly half of Bangladeshi and Pakistani employees are likely to be low paid (on less than £8.21/hour), compared with 25% of White British people (2013 DHP EIA figures extrapolated). • Gypsies and Travellers inability to access financial products and advice services as well as being affected by fuel poverty in light of reduced incomes. • Language barriers may prevent some households from understanding the	specific consideration for the support that can be put into place to help household address their budgeting pressures. The following mitigations are applied in addition: • To improve the monitor and data on this diversity group making applications to DHP • To monitor the ethnicity data on those affected by the Benefit Cap. • To provide interpretation services for persons wishing to make an application for DHP who cannot do so using English language forms • Work with traveller liaison team to understand if their clients are affected.

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	level of their arrears was higher than average. • Housing tenants who identified as mixed ethnicity made up 1% of the total tenant group but were responsible for 2% of total arrears and 2% of all Notices of Seeking Possession issued.		information sent to them about the welfare reforms changes. This may result in them being less prepared than they need to be and not organised to prevent debt situations arising. • Some different cultures will have different approaches to debt. • Potential for misinformation to be spread within a community, particularly in light of the shifting landscape of welfare reforms. • Employment patterns and earning levels are different for different ethnic groups which would affect the ability of some groups to self-mitigate in light of the reduction in their benefit income or as remedy for debt situations. • The reduction and capping of Local Housing Allowance has impacted disproportionately on black and minority ethnic communities as they are more likely to need larger accommodation due to family size. • Child poverty rates for	

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			black and minority ethnic families in the UK are higher than the national average. • Increased conditionality for working-age claimants is more likely to impact on black and minority ethnic claimants as they are disproportionately represented among workless households	
Religion or belief[20]	According to the 2011 census, more than two out of five residents are Christian. Two out of five residents also stated they had no religion. The Muslim community is the largest none Christian faith group in the city (2.2%).	We have had no specific feedback in relation to religion and belief and recovery of debt.	• Some religious groups experience different levels of disadvantage. • Different religious group /cultures have different approaches to debt. • Potential for misinformation to be spread within a religious community, particularly in light of the shifting landscape of welfare reforms and how to respond to financial pressure.	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the support that can be put into place to help household and businesses address their budgeting pressures.
Sex/Gender[21]	• Taken from 2012 CTB caseload: Among CTB claimants and their partners, 58% are female and 42% are male, compared with a city profile of residents aged over 16 where 49% are male and 51% are female. • For the year 2016/17 59%	Information gathered by the welfare reform team indicate that there several welfare reform changes that have potentially significant impact on single parent households	• Women are far more likely to be a lone parent (94%) and therefore managing on less income. In such cases they are less likely to be available for work, due to childcare commitments and therefore are limited in their debt remedy options.	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	of housing tenants identified as female and 41% as male. These figures include the additional 0.3% of tenants who identified as transgender, depending on their gender identity. • Tenants who identified as female were responsible for 64% of the total amount of rent arrears outstanding and of all the Notices of Seeking Possession issued.		• In relation to higher likelihood of needing help with housing costs: 20% of women are likely to be low paid (on less than £8.21/hour), compared with 10% of men (2013 DHP EIA figures extrapolated). • High cost of childcare in the city poses a disproportionate barrier to women seeking work to avoid the impacts of welfare reform or address debt. • A third of women suffering Domestic Violence have no bank account – transactional / rent[22] • Men have a higher risk of homelessness, alcohol and substance misuse and therefore being insecurely housed[23]	support that can be put into place to help household address their budgeting pressures. The following mitigation is applied in addition: • To work with gender specific advice agencies (including through the CVS) and groups through the advice services network to ensure DHP is appropriately promoted to this group and there is access to debt advice.
Sexual orientation[24]	Brighton & Hove's State of the City report estimated that at least 14% (38,000 of the 2011 census population) of Brighton & Hove's adult residents are lesbian, gay, bisexual or transgender.	Count Me In Too Housing Report states that 22% of LGBT respondents had experienced homelessness at some point in their lives.	• Stonewall survey of LGB people show that they are more likely to expect poorer treatment from public services including Social Housing, Criminal Justice and Health Services. • Issues of debt, benefits and access to appropriate housing, employment, advice and financial	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the support that can be put into place to help household

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			• products are proportionately higher amongst sections of this group, particularly lesbians and disabled LGB people • Single LGB people under 35 are more likely to be affected by the SRR change as many choose to live alone due to family breakdown or discrimination or harassment. [25] Therefore they are likely to have increased debt pressure.	address their budgeting pressures. The following mitigation is applied in addition: • Share DHP/DCTR info with organisations that specifically support people for the LGBT community through the advice services network
Marriage and civil partnership[26]	There are no known factors in debt and income collection that particularly relate to the marital status of a household	There can be issues relating to joint and several liability if a relationship ends	There are specific legislative requirements, depending on the type of debt, relating to liability or treatment of income and assets. Eg. care costs are individual, benefit assessments are household. However these do not discriminate between the marital status of the partnership.	
Community Cohesion[27]	While debts are an individual household concern the setting of rent levels, council tax levels and business rate levels affect specific communities.	The levels of rent, council tax and business rates are too high and this affects their ability to repay debt.	Above inflation rises impact on household/businesses.	• Housing Services manage the specific relationship with their tenants through establish community liaison structures. • The budgeting processes that relate to Council Tax levels are fully and openly explained.

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				• The national budgeting processes that relate to Business Rate levels are fully and openly explained. • The Economy, Environment and Culture Directorate manage the Council's relationship with the business community through established structures.
Other relevant groups[28] Households with children	48000 households have children in B&H. 37% of all households (extrapolated figures). 22% of children living in B&H live in poverty, equating to approximately 10,500 children (DHP EIA 2013). Of those, 72.8% live in a lone parent household and 77.5% are out-of-work families. Women make up 94% of single parent families in B&H.	Households with children with low income often face complex financial situations balancing benefit entitlement, work and childcare.	• Single parent families are approximately twice as likely as couples to be living on a low income and claiming a benefit. Lone parents in the UK have an employment rate of 59% (compared with 71% for women in two-parent households and 90% for men in two-parent households). • Single parent families with young children are less likely to be able to look for work without support, and therefore mitigate the main impacts of the welfare reforms or have capacity to respond to debt. • The increasing gap between local Private Sector Rent and LHA may result in families in this tenure choosing to occupy accommodation smaller	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the support that can be put into place to help household address their budgeting pressures. The following mitigations are applied in addition: • To use information on affected families to share, as appropriate and within the law, with Children's Services to ensure that the families most affected are accessing support that is both holistic and

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			than they require in an attempt to reduce shortfalls in rent / arrears/debt. This will have an impact on the amount of space these children may have to develop, play, study, or on having age or gender appropriate bedroom allocation. • As welfare reform shortfalls increase, families may use other benefits to meet their rent and as a result have less money for food, fuel and other essentials. • The B&H Child Poverty Needs Assessment identified that families with a child or parent with a disability, families with larger numbers of siblings and BME families have a higher risk of living in poverty • Due to the lack of larger family homes in the Social Rented Sector, families with a large number of children may be less able to be suitably accommodated in the social rented sector and therefore be more likely to have a large shortfall	appropriate • Feed information into the Stronger Families Stronger Communities project • Continue to work with Housing Options and Children's Services as part of our Homeless Prevention work • Make sure information on DHPs and benefit changes are available in all Children's Centres through the Family Information Service. • Where appropriate briefings to be sent out to Schools in regards to benefit changes so that teachers can be aware of any financial difficulties a family may be facing and be able to offer them appropriate signposting. • Automatic referral for Stronger Families Stronger Communities families to any Financial Inclusion services agreed as part of the Financial Inclusion Commission.

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			between their rent and the reduced LHA. • Mental Health teams report that parents of children struggling with financial difficulties will inevitably see an impact on their mental health and their parenting. • There is a risk of children's education being disrupted if, due to debt issues, families must move mid-year outside of their school catchment area.	
Carers	1,768 households in receipt of Housing Benefit are also in receipt of Carers Allowance. Among all CTB caseload in 2012, approximately 4% of households have a person in receipt of Carer's Allowance. Approximately 25% of these live in the Private Sector under LHA rules, 25% in Housing Association properties and 46% in Council Housing.		• Carers are struggling financially and significant numbers live in fuel and food poverty as a result of being in debt. • Young carers are likely to have reduced educational attainment and employment opportunities • Carers are less likely to seek access to advice services and financial products. • Carers of their partners, where there may be a medical or respite need for an additional bedroom, are affected by the SSSC and LHA rules which may place them into debt. • Carers affected by the Benefit Cap may be less	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the support that can be put into place to help household address their budgeting pressures. The following mitigation is applied in addition: • To continue to engage with the Carers' Service to appropriately promote DHP.

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			able to find work that fits in with their caring role. If they cannot work, they cannot self-mitigate this impact. • Research suggests that the cumulative impacts of Welfare Reform will have a disproportionately larger impact on disabled people (and carers) than others[29] • A high proportion of carers will also be experiencing some mental health difficulties. This will have an impact upon social care services if care relationships break down under additional stressors such as debt.	
Domestic violence	We have no consistent data on this diversity group within the city's CTR or HB caseload.	The city completed a Domestic Violence Needs Assessment, undertaking as part of the Intelligent Commissioning Pilot 2010/11. This identified relevant issues, including the links between domestic violence, economic exclusion and work	• At the point of accessing a domestic violence service, up to a 1/3 of women who are victim/survivors have no bank account • Victim/survivors who flee domestic violence may not have access to ID (because they are unable to take it when they leave, or because the abuser has seized documents), making applications for benefits humiliating and difficult. • Due to the circumstances most people in this group	The best practice principles outlined in the Corporate Debt Policy are designed to ensure there is a structure for considering the appropriate actions to take to recover a debt without placing households in hardship. The welfare framework provides specific consideration for the support that can be put into place to help household address their budgeting pressures. The following mitigations are applied in addition:

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			will need support in order to manage any of the welfare reforms or make applications for benefits/crisis support. or address debt. • Many victim/survivors will experience financial control and abuse, this can include control over their access to or use of benefits which increase their risk of economic exclusion and limit their ability to prevent debt situations arising or effectively address them. • Universal Credit is paid in full to one member of the household. This could limit a survivor's access to independent financial means that may enable them leaving the relationship. Requesting split payments may further endanger the survivor as this is not possible to do without alerting the partner to the change. • A significant number of those experiencing domestic violence (and other forms of violence against women and girl, including sexual violence) are likely to leave their	• Specialist teams within Revenue and Benefits Services such as the Discretionary Help and Advice Team and the Special Accommodation Team will work closely with refuges in the city and the Council's own Crisis Intervention Team within Housing Options to ensure that those fleeing domestic violence and other forms of violence against women and girls (including sexual violence) are given access to all discretionary support available in the most consistent way and with a holistic approach. • Specialist teams have access to appropriate training around the identification and response to domestic violence and other forms of violence against women and girls (including sexual violence) • Engage with specialist services that support victim/survivors to ensure sure DHP/DCTR literature is available to them • We will continue to use all administrative discretion available to us to protect

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			settled accommodation to escape it. This may create debt situations. • Alternatively the abuser may leave or may be required to leave, which may reduce the resources available to the household and a possible unaffordable debt legacy. • If victim/survivors leave settled accommodation they may be 'hidden' because they spend time living with friends or relatives, or are sleeping rough. • Debts may escalate because they are a low priority in the context of the trauma being suffered. • Debts may escalate because the behaviour of the customer is effectively treated as avoidance in the absence of any information. • Debt problems may be difficult to address without compromising confidentiality. • Victim/survivors may not access services because they are not aware of what is available, their entitlements or are not able to do so. They may	the security of people affected by DV when making an application for Housing Benefit or DHP or addressing debt issues. • To work with the Violence against Women and Girls Commissioner within relevant partnership structures to ensure the message is communicated as effectively as we can

Protected characteristics groups from the Equality Act 2010	**What do you know[10]?** Summary of data about your service-users and/or staff	**What do people tell you[11]?** Summary of service-user and/or staff feedback	**What does this mean[12]?** Impacts identified from data and feedback (actual and potential)	**What can you do[13]?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			also have additional vulnerabilities (including mental health, substance use or immigration issues) • Victim/survivors may present at services, including those provided by the Council, in crisis or in distress. They may also make disclosures to Council Officers which need to be identified and responded to appropriately.	
Cumulative impact[30]	• Households 130,000 households • According to the Office of National Statistics British household debt is the highest level ever recorded • Businesses 10,000 businesses	In the current economic and welfare reform environment both households and business are contacting the council because they are struggling to pay.	• We are making more long term arrangements to settle arrears. • This may mean it may take a longer period to address an individual debt and this may reflect in short term performance indicators.	The Corporate Debt Policy specifically promotes best practice that incorporates a fairness in actions that is intended to incorporate the consideration of all protected characteristics. • Monitor application and take up of DHP/DCTR by protected characteristic, keep this under review and amend this assessment, and its mitigations as appropriate • The Revenues and Benefit and Housing services will continue to signpost customers affected by Housing Benefit shortfalls to appropriate channels of advice • Where the council has

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				information about a protected characteristic the council will take this into account when making a decision about DHP/DCTR. • The Revenues and Benefits team will continue to publicise and promote the DHP/DCTR scheme The Revenues & Benefits team will provide training and information to staff from other services who work with service users who may be able to claim DHP/DCTR. This may include staff working for the NHS who have direct or ongoing involvement with families.

Assessment of overall impacts and any further recommendations[31]
The Corporate Debt Policy specifically promotes best practice that incorporates a fairness in actions that is intended to incorporate the consideration of all protected characteristics. Collection of income and debt is an essential function to the council's financial health but the policy provides assurance that we recovery money with appropriate sensitivity to individual circumstances.

4. List detailed data and/or community feedback that informed your EIA

Title (of data, research or engagement)	**Date**	**Gaps in data**	**Actions to fill these gaps: who else do you need to engage with?** (add these to the Action Plan below, with a timeframe)
Financial Inclusion Strategy EIA: http://www.brighton-hove.gov.uk/downloads/bhcc/equalities/Financial_Inclusion_Strategy_EIA_Final.doc	2013	None	N/a
Council Tax Reduction Equality Impact Assessment	2018	None	N/a
http://raceequalityfoundation.org.uk/housing/new-research-on-the-impact-of-welfare-reforms/	2018	The EIA and these reports contain data sources from reports 2011 to date	Annually review the EIA with the most recent data available

Discretionary Housing Payment EIA	2013	None	N/a
Housing Income Management EIA	2018	None	N/a

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5. Prioritised Action Plan[32]

Impact identified and group(s) affected	Action planned	Expected outcome	Measure of success	Timeframe
NB: These actions must now be transferred to service or business plans and monitored to ensure they achieve the outcomes identified.				
All groups	Ensured the Corporate Debt Policy is fully applied across the council	Improved collection performance and improved consideration of individual circumstances in designing recovery making suitable recovery arrangements	No incident of found complaint relating to inequality in the collection of debt on behalf of the council	Continuous
All groups	Ensure the Corporate Welfare Reform Team continues to implement a strategy that best mitigates the impact of welfare reforms with the resources available		Remedy, support or advice for every customer approaching the council with welfare reform related debt issues	Continuous
People of pensionable age	Welfare Reform Team to coordinate services to ensure that they support and engage with people over pensionable age promote energy efficiency grants.	Take up of grants	Increased take up of grants	To be considered straight away

EIA sign-off: (for the EIA to be final an email must sent from the relevant people agreeing it or this section must be signed)

Staff member completing Equality Impact Assessment: Graham Bourne **Date:** 12.12.18

Directorate Management Team rep or Head of Service/Commissioning: David Kuenssberg **Date:** 12.12.18

CCG or BHCC Equality lead: Sarah Tighe-Ford **Date:** 12.12.18

Guidance end-notes

[1] The following principles, drawn from case law, explain what we must do to fulfil our duties under the Equality Act:

- **Knowledge:** everyone working for the council must be aware of our equality duties and apply them appropriately in their work.
- **Timeliness:** the duty applies at the time of considering policy options and/or before a final decision is taken – not afterwards.
- **Real Consideration:** the duty must be an integral and rigorous part of your decision-making and influence the process.
- **Sufficient Information:** you must assess what information you have and what is needed to give proper consideration.
- **No delegation:** the council is responsible for ensuring that any contracted services which provide services on our behalf can comply with the duty, are required in contracts to comply with it, and do comply in practice. It is a duty that cannot be delegated.
- **Review:** the equality duty is a continuing duty. It applies when a policy is developed/agreed, and when it is implemented/reviewed.
- **Proper Record Keeping:** to show that we have fulfilled our duties we must keep records of the process and the impacts identified.

NB: Filling out this EIA in itself does not meet the requirements of the equality duty. All the requirements above must be fulfilled or the EIA (and any decision based on it) may be open to challenge. Properly used, an EIA can be a tool to help us comply with our equality duty and as a record that to demonstrate that we have done so.

[2] **Our duties in the Equality Act 2010**

As a public sector organisation, we have a legal duty (under the Equality Act 2010) to show that we have identified and considered the impact and potential impact of our activities on all people with 'protected characteristics' (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership).

This applies to policies, services (including commissioned services), and our employees. The level of detail of this consideration will depend on what you are assessing, who it might affect, those groups' vulnerability, and how serious any potential impacts might be. We use this EIA template to complete this process and evidence our consideration.

The following are the duties in the Act. You must give 'due regard' (pay conscious attention) to the need to:

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

[3] EIAs are always proportionate to:

- The size of the service or scope of the policy/strategy
- The resources involved
- The numbers of people affected
- The size of the likely impact
- The vulnerability of the people affected

The greater the potential adverse impact of the proposed policy on a protected group (e.g. disabled people), the more vulnerable the group in the context being considered, the more thorough and demanding the process required by the Act will be.

[4] **When to complete an EIA**:

- When planning or developing a new service, policy or strategy
- When reviewing an existing service, policy or strategy
- When ending or substantially changing a service, policy or strategy
- When there is an important change in the service, policy or strategy, or in the city (eg: a change in population), or at a national level (eg: a change of legislation)

Assessment of equality impact can be evidenced as part of the process of reviewing or needs assessment or strategy development or consultation or planning. It does not have to be on this template, but must be documented. Wherever possible, build the EIA into your usual planning/review processes.

Do you need to complete an EIA? Consider:

- Is the policy, decision or service likely to be relevant to any people because of their protected characteristics?
- How many people is it likely to affect?
- How significant are its impacts?
- Does it relate to an area where there are known inequalities?
- How vulnerable are the people (potentially) affected?

If there are potential impacts on people but you decide not to complete an EIA it is usually sensible to document why.

[5] **Title of EIA:** This should clearly explain what service / policy / strategy / change you are assessing

[6] **ID no:** The unique reference for this EIA. If in doubt contact your CCG or BHCC equality lead (see page 1)

[7] **Team/Department:** Main team responsible for the policy, practice, service or function being assessed

[8] **Focus of EIA:** A member of the public should have a good understanding of the policy or service and any proposals after reading this section. Please use plain English and write any acronyms in full first time - eg: 'Equality Impact Assessment (EIA)'

This section should explain what you are assessing:

- What are the main aims or purpose of the policy, practice, service or function?
- Who implements, carries out or delivers the policy, practice, service or function? Please state where this is more than one person/team/body and where other organisations deliver under procurement or partnership arrangements.
- How does it fit with other services?
- Who is affected by the policy, practice, service or function, or by how it is delivered? Who are the external and internal service-users, groups, or communities?
- What outcomes do you want to achieve, why and for whom? Eg: what do you want to provide, what changes or improvements, and what should the benefits be?
- What do existing or previous inspections of the policy, practice, service or function tell you?
- What is the reason for the proposal or change (financial, service, legal etc)? The Act requires us to make these clear.

[9] **Previous actions:** If there is no previous EIA or this assessment if of a new service, then simply write 'not applicable'.

[10] **Data:** Make sure you have enough data to inform your EIA.

- What data relevant to the impact on protected groups of the policy/decision/service is available?[10]
- What further evidence is needed and how can you get it? (Eg: further research or engagement with the affected groups).
- What do you already know about needs, access and outcomes? Focus on each of the protected characteristics in turn. Eg: who uses the service? Who doesn't and why? Are there differences in outcomes? Why?
- Have there been any important demographic changes or trends locally? What might they mean for the service or function?
- Does data/monitoring show that any policies or practices create particular problems or difficulties for any groups?
- Do any equality objectives already exist? What is current performance like against them?
- Is the service having a positive or negative effect on particular people in the community, or particular groups or communities?
- Use local sources of data (eg: JSNA: http://www.bhconnected.org.uk/content/needs-assessments and Community Insight: http://brighton-hove.communityinsight.org/#) and national ones where they are relevant.

[11] **Engagement:** You must engage appropriately with those likely to be affected to fulfil the equality duty.

- What do people tell you about the services?
- Are there patterns or differences in what people from different groups tell you?
- What information or data will you need from communities?
- How should people be consulted? Consider:
    (a) consult when proposals are still at a formative stage;
    (b) explain what is proposed and why, to allow intelligent consideration and response;
    (c) allow enough time for consultation;
    (d) make sure what people tell you is properly considered in the final decision.

- Try to consult in ways that ensure all perspectives can be considered.
- Identify any gaps in who has been consulted and identify ways to address this.

[12] Your EIA must get to grips fully and properly with actual and potential impacts.

- The equality duty does not stop decisions or changes, but means we must conscientiously and deliberately confront the anticipated impacts on people.
- Be realistic: don't exaggerate speculative risks and negative impacts.
- Be detailed and specific so decision-makers have a concrete sense of potential effects. Instead of "the policy is likely to disadvantage older women", say how many or what percentage are likely to be affected, how, and to what extent.
- Questions to ask when assessing impacts depend on the context. Examples:
    - Are one or more protected groups affected differently and/or disadvantaged? How, and to what extent?
    - Is there evidence of higher/lower uptake among different groups? Which, and to what extent?
    - If there are likely to be different impacts on different groups, is that consistent with the overall objective?
    - If there is negative differential impact, how can you minimise that while taking into account your overall aims
    - Do the effects amount to unlawful discrimination? If so the plan must be modified.
    - Does the proposal advance equality of opportunity and/or foster good relations? If not, could it?

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[13] Consider all three aims of the Act: removing barriers, and also identifying positive actions we can take.

- Where you have identified impacts you must state what actions will be taken to remove, reduce or avoid any negative impacts and maximise any positive impacts or advance equality of opportunity.
- Be specific and detailed and explain how far these actions are expected to improve the negative impacts.
- If mitigating measures are contemplated, explain clearly what the measures are, and the extent to which they can be expected to reduce / remove the adverse effects identified.
- An EIA which has attempted to airbrush the facts is an EIA that is vulnerable to challenge.

[14] **Age**: People of all ages

[15] **Disability**: A person is disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. The definition includes: sensory impairments, impairments with fluctuating or recurring effects, progressive, organ specific, developmental, learning difficulties, mental health conditions and mental illnesses, produced by injury to the body or brain. Persons with cancer, multiple sclerosis or HIV infection are all now deemed to be disabled persons from the point of diagnosis.

[16] Council Tax Reduction Equality Impact Assessment

[17] **Gender Reassignment:** In the Act a transgender person is someone who proposes to, starts or has completed a process to change his or her gender. A person does not need to be under medical supervision to be protected

[18] **Pregnancy and Maternity:** Protection is during pregnancy and any statutory maternity leave to which the woman is entitled.

[19] **Race/Ethnicity:** This includes ethnic or national origins, colour or nationality, and includes refugees and migrants, and Gypsies and Travellers. Refugees and migrants means people whose intention is to stay in the UK for at least twelve months (excluding visitors, short term students or tourists). This definition includes asylum seekers; voluntary and involuntary migrants; people who are undocumented; and the children of migrants, even if they were born in the UK.

[20] **Religion and Belief:** Religion includes any religion with a clear structure and belief system. Belief means any religious or philosophical belief. The Act also covers lack of religion or belief.

[21] **Sex/Gender:** Both men and women are covered under the Act.

[22] Financial Inclusion Strategy EIA
[23] As above
[24] **Sexual Orientation:** The Act protects bisexual, gay, heterosexual and lesbian people

[25] As above
[26] **Marriage and Civil Partnership:** Only in relation to due regard to the need to eliminate discrimination.

[27] **Community Cohesion:** What must happen in all communities to enable different groups of people to get on well together.

[28] **Other relevant groups:** eg: Carers, people experiencing domestic and/or sexual violence, substance misusers, homeless people, looked after children, ex-armed forces personnel, people on the Autistic spectrum etc

[29] Council Tax Reduction EIA

[30] **Cumulative Impact:** This is an impact that appears when you consider services or activities together. A change or activity in one area may create an impact somewhere else

[31] **Assessment of overall impacts and any further recommendations**

- Make a frank and realistic assessment of the overall extent to which the negative impacts can be reduced or avoided by the mitigating measures. Explain what positive impacts will result from the actions and how you can make the most of these.
- Countervailing considerations: These may include the reasons behind the formulation of the policy, the benefits it is expected to deliver, budget reductions, the need to avert a graver crisis by introducing a policy now and not later, and so on. The weight of these factors in favour of implementing the policy must then be measured against the weight of any evidence as to the potential negative equality impacts of the policy.

- Are there any further recommendations? Is further engagement needed? Is more research or monitoring needed? Does there need to be a change in the proposal itself?

[32] **Action Planning:** The Equality Duty is an ongoing duty: policies must be kept under review, continuing to give 'due regard' to the duty. If an assessment of a broad proposal leads to more specific proposals, then further equality assessment and consultation are needed.

POLICY & RESOURCES COMMITTEE	Agenda Item 87 Brighton & Hove City Council

Subject:		**Customer Experience Strategy**	
Date of Meeting:		**4/12/19**	
Report of:		**Executive Lead Officer for Strategy, Governance & Law (Monitoring Officer)**	
Contact Officer:	**Name:**	**Rima Desai, Victoria Paling**	**Tel: 01273 291268, Tel: 01273 291805**
	Email:	**rima.desai@brighton-hove.gov.uk, victoria.paling@brighton-hove.gov.uk**	
Ward(s) affected:		**(All Wards);**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The purpose of the report is to seek approval from the Committee for the Customer Experience Strategy which has been refreshed based on engagement with customers, staff and councillors.

1.2 This strategy has been updated with the Customer Experience Steering Group to improve customer experience across the organisation which in turn will improve customer satisfaction with our council.

1.3 Our customers include everyone who lives, works, visits or does business in Brighton & Hove. Customers include those who need to interact with the council as well as those the council has to interact with, such as where we have a duty of care

1.4 We have created this strategy as a means to
- Ensure a shared understanding of what a good customer experience feels like
- Plan the actions needed to achieve good customer experience, learning from best practice both internally and externally.
- Embed a consistently good standard of service delivery with resilience and efficiency, in a fair and inclusive way.

2. RECOMMENDATIONS:

2.1 That the Committee approves the Customer Experience Strategy as set out in Appendix 1

3. CONTEXT/ BACKGROUND INFORMATION

3.1 Levels of satisfaction with the local area are higher in Brighton & Hove (89%) than nationally (78%) as per the City Tracker survey results for 2018.
3.2 The overall current customer satisfaction with services provided by the council is at 54% compared to our target of being in line with the national average of 60%.
The result for dissatisfaction has remained broadly static over the last 4 years in the context of national trend of increasing dissatisfaction with Local Authorities with Brighton & Hove City Council figure of 22% against the national average of 21%.
3.3 Individual key services provided by the council conduct customer satisfaction surveys. Out of 26 services that conducted surveys in 2017-18, only 3 services had a satisfaction level of less than 60%.
3.4 The Customer Experience Steering Group (CESG) has been set up to find ways to improve the customer experience which in turn will improve customer satisfaction. This group consists of all key services across the council.
3.5 The CESG has established a Customer Promise and a Customer Vision and an action plan to achieve the vision. The strategy brings together the work that has been done by the CESG over the last 2 years to ensure commitment at the highest level. The strategy will also help with clarity and coherence of communication given the wide range of services and stakeholders involved.
3.6 The Customer Experience modernisation programme which brings together the work carried out by the CESG gets reported to the cross-party Modernisation Member Oversight Board.
3.7 Our Staff Survey results show that 88% of council staff care about how the organisation is perceived by citizens. However, only 26% feel that the council works as one big team working collaboratively for the good of our customers. To address this we have introduced a Customer Experience Ambassador role to systematically enable joint working and embed One Council approach across the organisation. 'One Council' will create a way of working where customers experience a response which is similar in 'style' and consistently helpful, regardless of the service they approach.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The strategy has been developed with customers and staff. Business cases will be developed for the Committee's approval as required to enhance customer experience.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Engagement with customers and staff has informed this updated strategy. Within the strategy Appendix 4 outlines the results of this engagement.

6. CONCLUSION

6.1 The Customer Experience Strategy will enable the council to deliver consistent, resilient and efficient services across the organisation, which in turn is expected to improve levels of customer satisfaction and reduce escalation of complaints.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 There are no direct financial implications arising from this report. Any costs associated with the Customer Experience Strategy will be met from existing resources or future business cases will be developed.

Finance Officer Consulted: Name Peter Francis Date:18/2/19

Legal Implications:

7.2 The proposals contained in the strategy are within the Council's powers to implement and will help the Council in discharging its function regarding the promotion of the economic, social and environmental wellbeing of the area. In addition to improving the customer experience, they will contribute to the achievement of the Council's duties under the Best Value Act 1999.

Lawyer Consulted: Abraham Ghebre-Ghiorghis Date: 18/02/2019

7.3 Equalities Implications: As part of the customer engagement work, the survey was shared with relevant community groups and resident groups.
The importance of understanding equalities implications is a core part of the awareness raising sessions designed for the Customer Experience Ambassadors across the council and forms part of the mandatory Customer Experience induction sessions.

SUPPORTING DOCUMENTATION

Appendices:

1. Customer Experience Strategy

Customer Experience Strategy (draft)

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Getting things right first time, every time

Brighton & Hove City Council

Our Vision
Getting things right first time, every time

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Context

Why do we need a Customer Experience strategy?

Our customers include everyone who lives, works, visits or does business in Brighton & Hove; we all use council services such as street cleaning and lighting, parks and culture. This also includes those who actively interact with the council (for example, residents who live in council housing) as well as those the council has to interact with, such as where we have a duty of care.

We are committed to ensuring that all our customers, whatever their needs have a good experience when they interact with Brighton & Hove City Council.

The way we deliver customer service is core to providing public services efficiently and effectively. This is relevant to all staff, not just those whose role involves answering phone calls, or seeing customers face to face.

Whilst we strive to provide high quality services, there are currently varied levels of customer satisfaction with the range of services delivered by the council. We have created this strategy as a means to

- Ensure a shared understanding of what a good customer experience feels like
- Plan the actions needed to achieve good customer experience, learning from best practice both internally and externally.
- Embed a consistently good standard of service delivery with resilience and efficiency, in a fair and inclusive way.

Customer Experience Steering Group

The Customer Experience Steering Group consists of all key front line and support services across the council. The group has developed this strategy, taking account of the feedback we receive from customers and staff. The group will be responsible for implementing the strategy and monitoring its effectiveness through continuous engagement with staff and taking on board customer feedback gathered in a range of ways including through focus groups and other engagement activities.

Brighton & Hove is a satisfying place to live

Levels of satisfaction with the local area are higher in Brighton & Hove than nationally. In the most recent Local Government Association survey, 78% of residents at a national level are satisfied – well below the Brighton & Hove figure of 89%. User satisfaction with the services provided by Brighton & Hove City Council (55%) has decreased from 63% previously. Nationally satisfaction with councils has also fallen, dropping from 65% to 60%. The national comparator is the Local Government Association's Resident survey, carried out quarterly. This tells us that customers think Brighton & Hove is a great place to live, but that this is not reflected in improved customer satisfaction with the way that the council runs things.

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Our key challenges and opportunities include:

Reducing council resources



The need for us to provide high quality customer service does not go away as our funding reduces. We need to develop more cost effective ways for our customers to contact us and encourage and support our customers to use them. We need to find ways to be clearer about what we can and can't do so that there is transparency and to better manage customer expectations.

Meeting rising customer expectations and increased demand



Customers expect to be able to access services 24 hours a day, seven days a week, using the council's website and social media for relevant services. They expect flexible and more personalised services. Managing this demand in a way that makes the best use of limited resources is essential to continuing to improve the customer experience.

Welfare reform



We have been proactively analysing and managing the impact of changes to the welfare benefits system on our customers. We need to make sure that this strategy is firmly linked to our work of supporting vulnerable customers who could be affected by welfare reforms.

Digital exclusion



Some people don't have access to the internet at home, or have specific accessibility needs, and that may mean that they can't find our information and services online. We need to find ways to help these customers by providing equipment and support at venues across the city, as well as working in partnership with local digital inclusion charities and providing alternative access for those who need it.

Listening to our customers



We need to be able to capture customer comments and use them to improve services.

Community Collaboration



We need to work in partnership with residents to enable them to play an active role in their communities.

Using customer intelligence to shape service delivery



Customers contact us through a variety of channels. We need to continue to make the best use of the information about this contact, in a timely way, to better understand what our customers need and to inform our service delivery

Equality of Access



Our city's communities are becoming increasingly diverse. We work hard to understand our communities and the barriers to access and support needs people may have. Knowing this enables us to better anticipate all customers' needs and respond respectfully, appropriately and efficiently.

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Our Customers

By customer we mean, any user of council services, active or passive. This includes residents, visitors to the city, businesses, students, service users and their representatives.



Brighton & Hove's population is estimated at 286,000



The population registered to vote is 201,392



130,000 Council Tax payers



32,270 children attending school



20,000 receiving housing benefit



11,552 total council owned dwellings



10,500 Business rate payers



624km of carriageway



1,020km of footpaths



12km of coastline



98 parks and open spaces



1,437,316 visits to libraries

Our Services



City Environment

- 92,881 individual refuse collections per week
- 45,050 individual recycling collections per week



Parking and Transport

- Over 340,000 visitor permits issued per year
- Over 37,000 resident permits currently on issue
- 6,357 Concessionary Bus passes issued in18/19.
- 4,287 Blue Badge issued in 18/19
- 1,178 business permits issued in 18/19
- 14,462 permits for roadworks granted

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Development Management (Planning)

- 3,671 applications received in 2018
- 2,667 applications approved in 2018



Housing Management

- 11,571 total council owned dwellings
- 13,067 Council tenants
- 2,915 Leasehold properties managed



Housing Needs

- 2,800 Applications for social housing per year
- 1,785 Units of temporary Accommodation per year
- 1,700 open cases for prevention, intervention, advice
- 1,128 Emergency placements and transfers per year



Health & Adult Social Care

- 4,726 care assessments or reviews conducted per year
- 4,361 people receiving long term adult social care service
- 1,306 people receive short term intensive support
- 30,274 terms of daily living equipment issued



Families, Children & Learning

- 5,432 children with special education need receive support in schools
- 2,135 children attend our children's centres and nurseries
- 1,985 children supported by social work to be safe (including 414 children in care)
- 531 receive family support



Registrars

- 3,400 births registered per year
- 2,500 deaths register per year
- 1,300 marriages registered and officiated
- 580 new British naturalisation certificates issued



Bereavement

- 1,992 cremations in 2017/18
- 281 burials in 2017/18
- 1,233 deaths reported to the Coroner's Office in 2018

Benefits



- 18,400 receiving help with council tax
- 3,138 new claims assessed a year
- 1,156 applications assessed for emergency help

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Our Customer Promise

Our promise to you

Our vision of *Getting things right first time, every time* is the driving force behind our customer promise.

Initially developed in 2015, our promise sets out the standards and principles of how we deliver services to our customers, providing the council with a framework to monitor and measure our performance.

The promise has been recently refreshed, to ensure that the services we deliver continue to be aligned to the needs of our customers, following engagement with customers through online and paper surveys and face to face interviews conducted in Customer Service Centres and Libraries across the city.

Customers were asked to identify what they valued most when interacting with council services from the below options:

1. That you receive quick responses but may not get all the information straight away
2. That you receive the right information first time, even if it takes longer to respond
3. That information is clear and easy to understand
4. That the council is open about what it can and can't deliver
5. That council services are easy to understand and clear to reach for everyone
6. That you are given all options and are involved in decisions that affect you
7. That the council is friendly, respectful and understanding

Of those engaged:

- 35% indicated they would rather receive the correct information first time, even if it takes longer
- 21% identified responsive communication as their priority
- 12% stated that information being clear and easy to understand was most important to them

We also asked customers to select their preferred method of communicating with the council, irrespective of why they are communicating with the council. They were asked to choose from the councils current communication methods below:

- Social Media
- Website
- Email
- Telephone
- By post
- In person

Of those surveyed:

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- 65% indicated they would prefer to communicate through digital channels (email 44%, website 18%, and social media 3%)
- 30% indicated they would prefer to communicate over the phone, 20%, or in person, 10%.
- 4% indicated they would prefer to communicate via post

In addition to the above information, we have reviewed feedback on our customer promise, provided by customers as part of the recent engagement, online customer satisfaction survey responses, customer complaints and compliments.

Our Customer Promise has been jointly developed, from these priorities, in collaboration with representatives from front line services.

The standards and principles within the promise do not only apply to staff who work directly with customers, but all staff who work for the council, including those in support services such as Human Resources, IT & Digital, Finance, Business Operations, Health & Safety. This ensures a consistency of approach and provides staff who do deal directly with customers the appropriate infrastructure, tools and support to deliver the best customer experience.

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Our customer promise to you

Brighton & Hove City Council

We will make it clear how you can contact or access our services

- Communicate with you online (email/ website/social media) where possible and appropriate. This is often quicker and more convenient for you
- If you have specific access needs, work with you to find the best way to get the help you need
- Ensure our services are inclusive and responsive to your needs

We will be clear and treat you with respect

- Be honest and easy to understand in all our communication with you
- Keep your personal data secure
- Work together with other services across the council and city to meet your needs and make it easier for you to get the help you need

We will understand and get things done

- Aim to answer your query at first point of contact. When we can't do this, tell you clearly what will happen next so you know what to expect
- Make sure our staff have the skills, behaviours and tools to deliver the service you need
- Keep you informed with up to date information about the services you use

You can help us to keep our promise by

- Treating us with respect
- Letting us know if you have any specific needs
- Giving us all the information we require to help us meet your needs
- Giving us feedback on our service so we can learn and improve

Please tell us how we are doing

- We welcome all feedback, including when things don't go right. We are committed to using this information to improve our services
- Please tell us how satisfied you are with our service, this short survey should take you about two minutes
- If you would like to provide a detailed compliment or complaint please contact the Customer Feedback team

Checking our performance against this promise

- We check our performance through monitoring:
  -customer satisfaction and ease of access
  -compliments and complaints
  -information about how our customers contact us
  -survey of Brighton & Hove residents and service users
- The results will be published through our Customer Insight Report annually

Different ways to contact us

Brighton & Hove City Council

Website

We will:

- aim to have the council website available for 24 hours a day all year round
- continually improve our online services to meet your needs
- ensure our online services are accessible and simple to use
- let you know about other ways of contacting us

Face to face

We will:

- make sure our customer service buildings are welcoming, safe, fully accessible and designed to make it easy to get the help you need
- aim to greet you within five minutes of arrival and see you on average within 20 minutes. At busier times, we will aim to let you know how long you may have to wait
- let you know about other ways of contacting us

Written communication

We will:

- ensure all service email addresses have an 'automatic reply' which clearly explains what will happen next
- aim to keep average response times within 10 working days. At busier times, we will aim to let you know how long you may have to wait
- let you know about other ways of contacting us

Social media

We will:

- be clear how we will respond to any queries received
- share relevant information and keep this up to date
- let you know about other ways of contacting us

Telephones

We will:

- aim to keep average waiting times under 10 minutes. At busier times, we will aim to let you know how long you may have to wait
- update voicemails and telephone messages regularly to hold accurate information
- aim to respond to voicemails within one working day
- let you know about other ways of contacting us

We have listened to our customers and updated this promise using their suggestions and priorities. September 2019

Our Customer Experience Vision:
Getting things right first time, every time

Efficiency

Services are available online, where possible and are easy to find

Council information systems are joined up appropriately to make it easier for customers

It is clear to customers what the best way of contacting the council is, based on what they need

Staff are skilled and confident in delivering customer service, including being able to resolve customer dissatisfaction quickly and fairly

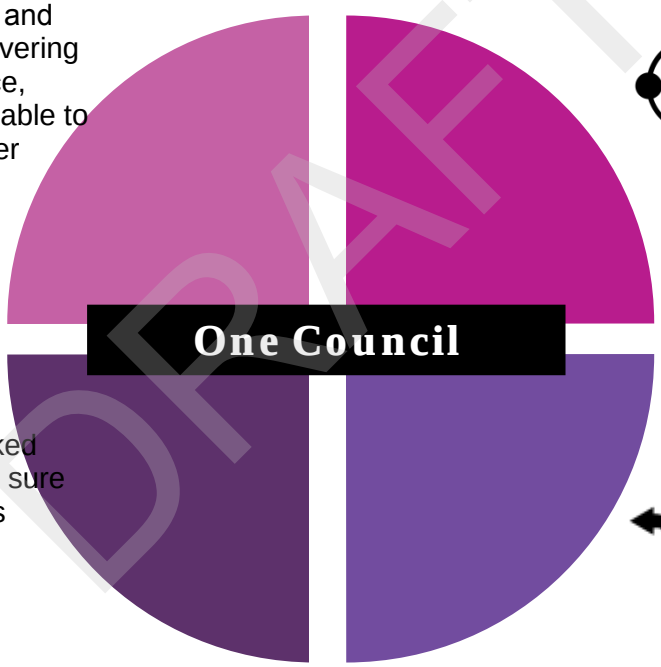
Improvements

Improving the customer experience is the top priority in everyone's day to day role

Customers are asked what they think about the services they receive and their feedback is acted upon

The council uses data and information to plan service improvements

Services work together for the benefit of the customer



The Customer Promise is checked regularly to make sure it includes what is important for customers

Council resources are used to meet customer needs through all contact methods

Consistency

All services are delivered to the standards set in the Customer Promise

Customers are confident that all services keep the Customer Promise

All services engage with everyone who may be affected before making changes

Resilience

All services support each other positively to fulfill the Customer Promise

All staff are able to offer basic advice, support or signposting to other council services and external support.

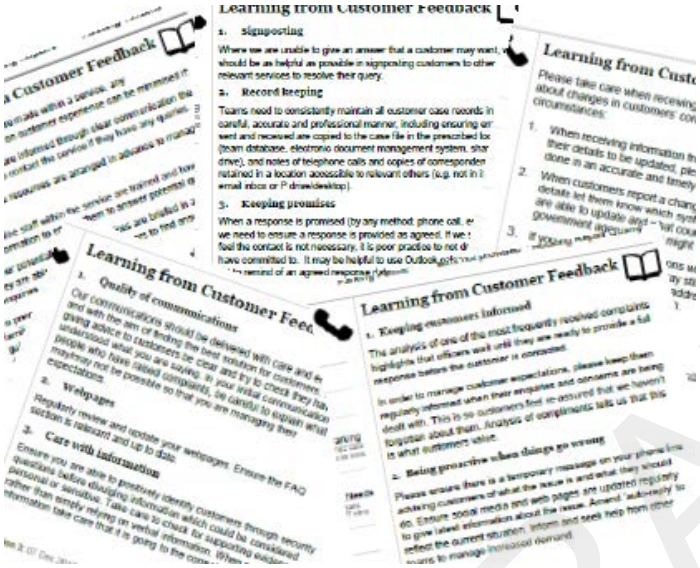
The council works with other public or private services, charities and community groups to resolve issues together

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Learning from Customer Feedback

We receive feedback from customers in a variety of ways, such as comments on surveys, compliments and complaints. To improve the experience of our customers, it is essential that we are proactive in understanding and acting on this feedback.

To make sure that all staff are aware of what is important to customers, and the ways in which we can improve our service delivery, we create a monthly summary of information relating to customer contact referred to as the Customer Insight dashboard. This dashboard is shared across the organisation.



Key learning themes

- Ensure good practice with email correspondence e.g. send clear, timely responses.
- Keep our contact details up to date on the intranet to improve joint working, and include them in our email signature.
- Keep our web-pages up to date and clear to navigate.
- Aim to resolve all matters raised during customer contact, rather than rushing to pick up the next enquiry.
- Deliver what has been promised e.g. call a customer back at the time agreed, even if you don't have any new information for them.
- Consider the wider impact of your work e.g. if you are unable to do something as agreed, make sure anyone who may be affected is informed, such as other service teams, customers or other professionals.
- Be proactive when things go wrong e.g. tell affected parties what has happened as soon as possible, and what will be done to put it right and keep them informed throughout
- Be aware of and regularly review your Business Continuity Plan especially in relation to customer facing aspects.
- Be aware of how to report and record incidents of alleged discrimination or hate crimes.
- Handle personal or sensitive data with care and in accordance with agreed governance standards and guidance.

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One Council Approach

One of the council's core values is 'Customer Focus', this means we want to put our customers at the heart of everything we do. 'Meeting customer needs' is an integral part of our Behaviour Framework which describes how all staff in the council are expected to perform their roles.

As a public body which delivers around 700 different services for its customers, the way that the organisation is structured can be complex to understand and navigate. Knowing which department does what and how or where to contact them shouldn't be something that our customers have to learn in order to receive the help that they need.

We have a committed staff team who are passionate about providing high quality services. Our Staff Survey results show that 89% of council staff care about how the organisation is perceived by citizens. However, only 23% feel that the council works as one big team working collaboratively for the good of our customers. To address this issue, we have introduced the concept of a 'One Council' approach to service delivery.

A One Council approach means working together collaboratively for the benefit of our customers; being explicitly aware that the customer is a council customer and not a customer of an individual service; being explicitly aware that we work for the council and not for an individual service.

To embed this approach across the organisation this we have introduced a Customer Experience Ambassador role to systematically enable joint working.

Customer Experience Ambassadors

We have so far appointed 80 Customer Experience Ambassadors from a wide range of services across the organisation. We have worked closely with these Ambassadors to develop this strategy and the 'One Council' approach. The Ambassadors are responsible for embedding what has been developed within their teams, working closely with their head of service and the Customer Experience Steering Group representative from their service.

Examples of delivering your service within a One Council Approach:

- A customer has a query which is for our service, once we have resolved that query, the customer asks about another service area, such as how they order a new wheelie bin. Rather than transferring or forwarding that query to CityClean, we should look on the website and either talk the customer through the online process of ordering a bin, or send them a link to that form. There may be some complex queries which we may not be able to answer on behalf of other service but at least we have to try our best.

- A customer contacts us by telephone, they then have another query, and we aren't sure which team they need to speak to, rather than transferring them to switchboard, we need to use the search function on the council website to see if we can find the information they need, or the contact details for the team that they need to speak to. Try adding more words to your search or using different terminology if we can't find what we are looking for immediately

- Each one of us to take a proactive approach to collaborating with other teams where there could be potential confusion for customers e.g. licencing for filming in the city isn't part of the Licencing team responsibility, but sits with the Events team, or queries about car parks on council housing owned land which are dealt with by the Housing team, rather than Parking services.

  We all need to consider whether to best serve our customers we need information from other service/s and suggest to appropriate colleagues in our service (e.g. manager) to explore this further. An example:

- A customer needs to prove their residency and identity to purchase a parking permit for someone coming to visit them. Instead of the customer having to come to Hove Town Hall with a paper copy of their Council Tax bill, Parking Services have the technological ability to check Council Tax records directly. This is GDPR compliant.

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What actions are we taking?

Improving our communication with customers

Communication

We will continue to improve and refine the ways that we communicate with residents and key stakeholders, enhancing understanding and awareness of how the council is delivering, progressing and achieving its services and its commitments to residents and the principles which underpin our decision making. By putting people at the heart of our communications and by actively listening and keeping the customer at the forefront of our minds when we are replying, we will enable a genuinely two way relationship based on trust.

Nudge Toolkit



A toolkit has been developed for use by services to make communication with residents more effective. Nudge (also known as behavioural insights) is a concept which promotes positive reinforcement and indirect suggestion as ways to influence the behaviour and decision making of groups or individuals. An example would be rearranging the layout of our Council Tax bills to make it easier to find the information about setting up a Direct Debit. Behavioural insight research has found that when we read letters, we tend to see the information in the top right hand corner first, so by promoting the benefits of paying by Direct Debit in that space, more people notice and read that information than when it was on the reverse-side of the bill.

Improving complaint response quality

We have begun regularly conducting quality assurance on our responses to formal complaints, to ensure they are meeting the agreed standards. This will improve the quality of responses that customers receive as well as reducing the number of complaints that are escalated to the next stage, which can be frustrating for customers, and costly for the organisation.

Training in Better Complaints Handling

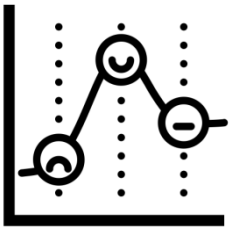
The Local Government and Social Care Ombudsman LGSCO is the public body established to advise on best practice in Local Government and regulates the way that councils respond to complaints. A number of officers across the council have attended training delivered by the Ombudsman and facilitated by the Customer Feedback Team to improve their complaints investigation skills. This will result in improved quality of complaint responses to customers, as well as a reduction in the need for customers to escalate their complaints.

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Understanding the needs and experiences of our customers

Customer journey mapping

Customer journey mapping is a method of getting a better understanding of what a customer's experience of interacting with an organisation is like. We are in the process of embedding the regular use of this methodology by front line service managers, to ensure we are continually checking how we could improve the customer experience. The next step is to map what the ideal 'journey' looks like for each transaction and work towards matching the real experience of customers to these ideal states.



Executive Leadership Team monthly update

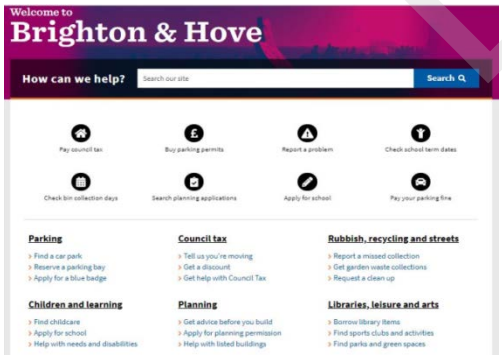
Each month the Executive Leadership Team (ELT) meet to discuss and manage the highest priority matters of the organisation. A new standing item has been introduced, which focuses on issues affecting the customer, and allows for swift action and decision at a strategic level.

Coordinating significant changes which affect residents

We recognise that some changes or new initiatives can affect a large number of residents who will need to contact or transact with the council as a result, such as the introduction of a new parking zone or a change to the way refuse or recycling is collected. To ensure that the organisation is as prepared as possible to continue to provide a high level of customer service, in spite of increased contact, we have introduced a timetable which outlines all planned events and initiatives which will affect residents. This helps us identify where there are opportunities to coordinate activities, minimising the impact on residents and enabling services to manage the resulting demands.

Making services fit for the future

Website re-design



Work is ongoing to improve the council's website. The new design is based on the principles established by the award winning Government Digital Service – ensuring that the site is easy for people to do the things they need to do. User experience techniques were used to make sure that we understand why customers visit the website and to arrive at a design which enables customers to transact with us easily.

Self-service days for Revenues & Benefits services

As customers increasingly expect to be able to transact with organisations digitally, the Revenues and Benefits service have changed the way that their services can be accessed, and introduced a range of online facilities and contact methods. They now offer customers support in accessing these services online in the Brighton Customer Service Centre on certain days of the week, so that in future, customers will know how to transact with the service at a time and in a place which suits them, rather than travelling to the city centre and queuing to hand in forms or documents. This

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initiative also promotes the need for customers to have experience of accessing benefits services digitally, as with the Department for Work and Pensions' (DWP) introduction of Universal Credit in Brighton & Hove all contact with the DWP must be online. Positive feedback has been received from customers who have been shown how send their documents by email, or to fill in an online application form, so the service continues to adapt and evolve its digital offer, informed by the feedback received from customers. We are now exploring extending this approach to other departments that have developed a strong online service for customers, this may result in a review of our overall delivery model.

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What will we do next?

Delivering excellent customer service isn't just a one off initiative, it's a continual process of culture change - reviewing, redesigning, monitoring, training, learning and listening. We will continue to embed and reinforce the good practices that are already in place across the organisation, and will keep improving the way that services are delivered. These are some examples of the actions already planned.

Work with customers to identify what excellent service looks like to them

We want our customers to be satisfied with the way that the council delivers services, but need to be sure that we know what our customers value, and what excellent customer service means to them. Through engagement in a range of ways, we will seek views from a variety of customers who represent the diversity of our city.

Develop and promote digital by design communications and transactions

To deliver services in ways which are convenient for customers and to create capacity for the council to help those who need more intensive support or have more complex queries, we continue to invest in and promote the use of simple and intuitive online services so that customers can self-serve.

Some service areas have developed their technological capability to ensure their whole process is digital, eliminating any delay for customers in their account being updated. This functionality is currently live for new council tax accounts for those moving into the area. Work continues to extend this to those who move within Brighton & Hove and to investigate other customer-facing processes and systems that are of this kind and are suitable for integration into a single digital customer experience. We also continue to work towards the longer term goal of a simple, single sign on to all digital council services as well as a single 'golden' customer record instead of records spread across many council systems.

In order to make most efficient use of the investment in technology, it is vital that we understand our customer's needs as well as the detail of the transactions and interactions that they have with the council; it isn't always most effective or efficient to use digital channels of communication, and so we will look in detail at which interactions are suitable, and ensure that any digitisation of service is also supported by digital inclusion work, ensuring accessibility for all.

Technology to help departments work together

The council currently has many separate systems and databases used by different teams and services which contain information about the identity, accessibility needs and contact preferences of a customer and their related case history and transactions. One of the key areas of focus is to

locate these disparate systems and match the identity of a customer across all systems to create a Customer and Property Index, so that:

- A customer only needs to ‘tell us once’ when their address or name details change
- A customer can make a Subject Access Request and request deletion of their information
- Internal BHCC teams can better manage the needs of a customer e.g. debt programmes, fraud prevention etc.
- Property information can be more accurately relied upon e.g. the empty property register

The lack of a consolidated view of customer information is currently a barrier to embedding a truly ‘One Council’ approach and prevents real-time reporting that would provide BHCC with greater intelligence, to make data-led decisions. With further exploration of future business requirements, the Customer and Property Index project and controlled public facing interfaces could allow for managed and high quality customer data in the source systems (subject to technical constraints), as well as enabling an effective and consistent management of case work.

The benefits of effectively implementing this technology will be reduced effort for the customer, minimising the requirement for them to provide the same information to multiple departments. It will also assist with the detection of fraud by identifying mismatched data, such as discrepancies between council tax single person discounts, parking permits and housing applications. The single view of a customer is also being used to provide verification functionality, whereby customer-facing transactions ‘lookup’ into the Customer and Property Index to prove identity details. This is more efficient for the customer (e.g. not having to provide the council with a copy of a Council Tax statement) and reduces the overhead of third party credit reference agencies, where we are able to prove an identity using our own data.

Technology solutions have the potential to provide the Council with consolidated customer, property and organisation data. We will be exploring the benefits of this further, whilst being mindful of the organisational culture change that will be a significant factor in the successful implementation of such a system. Any such systems will also help us explore a wider range of options for our future service delivery model, and could also provide a single point of data collection for all customer transactions and contact which would provide far more sophisticated intelligence than is currently available – allowing for greater analysis and flexible resource planning

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Case Study - technology to help departments work together

In 2019 the renewal process for concessionary travel passes was automated by utilising data held across multiple council systems to iteratively update and maintain customer records within the FareDeal system (Brighton & Hove City Council's bus pass system) providing a significantly improved customer journey whereby they don't have to take any action to renew their concessionary travel pass, as well as:

- Reducing letters sent to and from the council by approximately 60,000 over the next five years
- Significantly reducing footfall within Hove Customer Service centre
- Improving customer data quality (45,000 names & addresses) and further strengthening GDPR compliance
- Providing an estimated £25k recurrent efficiency, allowing the service to focus resource on managing new demands due to expanded blue badge criteria at no additional cost to the council

This improvement to the customer experience was enabled by the creation of a customer index that allowed various data sources to be cross referenced against a single customer record, further improving the customers' experience across council services by reducing avoidable and repeat contact.

Customer Service Centre changes



We have developed some inexpensive, yet important changes which should make it easier for customers to find and access the help they need at our Customer Service Centres. These changes include a clearer exterior, changing the reception area to make it more accessible, and making it easier for customers to understand where to go to get the help they need. These changes will also make the free digital access facilities easier for customers to locate and access, promoting our digital by design approach, maximising our investment in digital services and providing better support for customers who may not have other ways of getting online.

We need to continue to examine and review the council's customer access points carefully balancing meeting customer needs, versus efficient use of council assets and resources.

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How will we know that we are improving?

To track our progress against this strategy, we will use multiple sources of data and information, to assess whether things are improving.

Listening to our customers

The most important way for us to know that the work we are doing is making things better for customers, is to listen to the customers themselves. We will ask for, analyse and make recommendations from various sources of customer feedback, including:

- Results from the City Tracker annual survey, which measures resident satisfaction levels, these can be benchmarked against national results, through the Local Government Association's Resident survey
- Service specific satisfaction surveys
- Service user evaluation forms, some services which have a more intensive or complex relationship with their customers such as youth services and the Integrated Team for Families, ask for feedback at the end of each intervention or interaction.
- Using complaints information

Listening to our councillors

The city's elected representatives are often made aware of issues that are important to their ward residents. A new case management system is being introduced to improve the way in which councillors can get assistance for their residents from the council. The system will provide an enhanced ability to identify themes or trends in these enquiries, both at ward level and city-wide, and enable us to identify areas of improvement which can be shared across the organisation as appropriate.

Listening to our staff

Our staff have a keen sense of what is and isn't working for our customers, so their feedback is an important part of measuring our improvements. We will regularly collect staff feedback in these, amongst other ways.

- Feedback from the Customer Experience Ambassador network
- Annual Internal customer satisfaction survey
- Annual staff survey

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Making good use of our data

In the course of conducting our business, we gather a lot of data about our customer transactions and contact, in order to make best use of this data we will regularly measure and analyse metrics which relate to customer contact. These include:

- Volumes of complaints and compliments and analysis of themes and trends
- Phone, email and complaint response times - through the monthly dashboard
- Contact volumes by channel of communication – through the annual Customer insight report
- Customer journey mapping (both ideal states and current experiences)

Contact us

We welcome any comments, questions or other feedback about this strategy, please contact:-

Luke.Hamblin@brighton-hove.gov.uk – Customer Experience Manager

Victoria.Paling@brighton-hove.gov.uk – Customer Experience Lead

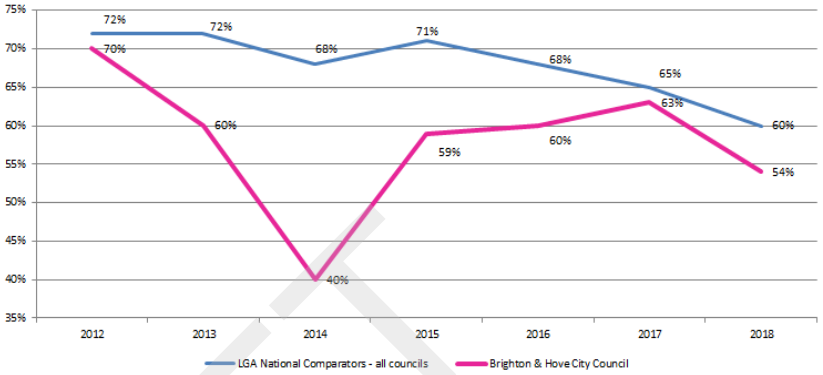
Rima.Desai@brighton-hove.gov.uk – Head of Performance, Improvement and Programmes

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Appendices

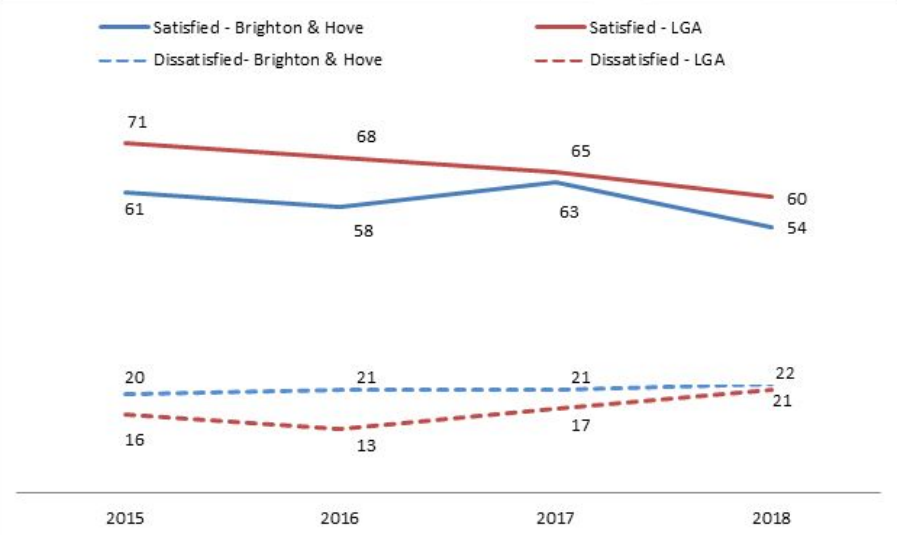
Current levels of satisfaction with council services

User satisfaction with the services provided by Brighton & Hove City Council (54%) has decreased from 63% previously. Nationally satisfaction with councils has also fallen, dropping from 65% to 60%. National comparator is the Local Government Association's Resident survey, carried out quarterly.



Satisfaction with Brighton & Hove City Council varies across age, ethnicity and location categories:

- The youngest age group (18-34s) report the highest level of *very satisfied* ratings (20%), significantly above the level reported by 35-54s (11%)
- The proportion reporting a *very satisfied* rating amongst BAME residents (29%) is higher than among white British residents (13%)
- Residents living in BN3 (58% *very/fairly satisfied*) and BN41 (65% *very/fairly satisfied*) have an overall higher level of satisfaction with the council than residents in BN2 (48% *very/fairly satisfied*)



This chart shows trend over time in dissatisfaction, as well as satisfaction with Brighton & Hove City Council, which has remained broadly static over the last three years, bucking the national trend of increasing dissatisfaction with local councils.

The levels of dissatisfaction with our council are now only one percentage point above the national average.

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Demographics and Equal Opportunities

The Equality Act 2010 protects people from discrimination on the basis of the following 'protected characteristics': age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race/ethnicity, religion or belief, sex (gender), sexual orientation.

All customers have the right to be protected from discrimination, harassment or victimisation based on our protected characteristics.

Understanding the protected characteristics of people living, working in and visiting the city helps us to be fair, accessible, and appropriate when we make policies, deliver services, and employ people. In addition, the council has an aim of 'Tackling Inequality'.

Supporting and developing good customer experience in relation to all the city's diverse communities is a central aim of the council. Customers may experience numerous barriers to accessing services or need different support to get the right outcomes from them. Where these barriers or needs are related to legally protected characteristics, the council has a duty to consider how to remove these barriers, reduce disadvantage and promote equality of opportunity.

This strategy will support the development of a culture of responsive services that anticipate diverse customers' needs and respond respectfully and appropriately. Providing the right services, in the right way, at the right time to the right people will result in better, more efficient, more appropriate services for everyone.

The following information is taken from the last census which was in 2011. We know from surveys carried out in schools that the profile of people living in the city is changing but these are the most up to date figures we have.

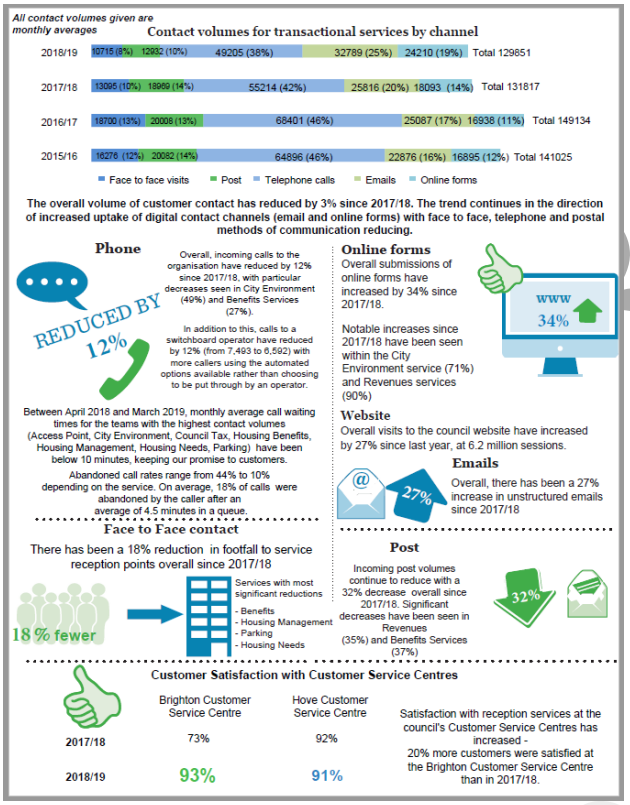
- There is an even gender distribution of males (50%, 144,200 people) and females (50%, 143,400 people). Apart from a disparity caused by a higher number of female students there is an relative even distribution of males and females across all age groups up until the age of 75. Beyond the age of 75 the proportion of females increases with age.
- There are an estimated 245,000 adult residents (16+) living in an estimated 130,800 households.
- We have a high proportion of residents aged 19–42 years old (42%, 120,900 people). More than a fifth of Brighton & Hove's total population (22%, 63,200 people) are aged 19 to 28.
- An estimated 27,000 - 36,800 (11% – 15%) of residents (16+) are lesbian, gay or bisexual.
- An estimated 2,800 adults are trans.
- At the time of the 2011 census a fifth of residents (53,400 people, 20%) were from a BME background
- We have a higher proportion of people of non-white British ethnicity (19.5%) than the South East (14.8%) and similar to the value for England as a whole. However, Brighton & Hove has a lower proportion of people of non-white ethnicity (10.9%) than in England overall (14.5%).
- We have a higher proportion of people of mixed ethnicity (3.8%) than the England average (2.3%), with the proportion of people of mixed white and Asian (1.2%) and other mixed ethnicity double the value across the country. Other ethnicities that are more prevalent in Brighton & Hove than across England include white Irish (1.4%), Chinese (1.1%) and Arab (0.8%).
- Brighton & Hove has a higher proportion of people born outside of England (18.9%), than the corresponding figure for areas across the South East (15.2%) and England (16.5%).

- More than one in four children in Brighton & Hove were born to mothers who were born outside of the UK (27.4%) in 2015. This is above the figure for the South East (24.3%) but below the proportion across England as a whole (28.4%).
- For one in 12 residents (21,833 or 8.3 per cent) aged over three English is not their main or preferred language.
- At the time of the 2011 census, 44,600 residents (16%) had a health problem or disability that affects their day to day activities, lower than England (18%) but higher than South East (15.7%). 24,000 (9%) of residents provide unpaid care for a family member or friend
- Among adults, 10% (26,200 people) have depression and more than one in a hundred (1.2%, 2,900 people) have a severe mental illness
- One in ten residents (9%, 3,400 people) aged 65 or older have a moderate or severe visual impairment
- More than one in a hundred adults (2%, 4,200 people) have severe hearing loss
- There are an estimated 11,750 military veterans in the city

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How do our customers contact us?

We receive more than 60,000 phone calls, 25,000 emails, 18,000 pieces of post, 13,000 visits and 18,000 online forms to public contact points each year.



We publish an annual report which summarises and tracks our contact, monitoring the return on investment in digital services and the trend for fewer customers contacting the council in the traditional (often slower, less flexible and more expensive) methods of contact, such as postal and face to face communication. This data points towards the trend for increased contact through digital channels, and decreased contact through more traditional means such as post, personal visits or telephones.

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Digital exclusion

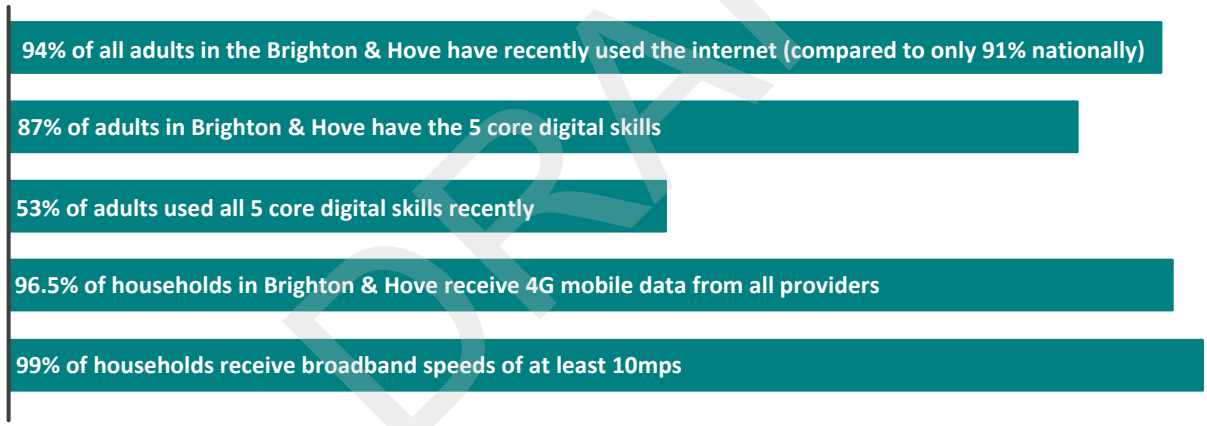
Internet usage is higher within Brighton and Hove (94%) than the national average (91%) (source: Internet users, UK: 2019, ONS) and digital exclusion within Brighton and Hove is considered low (source: Digital Brighton & Hove) based on eight core digital and social metrics:

Digital:

- infrastructure
- the number of people who have never been online
- basic digital skills (managing information, communicating, transacting, problem solving and creating)
- basic digital skills used

Social:

- age
- education
- income
- health



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Trends identified in the recent Internet users, UK: 2019 survey show that the largest increase in recent internet users are those aged over 65 years, with 29.05% increase in recent usage when compared to the same data from 2011.

Customer Experience Strategy Engagement

September 2019

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Our customer promise to you

We will make it clear how you can contact or access our services
We will understand and get things done
We will be clear and treat you with respect

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Introduction

In September 2019 we carried out engagement with our customers (by customer, we mean any user of council services, including; residents, visitors to the city, businesses, students, service users and their representatives) n their experience of using and contacting council services with the purpose of collecting insights on what they value (what is most important to them) and what they believe a good service is to inform the council's future strategy on Customer Experience.

The survey was publicised through the council website, the employee intranet, social media channels, at city libraries and through various community groups.

There were 304 respondents to the survey; 218 via the online consultation portal and 86 through face to face interviews conducted within Bartholomew House and Hove Town Hall Customer Service Centres and Jubilee Library.

The insights collected during this engagement will inform the development of our Customer Experience Strategy to be approved by Policy & Resources committee in December 19.

It is anticipated that this work will form a foundation for future customer engagement, supporting in the formation of optimal channels for feedback and enabling the council to collect, analyse and transform on an iterative basis aligned with the shifting customer needs of our demographic.

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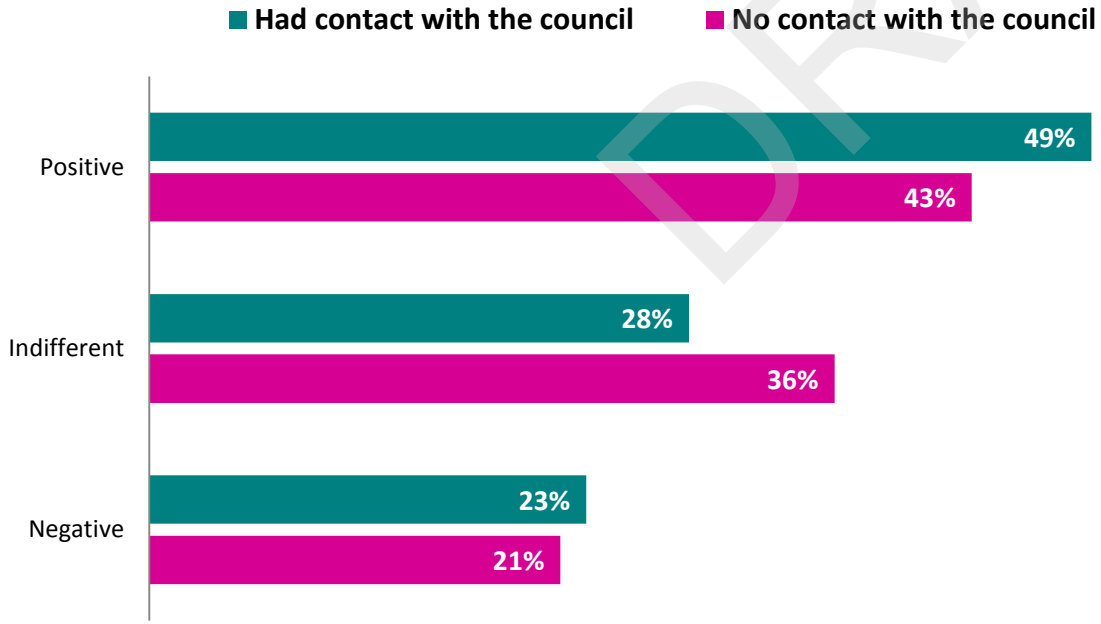
Recent Contact with the council

We are asked customers if they'd had contact with the council within the past 12 months through any method of communication, such as an email, in person or an online form.



Your Customer Experience

Customers were asked what their experience of the council was, whether it was through a recent contact or more generally. They were able to select positive, indifferent or negative experience.



Of the customers who'd had recent contact with the council only 22.8% had a negative experience with 49.1% indicating it had been positive.

17.2% of respondents who indicated they had not contacted, or been contacted by, the council in the past 12 months provided feedback on their experience, with 42.9% having a positive experience and 21.4% having a negative experience.

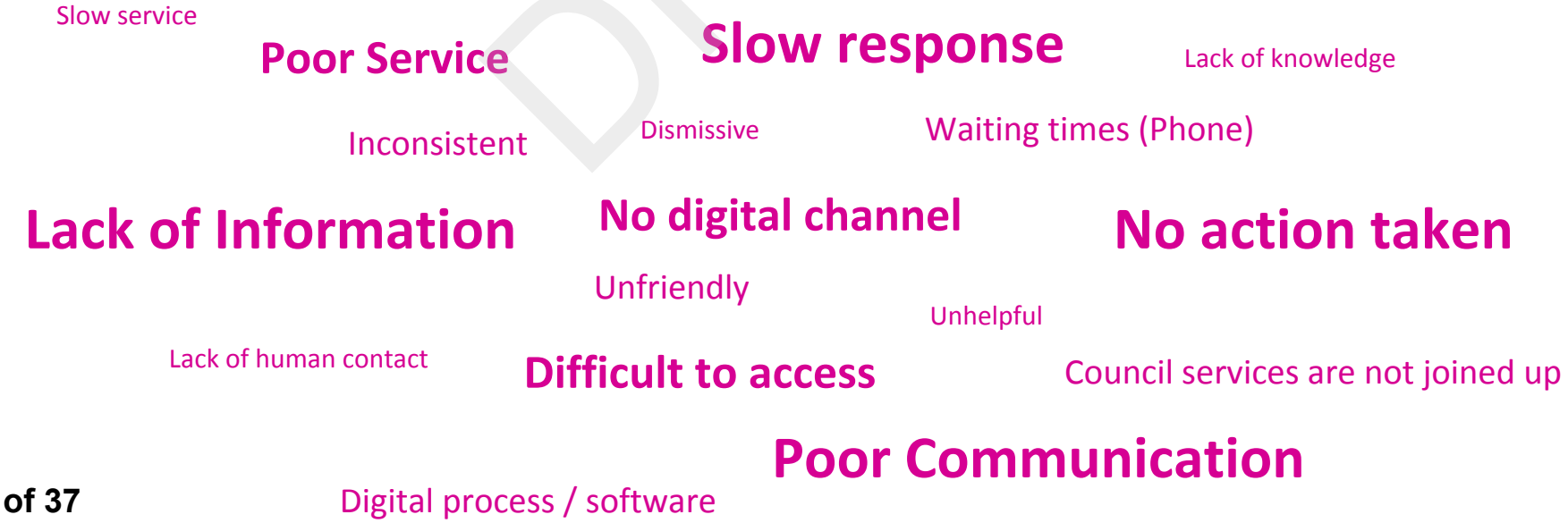
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Customers were asked to provide a description of what they liked or disliked during their experience with the council. The below graphs represent a summary of those responses thematically, with the font size indicating the frequency.

What did you like or dislike



What did you dislike

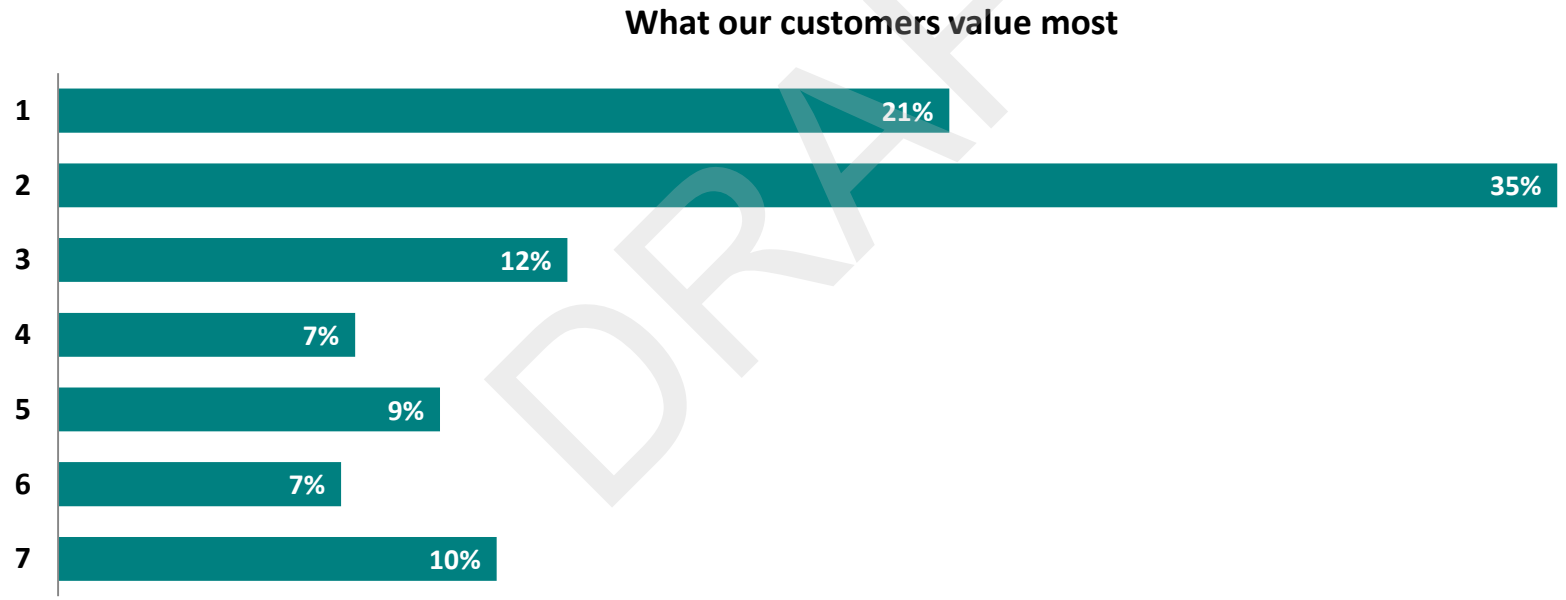


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What makes a good customer experience

We asked customers to identify what they valued most when interacting with council services. They were asked to select their top three priorities in order of most valued (i.e. with 1 being their most valued).

- 35% indicated they would rather receive the correct information first time, even if it takes longer
- 21% identified responsive communication as their priority
- 12% stated that information being clear and easy to understand was most important to them
- 10% see the council being friendly, respectful and understanding as their highest priority



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1 That you receive quick responses but may not get all the information straight away
2 That you receive the right information first time, even if it takes longer to respond
3 That information is clear and easy to understand
4 That the council is open about what it can and can't deliver
5 That council services are easy to understand and clear to reach for everyone
6 That you are given all options and are involved in decisions that affect you
7 That the council is friendly, respectful and understanding

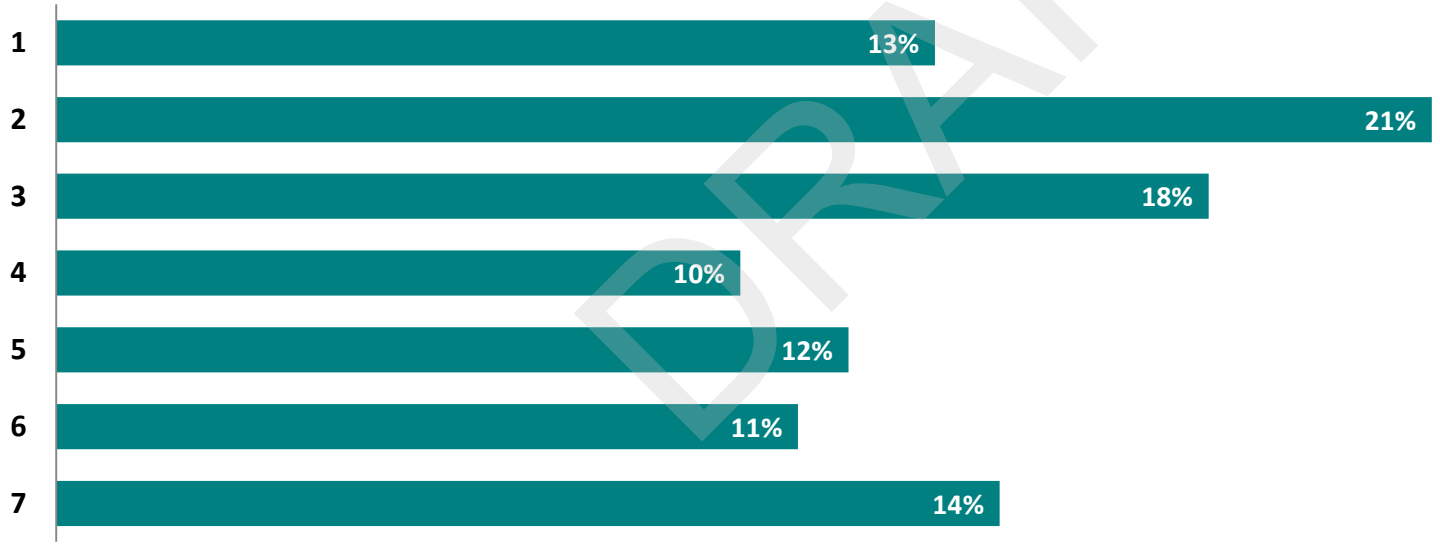
When looking at all votes as equal (i.e. all three votes for each respondent), the results remain largely the same however there is more significance given to the council being friendly, respectful and understanding.

In both variations of the results, the council being open about what it can and cannot deliver and customers being given all options and being involved in decisions (4 & 6 respectively on the charts) received the fewest selections.

- 20.9% indicated they would rather receive the correct information first time, even if it takes longer
- 17.5% stated that information being clear and easy to understand was most important to them
- 13.4% identified responsive communication as their priority
- 14% see the council being friendly, respectful and understanding as their highest priority

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All selections given equal ranking

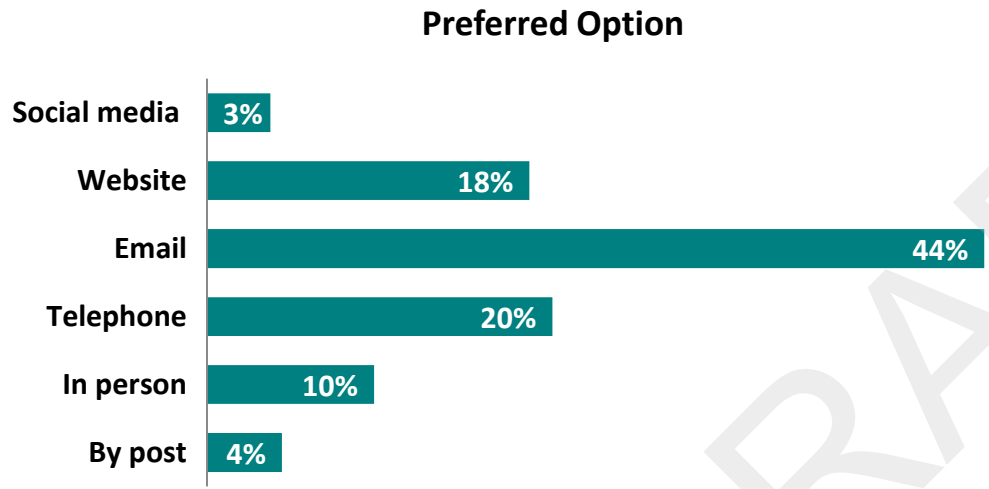


1 That you receive quick responses but may not get all the information straight away
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Preferred communication channels

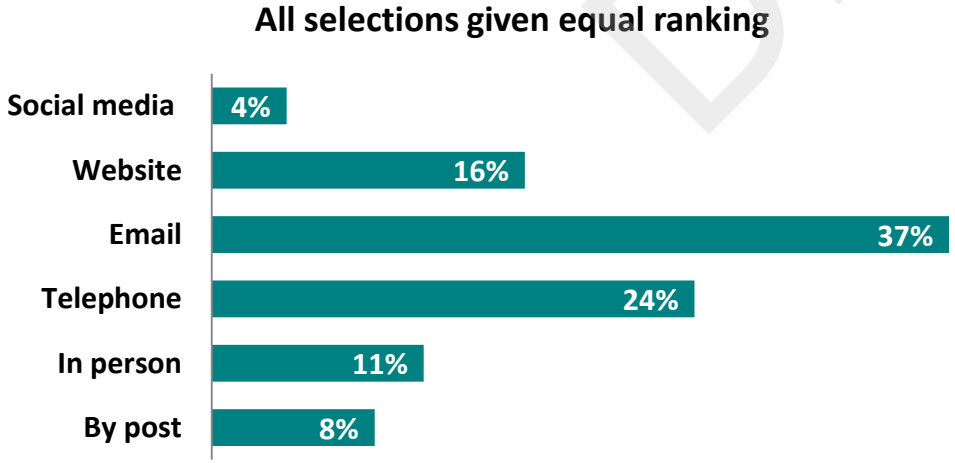
Communicating with the council

We asked customers to select their two preferred methods of contacting, or being contacted by, the council irrespective of why they are communicating the council.



65% stated they prefer digital communication (website, email & social media)

30% indicated they would prefer speak over the phone or face to face



With all selections considered equal there is a slight shift toward communication over the phone or face to face

57% stated they prefer digital communication (website, email & social media)

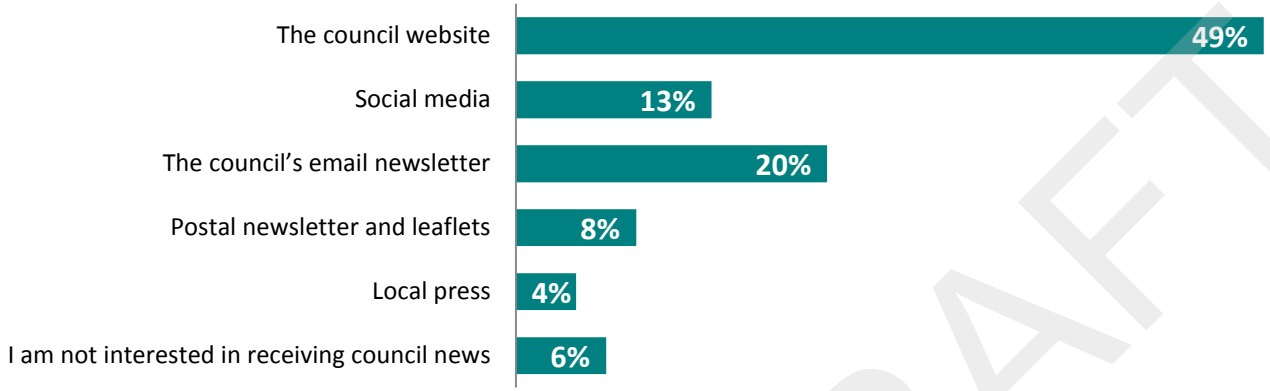
35% indicated they would prefer speak over the phone or face to face

DRAFT

Receiving news, information & service updates

We asked customers to select their two preferred methods of contacting, or being contacted by, the council irrespective of why they are communicating the council.

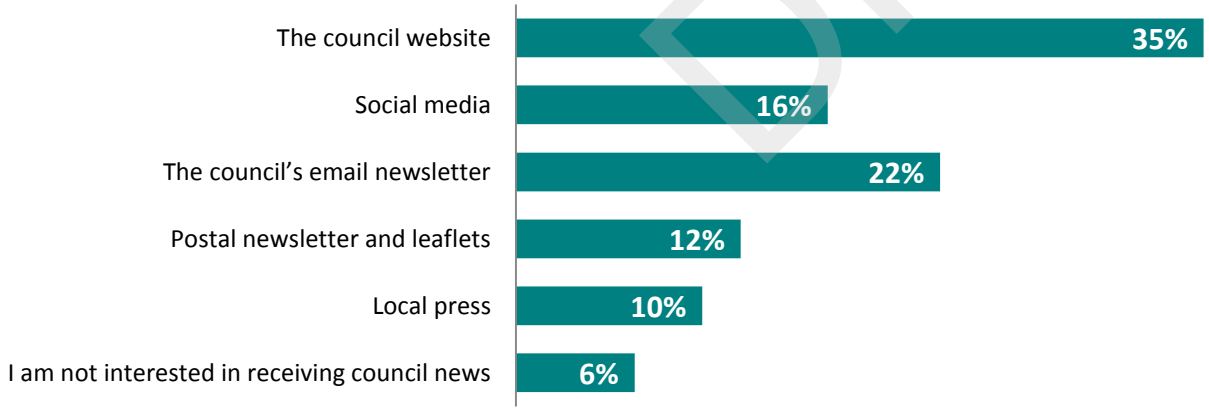
Preferred Option



83% specified they would prefer to receive council information & services updates through digital channels (website, email & social media)

Only 12% indicated that their preference would be to receive information & service updates via non-digital channels

All selections given equal ranking



When considering all selections with equal ranking there is a slight increase in preference for non-digital channels

73% specified they would prefer to receive council information & services updates through digital channels (website, email & social media)

22% indicated they would prefer to receive council information & services updates via postal newsletters and leaflets or the local press

DRAFT

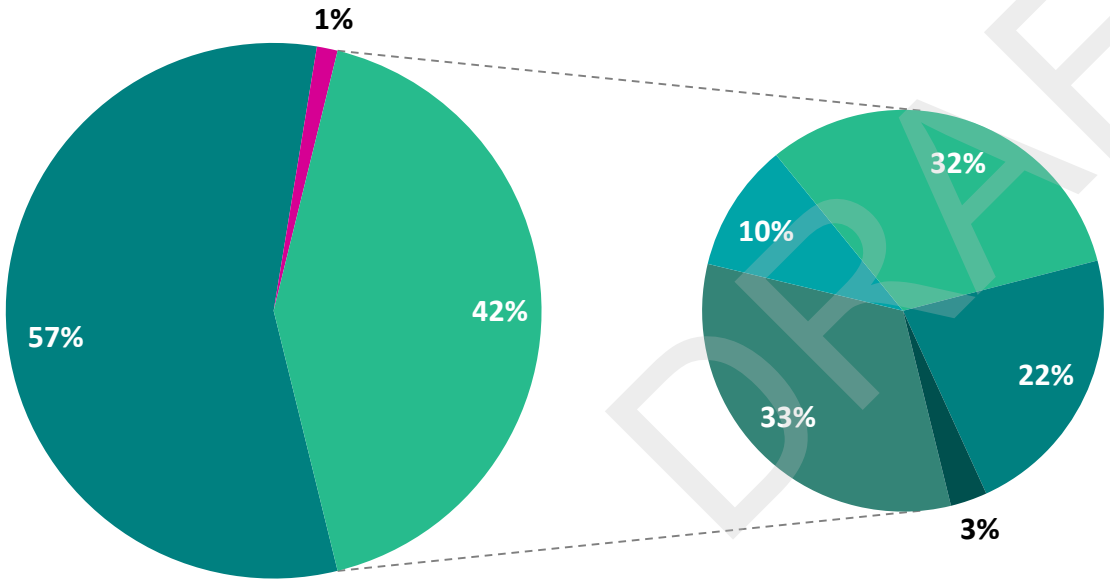
Our Customer Promise

We asked customers if our customer promise met their priorities and if not, what they would change. 57% of respondents had no suggestions for further improvement, 42% agreed in principle but provided suggestions and/or feedback on the promise and 1% explicitly said they disagree with promise but didn't say why.

Suggestions for improvement provided from the 42% who provided additional comments were mainly focused around four themes; Accessibility, Communication, Standards & Keep the Promise.

DRAFT

Can we improve our customer promise



Be honest & easy to understand

Communication

Provide regular updates

Listen

Who to contact

Simple to use

Accessibility

Contact channels to meet customer needs

Collaboration

Keeping to agreed timeframes

Keep the Promise

Service performance

Being responsive

Consistency

Ownership

Standards

Waiting times

Empower Customers

Other

Call back service

Clarity of service offers

Further Information

This survey was carried out through the council's online consultation portal hosted on the council website and internal intranet site, face to face in Hove Town Hall and Bartholomew House Customer Service Centres and through paper forms provided to people without access to the internet.

The survey was conducted between Monday 26th August and Sunday 15th September 2019.

Contacts

Customer Experience Lead: Victoria.paling@brighton-hove.gov.uk

Customer Experience Manager: Luke.hamblin@brighton-hove.gov.uk

Glossary

Customer	For the purpose of this survey the term customer means any user of council services, including; residents, visitors to the city, businesses, students, service users and their representatives
Digital	Digital refers to contact methods through a digital channel, such as; online, email or social media
Equal Ranking	A number of the questions within the survey requested respondents to provide 2 or 3 answers. This allowed us to collect a preference of most valued as well as get a broader understanding of what is valued by our customers. Where results are displayed as equal ranking, this means we have counted each response and given it equal weight in the results.
Non-digital	Non-digital refers to contact methods that do not go through a digital channel, such as; telephone, face to face or postal letter.

DRAFT

POLICY & RESOURCES COMMITTEE	Agenda Item 87 Brighton & Hove City Council

Subject:		**Progress update against Corporate Key Performance Indicators Q2 2019/20**
Date of Meeting:		**5 December 2019**
Report of:		**Executive Lead Officer, Strategy, Governance & Law**
Contact Officer:	**Name:**	**Rima Desai** **Tel: 29-1268**
	Email:	**Rima.desai@brighton-hove.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 To report to Policy & Resources Committee for the period 1 April 2019 to 30 September 2019 in relation to Corporate Key Performance Indicators (KPIs).

2. RECOMMENDATIONS:

2.1 That Policy & Resources Committee note the progress made in relation to Corporate KPIs, particularly the corrective measures outlined for 'red' and 'amber' indicators, and further note its role in providing support and challenge to lead officers to bring performance back on track.

2.2 That Policy & Resources Committee approves the inclusion of three further KPIs into the Corporate KPI set, as suggested by the KPI Cross Party Members Working Group and set out in Appendix 4.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 There are two overarching documents:-

- **The City's Sustainable Community Strategy –** is owned by, and the responsibility of Brighton & Hove Strategic Partnership, known as Brighton & Hove Connected, and the City Management Board.

- **BHCC Corporate Plan –** this sets out the councils Purpose, Principles and Priorities.

Note that progress towards delivery of the Corporate Plan outcomes is evidenced by delivery of the Corporate KPI set and supported through the successful delivery of the Directorate Plans.

3.2 This report is a key part of Business Planning and Management, one of the components of the council's Performance Management Framework (PMF). Full details of the PMF are set out in Appendix 3. This report is concerned with component 1 – Business planning and management.

3.3 Key Performance Indicators are developed to evidence delivery of the Corporate Plan. The PDP process is intended to clarify individual staff contribution towards the achievement of the relevant Principles and Priorities within the Corporate Plan.

4.0 Performance Indicator Set

4.1 The list of Corporate KPIs and their targets for 2019/20 were set in July 2019 by Policy Resources & Growth Committee (PRG). A consistent approach has been adopted across the organisation in relation to target setting taking account of comparative information.

4.2 The overall performance achieved during the year against target is assigned a rating of Red, Amber or Green depending how far from target the performance is.

4.3 Targets were set using the following criteria:

- To set the target, use the latest available benchmarking data (e.g. statistical neighbour data, national data or any other comparable data) or any statutory/contractual target, whichever is more challenging. If performance is better than benchmarking data, current performance may be used as a target.
- Where no benchmarking or statutory/contractual data is available, a sound rationale needs to be explained for a target figure e.g. improvement or maintenance from the current performance.
- Where resources are reducing or being reallocated, or there are significant external factors which will impact on performance, a reduction target can be set. This will need to be clearly evidenced and agreed by Policy & Resources Committee.
- Consider the financial impact of delivering the outcome of the KPI when setting the target.

4.4 A rigorous target setting approach was used to give a clear appraisal of how the council is performing compared to previous years and other local authorities. Because of this approach it was predicted that achieving all the targets by the year end would be challenging.

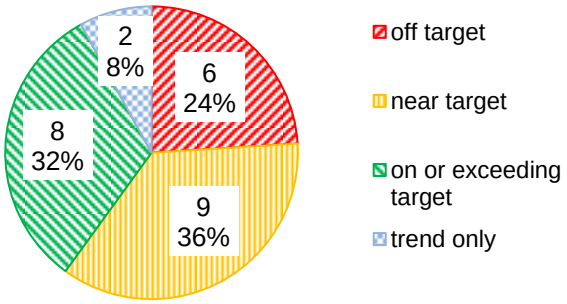
4.5 The Corporate KPI set for 2019/20 is made up of 67 indicators of which 31 are reported annually. Of the remaining 36 indicators 4 are trend indicators which do not have a RAG rating applied.

4.6 The charts below show the proportion of indicators that were rated as Red, Amber and Green for Q2 2019/20. These show the KPIs that the council is responsible for and those which relate to wider issues in the city.

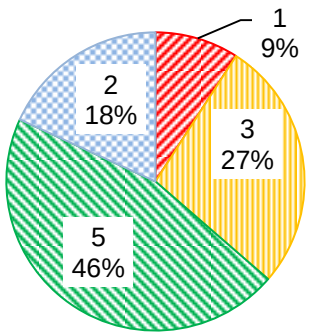
4.7 The charts below show the proportion of indicators that were rated as Red, Amber and Green for Q2 2019/20, plus those that are trend only. These show the KPIs that the council is responsible for and those which relate to wider issues in the city. Overall the results show 75**%** of the targeted indicators meeting or being within the agreed tolerance level (shown as green or amber below) the end of September. At Q2 2018/19 73% of that year's Corporate KPI set met this level; please note it is not possible to make an exact comparison between years as the previous indicator set included some different measures. Of those KPIs that were reported and targeted in

both 2018/19 and 2019/20, 50% have improved, 47% have declined and 3% have maintained performance at half way through the year.

Corporate KPIs - Council - Q2 2019-20



Corporate KPIs - City - Q2 2019-20



KPIs – council	Red	Amber	Green	Trend
Economy Environment & Culture	3	3	2	0
Families Children & Learning	0	0	2	0
Finance & Resources	2	3	0	0
Health & Adult Social Care	1	2	1	1
Housing Neighbourhoods & Communities	0	1	1	0
Strategy Governance & Law	0	0	2	1
KPIs – city				
Economy Environment & Culture	1	0	1	0
Families Children & Learning	0	0	2	0
Health & Adult Social Care	0	0	2	1
Housing Neighbourhoods & Communities	0	3	0	1
Overall Total	**7**	**12**	**13**	**4**

4.8 Below are some highlights from directorates where there has been significant improvement and/or good performance against target for 2019/20. These are achieved through the combined effort of all staff throughout the organisation and from relevant partner organisations. Appendices 1 and 2 provide more information and context; the relevant page number in the Appendices is shown after each indicator.

- ✓ % of household waste sent for reuse, recycling and composting (App 1, page 2)
- ✓ The speed of determining applications for major development (App 1, page 6)
- ✓ The speed of determining applications for non-major development (App 1, page 6)
- ✓ Number of children in care (App 1, page 11)
- ✓ Number of first time entrants to the youth justice system (App 2, page 5)
- ✓ % of Purchase Orders raised on ordering rather than when invoiced (App 1, page 14)
- ✓ % of carers assessments completed (App 1, page 18)
- ✓ The number of affordable homes delivered per year - new build and conversions (App 2, page 10)

4.9 Below are some highlights from directorates where performance improvement is required. Appendices 1 and 2 provide more information on these including a summary of performance so far, the context for that service and a short summary of proposed

actions to improve performance. Effective performance management ensures the right actions are taken at the right time so that the council can achieve its purpose through delivering the principles and priorities

- Missed refuse collections per 100,000 collections (App 1, page 3)
- Missed recycling collections per 100,000 collections (App 1, page 4)
- Average number of working days / shifts lost per Full Time Equivalent (FTE) due to sickness absence (App 1, page 15)
- % of social care clients receiving Direct Payments (App 1, page 21)
- Housing Tenants: Rent collected as % of rent due (App 1, page 25)

4.10 Direction of travel for each KPI is included in Appendices 1 and 2. Each KPI is marked with 'improving', 'declining', or 'no change'. The method for determining each Direction of travel is as follows:

- Where the indicator was reported last year the assessment is based on if performance has improved or worsened from Q2 2018/19 – Q2 2019/20.
- Where the indicator is new in 2019/20 comparison is made from Q1-Q2 2018/19 if possible
- Where neither of these are possible it is noted as 'new in 2019/20' or 'not comparable with 2018/19'
- Trend indicators are shown as increasing or decreasing trend

4.11 The following KPIs show that we are performing better than our benchmark comparators. Appendices 1 and 2 provide more information and context; the relevant page number in the Appendices is shown after each indicator.

- The speed of determining applications for major development (GREEN, App 1, page 6)
- % major planning application decisions that are overturned at appeal (GREEN, App 1, page 8)
- Number of children in care (GREEN, App 1, page 11)
- First time entrants to the youth justice system (GREEN, App 2, page 5)
- % of people with a learning disability in employment (GREEN, App 2, page 6)
- Number of alcohol related admissions to hospital (GREEN, App 2, page 9)
- Housing tenants: rent collected (AMBER, App 1, page 25)
- Late 2018/19 annual: % of complaints upheld by the Local Government and Social Care Ombudsman (GREEN, App1, page 32)

4.12 The KPI Cross Party Members Working Group has proposed the addition of three more measures to the Corporate KPI set. Details of these proposed indicators can be found in Appendix 4.

5. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

5.1 Through consultation with ELT the Performance Management Framework currently in operation was deemed to be the most suitable model.

6. COMMUNITY ENGAGEMENT & CONSULTATION

6.1 This is an internal performance reporting mechanism and as such no engagement or consultation has been undertaken in this regard.

7. CONCLUSION

7.1 The council must ensure that it uses a robust Performance Management Framework to meet the challenges of delivering services in the financial context that local authorities are now working in.

8. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

8.1 There are no direct financial implications arising from this report

Finance Officer Consulted: Peter Francis Date: 21/10/19

Legal Implications:

8.2 The framework described here and the actions reported on are a key part of the arrangements put in place by the council to ensure that it meets its general duty (pursuant to section 3 of the Local Government Act 1999) to ensure continuous improvement in the exercise of its functions. No other direct legal implications have been identified.

Lawyer Consulted: Victoria Simpson Date: 25/10/19

Equalities Implications:

8.3 Working with the Equalities Team, relevant corporate KPIs have been identified for the initial phase where officers will be expected to articulate equalities implications within the performance report, and will be required to evidence how they are using this data to inform service improvements in relation to reducing inequalities.

Sustainability Implications

8.4 Sustainability will be improved through working to meet the relevant KPI measures detailed within this report.

Any Other Significant Implications:

8.5 No further significant implications arising from this report.

SUPPORTING DOCUMENTATION

Appendices:

1. Detailed KPI report for Q2 2019/20 – Council KPIs
2. Detailed KPI report for Q2 2019/20 – City KPIs
3. Context: Performance Management Framework and Golden Thread
4. Proposals for new Corporate KPIs



Brighton & Hove City Council

Appendix 1:
2019-20 Council Corporate KPIs - Quarter 2 results

Period: Apr-19 - Sep-19

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
2019-20 Economy Environment & Culture - Council (Corporate) Quarterly				
% of household waste sent for reuse, recycling and composting (3 month lag) [Corporate - council]	**%**	**37.00**	**30.70**	AMBER **Improving**

Position:
Between April 19 and Jun 19 - 30.7% of the household waste in the city was sent by the Authority for reuse, recycling, composting or anaerobic digestion. This equates to 7,992 tonnes (source Waste Data Flow reports).
The trend of this result on a quarterly basis were:
2017/18: Q1 - 29.1%, Q2 - 28.7%, Q3 - 28.5% and Q4 - 28%
2018/19: Q1 - 30.4%, Q2 - 28.9%, Q3 - 28.1% and Q4 - 29.24%
2019/20: Q1 - 30.7%
The target for 2019/20 was set at 37% this was the comparator average in Dec 18.

The annual trend for the performance indicator is:
2010/11 = 27.7%
2011/12 = 28.1%
2012/13 = 26.8%
2013/14 = 25.8%
2014/15 = 25.2% (26,358 tonnes recycled out of 104,433 tonnes HH waste)
2015/16 = 24.6% (25,835 tonnes recycled out of 105,223 tonnes HH waste)
2016/17 = 27.0% (28,557 tonnes recycled out of 105,921 tonnes HH waste)
2017/18 = 28.6% (29,745 tonnes recycled out of 104,135 tonnes HH waste)
2018/19 = 29.2% (30,030 tonnes recycled out of 102,885 tonnes HH waste)

Commentary
The City Environment Modernisation Programme is developing a sustainable future for the service in the context of reducing council budgets, increases in customer demand and an expanding service offer.
Many projects within the Programme will have an impact on the percentage of waste sent for reuse, recycling and composting:
• The Increasing Recycling Project is improving how the council communicates with and educates the city on recycling. Through collaboration with stakeholders, activities and resources will be designed to improve the city's recycling rates.
• The rollout of more recycling wheelie bins will enable residents to recycle more
• The Round Restructure Project will ensure the service is reliable and resilient to ensure collections are made on the scheduled day, removing the need for recycling materials to be placed in refuse containers if the collection is missed

Recent actions delivered include:
• Educating students about what can and cannot be recycled. This included articles published in student magazines and flyers prepared for handing out to language schools and universities on what can and cannot be recycled. This literature also includes advice relating to littering and fly-tipping and the risk of receiving a Fixed Penalty Notice if someone commits an environmental offence.
• The rollout of on-the-go recycling litter bins has commenced, starting between Meeting House Café and Palace Pier as this area has the highest footfall.
• The rollout of recycling wheelie bins to some rounds following completion of the wheelie bin audit

Actions

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

1. Improve the collections of domestic recycling through the Round Restructure Project (Head of Operations, July 20)
2. Deliver the Increasing Recycling Project (Head of Service Improvement & Modernisation, Mar 20)
3. Continue rollout of recycling wheelie bins (Head of Service Improvement & Modernisation, Jan 20)
4. Begin taking on new garden waste customers (Business Development Manager, ongoing)

Missed refuse collections per 100,000 collections [Corporate - council]	**No.**	**154.00**	**402.00**	 RED **Declining**

Position:
This is calculated as: Total Missed Collections/(Total Number of Expected Collections/100000).
The year to date performance trend is:
Apr to Jun 2017 = 40 per 100,000
Apr to Sep 2017 = 62 per 100,000
Apr to Dec 2017 = 57 per 100,000
Apr to Mar 2017 = 79 per 100,000
Apr to Jun 2018 = 215 per 100.000
Apr to Sep 2018 = 195 per 100.000
Apr to Dec 2018 = 171 per 100,000
Apr to Mar 2019 = 171 per 100,000
Apr to Jun 2019 = 159 per 100,000
Apr to Sep 2019 = 402 per 100,000

The target was set at 154 to represent a 10% improvement in the 2018/19 performance levels to reflect the impact of the changes being implemented. The changes have made reporting missed collections easier and more reliable than it has been as the trend shows.

Commentary
There has been a significant increase in the number of missed refuse collections. The recent fire at Veolia's Waste Transfer Station at Hollingdean on 25th August had a huge effect on Cityclean's ability to carry out a normal collection service. It meant drivers had to drive to Newhaven to drop off loads (a three hour round journey). Added to this there was also a higher than normal number of vehicle breakdowns, plus a high number of driver shortages caused by sudden and unexpected sickness, at a time when there have been vacancies and the summer break. These statistics do not exclude "lockouts". Lockouts relate to bins that have not been put out or cannot be collected because they are contaminated. Resources have been prioritised during the Q2 period to deal with service issues, rather than data input (the impact of lockouts on this performance level is not expected to be that large). The service is reviewing the process of capturing lockout information and are exploring a technical solution.

Next Steps:
1. A business case is going to the ETS Committee recommending a Fleet Replacement Programme and requesting investment (Head of Fleet, Nov 19).
2. As part of the Modernisation Programme a review of Cityclean services, in particular refuse and recycling rounds, will be undertaken. This is a major piece of work and will also include a review of how real-time information can be shared to improve efficiency relating to missed collections and lock outs. The first phase of the review which is stakeholder engagement is being undertaken (Cityclean Programme Manager, Dec 19)
3. Improve the collections of domestic refuse through the Round Restructure Project (Head of Operations, July 20)
4. Recruitment to vacant front line posts so that the service is less reliant on Agency workers. (Operations Manager, Nov 19)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

5. Two new Team Leaders are in post to help deliver changes to how the service understands and manages missed work (Operations Manager, ongoing - Jan 20)
6. Review Access issues with Highways (Head of Operations, Dec 19)

Missed recycling collections per 100,000 collections [Corporate - council]	**No.**	**303.00**	**992.00**	 **Declining**

Position
This is calculated as: Total Missed Collections/(Total Number of Expected Collections/100000)
The target was set at 303 to represent a 10% improvement in the 2018/19 performance levels to reflect the impact of the changes being implemented. The changes have made reporting missed collections easier and more reliable than it has been as the trend shows.
Year to date performance trend:
Apr to Jun 2017 = 53
Apr to Sep 2017 = 131
Apr to Dec 2017 = 136
Apr to Mar 2018 = 175
Apr to Jun 2018 = 319
Apr to Sep 2018 = 452
Apr to Dec 2018 = 370
Apr to Mar 2019 = 337
Apr to Jun 2019 = 444
Apr to Sep 2019 = 992

Commentary
There has been a significant increase in the number of missed recycling collections. The recent fire at Veolia's Waste Transfer Station at Hollingdean on 25th August had a huge effect on Cityclean's ability to carry out a normal collection service. Initially glass recycling was taken to Hove Household Recycling Site and other recycling taken to the MRF in Hollingdean. Recycling vehicles had to travel to two different locations to tip and this additional travel time in addition to queues of up to 1.5 hours caused a backlog of work. Added to this there was also a higher than normal number of vehicle breakdowns, plus a high number of driver shortages caused by sudden and unexpected sickness, at a time when there have been vacancies and the summer break. These statistics do not include "lockouts". Lockouts relate to bins that have not been put out or cannot be collected because they are contaminated. Resources have been prioritised during the Q2 period to deal with service issues, rather than data input. The service is reviewing the process of capturing lockout information and are exploring a technical solution.

Next Steps:
1. A business case is going to the ETS Committee recommending a Fleet Replacement Programme and requesting investment (Head of Fleet, Nov 19)
2. As part of the Modernisation Programme a review of Cityclean services, in particular refuse and recycling rounds, will be undertaken. This is a major piece of work and will also include a review of how real-time information can be shared to improve efficiency relating to missed collections and lock outs. The first phase of the review which is stakeholder engagement is being undertaken (Cityclean Programme Manager, Dec 19)
3. Improve the collections of domestic recycling through the Round Restructure Project (Head of Operations, July 20)
4. Recruitment to vacant front line posts so that the service is less reliant on Agency workers. (Operations Manager, Nov 19)
5. Two new Team Leaders are in post to help deliver changes to how the service understands and manages missed work (Operations Manager, ongoing - Jan 20)
6. Review Access issues with Highways (Head of Operations, Dec 19)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
% of streets inspected which are found to have widespread or heavy levels of litter [Corporate - council]	**%**	**3.20**	**3.30**	 AMBER **Improving**

Position:
Between July and September 2019, 3.3% of the streets checked had litter levels which were below grade B using the national measure 'Street and environmental cleanliness: Litter'. This process grades streets and other areas of land on the following scale for litter:
• Grade A – no litter or refuse
• Grade B – predominantly free of litter and refuse except for some small items
• Grade C – widespread distribution of litter and refuse, with minor accumulations
• Grade D – heavily littered, with significant accumulations.
The target has been set at 3.2% to maintain 2018/19 outturn performance levels as there is no comparative information available.
The quarterly trend for this result is:
Apr to Jun 2017 = 4.1%
Jul to Sep 2017 = 4.2%
Oct to Dec 2017 = 4.1%
Jan to Mar 2018 = 4.3%
Apr to Jun 2018 = 6.5%
Jul to Sep 2018 = 3.8%
Oct to Dec 2018 = 3.2%
Jan to Mar 2019 – N/A
Apr to Jun 2019 – N/A
Jul to Sep 2019 = 3.3%

Commentary:
The City Environment Modernisation Programme is developing a sustainable future for the service in the context of reducing council budgets, increases in customer demand and an expanding service offer. Activities within the Programme will have an impact on the cleanliness of the city's streets. For example:
The Environmental Enforcement service has been brought in-house and resources have been targeted at particular hotspots across the City. A process is underway to procure CCTV cameras that will be strategically placed across the City, these devices are attached to street lampposts and will be moved according to need, ensuring good coverage across Brighton & Hove.
Improvements to the website content and Enforcement Officers educating the public about what constitutes environmental crimes means more people will understand the implications of littering.
Focussed on working with Language Schools to educate students on littering.
Improving litter bin provision focussed on the seafront will discourage people to leave litter on the beach or throw on the ground.
Recruitment to vacant Street Cleansing Operative roles has taken place ensuring the service is fully resourced with effect from 1st October 2019.

Actions:
1. Procurement of CCTV (Environmental Enforcement Manager, Jun 20)
Educating students through advertising in Freshers magazines. (Head of Business Support & Projects, Sep/Oct 20)
2. Working with the University of Sussex to undertake joint messaging around living responsibly in the city (Head of Business Support & Projects, Sep/Oct 20)
3. Complete roll out of new style litter bins along the seafront to reduce littering and improve recycling (Head of Operations, Cityclean, Dec 20)
4. Recruit Environmental Enforcement Officers to ensure good coverage of the city (Environmental Enforcement Manager, Dec 19)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
The speed of determining applications for major development [Corporate - council]	**%**	**88.50**	**91.03**	 GREEN **Declining**

Position:
This indicator measures the 24 month rolling result for the percentage of Major application types being processed within 13 weeks, or agreed time limit via a planning performance agreement (PPA) or extension of time (EOT).
The trend of the 24 month rolling result is a positive one as shown below:
Sep 2017 = 92.54% (62 applications determined in time, 67 applications determined)
Dec 2017 = 95.77% (68 applications determined in time, 71 applications determined)
Mar 2018 = 96.83% (61 applications determined in time, 63 applications determined)
Jun 2018 = 96.61% (57 applications determined in time, 59 applications determined)
Sep 2018 = 93.44% (57 applications determined in time, 61 applications determined)
Dec 2018 = 93.44% (57 applications determined in time, 61 applications determined)
Mar 2019 = 92.19% (59 applications determined in time, 64 applications determined)
Jun 2019 = 90.00% (63 applications determined in time, 70 applications determined)
Sep 2019 = 91.03% (71 applications determined in time, 78 applications determined)
The target was set at 88.5% which is CIPFA comparator average.
The government minimum standard for the speed of determining applications for major development is 60%. Authorities performing below this are at risk of intervention from central government with applicants having the option of having decisions made by the Secretary of State.

Commentary:
The local target is set significantly higher than the national target to reflect CIPFA comparators. The recent dip in performance is attributed to the number of majors being small so one or two applications can have a greater impact on the performance outcome. Additionally this not considered to be a trend but a dip in performance. The Service is comfortably meeting nationally set KPI (60%) and has been consistently exceeding this target, both by determining applications within 13 weeks or by agreeing extensions of time or Planning Performance Agreements (PPAs) with applicants.

Actions:
1) Continue current working practices and agreeing extensions of time or Planning Performance Agreements (PPAs) with applicants (Planning Manager, ongoing)
2) Continue to monitor performance (Planning Managers, ongoing)
3) With assistance from the Business Development Manager appointed Jan 19, implement project management approach to dealing with major applications to assist with processing of applications and reflection on how to improve to ensure performance is maintained. (Planning Manager, Mar 20)

The speed of determining applications for non-major development [Corporate - council]	**%**	**86.10**	**76.65**	 AMBER **Declining**

Position:
This indicator measures the 24 month rolling result for the percentage of Minor and Other application types being processed within 8 weeks, or agreed time limit via a planning performance agreement (PPA) or extension of time (EOT). Only applications for householder developments and change of use are included under Other applications.
The trend for the rolling 24 months is a positive one and is shown below:
Sep 2017 = 80.15% (3363 applications in time, 4196 applications determined)
Dec 2017 = 85.28% (3546 applications in time, 4158 applications determined)
Mar 2018 = 85.63% (3431 applications in time, 4007 applications determined)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

Jun 2018 = 81.32% (3152 applications in time, 3876 applications determined)
Sep 2018 = 77.01% (2800 applications in time, 3636 applications determined)
Dec 2018 = 74.85% (2803 applications in time, 3745 applications determined)
Mar 2019 = 74.24% (2795 applications in time, 3765 applications determined)
Jun 2019 = 74.24% (2743 applications in time, 3695 applications determined)
Sep 2019 = 76.65% (2810 applications in time, 3666 applications determined)
The target of 86.1% has been set using the average of our CIPFA nearest neighbours.
The government minimum standard for the speed of determining applications for non-major development is 70%.
Authorities performing below this are at risk of intervention from central government with applicants having the option of having decisions made by the Secretary of State.

Commentary:
Work continues to implement the actions of the Business Process Improvement plan and enhancements and reviews of how to use Uniform in the most efficient way. All of these initiatives are intended to make the process of determining applications more efficient and assist case officers to achieve a decision in 8 weeks.

In November 2018, the service introduced a Performance Action Plan, which is aimed to improving performance. This was revised and updated in April 2019. In January, the team introduced a monthly target which has set achievable targets per month to achieve 75% by the end of September. Principal Planning Officers are working with case officers on an individual basis to improve performance. This has continued throughout the last quarter and assisted in achieving 76%.

To assist with reducing the on hand figure of applications, which will aid improving performance, the service is sourcing an intervention, where 160 applications will be allocated to an external consultancy to process. This will commence in Oct 19. The DM Management team have worked on framework guidance to identify those applications that will be processed and how they should be dealt with. To coincide with this, the Principal Planning Officers have continued to conduct full caseload interventions with individual case officers to assist with clearing applications.

The reliance on EOTs does need to reduce overall moving into the final quarters of 2019-2020, however these will need to continue as an interim measure to ensure performance targets are met. The average length of time to determine applications also needs to improve.

Actions:
1. Revise and update the Performance Action Plan which aims to introduce a more streamlined and efficient service that is more customer focused. (Planning Managers & Principal Planning Officers, monthly)
2. Work on measures to assist recruitment to vacant posts – service re-design (Head of Planning, Mar 20)
3. Continue work to implement electronic working and introduce electronic work flow - Enterprise (Information Manager and Planning Managers, Dec 19)
4. Complete review of planning decisions and implement recommendations (Planning Managers, Mar 20)
5. Agreement has been given by ELT to seek an external resource to assist with the processing of approximately 160 applications. Implement from Oct 19 – Jan 20. (Business Development Manager, Jan 20)
7. Ensure staff are working towards quantitative and qualitative measures identified in Performance Development Plans (PDPs) 2019, continual review in 121s, which will support staff to increase throughput of applications (Planning Managers/Principal Planning Officers, on-going)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
% major planning application decisions that are overturned at appeal [Corporate - council]	**%**	**2.30**	**1.28**	GREEN **Improving**

Position:
This indicator measures the 24 month rolling result for the percentage of the total number of decisions made by the authority on applications for major development that are then subsequently overturned at appeal, once nine months have elapsed following the end of the assessment period.
The nine months specified in the measure enables appeals to pass through the system and be decided for the majority of decisions on planning applications made during the assessment period.
The trend of the 24 month result is:
Sep 2017 = 7.25% (Overturned at appeal = 5, Total decisions = 67)
Dec 2017 = 6.85% (Overturned at appeal = 5, Total decisions = 71)
Mar 2018 = 4.62% (Overturned at appeal = 3, Total decisions = 63)
Jun 2018 = 3.28% (Overturned at appeal = 2, Total decisions = 59)
Sep 2018 = 4.76% (Overturned at appeal = 3, Total decisions = 61)
Dec 2018 = 4.92% (Overturned at appeal = 3, Total decisions = 60)
Mar 2019 = 4.69% (Overturned at appeal = 3, Total decisions = 63)
Jun 2019 = 2.86% (Overturned at appeal = 2, Total decisions = 69)
Sep 2019 = 1.28% (Overturned at appeal = 1, Total decisions = 77)
Target set at at average for England of 2.3% to reflect growth in major applications and therefore likely increase in appeal rate.
The government minimum standard (Designation threshold) for this KPI is 10%, we are well within this minimum. Authorities performing below this standard are at risk of designation which means intervention from central government with applicants having the option of having decisions made by the Secretary of State.

Commentary:
Performance on this indicator continues to exceed the Government minimum standard and shows a reduction in the percentage in the last quarter, although this performance level continues to be higher than the average of our CIPFA comparator group.
The service introduced customer service standards in October 2017, which includes feedback and offering the opportunity to amend applications. This coupled with continuing to improve and promote pre-application discussions, the use of Planning Performance Agreements (PPAs) and operating a positive planning service will reduce the number of appeals in the future.

There is a project underway to review the level of refusals (currently twice the level of national comparators) and this will make recommendations for actions. This project is due for completion early next year and will address the number of appeals and the proportion overturned at appeal.

In addition, increased efficiencies introduced through improved uniform packages and continuing to implement measures identified in the BPI review will improve the service offer and allow greater opportunities to maximise negotiation during the course of the application and enhance the pre-application advice service with timely and quality responses.

Actions:
1) Continue to invest in pre-application discussions and Planning Performance Agreements (PPAs) to ensure schemes are submitted which are likely to result in a favourable recommendation to reduce the number of refusals and appeals (Planning Managers, Mar 20);
2) Timeliness and quality of pre-application advice to be improved through a working group reviewing the process and how officers manage this work alongside applications (Planning Managers & Principal Planning Officers, Feb 20)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

3) Monitor appeal decisions for trends to allow adaptation and flexibility in policy and decision making (Planning Managers, ongoing)
4) Review appeal decisions collectively at joint team meetings to enable reflection and learning of appeal decisions (Principal Planning Officers, Nov 19).
5) Review of decisions project (Planning Managers, March 20)

% non-major planning application decisions that are overturned at appeal [Corporate - council]	**%**	**1.20**	**2.56**	RED **Improving**

Position:
This indicator measures the 24 month rolling result for the percentage of the total number of decisions made by the authority on applications for non-major development that are then subsequently overturned at appeal, once nine months have elapsed following the end of the assessment period.
The nine months specified in the measure enables appeals to pass through the system and be decided for the majority of decisions on planning applications made during the assessment period.
The trend of the 24 month result is:
Sep 2017 = 2.99% (Overturned at appeal = 126, Total decisions = 4196)
Dec 2017 = 2.75% (Overturned at appeal = 115, Total decisions = 4158)
Mar 2018 = 2.70% (Overturned at appeal = 109, Total decisions = 4007)
Jun 2018 = 2.69% (Overturned at appeal = 105, Total decisions = 3876)
Sep 2018 = 2.79% (Overturned at appeal = 102, Total decisions = 3635)
Dec 2018 = 2.65% (Overturned at appeal = 100, Total decisions = 3746)
Mar 2019 = 2.52% (Overturned at appeal = 96, Total decisions = 3766)
Jun 2019 = 2.38% (Overturned at appeal = 89, Total decisions = 3697)
Sep 2019 = 2.56% (Overturned at appeal = 95, Total decisions = 3668)
The target is set at the average for our CIPFA comparator group at 1.20%
The government minimum standard (Designation threshold) for this KPI is 10%, we are well within this minimum. Authorities performing below this standard are at risk of designation which means intervention from central government with applicants having the option of having decisions made by the Secretary of State.

Commentary:
Performance on this indicator continues to exceed the Government minimum standard, although this performance level continues to be higher than the average of our CIPFA comparator group.

The service introduced customer service standards in October 2017, which includes feedback and offering the opportunity to amend applications. This coupled with continuing to improve and promote pre-application discussions and moving towards a positive planning service will reduce the number of appeals in the future. Some of this work has been constrained by the continuing backlog of cases that the service holds, in the Autumn 2019, the service is engaging the services of a third party to process approximately 160 applications which will allow some of the other initiatives to be embedded into the process of an application and focus more on timely and quality pre-application discussions.

There is a project underway to review the level of refusals (currently twice the level of national comparators) and make recommendations for actions. This project is due for completion early next year and will address the number of appeals and the proportion overturned at appeal.

Increased efficiencies introduced through improved uniform packages and continuing to implement measures identified in the BPI review will improve the service offer and allow greater opportunities to maximise negotiation during the course of the application and enhance the

pre-application advice service with timely and quality responses.

Actions:
1) Continue to invest in pre-application discussions to ensure schemes are submitted which are likely to result in a favourable recommendation to reduce the number of refusals and appeals (Planning Managers, Mar 20);
2) Timeliness and quality of pre-application advice to be improved through a working group reviewing the process and how officers manage this work alongside applications (Planning Managers & Principal Planning Officers, Feb 20)
3) Monitor appeal decisions for trends to allow adaptation and flexibility in policy and decision making (Planning Managers, ongoing)
4) Review appeal decisions collectively at joint team meetings to enable reflection and learning of appeal decisions (Principal Planning Officers, Nov 19).
5) Review of decisions project (Planning Managers, Mar 20)

2019-20 Families Children & Learning - Council (Corporate) Quarterly

% of schools that are judged good or outstanding by Ofsted [Corporate - council]	**%**	**88.80**	**91.30**	GREEN **Declining**

Position:
As at the end of July 2019, 91.3% of schools in Brighton and Hove were judged to be good or outstanding. No schools were inspected in July and Ofsted do not inspect schools in August.
Trend is as follows:
Mar 2017 - 93.2%
Mar 2018 - 93.1%
Mar 2019 - 92.8%
July 2019 - 91.3%
86.0% is the current national average judged to be good or outstanding (currently July 2019).
These figures do not include new schools awaiting their first ever inspection, independent settings and non-maintained special schools, which Ofsted has a duty to inspect. When there is a conversion to an academy Ofsted now uses the judgement of the predecessor school.

Below is a breakdown of the percentage of schools judged good or outstanding by phase and comparison figures for England as at the end of July 2019:
All schools: 91.3% (England 86.0%, statistical neighbours 83.9%)
Nursery Schools: 100% (England 98.2%)
Primary: 90.4% (England 87.5%)
Secondary: 100% (England 75.9%)
Special: 66.7% (England 91.6%)
Pupil Referral Units: 100% (England 83.0%)
Colleges: 100% (Please note this is not included in the overall figure.)
Non-maintained special schools 100% (Please note this is not included in the overall figure.)

Below is a breakdown of the percentage of pupils in good or outstanding schools as at the end of July 2019. Data on the number of pupils in schools has been updated which has changed the percentage of pupils in a good or outstanding schools.
All schools: 93.9% (England 84.6%, statistical neighbours 84.3%)
Nursery Schools: 100% (England 98.5%)
Primary: 89.9% (England 87.7%)
Secondary: 100% (England 79.7%)
Special: 88.5% (England 93.4%)
Pupil Referral Units: 100% (England 77.6%)

Commentary:

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

The high number of good and outstanding schools in the city is a reflection of the strong partnership working between the schools and between schools and the LA. Each school is categorised according to historic performance and a programme of intervention is devised to improve outcomes in each school. A further revised categorisation process established for primary schools to enables identification and interventions needed to address issues in a decisive and timely manner.
The Standards and Achievement Team are focusing on all inadequate and RI schools and 4 schools which are vulnerable to downgrading.

Actions:
1. Support all Requires Improvement schools and ensure they have robust improvement plans and support. These are monitored through School Improvement Boards. (Head of Education, Standards and Achievement, August 2020)
2. All schools will be monitored carefully and any schools that become vulnerable to RI will be supported and challenged through a School Improvement Board. (Head of Education, Standards and Achievement, August 2020)
3. Implement new revisions too categorisation process so that schools in most need are prioritised for support and challenge effectively (Head of Education, Standards and Achievement, April 2020)4. Implement newly designed “Know Your School Well” visit process to ensure process can be further improved. (Head of Education, Standards and Achievement August 2020)

Number of children in care [Corporate - council]	**No.**	**385.00**	**385.00**	GREEN
				Improving

Position:
There are 385 children in care (CIC) at 30th September 2019.
The quarter by quarter trend is:
Sep 2019 - 385
Jun 2019 - 382
Mar 2019 - 393
Dec 2018 – 380
Sep 2018 - 394
Jun 2018 - 400
Mar 2018 - 418
Dec 2017 - 414
Since 2010, the highest number of CiC was 515 in November 2011 and the lowest number was 377 at 31st January 2019.
The aim and target shown is to reduce children in care to 422 (82.2 per 10,000 children), which is the average for our 10 nearest authorities in terms of contextual factors based on Public Health analysis of deprivation, alcohol, drugs and mental health.
The CIC rate per 10,000 is 76.6 at March 2019, down from 81.7 per 10,000 at March 2018. This is below the March 2018 contextual neighbour average (89.6), and above the national average (64) and statistical neighbour average (65). The South East average rate per 10,000 children rose from 61.3 in Quarter 3 2017/18 to 62.8 Quarter 3 2018/19.
There are 42 Unaccompanied Asylum Seeking Children (UASC) in care (10.2% of the total), up from 30 (7.4%) at June 2018. The number of CIC excluding UASC is down from 354 at September 2018 to 343 at September 2019 – a decrease of 11 children.
216 (56.1%) of CiC are male, up from 54.2% at September 2018 and in-line with the national average of 56%. 169 (43.9%) of CiC are female.
122 (31.7%) of CiC are not White British. If UASC are excluded, the percentage of CiC that are not White British is 23.3%. 21% of children aged under 18 in Brighton and Hove were not White British at the time of the 2011 census.
157 children became looked after during the year ending 30th September 2019, up from 146

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

during the previous 12 months. Of the children becoming looked after during the year ending 30th September 2019, 17% were aged under 1, 15% were aged 1 to 4, 17% were aged 5 to 9, 29% were aged 10 to 15 and 22% were aged 16 and over.
156 children ceased to be in care during the year ending 30th September 2019, down from 185 during the previous 12 months. Of these children, 28.2% returned to live with parents or relatives (up from 23.2% in the previous 12 months), 12.8% were adopted (down from 16.8%), 15.4% were subject to a Special Guardianship Order (up from 15.1%), 16.7% ceased care for any other reason – the majority of which is the young person reaching 18 and becoming a care leaver (up from 6.5%).

Commentary:
Performance is above target, noting a small increase of 3 children since the end of June 2019
It is thought that this is a reflection of the success of the model of social work practice, as it is embedded in day to day social work practice with children and families to keep children safe within their families. It may also reflect some of the changing demography of the city and the impact of changes in the benefits system eg Universal Credit and housing benefit, resulting in families being placed / moving out of the city .
Whilst acknowledging the trajectory is currently reducing, challenges remain in sustaining this progress , particularly in relation to our UASC admissions to care as there has been a significant increase in spontaneous UASC arrival activity up from 30 at June 18 to 42 at September 19 . It is also noted that 51% of entrants to care are on older age bracket of 10 years plus, and that numbers ceasing to be looked after is 29 less in the last year.
Children's Services Entry to Care Panel continues to consider all admissions for children coming into care. It is chaired by the Assistant Director and oversees any admissions of children/young people into the care system. It continues to provide senior management oversight to ensure that all other alternatives have been explored including placement with family members with support packages before agreeing to a child/young person becoming looked after. This includes the use of support via the Extended Adolescence Service.
Work has now started on a work stream of reunification of children in care to parents or extended family care, which it is anticipated will impact to some degree, in terms of further reducing the numbers of children in care by proactively addressing care planning.
Actions:
1. Children's Services Entry to Care Panel to continue to review admissions for children into care to ensure that alternatives to care are vigorously explored where it is safe to do so. (Assistant Director Children's Health Safeguarding & Care, Review – Jan 2020)
2. Progress the development of reunification work stream (Head of Service -CIC Practice lead, Children's Health Safeguarding & Care, Review Jan 2020)

2019-20 Finance & Resources - Council (Corporate) - quarterly

% of high priority audit actions recommended by Internal Audit that have reached their due date for completion and have been implemented by services. [Corporate - council]	**%**	**100.00**	**88.00**	 **Improving**

Position:
This indicator shows the cumulative position based on high priority actions due to be implemented in the last 12 months.
The cumulative trend for the percentage of high priority audit actions that have reached their due date and have been implemented is as follows::
Qtr 1 18/19 = 92.6%
Qtr 2 18/19 = 85.7%
Qtr 3 18/19 = 100%
Qtr 4 19/20 = 100%

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

Qtr 1 19/20 = 100%
Qtr 2 19/20 = 88%
As at the end of quarter 2 2019/20, 88% of high priority audit actions (that have passed their agreed implementation deadline) have been implemented. This is below target but an increased performance on Qtr 2 18/19 where performance stood at 85.7%.

Commentary:
At the end of quarter 2 there are five high priority actions that are overdue. They are in Adult Social Care and in Housing. The actions are being tracked and an update will be provided to the next audit and Standards Committee (January 2020) if the actions have not been implemented by that point. The indicator provides contributory evidence about the extent to which the council is maintaining a strong control environment.

Actions:
1) For 2019/20 internal audit only monitors high priority actions. Internal Audit will send reminders to action owners at the end of each quarter and collate information about high priority action progress. (Audit Manager/ Quarterly)
2) Any overdue high priority actions will continue to be reported to the Audit and Standards Committee. Directorate officers may be required to attend the Audit and Standards Committee to provide additional information where actions have not been implemented in agreed timescales. (Audit Manager, Quarterly).

% of invoices for commercial goods and services that were paid within 30 days [Corporate - council]	**%**	**95.00**	**94.94**	 AMBER **Improving**

Position:
Between April and Sept 2019, 94.94% of invoices for commercial goods and services were paid within 30 days. This compares with 92.61% for the same period last year.
The quarter by quarter trend is:
Apr 2018 to Sep 2018 = 92.61%
Apr 2018 to Dec 2018 = 93.01%
Apr 2018 to Mar 2019 = 93.44%
Apr 2019 to Jun 2019 = 95.16%
Apr 2019 to Sep 2019 = 94.94%

This measure/target is in response to the government's drive to improve the speed of payments across the whole of the public sector. The principle is about ensuring that suppliers' cash flows and viability are not impacted by slow payment processes. We aim to pay suppliers within 30 days of receiving the invoice, and have a target of 95%, although this is being reviewed. This target is considered achievable when compared to CIPFA comparative information which shows the 2015 performance for invoices paid within 30 days as an average of 93% for benchmarking authorities. Key to meeting the target of 95% is high compliance with the use of the purchase order system which makes processing invoices quick and efficient.

Commentary:
A high volume of invoices already overdue have been received by Accounts Payable during the period which continues to affect performance as does the continuing non-compliance with the purchase to pay policy by some services. July – September is also a popular holiday period and therefore teams are often operating on minimum capacity at this time.
The challenges facing the creditors service are:
1. Continuing to maintain the level of performance with reducing staff resources.
2. Invoices are initially received and processed by individual services therefore the invoice processing performance is not wholly in the control of the creditors service.
3. A high volume of invoices are already overdue at the point they are received by the creditors

service.

Actions:
1. Reporting is being carried out to enable targeted communication and guidance to service areas struggling most to comply with the Purchase to Pay process. Meetings have taken place with some service areas and will continue, targeting areas that are struggling the most. This should also have a positive impact on the number of late invoices being sent to Corporate Payments from service areas (Accounts Payable Team, ongoing).
2. To continue to review processes across the whole team to develop automation in processing as much as possible to reduce processing time, freeing staff time to enforce non-compliance of purchasing processes (Accounts Payable Team, ongoing).
3. Continue to work with suppliers to ensure they do not invoice the council without a valid Purchase Order number (Accounts Payable Team, ongoing).
4. We are continuing to explore alternative payment solutions with Lloyds Bank, our finance system supplier and our Orbis partners (e.g. e-invoicing, e-pay virtual, lodged cards) with the aim of providing services with the most effective purchasing and payment options and this is being prioritised by Business Operations. (P2P, Banking & Income Operations Lead, ongoing).
5. We are exploring the option of supplier invoices coming in centrally to Accounts Payable, rather than being sent to services. As part of e-invoicing Brighton & Hove Buses are emailing their invoices directly to Corporate Accounts Payable, with a view of contacting other large suppliers once this process is working well. (Accounts Payable Team, ongoing).

% of Purchase Orders raised on ordering rather than when invoiced [Corporate - council]	**%**	**80.00**	**57.39**	 **Improving**

Position:
Between April and Sept 2019 57.39% of purchase orders were raised on ordering rather than when invoiced. This shows a slight improvement from 52.97% for the same period last year, which indicates the targeted approach with services is having an impact, but there is clearly more work in this area to do.

The quarter by quarter trend is:
Apr to Sep 18 = 52.97%
Apr to Dec 18 = 54.16%
Apr to Mar 19 = 54.8%
Apr to Jun 19 = 53.15%
Apr to Sep 19 = 57.39%

There is no benchmark for this indicator but the challenging and necessary 80% target was set to improve compliance with the process known as Purchase to Pay. Purchase to Pay means raising an electronic purchase order and sending this to the supplier who then quotes this order when they eventually send their invoice for the goods or services. Compliance is important for a wide range of reasons including:
a) it improves commitment accounting and therefore the quality of financial forecasts across the council;
b) it helps to speed up the process of paying invoices by being able to automatically match invoices to purchase orders - this helps to meet government Prompt Payment guidelines and avoid late payment penalties;
c) it provides qualitative and quantitative management information concerning purchasing activity and enables monitoring of compliance with Contract Standing Orders and purchasing behaviours (e.g. on or off contract activity).
All budget managers are provided with monthly reports highlighting non-compliant purchases (invoices) known as 'retrospective orders'.

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

Commentary:
Of the 6,573 orders raised in Qtr2, 4,066 were raised in compliance, detailing a 61.86% for the quarter compared to the target of 80% and bringing the cumulative total to 57.39%. ELT and DMTs wish to see significant improvement in compliance for the reasons stated above. Improving compliance will take time and effort as the wide range of procurement practices deployed across the council require different responses and solutions ranging from training financial administrators with under-developed skills to finding solutions for complex call-off purchasing arrangements without creating an inefficient and onerous administrative burden. Primary focus is on the integration of a new Contract Management Module with financial system data as this has the best prospect of improving compliance. Once implemented, purchasing that is 'off contract' will be highlighted to managers and Corporate Procurement. These purchases can be examined to determine if any action is required, e.g. whether a procurement project is required.
Consideration needs to be shown that one service has been given sanction by our section 151 officer to raise retrospective orders due to working practices and therefore this will impact our figures.

Actions:
1. RAG rated reporting to ELT members to raise the profile of non-compliance. This information is presented alongside TBM (with more detailed being sent to budget holders) and the intention is to include the RAG rating information in monthly reports (Deputy Chief Finance Officer, monthly).
2. Critically, implementation of the Civica Contract Module (business case approved by CMDB) which enables non-compliance to be detected easily and provides effective MI and exception reporting. The Contracts module is in use on the live Purchasing system, with more contracts being added all the time as more teams are involved around the council or newly awarded contracts are added. (Head of Procurement, ongoing as contracts are created).
3. Continuing to identify high volume non-compliant areas from available data. (Head of Procurement/Accounts Payable Team, ongoing);
4. Report presented to Orbis Customer Board with areas with low compliance highlighted. (Accounts Payable Team, ongoing)
5. Continuing to work on a daily basis with suppliers and visiting service areas to promote purchasing compliance. (Accounts Payable Team, ongoing)

Average number of working days / shifts lost per Full Time Equivalent (FTE) due to sickness absence (not including schools) [Corporate - council]	**No.**	**4.86**	**5.19**	 **Declining**

Position:
The target of 9.7 days is set to benchmark against the CIPFA HR Benchmarking Club. The quarterly target is 2.43 days. The target has remained unchanged for 2019/20 in order to monitor progress. This data is based on absences due to sickness from 1st July 2019 to 31st September 2019. This high level data became available on October 15th 2019. The average days lost due to sickness absence in Quarter 2 was 2.55 days, which is above the quarterly target of 2.43 days and is therefore an AMBER RAG rating. It should be noted that this is lower than Quarter 1 which was 2.64 days but higher than the same period last year.
The quarter by quarter trend is:
Apr to Jun 17 = 2.41
Jul to Sep 17 = 2.63
Oct to Dec 17 = 2.59
Jan to Mar 18 = 2.94
Apr to Mar 18 = 10.57
Apr to Jun 18 = 2.33
Jul to Sep 18 = 2.42

Oct to Dec 18 = 2.60
Jan to Mar 19 = 2.74
Apr 18 to Mar 19 = 10.09
Apr to Jun 19 = 2.64
Jul to Sep 19 = 2.55
The projected outcome for 19/20 as at quarter 2 is 10.75 days.

Commentary:
- This quarter the highest specified reason for absence was stress and mental health conditions which account for 31.8% of all absences (this is slightly lower than Q1 which was 31.99%).
- The attendance management system and sickness reporting process, FirstCare was launched across the Council (except in schools) on the 1st December 2017. All absence recording is done by FirstCare rather than line managers.
- One of the benefits of FirstCare has been the access to immediate medical advice from a nurse and a number of staff have reported back to HR on the advice they have received and how useful they found this aspect of the service.
- The completion of return to work interviews (RTWI's) across the council has reduced in Q2 to 69% from 72.4% in Q1. The key reason given in Q2 is conflicting work patterns. A new return to work video has recently been launched and will be used to encourage more mangers to complete them.
- A new Attendance & Wellbeing team has been set up as part of the HR advisory team. This is a very positive development as it means the council now has a dedicated team to support managers with managing attendance, sickness and wellbeing.
- The new Attendance & Wellbeing team have recently formed but are already working with managers to raise the impact and profile of the new team in a number of ways.

The team:
- Have strong internal links with the Our People Promise Wellbeing agenda. The manager of the new attendance and wellbeing team sits on the Wellbeing Steering group and on the mental health sub group. This will ensure all interventions are joined up, meaningful, relevant and directly feed into the BHCC agenda and priorities.
- Are building stronger relationships with the Disabled Workers and Carers Network (DWCN) forum, attending disability pride and other forum events such as the neuro – diversity event.
- Are using FirstCare data and a new reporting approach to manage and monitor casework and apply a consistent approach to managing sickness and attendance.
- Are using FirstCare data to drill down into sickness trends and offer targeted support to mangers and service areas and provide HR Business partners with clear data and narrative for their Directorate Management Teams.
- Are producing quarterly stress reports to drill down into stress across BHCC and target support as required.
- Are supporting high priority services with dedicated support - such as weekly surgeries at Cityclean and attending a manager event in Families, Children and Learning.
- Have plans communications and launch materials in BHCC to mark National Mental Health Awareness day on October 10th .
- Have attended key training sessions including Neurodiversity and Mental Health Awareness.
- Are developing new resources for the team to use with managers such as checklists and consistent emails.
- Have reviewed and updated the current group and online attendance training for BHCC managers.
- Are building links with the BHCC health and safety team and the ESCC Orbis attendance and wellbeing team to ensure best practise is followed at all times.

Actions for Improvement:
1. The implementation of FirstCare for the council (which came in on 1st December 2017), will continue to be monitored and regular review meetings are set up with FirstCare to manage this

contract. The extension to the contract will be going to the procurement board in October 2019 (Lead HR Consultant Action, October 14th 2019).
2. Return to Work – BHCC needs to improve on the return to work rate. The new team will be promoting the new video on the Intranet (Wave) with managers and promoting return to works in all areas. We aim to encourage managers to take full responsibility for conducting their return to works (Lead HR Consultant, Ongoing).
3. The Attendance Management Procedure has been reviewed and a new Attendance Policy, Process & Procedure and Toolkit is going to P&R Committee on October 10th 2019 (HR Our People Promise Business Partner, October 10th 2019).
4. All of the above feed into the work on the Our People Promise Well-being agenda (including the establishment of the Well-being Steering Group) for our staff, which is being driven through the Executive Director of Finance & Resources and health and safety colleagues.

Some of the activity taking place includes:
- Planning for World Mental Health Awareness Day – October 10th. Range of internal and national resources will be promoted across the organisation, including the Staff Support pages on the Wave and Wellness Action Plans
- Continued delivery of Pensions Awareness Sessions.
- Delivery of the Menopause sessions which have been incredibly popular.
- Delivery of Mental Health Practical skills for managers training with further sessions planned this year.
- Rebrand and refocus of Resilience training and additional sessions added.
- Physical Activities are being promoted by our Healthy Lifestyles team e.g. pilates sessions have been run at the Royal Pavilion and yoga at Hove Town Hall.
- Targeted NHS Health checks in City Clean /City Parks and in Knoll House. Funding for wider roll-out of NHS health checks has been agreed.

(Head of Health & Safety, ongoing).

High priority Health & Safety audit recommendations progressed within agreed timescales. [Corporate - council]	**%**	**100.00**	**95.00**	AMBER **Declining**

Position:
Between July – September 2019 audit and assurance activity has continued to focus on Working at Heights arrangements, reviewing Event Management Plans, Team Safety audits, Independent Care Home audits and Fire Risk Assessments. A key focus of assurance has been Working at Heights arrangements across the organisation a summary of this activity is included below:

Working at heights update:
The corporate assurance group continues to oversee this work. The group met on 2 October 2019. The update since the last quarter: A total of 88 teams have been contacted by Health & Safety to follow up on risk assessment reviews. The Lead H&S consultant undertaking this work is reporting to the assurance group including an overview of those services who have not responded to agree follow-up action. In addition to the desktop reviews, full inspection / reviews have also commenced. A programme of 2 visits per week is underway which will cover the 23 teams assessed as requiring full inspections. This will also be tracked by the assurance group. Significant issues, control gaps, themes and areas of best practice are being escalated by the inspection team to the relevant Executive Director and members of the assurance group. An approach to developing an organisational risk profile has been developed and was approved by the assurance group this work will be lead by the Compliance and Transformation Manager and will have input from the Leadership Network. The output from this will inform the development of new key performance indicators which will be recommended for inclusion in the corporate performance framework for the new performance reporting year.
The Head of Health & Safety has identified that the councils assurance framework lacks any

independent scrutiny to provide oversight. Scoping is underway to build this into the councils governance arrangements.
In addition to the working at height assurance work, a total of 3 x Team Safety health & safety audits, 3 x Independent Care Home audits and 23 x fire risk assessments (FRA's) have been undertaken, covering a number of directorates and assurance subjects. These included:

Audit update:
- 2 x Team Safety audits (schools) and 1 x (Corporate Service, 1 x Families, Children & Learning Services, 3 x Independent Care Home Audits on behalf of Professional Standards, Safeguarding and Quality

Fire safety assurance update
- 6 x FRA's Schools, 13 x Corporate & Operational buildings (Parks & Recreational Buildings, Children's Centres, Libraries), 2 x Hostels & 2 In-house Residential Care Homes

Commentary:
An assurance group, chaired by the Executive Director, Finance and Resources has been established. This continues to meet at least 6 weekly to progress identified actions.
Other assurance activity – work on Control of Vibration continues to provide managers a 'walk through' process to assist with their local safety management arrangements. The Health & Safety team have developed the proposed process with a view to piloting in City Parks. Managers in this service report they do not have capacity or resource to trial any new approach at this time. The lack of progress in this service has been escalated to the Head of Service and Assistant Director.
All audits have agreed management action plans, with defined timescales for action which have been agreed by the service manager.
There are no high priority actions outstanding from this period that are not being followed up by relevant service managers, however not all services have submitted their working at heights responses for review. Oversight is being provided by the Corporate Assurance Group.

Actions for improvement:
1. Working at height assurance to be a standing item on the Assurance Group agenda (Executive Director, Finance & Resources, Ongoing).
2. Prepare and present health & safety assurance reports to the Assurance Group (Compliance & Transformation Manager, Ongoing).
3. Follow up all non-returns for working at height assurance checks (Executive Directors all Directorates, October 2019).
4. Ensure responsibility and resource is assigned for working at height reviews and targeted audits according to a risk based approach (Head of Health & Safety, Ongoing).
5. Confirm a date for Control of Vibration process to be tested in City Parks, (Head of City Parks, October 2019).
6. Arrange organisational risk profile workshops with Leadership Network and managers (Compliance and Transformation Manager, November 2019).
7. Use outcome of organisational risk profile to inform future health, safety and wellbeing service resource allocation & assurance approach (Head of Health & Safety, January 2020).
8. Commission a provider to undertake independent assurance of the councils Safety Management Framework and governance (Head of Health & Safety, November 2019).

2019-20 Health & Adult Social Care - Council (Corporate) - quarterly reporting

% of carers assessments completed [Corporate - council]	**%**	**75.00**	**78.41**	 GREEN **Improving**

Position:
2019/20 Q2 Figure: 78.41%

1395 of 1779 people in receipt of Carer Support provided during the year have received a completed assessment.

Gender: 924 Female (66.24%), 451 Male (32.33%), 20 Indeterminate/Unknown (1.43%)
Age Bands: 10 clients under 18 (0.72%), 33 clients between 18 and 25 (2.37%), 767 clients between 26–64 (54.98%), 399 clients between 65-84 (28.6%) and 186 clients 85+ (13.33%).

2019/20 Target: 75%

This is a local indicator therefore comparator information is not available.

Commentary:

Q2 performance represents a significant increase on Q1 performance (76.8%), which reflects the continued development work to engage and assess more unpaid carers within the City. Currently in the process of restructuring the Adult Social Care response for carers, ensuring that the Carers Assessment Workers are within the 'first response' of the ASC. Developing carers assessment process into a Carers Well Being Plan, with more of a focus on future planning to build resilience.

This quarter we have focused on the development of the Mental Health Carers Assessment Workers, and evaluating the impact of their roles, in order to make decisions on future provision (they have been in place since 5.11.18). The roles have been very positively received by our partners within Sussex Partnership Foundation Trust, and the increase in assessment for carers of people with mental health needs reflect the dedicated work they have been providing, regarding both raising awareness and assessments.

Continuing to develop support for unpaid carers employed by BHCC, to ensure they are supported and aware of the services available – this will be a focus for Carers Rights Day. A report of the issues and potential resources for unpaid carers, was presented to Human Resources, with continued discussions.

Increased working with Primary Care to ensure that the new Primary Care Networks are 'carer focused', and continue to promote the electronic primary care carers referral process. Additionally, involved in the Frailty Programme to ensure that the needs of carers are central to the development of local health care services.

Young Adult Carers Drop in Sessions began October 19, providing a range of support for young carers aged between 16 years and 25years old.

The draft refresh of the Carers Strategy was presented to the Carers Strategy Group in June 19 and is currently being developed to incorporate key strategic documents, in preparation final presentation to the Health and Wellbeing Board in Jan 20.
Completion of a Sussex wide application for the Carers Innovation Fund (Department of Health and Social Care), the bid is for a range of resources across East Sussex; West Sussex; and Brighton and Hove. We will find out if we are through to round 2 on the 21.10.19.

Actions:
1. Continue to refresh the local Carers Strategy, with a final report due to be presented to the Health and Wellbeing Board in Jan 20. With a clear element of the strategy to focus on the continued identification of carers, and to ensure that Brighton and Hove is a Carer Friendly City, and to ensure it reflects the finding of the Carers UK Sate of Caring report 2019. (Carers Commissioning Manager, Dec 19)
2. Development of the cross agency Young Adult Carers Group, to take forward issues related

to the needs of carers aged 16 to 25 years old (Carers Commissioning Manager, Nov 19).
3. Development of a Carers dashboard to include analysis of placements following carer breakdown, holistic look at carers/clients support, comparison of average package costs for those with/without carers. Performance Lead, General Manager and Peopletoo scheduled to meet Nov 19.
4. Development of the 'offer' of support for unpaid carers employed by BHCC. (Carers Commissioning Manager, Nov 19).
5. Planning for national Carers Rights Day, on the 30.11.19, launching and promoting a range of support for carers employed by BHCC, as well as the wider population. The events will be jointly held by the Council and the Carers Hub. (Carers Commissioning Manager, Nov 19).
6. Planning for the Young Carers Awareness Day, 30.1.20, planning in partnership with the Young Carers Project to have an evening event, with speakers and awards, building on the success of last years event. (Carers Commissioning Manager, Jan 2020).

Permanent admissions of older adults (65+) to residential and nursing care homes per 100,000 population [Corporate - council]	**No.**	**326.60**	**393.90**	 AMBER **Declining**

Position:
Between Mar 19 and Aug 19 there were 151 admissions of older adults (65+) to residential care homes.
The monthly numbers of admissions is:
Mar 19: 24
Apr 19: 22
May 19: 26
Jun 19: 30
Jul 19: 36
Aug 19: 13

Total: 151

Figures can be subject to some fluctuation during the year due to retrospective adding of service agreements (causing figures to increase) and retrospective awarding of continuing health funding (causing figures to decrease).
The Performance Indicator (PI) is expressed per 100,000 population.
Latest 65+ Population estimate based on mid-2017 figures is 38330
2019/20 Q2 PI Value (Mar 19 – Aug 19): 393.9 (151 admissions)
2018/19 Q2 PI Value: 388.7 (149 new admissions for over 65s)

2016/17 PI Value: 717.01 (273 new admissions for over 65s)
2015/16 PI Value: 793.16 (295 new admissions for over 65s)
Comparative Data:
2014/15 National PI Value: 658.5
2015/16 National PI Value: 628.2
2016/17 National PI Value: 610.7
2017/18 National PI Value: 585.63
2016/17 Comparator Group PI Value: 701.8
2017/18 Comparator Group PI Value: 653.16

Demographic breakdown of admissions:
Age Groups: 22 admissions 65-74 year olds (14.57%), 46 admissions 75-84 year olds (30.46%), 83 admissions for 85+ year olds (54.97%).
Genders: 97 Females (64.24%), 54 Males (35.76%)
Primary Support Reasons: 8 Mental Health Support (5.30%), 100 Physical Support (66.23%), 43 Support with Memory & Cognition (28.48%).

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

Commentary:
Reducing levels of long term admission to residential and nursing care for older adults remains a key priority for the directorate. Mar-Aug 19 data shows a deteriorating picture against the equivalent period last year and levels of admission remain above the latest reported comparator average.

Improved performance on Delayed Transfer of Care out of acute hospital settings has resulted in an increased pace of admissions to long term care particularly within nursing home settings. Approximately 1/3 of new long term care admissions in 2018 followed on from a spell in acute hospital settings (with 60% of these in to nursing home placements). Of the 43 residential care admissions that followed an acute hospital spell 21 were placed directly from hospital settings, however, our aim is that no one should be admitted directly to residential settings from hospital. A number of joint initiatives are already in place e.g. Homefirst scheme to enable more effective discharge from inpatient care and ensure that people are assessed in their home environment and given the optimum opportunity to rehabilitate and stabilise. We are also working with Health partners to undertake system demand and capacity modelling to identify opportunities for development of alternative step down models to residential care.

Collaboration of health and social care services will enable us to create more effective preventative services, early intervention and sources of support that seek to challenge reliance on formal social care services and promote an asset based approach drawing in resources from wider communities and partner organisations.

We have been successful in bidding for a Darzi fellow to work on our project exploring opportunities to reduce levels of long term care admission through use of linked data. This work commenced in April and will support the health and care system to think about how we can intervene earlier to delay or prevent long term care admission.

Actions:
1. Darzi fellow seconded to HASC Performance and Business Improvement team for one year (funded by Darzi scheme) looking at how we can use data to intervene earlier to reduce levels of admission to long term care (Darzi fellow Project completion April 2020)
2. Clarity needed on placement policy from hospital. Clear guidance needed for staff on circumstances in which placements should be deemed as ‘short term’ or ‘long term’ (Assistant Director Ongoing)
3. Targeted reviewed for those who have recently been placed in care from hospital settings (Targeted Review team Ongoing)
4. Further refinement and development of Discharge to Assess pathways - home and bedded settings (Assistant Director and Head of Performance, Head of Commissioning Ongoing)

% of social care clients receiving Direct Payments [Corporate - council]	**%**	**25.80**	**24.86**	AMBER **Improving**

Position:
As of the end of Sep 19 the percentage of people using social care in receipt of Direct Payments was 24.86%
Clients receiving Direct Payments: 565
Clients in receipt of long term community based services: 2273
2018/19 Target is 25.80%
The Q2 figure represents a slight increase from the previous year (at year-end):
2018/19 24.46% (551 Direct Payment recipients)
2017/18 24.23% (565 Direct Payment recipients)
2016/17 25.09% (589 Direct Payment recipients)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

2015/16 21.41% (529 Direct Payments recipients)
2014/15 19.62% (504 Direct Payments recipients)
2017/18 comparator group average is 25.76%
2017/18 National (All England) PI figure is 28.47%

Demographic breakdown
Gender: 343 of clients are female (60.71%), 220 of clients are male (38.94), 2 Indeterminate (0.35%).
Age Bands: 450 clients are 18-64 (79.65%) and 115 clients are 65 and over (20.35%).
Ethnicity: 480 clients are White (84.96%), 14 clients are Asian or Asian British (2.48%), 12 clients are Black or Black British (2.12%), 23 clients are Mixed (4.07%), 22 clients are from Other Ethnic Groups (3.89%), 14 clients are Not Stated (2.48%).
Commentary:

Performance in this indicator has plateaued in line with national/comparator group performance. However improving uptake of Direct Payments, and experience for those receiving direct payments, remains a priority.

Direct payments can offer increased flexibility for those wishing to make their own care arrangements whilst representing a lower cost way to meet statutory duties under the Care Act than care commissioned by the Local Authority.

In April 2018 the council awarded a new contract to People Plus to provide advice, information and support to potential and current direct payment recipients. Clear information on Direct payments is critical for uptake and the new provider is expecting to improve and simplify information to help more people make the initial first steps and reduce anxiety at becoming an employer and offering an empowering approach.

The first review of the new contract in January 2019 was positive but it is important that we better understand barriers to take up of direct payments so we can drive improvement in this indicator.

We include an overview of direct payments as part of our 3 day Assessment Pathway training programme, which is mandatory for staff carrying out Care Act assessments. As part of this training staff identified it would be helpful to relaunch the Direct Payment offer with a focused task and finish group to increase staff awareness and develop communication on the Direct Payment for staff and citizens.

Actions

1. Development of new Tableau Direct Payments KPI dashboard. Engaging with Operational Managers to ensure metrics in place to track performance and identify any future requirements (Performance & Business Improvement Team, Dec 19)
2. Direct Payment training to be targeted at areas of lowest performance (Social Work Professional educator, Ongoing)
3. Meet with Direct Payment Support Provider to define and agree actions to improve take up of Direct Payments and strengthen Direct Payment personal assistant market (Head of Commissioning, Sep 20)
4. Further financial modelling on the impact of increasing Direct Payment uptake with potential commissioning options (Accountant, Mar 20)

Number of delayed transfers of care attributable to social care per 100,000 population [Corporate - council]	**No.**	**4.70**	**5.16**	 **Declining**

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

Position:
Published data is lagged by one month.
DToCs Attributable to Social Care per 100,000 Q2 figure for 2019-20 (Apr 19 – Jul 19) is 5.16
For comparison Q2 DToC figure for 2018-19 was 3.28 (Apr 18 –Sep 18)
The updated population estimate based on mid-2017 figures is 237170.
2019/20 whole year target of 4.70 has been set as a Maintenance Target based on 17/18 result.
There have been 1,493 total delayed days attributed to social care in the Q2 period (Apr 19 – Jul 19), of which 523(35.03%) were in acute care and 970 (64.97%) in non-acute care.
2017/18 Brighton & Hove PI Figure: 3.41
2017/18 National average PI: 4.34
2016/17 Brighton & Hove PI Figure: 3.53 (recalculated)
2016/17 National average PI: 4.91(recalculated)

Commentary:
DToCs are a composite of hospital and mental health discharges attributable to Health, Social Care or both. Hospital DToC performance for social Care has seen consistent improvement and now operates within the agreed 3.5% national target. Collective performance is not to the same level for a range of health and social care reasons which continue to be identified and addressed. The greater challenge in the city relates to mental health DToC and it is performance in this area which presents the challenge behind this RAG rating.
The challenge relates specifically to identifying appropriate move-on accommodation for mental health clients from acute hospital settings and commissioning options are being developed to address this gap.

As of the end of Jul 19, performance against this indicator is 5.16, which is above the proposed Quarter 2 target of 4.70.
Locally, the proportion of delays attributable to Social Care is 42.6%, which is above the Jul 19 national average of 29.8%
Nationally, 60.6% of all delays in Jul 19 were attributable to the NHS, 29.8% were attributable to Social Care and the remaining 9.6% were attributable to both NHS and Social Care.
Locally, as of the end of Jul 19, 41.0% of delayed days were attributable to the NHS, 42.6% were attributable to Social Care and the remaining 16.4% were attributable to both NHS and Social Care.
During this period (Apr 19 – Jul 19), non-acute delays from mental health settings at Sussex Partnership Foundation Trust (SPFT) accounted for 57.13% of delays.
The main issue cited by SPFT is lack of capacity in the community for mental health housing, temporary accommodation and residential/care home capacity and the complexity of need for some patients which has resulted in providers declining patients following assessment. BHCC Commissioning colleagues are supporting providers to diversify so that they can better meet the needs of people with mental health issues. This work to improve flow from hospital for patients with mental health needs is being funded using money from the Improved Better Care Fund.
Recent position – increase in demand for 24Hour care and support (placements), likely linked to increased level of acuity/complexity of needs. This is combined with an increased challenge on accessing provision.
The Council is working closely with CCG commissioners to ensure that mental health supported accommodation pathways meet the needs of those being discharged from hospital and where gaps in provision are identified relevant services are commissioned.
In order to support the management of DTOCs it is essential that all providers work collaboratively.
BHCC and SCFT have aligned staff resources so that social workers are based within the community SCFT team. This allows improved multidisciplinary case management and ensures that people can be discharged home earlier and supported more effectively in the community.
The Council continues to work with providers across the city to identify areas for market diversification to ensure supply is in line with current demand trends. When people require a care home bed, every effort is made to offer a place in the city. If this is not possible due to

market capacity, people are offered placements locally in East & West Sussex.
Health and Social care provider capacity and responsiveness of services continue to be identified and addressed. Further development of the Care Matching function including improved systems and reporting will support this work.
ASC continues to work closely with other partners in Health and the 3rd sector in providing a Discharge to Assess approach (Home First). It is a flexible model which allows staff to identify patients on the wards who can be taken home with support. The aim of Home First is to enable the safe discharge to home of frail and elderly patients as soon as they are medically fit to leave hospital. The care provided at home is centred round the needs of the patient. This model is person-centred and flexible as it enables patients to set and achieve their goals in their own home. For HASC this has meant comprehensive (Care Act) assessments are completed with the person, in their home, rather than on a ward.
Restructure of Social Work assessment capacity completed in December 2018 enabling an increase of social work staff aligned to community (HomeFirst) and admission avoidance. This different way of working has enabled us to have a duty cluster so we can respond more effectively to escalation and surge in demand.

Actions:
1. Participate in a regular MADE (Multi Agency Accelerated Discharge Event) meetings - involving colleagues in BSUH / CCG each week to support flow in the system. These are held once a week and are attended by senior staff in Hospital Social Work services. These MADE events are designed to support patient discharge, improve flow and enable timely escalation. A MADE team consists of senior managers and clinicians that review every ward patient to identify reasons for delays that can be resolved 'on the spot' and any barriers to patients achieving their future target date for discharge.
(Senior managers, Ongoing) – These weekly events have been reviewing every patient while the Hospital is reporting OPEL 3 or 4. When less than this the review is of those patients who are 'stranded' (been in Hospital for 7 days or more)
In addition to BSUH - weekly MADE event s are also held across Community Services (e.g. Craven Vale, Knoll House). (Assistant Director of HASC, Ongoing).
2. Maintain representation on the A&E Delivery Board where strategic and operational action plans are developed / monitored to address the local issues and create collaborative solutions. We dial into a system call on key weekends; bank holidays and on weekends where big events are held (i.e. PRIDE) (Director/Assistant Directors of HASC, Ongoing).
3. Participate in the daily BSUH DTOC and complex discharge calls (with colleagues from BHCC, CCG, SCFT AND BSUH) This enables all partners to participate in solution focused discussions to maximise flow and prevent avoidable delays. (Assistant Director of HASC, Ongoing).
4. Participate in the fortnightly SPFT/Local Authority DToC call regarding mental health delays (Assistant Director of HASC, Ongoing).
5. Management attendance on Conference Call (3 times per week)with Coastal Homecare (Homefirst) and system partners to discuss the flow of patients from Coastal

The Discharge to Assess (Homefirst) approach is to be further developed and utilised within all wards of the hospital (BSUH). The aim is to enable the discharge home of patients at the earliest opportunity once medically fit to do so.

Telecare - % of telecare recipients with no community care funded support package [Corporate - Council] - baseline year	**%**		**N/A**	**Trend**

This new indicator replaces the previous telecare indicator which measured the proportion of care and support plans which had telecare as a component. The rationale for the change is to evidence the preventative value of assistive technology in delaying or reducing the need for formal social care. This indicator will be based on data from the 'Jontek' Telecare system.

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

Under the Eclipse Digital programme we are working with the system supplier to improve access to data and reporting. Once this work is complete we will be able to access the data required to report on this new indicator.
Update Oct 19:
Eclipse Digital Business Analyst appointed Oct 19
Eclipse Digital programme requirements and product scoping taking place in Oct – Nov 19 with access to Jontek/Telecare data as a priority workstream.
Technical and configuration Issues identified with Jontek migration and implementation of upgraded system into the ORBIS Data Centre – awaiting resolution with IT&D.

2019-20 Housing Neighbourhoods & Communities - Council (Corporate) - quarterly

Housing Tenants: Rent collected as % of rent due [Corporate - council]	**%**	**97.20**	**97.19**	 **Declining**

Position:
The 2019/20 rent collection rate forecast for council housing tenants is 97.19%.
This would amount to £50,062,753 collected by the end of the financial year.
The quarter by quarter trend is:
Sep 2019 = 97.19% (annual forecast)
Jun 2019 = 97.51% (annual forecast)
Mar 2019 = 97.81% (actual)
Dec 2018 = 98.10% (annual forecast)
Sep 2018 = 98.31% (annual forecast)
Jun 2018 = 98.56% (annual forecast)
Mar 2018 = 98.66% (actual)
Performance has decreased by 0.32% points between June and September 2019.
The target of 97.20% was set based on a projected small drop in performance due to the impact of Universal Credit (UC).
Provisional benchmarking data from Housemark for 2018/19 indicates that top quartile performance was around this level (97.5%) before accounting for the further impact of UC since then. Based on arrears data from HouseMark members for 2018/19, the comparator median was 96.4% for local authorities. The Quarter 1 2019/20 median is 95.6% so has decreased
At the end of September 2019, 62% of total tenants' rent arrears belong to households known by Housing to be claiming UC. By contrast, these households are 15% of total households (1,759 of 11,443).
Of the UC households who are in rent arrears, 39% (445 of 1,153) have an Alternative Payment Arrangement (APA) in place. Tenants placed on an APA have their housing costs paid directly to the council, instead of to their personal accounts.
Tenants aged under 55 tend to have the highest arrears levels, as they comprise 51% of tenants but 82% of arrears. Furthermore, 78% of tenants on UC are within this age group.

Commentary:
Performance is holding up well in light of the increasing challenges posed by UC which is the most serious threat to the collection of Housing Revenue Account (HRA) income for decades.
The ability to collect rents from tenants has a significant financial impact because it determines the resources available to spend on the management and maintenance of tenants' properties through the HRA.
Tenants claiming UC are much more likely to have rent arrears and it is vital that they receive the right information and support as soon as possible after they claim the new benefit.
The council's Housing Income Management Team has procedures in place to formalise the way they help tenants affected by UC, but with an average of 17 new UC cases each week, managing UC arrears cases and non-UC arrears cases is putting great pressure on the service.
The Housing Management System Replacement Project Team has a provisional plan to pilot and rollout the use of mobile working devices during the second half of the 2020/21 financial

year, although more specific dates are still to be confirmed with the supplier.

Actions:
1. Carry out a recruitment drive to recruit to all existing team vacancies by January 2020 (Housing Income Manager, Jan 20)
2. Review all accounts in arrears and make sure tenants on UC who are eligible for an APA have one in place. (Housing Income Manager, Oct 19)
3. Look into how technology can support income collection and arrears minimisation e.g. Housing app, text message notifications/reminders, mobile working possibilities (Housing Systems Implementation Programme Manager, Mar 21)

% of the council's homes that meet the government's Decent Homes Standard [Corporate - council]	**%**	**100.00**	**100.00**	 **No change**

Position:
The target is to ensure that all Council homes meet the Decent Homes Standard (100% decency or 0% non-decent) throughout the year. At the end of September 2019 all 11,585 Council owned dwellings met the Decent Homes Standard. This level of performance was first achieved in December 2013 and has been maintained since September 2015. Progress against planned programmes of work and meeting the Decent Homes Standard are monitored on a quarterly basis.

Commentary:
The council holds asset information for each property on its Asset Management System (Apex) including the age and condition of the individual elements such as kitchens, bathrooms and windows. This information is used to determine if a property meets the Decent Homes Standard and to prioritise improvement works. Properties can potentially become non-decent on the 1st of January each year when the age of each asset element is updated.

Information from the Apex system is used to identify homes that will require planned works in the forthcoming year to ensure they continue to meet the Decent Homes Standard. The budget for decent homes work is set in accordance with the Council's Housing Asset Management Strategy priority of "investing in homes and neighbourhoods".

The following planned works and gas boiler installations have been completed from July to September 2019 to help maintain the Decent Homes Standard in Council owned homes:

- 95 new kitchens
- 26 new bathrooms
- 2 new doors fitted
- 100 new window installations
- 80 properties rewired
- 8 new roofs installed
- 181 new gas boilers installed.

In addition the Council's contractors carried out a total of 95 (42 normal and 53 major) repairs to empty properties during the same period before they were re-let. New kitchens and bathrooms will be installed in empty properties where required to meet the Decent Homes standard.

The Property and Investment Team are currently undertaking the following work to ensure that the Council is able to maintain 100% decency going forward:

- A sample stock condition survey (20% of homes) to ensure that Housing has up-to-date and accurate information about its stock. The survey will be used to validate existing data and

provide a sound basis to inform investment decisions, including future planned and capital works. It will also identify any immediate remedial works that need to be completed to comply with health and safety requirements and the need for further survey works.

• Procurement of Housing's planned and capital works from April 2020 following the end of the current Partnership with Mears Group. Planned works will be let in seven Lots for kitchens, bathrooms, windows, doors, external decorations, internal decorations and electrical works. Contract documentation is due for completion by the end of October.

Actions
1. Complete sample stock condition survey (Head of Housing Repairs & Improvement, due for completion by end of December 2019)
2. Finalise specifications and carry out procurement process for Housing planned and capital works (Head of Housing Repairs & Improvement, for contract start date of 1st April 2020).

2019-20 Strategy Governance & Law - Council (Corporate) - quarterly reporting

Number of Stage 1 Complaints received by corporate Customer Feedback Team [Corporate - council]	**No.**		**820.00**	**Trend Decreasing trend**

Position:
In this financial year for Q1 and Q2 (March 19 to August 19), the total number of complaints = 820
In the same period last year, the figure was 1012
This represents a reducing trend and a reduction of 19%. There is no target set for this indicator as we don't want to inadvertently discourage customers from complaining. Feedback from customers gives valuable insight into potential service improvements needed.
The council has a three stage process for formal complaints, Stage 1 is the first stage of the formal process these complaints are investigated and responded to by the service concerned. We aim to respond to Stage 1 complaints within 10 working days as through research we know that an early and effective resolution of compliant positively impacts on customer satisfaction.

Year to date 2019/20 63% responded to within 10 working days, 92% within 20 days.
Full year 2018/19 63% responded to within 10 working days, 81% within 20 days.

Equalities monitoring data has been provided by a limited number of customers so should not be considered representative of all complaints received. The Customer Feedback Team continue to increase promotion submitting complaints through web-form, as this is the most discreet and efficient way of collecting equalities data.

110 (13%) of customers gave information about their gender
103 (13%) gave information about their age
101 (12%) gave information about their ethnicity
75 (9%) gave information about their religious beliefs
78 (10%) gave information about their sexual orientation
43 (5%) gave information about whether they had a disability or long-term health condition

From the limited data, the representation of demographic groups is broadly aligned with the city demographic profile from the Census in 2011, with the exception of age, where 45% (46 customers) of complaints (from those who provided information about their age) were from those aged 45 -64 compared to the make-up of the city where 27% of the population are aged 45-64.

Commentary:

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

The services with most complaints so far in 2019/20 are:
CityClean – 242, Housing – 209 (Property & Investment, Repairs and Tenancy teams), Parking - 75, Revenues & Benefits – 62

Compared to same time last year, the services with most significant changes in the volume of Stage 1 complaints received are:
CityClean - 35% reduction (from 374 to 242 complaints)
Parking – 20% reduction (from 94 to 75 complaints)
Transport (not including Parking) – 43% reduction (from 35 to 20 complaints)

There are no services that have seen a significant increase compared to last year.

The Customer Experience Steering Group consisting of all key services across the council has been set up to improve consistency, resilience, efficiency and improvements in a way customer services are delivered across the council. A group of Customer Experience Ambassadors (currently 79) are now in place who will improve the way that services are delivered across the organisation by embedding key messages in their team/service which includes learnings from customer feedback.
At Quarterly Customer Feedback Review meetings with service leads and at Departmental Management meetings emphasis is placed on learning from complaints and other customer feedback to inform service improvement and the need to provide timely responses.
Services recognise that there is a need to try to reduce complaints by resolving issues of concern early and that dealing with complaints is costly (stage 1 complaint on average costs £100 and stage 2 £450). The key barrier continues to be capacity issues to develop and drive service improvements.

Actions:
1) Finalising the Customer Experience Strategy and implementing it to deliver our vision of 'Getting things right first time, every time' which will improve customer experience and reduce the number of complaints (Customer Experience Lead, development Dec 19, implementation ongoing)
2) Transport – Half of stage 1 complaints were about the lack of response to service requests, so the teams will put greater focus on their communication with customers, including giving responses to web-form or direct emails to let customers know their request has been dealt with or when the request will be dealt with and actively ask for feedback in those responses. (Head of Transport Projects & Engineering, Dec 19)
3) CityClean continue to work on a programme of modernisation projects to improve the quality of services delivered, including improvements to the information about missed collections provided to customers and contact centre staff through an improved online tool and operations process (Operations Manager and Digital Customer Product Manager, City Environment, December 19).Officers answering complaints to the Cityclean service will spend time based with the Customer Feedback team whilst working on complaint responses, to give them additional focussed support in resolving issues at the initial stage. (Customer Feedback Manager and CityClean officers, December 19)
4) Council Tax have put in place additional resources to reduce the time it takes to process billing changes, as there is currently a high amount of outstanding work, which leads to incorrect bills, increased contact from customers, therefore increased complaints. Aim to reduce time to respond to digital service requests from 25+ days to 10 days (Revenues & Benefits Manager, by end December 19).
5) Housing Management service will begin sharing the 'actions and learnings' identified through complaints with all service managers to ensure cross team learning as well as identification and embedding of best practice. Housing Service Operations Manager, November 2019)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
% of all complaints received by the council that are not resolved at Stage 1 and are escalated to Stage 2 and investigated. [Corporate - council]	**%**	**10.00**	**9.60**	GREEN **Improving**

Position:
The council has a three stage process for formal complaints, Stage 1 is the first stage of the formal process these complaints are investigated and responded to by the service concerned. If customer remains unsatisfied, their complaint is investigated by the corporate Customer Feedback team independent of the service concerned.
This indicator measures the number of complaints which are taken to the second stage of the complaints process and then investigated. This does not include the Adult Social Care functions as there is no Stage 2 in the Adult Social Care statutory complaints process. This indicator has a set target of 9.8% or fewer complaints to be escalated from the initial stage, as this can indicate inadequate responses at Stage 1.The target was set to maintain 2018/19 year end performance.

In Q1&2 of 2019/20, out of 820 complaints, 79 were escalated to stage 2 (9.6%) which means that we are achieving our target of 9.8%.

Commentary:
Services where this escalation target was not achieved are:
City Development & Regeneration 29% (7/24 complaints – 4 of which related to a single Planning Committee decision),
Transport (not including Parking) 20% (3/15 complaints),
Tenancy Services and Income, Involvement & Improvement services 15% (10/67 complaints),
Housing Needs 13% (7/55 complaints).

The financial costs and reputational damage caused by a failure to resolve complaints at S1 are significant. For Stage 1 complaints the cost of processing, investigating and responding is about £100 (including Customer Feedback Team and service manager), for Stage 2 that cost is about £450 (including contribution from service manager).

Customer Feedback Managers deliver training courses in 'Complaint Investigation Skills and Service Improvement' along with individually tailored training and coaching as needed.
Customer Feedback Managers analyse Stage 1 responses that are upheld at Stage 2 to understand the reason the case was escalated and provide advice on how to improve the Stage 1 response so that escalation is avoided in future.
10% of complaint responses are being quality assured against the agreed standard developed by the Customer Experience Steering Group. Feedback will be given to individual managers on how responses could be improved. A sentence library has been created as a resource for improving responses and will continue to be updated.

Actions:
1) Housing Needs service stage 2 complaints are spread across the teams, managers will encourage their staff to attend 'Customer Experience Skills' training sessions, as well as ensuring that all new staff attend the Customer Experience mandatory induction sessions. Refresher training on complaints handling will also be recommended to all officers responding to customer complaints. (Head of Housing Needs and Head of Tenancy Services, December 19)
2) Tenancy Services & III will share the Quality Assurance (QA) guidance with all staff to improve Stage 1 responses. Customer Feedback Manager will work with service managers on the QA, so the services can QA a higher % of Stage 1 complaints themselves. (Customer Feedback Manager and Housing Service Operations Manager, December 2019)
3) Transport services have identified that complaints can reduced by improving the process by

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

which enquiries are handled – currently many initial enquiries for Transport and Highway services are handled by the City Environment contact centre then passed over to Transport. Establishing an improved process for these enquiries will mean better responses to initial queries. (Head of Transport Projects & Engineering, December 19)

Number of compliments received from public and external partners [Corporate - council]	**No.**	**687.50**	**778.00**	 GREEN **Improving**

Position:
We are reporting on positive feedback received from members of the public and businesses who receive services from the council and from other agencies who work in collaboration with us. Compliments received from colleagues are included in the information given in quarterly reports to services but are not included in these figures. There is no published benchmarking figure currently available for this indicator.
778 compliments have been received in Q1&2 2019/20, this continues the trend for increased positive feedback, compared to 700 compliments received in the same period in 2018/19, an increase of 11%.

The results by Directorate are:
- Economy, Environment & Culture = 242 (26% increase since 2018/19)
- Families, Children & Learning = 178 (84% increase)
- Finance & Resources = 15 (21% reduction)
- Health & Adult Social Care =79 (16% increase)
- Neighbourhoods, Communities & Housing = 160 (33% reduction)
- Strategy Governance & Law = 103 (39% increase)

Commentary:
“A compliment is where a person praises a member of staff or a service for the work they have done.”
There is value in recording the compliments received, it helps to provide a balanced perspective alongside the complaints received and shows that very many customers are pleased with the services they receive. Additionally, compliments are very useful for motivating teams; it helps remind them that their work is appreciated; receiving positive feedback also reinforces the value of excellent customer service. We look for the common reasons that people send compliments and share this with services; this is a valuable source of learning.
The value of Compliments is promoted in the Complaints Investigation and Service Improvement workshops.

Compliments have been categorised against themes from our Customer Promise:
Clear: 4%
Easy to contact and responsive: 8%
Get things done: 62%
Helpful and supportive: 21%
Respectful: 5%

Actions:
1) The Customer Feedback Team will continue to encourage and remind teams to send their compliments to Customer Feedback using the generic email address as this will enable us to build a picture of what customers find valuable. (Customer Experience Lead, Ongoing.)
2) Compliments received are discussed with services leads in quarterly meetings to inform service improvements and for service leads to share with their teams. (Customer Feedback Managers and Service Lead, next discussions taking place by December 2019)
3) A Wave story featuring compliments is published monthly (Customer Feedback Managers, Ongoing)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS

4) Quarterly customer feedback reports are now being produced in a format which can be published on the wave and shared with staff, focusing on improved performance and individuals receiving compliments (Customer Experience Lead & Customer Feedback Managers, November 2019 and then ongoing)

Scorecard Name	Date From	Date To
2018-19 Strategy Governance & Law - Council	01-Apr-2018	31-Mar-2019

LATE ANNUAL RESULT (Corporate)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
% Local Government and Social Care Ombudsman (LGSCO) complaints upheld or partially upheld [Corporate - council]	**%**	**59.00**	**57.00**	GREEN **Improving**

2017/18 annual result
Position:
The Ombudsman's published figure for complaints upheld for the council in 2018/19 (April to March) is 54%.
This is the latest available information.
We use the benchmarking information provided by the Ombudsman comparing 'similar authorities'.
The target for this indicator is set at the 'similar authorities' average result for 2018/19 which is 55%, so the target has been achieved.
The percentage upheld reduced from 57% in 2017/18 to 54% in 2018/19.
The Ombudsman also provides benchmarking information about whether, in complaints that they uphold, the council had provided a satisfactory remedy before the complaint reached the Ombudsman.
For Brighton & Hove City Council in 2018/19, this result was 35%, compared to an average of 11% in similar authorities.

Commentary
The Ombudsman states in his report that high volumes of complaints can be a sign of an open, learning organisation, as well as sometimes being an early warning of wider problems, and that low complaint volumes can be an indication that an organisation is not open to user feedback. The Ombudsman is placing more emphasis on identifying and sharing learning from the investigations they carry out. To ensure that learning takes place within the council the recommendations are referred to Heads of Service and the case managers. The Director and Assistant Director have oversight of all cases where there is a finding of fault. The Ombudsman requires that we provide evidence their recommendations have been carried out and may consider issuing a public report if they are not.
We recognise there is a cost involved in administering and responding to the enquiries the Ombudsman makes, this varies considerably, depending on the specific case, but as a minimum would be similar to a Stage 2 investigation at £450 per complaint. To gain value from investigations we ensure any learning is taken on board.
Action
1. Bringing individual service decisions and learnings from the LGSCO together and sharing with the whole organisation. (Customer Feedback Managers & Customer Experience Lead, ongoing).
2. Encouraging service managers, when upholding complaints, to consider whether an ex gratia payment may be appropriate redress for any injustice caused. Detailed information is available from the LGSCO about their suggested amounts and circumstances in which this should be considered, this is a valuable and easy to access online tool. (Customer Feedback Managers, Dec 19).
3. Services are to be encouraged, once they have exhausted options for resolution, to route dissatisfied customers to the formal complaints process. This helps manage and structure the customer contact, as well as providing a clear escalation route to the LGSCO. (Customer Feedback Managers, ongoing)



Brighton & Hove City Council

Appendix 2:
2019-20 City Corporate KPIs - Quarter 2 results

Period: Apr-19 - Sep-19

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
2019-20 Economy Environment & Culture - City (Corporate) Quarterly				
Nitrogen Dioxide levels in Brighton and Hove (µg/m3 - micrograms per cubic meter): Lewes Road (quarterly lagged by one quarter) [Corporate - city]	**No.**	**36.00**	**30.00**	GREEN **Improving**

Position:
The average concentration of Nitrogen Dioxide (NO2) measured at monitor BH6 Lewes Road (east side of the road south of the Vogue Gyratory) as a 12 month rolling mean up to the end of June 2019 was 30 µg/m3 (micrograms per cubic metre). April to June 2019 is the latest quarterly data that is verified.

Trend of the rolling 12 month performance results is:
Mar 17 = 48.3
Jun 17 = 49.2
Sep 17 = 50.4
Dec 17 = 51.4
Mar 18 = 48.0
Jun 18 = 45.8
Sep 18 = 45.9
Dec 18 = 38.0
Mar 19 = 33.1
Jun 19 = 30.0

Officers are currently investigating and trialling compact real time monitoring methods. The target: 36 µg/m3 NO2 is 90% of 40µg/m3, which is the EU and UK standard and also the World Health Organisation Guideline for protection of human health. Consistent attainment below 36 µg/m3 NO2 would mean beyond all reasonable doubt EU and UK standards are being met. To be able to revoke part of an Air Quality Management Area NO2 levels need to be less than 36 µg/ m3 at relevant receptors for a year or more. Following completion of 2019 monitoring results, a review of the Air Quality Management Area is proposed during 2020.

Commentary:
Between 1996 and 2019 monitoring results (diffusion tubes or automatic analysers) next to Lewes Road showed that Nitrogen Dioxide levels exceeded the 40µg/m3 EU and UK standard (annual average). The council therefore had a statutory duty to declare an Air Quality Management Area for Nitrogen Dioxide. This was first declared in 2004 and last amended in 2013. Airborne NO2 and particulates are the second highest risk to overall health, after smoking. As direct and passive smoking decreases, airborne pollution becomes a more important variable for overall health and wellbeing. Between 2013 and 2019 the BH6 monitor next to Lewes Road recorded a 37% improvement in outdoor NO2 concentrations. All monitoring results are reported in the council's 2019 Air Quality Annual Status Report which can be found at:
https://www.brighton-hove.gov.uk/content/environment/noise-pollution-and-air-quality/air-quality-management-city

For the NO2 Automatic Analysers on Lewes Road and North Street NO2, a concentration of 36µg/m3 is equivalent to 90% of the standard and in Defra's Technical Guidance and is regarded as potentially exceeding the target. Proactive measures are being taken to reduce or improve emissions from buses and taxis. For example, the Big Lemon Bus Company plans to have a full electric bus fleet (12 single deck vehicles) by the end of 2019. Brighton and Hove

Buses are working with partners to progress with low and no emission options that work for a fleet operating 24 hours. This investment will to show step changes in the reduction of emissions. The council is exploring funding streams and opportunities to work with partners to deliver a local bus fleet that surpasses the euro-VI emission standard as soon as possible. Changes in travel behaviour and patterns can be achieved by encouraging and providing alternative choices to the private car for some journeys. The Schools' Access Project is supported by the Sussex wide School Travel and Air Quality Awareness initiative (funding from Defra's air quality grant). This involves engagement with schools across Sussex including those in the vicinity of BHCC's AQMA and the Lewes Road. The project promotes active travel and anti-idling measures. The AQMA has a number of "cut engine, cut pollution" signs. Infographics have been produced promoting active travel and better air quality. For a number of years, monitoring equipment along other parts of the Lewes Road has continued to record an exceedance of the NO2 legal limit. Following the proposed review of the AQMA in 2020, a renewed Air Quality Action Plan will need to be developed that seeks to achieve compliance for those areas that continue to exceed the EU and UK limit.

Actions:
1. Carry out statutory duties to assess local Air Quality (monitor or model) and report on this as required by DEFRA (Ongoing - Air Quality Officer, Transport Policy & Strategy)
2. Continue to provide consultee comments on major planning applications by assessing contributions and impacts on the Air Quality Management Area and wider air quality (Ongoing - Air Quality Officer, Transport Policy & Strategy)
3. Ensure that new development complies with the council's parking standards for electric vehicles (Ongoing – Development & Transport Assessment Manager, Transport Policy & Strategy)
4. Continue roll-out of additional on-street electric vehicle charging points across the city (Ongoing – Head of Parking Services)
5. Develop modelling to determine what percentages of the local bus fleet need to surpass the euro-VI emission standard in order to deliver the NO2 legal limit at kerbside and roadside (November 2019 - Air Quality Officer, Transport Policy & Strategy)
6. Undertake a full review of the NO2 Air Quality Management Area (March 2020 - Air Quality Officer, Transport Policy & Strategy))
7. Prepare Annual Status Report for Air Quality (July 2020 - Air Quality Officer, Transport Policy & Strategy)
8. Prepare a new Air Quality Action Plan for consultation and approval (January 2021)
9. Ensure that the Air Quality Action Plan [AQAP] informs the council's Transport Strategy and Delivery Plan within the next Local Transport Plan [LTP5] (December 2020 - Head of Transport Policy & Strategy)
10. Continue joint working with Public Health colleagues to ensure air quality considerations are an integral part of discussions and development of initiatives. (Ongoing - Air Quality Officer, Transport Policy & Strategy)

Nitrogen Dioxide levels in Brighton and Hove (µg/m3 - micrograms per cubic meter): North Street (quarterly lagged by one quarter) [Corporate - city]	**No.**	**36.00**	**47.00**	 **Improving**

Position:
The average level of Nitrogen Dioxide (NO2) within North Street, measured as a 12 month rolling mean up to the end of June 2019, was 47 µg/m3 (micrograms per cubic metre of air). April-June 2019 is the latest quarterly data that is verified.

Trend of the rolling 12 month performance results is:
Mar 17 = 47.6
Jun 17 = 50.7

Sep 17 = 50.5
Dec 17 = 50.3
Mar 18 = 49.6
Jun 18 = 48.8
Sep 18 = 50.2
Dec 18 = 49.5
Mar 19 = 50.3
Jun 19 = 47.0

Officers are currently investigating and trialling indicative real time monitoring methods, co-located with the BH10 monitor in North Street. The target: 36 µg/m3 NO2 is 90% of 40µg/m3, which is the EU and UK standard and also the World Health Organisation Guideline for protection of human health. Consistent attainment of below 36 µg/m3 NO2 would mean beyond all reasonable doubt EU and UK standards are being met. To be able to revoke part of an Air Quality Management Area NO2 levels need to be less than 36 µg/ m3 at relevant receptors for a year or more. Monitoring on North Street is relevant for health protection because many people spend time in the area throughout the year; day and night. 180 buses an hour constantly deliver thousands of people to the city centre via this route and footfall is high.

Commentary
The BH10 automatic analyser (reported here) is consistently the third or fourth most polluted monitoring position out of six in the Ultralow Emission Zone [ULEZ]. The ULEZ is one mile long from Castle Square in the east to Holland Road/Palmeira Square in the west. Automatic Analyser monitoring in the ULEZ at site BH10 started in 2012. All monitoring results are reported in the council's Air Quality Annual Status Report, which can be found at: https://www.brighton-hove.gov.uk/content/environment/noise-pollution-and-air-quality/air-quality-management-city

For the NO2 Automatic Analysers on Lewes Road and North Street NO2, a concentration of 36 µg/m3 is equivalent to 90% of the standard, and in Defra's Technical Guidance is regarded as potentially exceeding the target. The latest North Street measurement of 47 µg/m3 indicates an improvement compared to three months ago when it was slightly more than 50 µg/m3. Proactive measures are being taken to reduce or improve emissions from buses and taxis. For example, the Big Lemon Bus Company plans to have a full electric bus fleet (12 single deck vehicles) by the end of 2019. Brighton and Hove Buses are working with partners to progress with low and no emission options that work for a fleet operating 24 hours. This investment will to show step changes in the reduction of emissions. The council is exploring funding streams and opportunities to work with partners to deliver a local bus fleet that surpasses the euro-VI emission standard as soon as possible. Changes in travel behaviour and patterns can be achieved by encouraging and providing alternative choices to the private car for some journeys. The Schools' Access Project is supported by the Sussex wide School Travel and Air Quality Awareness initiative (funding from Defra's air quality grant). This involves engagement with schools across Sussex including those in the vicinity of BHCC's AQMA. The project promotes active travel and anti-idling measures. The AQMA has a number of "cut engine, cut pollution" signs. Infographics have been produced promoting active travel and better air quality. For the twelve months ending March 2013 baseline levels were recorded at almost 64 µg/m3. Since that time, the BH10 monitoring station has recorded a 26 % improvement in outdoor NO2 concentrations. Further improvements in road traffic emissions, especially from buses, taxis and delivery vehicles are required to surpass the KPI limits set out in the ambient air quality directive.

Actions:
1. Carry out statutory duties to assess local Air Quality (monitor or model) and report on this as required by DEFRA (Ongoing - Air Quality Officer, Transport Policy & Strategy)
2. Continue to provide consultee comments on major planning applications by assessing

contributions and impacts on the Air Quality Management Area and wider air quality (Ongoing - Air Quality Officer, Transport Policy & Strategy)
3. Ensure that new development complies with the council's parking standards for electric vehicles (Ongoing – Development & Transport Assessment Manager, Transport Policy & Strategy)
4. Continue roll-out of additional on-street electric vehicle charging points across the city (Ongoing – Head of Parking Services)
5. Develop modelling to determine what percentages of the local bus fleet need to surpass the euro-VI emission standard in order to deliver the NO2 legal limit at kerbside and roadside (November 2019 - Air Quality Officer, Transport Policy & Strategy)
6. Undertake a full review of the NO2 Air Quality Management Area (March 2020 - Air Quality Officer, Transport Policy & Strategy))
7. Prepare Annual Status Report for Air Quality (July 2020 - Air Quality Officer, Transport Policy & Strategy)
8. Prepare a new Air Quality Action Plan for consultation and approval (January 2021)
9. Ensure that the Air Quality Action Plan [AQAP] informs the council's Transport Strategy and Delivery Plan within the next Local Transport Plan [LTP5] (December 2020 - Head of Transport Policy & Strategy)
10. Continue joint working with Public Health colleagues to ensure air quality considerations are an integral part of discussions and development of initiatives. (Ongoing - Air Quality Officer, Transport Policy & Strategy)

2019-20 Families Children & Learning - City (Corporate) Quarterly

Number of first time entrants to the youth justice system [Corporate - city]	**No.**	**31.00**	**28.00**	GREEN **Declining**

Position:
There were 28 First Time Entrants (FTE) to the Youth Justice System during the year ending 30th September 2019. Previously first time entrants were reported as a cumulative financial year annual result each quarter. However this has been changed to a rolling year average to smooth out fluctuations seen throughout the year, with the relatively low numbers reported for this performance indicator.

Annual trend as follows from PNC data:
Apr 18 to Mar 19 – 30
Apr 17 to Mar 18 – 24
Apr 16 to Mar 17 – 30
Apr 15 to Mar 16 – 58
Apr 14 to Mar 15 - 48

Stand-alone quarter trend from local data:
Jul to Sep 19 - 4
Apr to Jun 19 - 7
Jan to Mar 19 - 6
Oct to Dec 18 - 11
Jul to Sep 18 - 5

Breakdown by disposal: 1 Referral order, 2 Youth Conditional Caution and 1 Conditional Discharge. Breakdown by main offence: 1 Robbery, 1 Racially Aggravated, 1 Motoring Offence and 1 Violence Against the Person. All of the first time entrants were male.

The target of 31 is based on maintaining performance for 2018/19.

Brighton & Hove's FTE rate for the year ending 31st March 2019 is 133 per 100,000, below the

national rate of 222 per 100,000, the regional rate of 157 per 100,000 and the YOT Family average of 225. Brighton and Hove is ranked 18th lowest out of 137 YOTs in England for the year ending 31st March 2019.

Commentary:
The FTE rates remain low in Brighton. YOS oversight and close liaison with Police means that the majority of young people are referred to the diversion panel pre-charge. However, in the past 6 months, there has been an increase in cases of possession of weapons (compared to other offences), which had led to either Youth Conditional Caution or Charge in accordance with the Police guidelines. This may be impacted by the increased Police action against knife crime. Pan Sussex YOS Police meetings have been established and this will be a regular agenda item going forward.
Quality assurance systems are now in place where at least four cases are audited/reviewed each month. The results of these audits will be used to better inform and improve practice.
An information officer has left the YOS team and this post will be replaced by a more senior information officer. This will enable better analysis and improved linking in with the Police analysts.

Actions:
1. Maintain data flow between YOS and Police. (Youth Offending Pod Manager, on-going).
2 Continue to work closely with the Police to ensure all suitable cases are diverted appropriately through the agreed process. (Youth Offending Pod Manager, on-going)
3. Recruit senior info officer to post (Youth Offending Pod Manager, Dec 19)

% of people with a learning disability in employment [Corporate - city]	**%**	**8.30**	**8.40**	GREEN **Declining**

Position: Q2 19/20
The percentage of people with a learning disability (LD) in Brighton and Hove who are in receipt of Adult Social Care and are currently in paid employment is 8.4% at 30th September 2019.
The quarter-on-quarter trend is:
Q2 2019/20 – 8.4% (59 clients out of a total 703)
Q1 2019/20 – 8.3% (58 clients out of a total of 695)
Q4 2018/19 – 8.3% (59 clients out of a total of 707)
Q3 2018/19 – 9.1% (64 clients out of a total of 703)
Q2 2018/19 – 9.39% (66 clients out of a total of 703)

Nationally the proportion of adults with a learning disability in paid employment rose from 5.7% in 2016/17 to 6% in 2017/18. The 2017/18 figure for Brighton and Hove was 9.8%, down from 11% in 2016/17 but still above the South East average of 6.5%. Brighton and Hove's 2017/18 figure was ranked in the top quartile of LAs. The national data for 2018/19 will be published on 22nd October 2019.
The target of 8.3% is based on maintaining 2018/19 performance.
This performance indicator is a snapshot of people of working age who are in receipt of social care services and have learning disability as their primary support need. These are the people furthest from the labour market (i.e. people with the highest social care needs). Of the 703 social care clients in this category, 58 (8.4%) were in paid employment on the last day of the quarter. Based on the most recent data available this still would place Brighton & Hove in the second quartile nationally for this indicator.
Commentary: Q2 19/20
Supporting people with disabilities to explore their vocational options is a multi-disciplinary activity involving services across the city. The council leads and facilitates this work in a number of ways to benefit all disabled citizens, not limited just to the people counted for this indicator. The council's Supported Employment Team works with local people who have disabilities,

including learning disabilities, helping them seek and maintain employment. The team follows the Supported Employment Model, which has been successfully used for decades as a model for supporting people with significant disabilities to secure and retain paid employment. The model uses a partnership strategy to enable people with disabilities to achieve sustainable long-term employment and businesses to employ valuable workers. (www.base-uk.org/about-supported-employment).

In April 2019 the Supported Employment Team was audited by the British Association of Supported Employment to determine the quality of the service and ensure fidelity to the Supported Employment Model. The team achieved a 'good' rating. In line with feedback from the audit the team are focusing on business improvement around reporting and analysing data. In the first half of this year the reporting of data has been improved. Work is continuing to make the reporting processes simpler and ensure the data is being used to direct continuous service improvement.

In 2018-19 the Supported Employment Team supported 125 people with disabilities. This included:

- 70 people with disabilities were taken onto the service during the year, of whom 20 were under age 25
- 68 clients with learning disabilities and 35 clients with autism spectrum conditions
- 78 paid jobs and 58 volunteer jobs supported
- Engagement with 58 new employers not previously engaged by the team (the team engages with an average of 11 employers or potential employers each month)

As at 24th September 2019, The Supported Employment Team have 53 active clients and 21 maintenance/keep in touch clients.

The Supported Employment Team accessed funding from the DWP, as part of a 2017-2019 Proof of Concept. In partnership with Southdown Housing's Employment Services, this project provide a supported employment service to 67 benefits claimants in Brighton & Hove who have learning disabilities, autism or mental health issues. 23 of those benefit claimants moved into paid work and many others gained work experience, volunteer work and increased confidence; despite the JobCentre having assessed them as being unable to work.

A new Able & Willing programme is being developed within the council. The Employment and Skills Project Officer is working with the Supported Employment Team to develop this programme which offers funding for fixed-term paid employment or apprenticeships created in council services specifically for people with disabilities. This will increase the number of employment opportunities within the council available to people with significant disabilities. In Q2 three paid placements started under the scheme.

The Supported Employment Team received training from the Apprenticeship Team to increase their knowledge of apprenticeships and how they might be able to create opportunities in the city to support their clients.

Actions:

1. Continue to encourage sustainable employment for young people who are 19 plus, who are NEET, as part of the ESIF funded Think Futures Project in partnership with West Sussex. (Supported Employment Manager and Youth Employability Service Manager, December 2020).
2. Finalise reporting arrangements for client-based demographics and numbers (Supported Employment Manager, December 2019)

2019-20 Health & Adult Social Care - City (Corporate) - quarterly

Number of people who cease to become rough sleeping, now in sustainable accommodation [Corporate - City]	**No.**		**174.00**	**Trend Increasing trend**

Position:

During the first half of 2019/20 (Q1&Q2) 174 of the 439 people who were no longer found to be rough sleeping were moved into sustainable accommodation.

Sustainable accommodation includes the following; staying with Family & Friends 36, Not

Homeless Returned Home 4, Homelessness Prevented 9, Part V11 duty accepted 34, Private Rented Sector Accommodation 9, Reconnection inside and outside the UK 25, Supported Accommodation (commissioned and non-commissioned) 57.

The other outcomes for people no longer found to be rough sleeping (non-sustainable accommodation outcomes) were:

Moved to Temporary Accommodation (TA & Backpackers) – 30 people

Hub / Safe Space to Stay – 28 people

Rebab – 7 people

Other – 9 people

In total 74 people ceased to rough sleep into temporary forms of accommodation.

Each person rough sleeping can interact and be supported by a number of services and each service could result in a B'Think case that enables agencies to see what else is happening to support individual people. Q1 & 2 saw 484 cases closed (representing 433 people) by 6 organisations including the St Mungos Street Outreach Team, BHT First Base Day Centre, Southdown Floating Support, Equinox, YMCA Downslink,& Anti Freeze. The B'think IT system has expanded with additional services coming on board including non-commissioned services that support rough sleepers. Once those services start fully utilising the system we will start to see a fuller picture of the cease to rough sleep support activities from all participating services across the city.

Other outcomes included:

Prison – 12 people

Hospital – 1 Person

Died – 2 people

Lost Contact / Disengaged / Not Found: 156

Other – 14

The high number of individuals 156 lost contact, disengaged or not found is to be expected, the rough sleeping population is transient and people regularly move through the city. For those not found rough sleeping this includes reports which are made the via Streetlink, which are sometimes vague or for people on the streets during the daytime who have accommodation and are not found rough sleeping overnight.

The demographic profile of all the clients offered support by services in Q2 was the same as reported in Q1 with around 85% of rough sleepers male, 50% of those whose local connection is known have no local connection to the city and 12% are non UK nationals.

Commentary:

The B'think IT system continues to expand and as more services come on board it offers us a real picture of the rough sleeping situation within the city. There has been an increase in rough sleeper seen in the data at the end of quarter 2 and at the moment the reason for this increase in September has not been explained.

The data continues to show a transient population which is constantly changing and flow on to the streets continues to be an issue for the city. There were 85 new rough sleepers recorded in the city in Q1 19/20 and 133 new rough sleepers in Q2.

The number of rough sleepers who are being seen more than once on the streets is decreasing which is in part to the MHCLG funded hub provision which is in place in the city.

Again the data flags up the lack of private rented sector accommodation with few PRS outcomes in the first 6 months. We have also seen a drop in vacancies in the Hub provision which may be impacting on the time people wait on the streets and this is being addressed though contract management. The waiting times for supported accommodation remain an issue for the outreach team in finding solutions for rough sleepers away from the streets.

Actions:

1. The 365 Nightshelter and Supported Accommodation Service has been awarded to a provider and is now being mobilised. This service should have a positive impact on the numbers of rough sleepers and a phased opening is being worked on. (Commissioning Manager, Dec- Jan 2019/20)

2. MHCLG funding for a no first night out hub to prevent people reaching the streets is in place and the service is up and running. The service is struggling with move on and this is currently

being addressed through contract monitoring with the provider. (Commissioning Manager, Dec 19)

3. The review and re-specification process for Rough Sleeper Outreach, Floating Support is ongoing with reports due to go to Procurement Advisory Board and Housing Committee in Q3. This if agreed will lead to a tender process for these services in late 2019 early 2020. (Commissioning Manager, Mar 2020)

Number of alcohol-related hospital admissions per 100,000 population [Corporate - city]	**No.**	**135.25**	**135.20**	GREEN **Declining**

Position:
18/19 indicate Brighton & Hove had a rate of 488.8 hospital admission episodes (provisional estimate for data April to March 2018/19) for alcohol-related conditions (narrow definition) per 100,000 persons
Jan to Mar 18 there were 108 hospital admission episodes
Apr to Jun 18 there were 124 hospital admission episodes
Jul to Sep 18 there were 119 hospital admission episodes
Oct to Dec 18 there were 119 hospital admission episodes
Jan to Mar 19 there were 120 hospital admission episodes
Apr to Jun 19 there were 135.2 hospital admission episodes
There was an equivalent estimated rate of hospital admission episodes of 174.0 in England for the same period.
Brighton & Hove has again performed better than England for this quarter.
These figures are currently unpublished and have been estimated by the Public Health team using both HES data and ONS 2017 mid-year population estimates. They have been calculated using the Public Health England definition for this indicator.
The recent trend (published by Public Health England on Fingertips) since 2014/15 has been for Brighton & Hove to have a lower rate than England for hospital admissions for alcohol-related conditions. The 2017/18 annual rates have now been published and were 551 admissions per 100,000 (our estimate at this point last year was 535) for Brighton & Hove and 632 admissions per 100,000 for England. As predicted, Brighton & Hove performed significantly better than England. This would continue the downward trend for Brighton & Hove.
Brighton & Hove alcohol admission rates have traditionally been higher than other local authorities in the South East region but low compared to its CIPFA comparators. Brighton & Hove moved from the fourth to the second lowest admission rate at 551 in 2017/18, compared to its CIPFA comparators who had rates ranging from 499 to 1,002.

Commentary:
A number of different factors and organisations contribute to the reduction in alcohol related hospital admission rates. Providers of substance misuse treatment services have a role in this, as do Police (with regard to managing the night time economy), Higher Education organisations, local entertainment establishments, retail operators and other health and social care support organisations.
The work of the Alcohol Programme Board, and the associated domain groups, take forward the work streams that address alcohol related harm, including hospital admissions. The reduction in hospital related admissions should reflect the work that has been taken forward in the last three years. This has included a focus on supporting ‘frequent returners’ to hospital with an alcohol related issues, to address the underlying causes of their alcohol consumption. There has been work with off licences to reduce the amount of high strength beers and ciders available, which has meant that fewer of the ‘street drinking’ population are consuming high amounts of alcohol, which could result in a hospital admission.
In 2018/19 there has been an upturn in the alcohol related performance in treatment services. A greater number of individuals are now successfully completing treatment for alcohol and not re-presenting within 6 months
The Safe Space project continues to operate on Friday and Saturday nights until the early

hours in the City centre. Service monitoring data suggest the service does have some impact in reducing alcohol-related A&E admissions

Actions:
1. To look at broader issues around alcohol, the Local Authority and partners are currently developing a new alcohol action plan based on the results of the Alcohol 'CLeaR', a self-assessment tool supported by Public Health England. This will help the partnership to identify areas to focus on for future development. (Alcohol Programme Board members led by Commissioner, ongoing)
2. Collaborative development work is underway between the mental health services, substance misuse services and the local hospital trust. The aim is to improve communication between the various teams, and ensure that the needs of individuals presenting at the hospital are appropriately met by support agencies. (CCG commissioners and PH commissioners, ongoing)

Under 18 conception rate per 1,000 women aged 15-17 [Corporate - city]	**No.**	**19.30**	**15.50**	GREEN **Improving**

Position:
This Performance Indicator (PI) measures the number of under 18 conceptions per 1,000 women aged 15-17 expressed as an average rate over the latest 12 months. This data is lagged and the latest data available relates to the twelve months ending June 2018.
The latest rate is 15.5 calculated as a 12 month rolling average. This is a 17.1% reduction compared with the previous year. It should be noted that data for the last four quarters are marked as having 'low reliability' due to the small number of conceptions.

Commentary:
The latest rate of 15.5 is below the target for 2019/20 which is 19.3 conceptions per 1,000 women aged 15-17.
The local reduction of 17.1% compared to the previous 12 months is greater than a 6.8% reduction in the South East, and a 6.6% reduction in England in the same time period. There has been a 68% reduction locally in the under 18 conception rate since 1998, compared with a 64% reduction respectively in both the South East and England.
There were 62 conceptions to under 18s in Brighton and Hove in the past 12 months (Q3 2017 – Q2 2018), compared with 75 in the previous 12 months.

Actions:
1. To work with the Partnership Advisors for Health and Wellbeing within FCL and schools to ensure all schools to prepare for the new statutory RSE Guidance with a celebration of good practice event planned for the Summer 2020 (Public Health Children, Young People commissioner to update quarterly).
2. To monitor service delivery quarterly and complete a review of the new integrated adolescent service with FCL, at the end of the first year of delivery (Public Health Children, Young People commissioner to update quarterly and review March 2020).
3. To review the access to contraception data and health promotion activities, to ensure we are reaching the right young people. (to be completed during Q4 with the new PH Commissioner)

2019-20 Housing Neighbourhoods & Communities - City (Corporate) - Quarterly

The number of affordable homes delivered per year - new build and conversions [Corporate - city]	**No.**		**208.00**	**Trend** **Increasing trend**

Position:
208 affordable homes are currently projected to be delivered during the 2019/20 financial year.

Of these, 90 (43%) are council homes and 118 (57%) are registered provider (RP) homes, with 108 homes (52%) for rent and 100 homes (48%) for shared ownership.
The annual trend is as follows:
2019/20 – 208 (projection)
2018/19 – 142 (actual)
2017/18 – 100 (actual)
2016/17 – 65 (actual)
2015/16 – 71 (actual)
This projection is an improvement upon the 2018/19 result of 142. The projection is also higher than it was at the end of the previous quarter (172) because the Home Purchase Scheme has expanded.
A total of 436 new affordable homes are currently projected to be delivered during 2020/21 (174 council and 262 RP).
There is no set annual target for this KPI as delivery is achieved over a number of years with no discernible annual pattern. However, the aim is to increase the number of affordable homes delivered towards the City Plan Part One projection of 197 per year for the next few years, which would meet the City Plan target for 30% of projected new housing supply (from 2015 to 2030) to be affordable.
The closest and most recent comparator data comes from the 2017/18 Local Authority Housing Statistics, which include data on new affordable housing for local authorities only. The proportion of new affordable homes within the local authority stock was higher for Brighton & Hove (0.8%) than for England local authorities as a whole (0.35%).

Commentary:
Performance is good because the number of new affordable homes delivered during 2019/20 will increase compared to the year before, especially delivery by RP partners. Projected numbers have also increased since the last quarter due to more purchases being made through the Home Purchase Policy.
Housing Committee has agreed a new Housing work plan, which includes revised targets to deliver 1,500 additional affordable homes (800 additional council homes and 700 other affordable homes in the city by 2023).
The council has a housing supply programme which covers a range of initiatives to deliver new affordable homes and meet the commitments in the work plan. These include:
• New Homes for Neighbourhoods - 12 homes due to be completed in 2019/20
• Hidden Homes – 11 homes due to be completed in 2019/20
• Council owed temporary accommodation – 27 homes due to be completed in 2019/20
• Home Purchase Policy – buy back of former council homes and acquisition opportunities e.g. S106 sites – 42 homes due to be brought in 2019/20
• Specialist schemes for providing housing for vulnerable households
• Delivering new homes in the city through 'Homes for Brighton & Hove' the partnership with Hyde to deliver 1,000 new lower cost homes for rental and sale. Planning permission was gained in July 2019 for 242 new homes in Coldean Lane and in September 2019 for 104 homes at the former Belgrave Centre, Portslade.

In addition, the council continues to promote the delivery of new affordable homes through:
• Monitoring and reviewing the Affordable Housing Development Programme through Affordable Housing Delivery Partnership and Homes England liaison meetings.
• Working with Planning through the planning process to maximise delivery of affordable housing homes within developments in the city.
• Working with the Greater Brighton Housing and Growth Working Group to seek to overcome barriers to delivering existing housing targets, accelerating delivery of additional housing numbers, making best use of available land and identification of new sites
• Working with the Brighton & Hove Community Land Trust to identify sites and develop schemes for community led housing in the city. Housing Committee approval was received in September 2019 for a community led housing scheme in Dunster Close which will provide up to

10 new homes. A further small site has also been identified for a scheme, and discussions on further sites are in progress.
• Reviewing the council's Affordable Housing Brief which sets out the development requirements for new housing sites. This work will now take place in the autumn 2019.

Actions:
1. Review and update Affordable Housing Brief. (Housing Strategy & Enabling Team, Dec 19).
2. Review and update the Protocol for the Affordable Housing Development Partnership with an emphasis on increasing housing delivery. (Housing Strategy & Enabling Team, Dec 19).
3. Housing Committee report on progress with site identification for Community Led Housing (Assistant Director of Housing, Nov 2019)
4. Implement resource plan required to deliver housing supply programme (Assistant Director of Housing, March 2020)

The number of private sector vacant dwellings returned into occupation or demolished [Corporate - city]	**No.**	**163.00**	**154.00**	 AMBER **Declining**

Position:
154 private sector vacant dwellings were returned into occupation or demolished after direct involvement/intervention of the Empty Property Team, between July 2018 and June 2019. This is the latest full year information available for reporting. The result is reported with a 3 month lag to allow time to verify that the dwellings are occupied, for example though Council Tax records. The result covers a rolling 12 month period to provide a clear understanding of progress towards the target for this work.

Annual trend:
2018 – 161 dwellings
2017 – 158 dwellings
2016 – 162 dwellings
2015 – 159 dwellings
2014 – 163 dwellings

Stand-alone quarter trend:
Apr-Jun 2019 - 41 dwellings
Jan-Mar 2019 - 31 dwellings
Oct-Dec 2018 - 25 dwellings
Jul-Sep 2018 - 57 dwellings

The 2019/20 annual target is set at 163 in line with manifesto commitments to bring empty properties back into use.

Comparator information is not available.

Commentary:
Performance is just off track, but is expected to come back on track for year end. Threatened and actual enforcement measures act as a disincentive for owners to leave dwellings empty and assist in improving performance. Enforcement tools such as issuing Community Protection Notice warning letters and the 100% council tax premium for properties empty for two years or more has encouraged properties to come back into use. Other enforcement tools are now being considered, including Compulsory Purchase Orders, for properties that have been empty for a significant period. This is balanced with support for owners to bring properties back into use including assisting with sales through auction houses. A lack of funding for incentive offers to owners is an ongoing challenge and this continues to be explored. Funding options from external partners such as the YMCA and options with

community housing partners are incorporated in to the Empty Property Team offer to owners. Further improvements are planned in 2019/20 to streamline the way that empty property owners can notify the council that the property is back in use, which will include setting up a new e-system for customer mailout, making the process simpler and quicker.
Processing of casework has been prioritised to bring some long term empty properties back into use in the first two quarters. Website information has been updated and will be published in quarter 3 ensuring owners have clear information and advice regarding their empty properties.

Actions:
1. Set up new e-system for customer mailout (Empty Property Officers, Jan 20)

The number of households where homelessness was prevented due to casework by the council [Corporate - Council]	**No.**	**414.00**	**378.00**	AMBER **Declining**

Position:
Between April and September 2019, 378 households had their homelessness prevented by the council.

The quarterly trend is as follows:
Q2 2019/20 – 228
Q1 2019/20 – 150
Q4 2018/19 – 181
Q3 2018/19 – 246
Q2 2018/19 – 232
Q1 2018/19 – 151
Q4 2017/18 – 285
Q3 2017/18 – 186
Q2 2017/18 – 162
Q1 2017/18 – 158

The target of 827 aims to maintain performance from the previous year.

Commentary:
Prevention of homeless figures have improved this quarter and year to date results are broadly in line with performance at the same time last year.
There are still reporting issues as a result of the delayed implementation of Home Connections. Home Connections implementation is further delayed to November due to ongoing issues with the contractor, but after this performance reporting will be less time consuming and more accurate.
Prevention of homelessness is achieved through assisting households to obtain alternative accommodation, or by enabling them to remain in their existing home. Although a high rate of prevention reflects positive work to help people at risk of homelessness, the large number of people facing such a risk also indicates high levels of pressure in the city for people to access settled housing. Households have complex needs which presents further challenges in homelessness prevention
The Homelessness Reduction Act has placed additional duties on local authorities, which must now work with more households and for a greater length of time than previously.
To help staff build further resilience in the Housing Needs team, a series of training sessions for all staff on working in a psychologically informed environment begins in October, and all staff are booked on this. This programme has been developed in collaboration with third sector partners and has been implemented alongside the setting up of the Front-Line Workers Staff Wellbeing Forum.
The Customer Insight Dashboard indicates Housing Needs under perform on calls received and waiting. To improve this Homemove Calls concerning the housing register are being moving to

the Housing Customer Service team.

It is challenging to prevent homelessness in the city because of a toughening climate in which lower income households find it difficult to access the private rented sector and are at risk of losing accommodation in this sector. This is related to factors such as increasing rents and welfare reforms (such as the Benefit Cap and Universal Credit, which began in October 2017). In addition, many people want to remain within the city, which presents challenges due to the high cost. Nevertheless around 35 households a month are moved into suitable private rented accommodation, following the successful bid for grant funding.
In addition to the 228 cases prevented from becoming homeless this quarter. a further 165 households moved on from temporary accommodation and prevented from becoming homeless by being assisted to move into social housing, via Homemove and 12 were helped to move out of TA to private rented sector. Each of these households have attended tenancy ready workshops, this helps ensure the moves in private rented is sustainable. The service is has recruited two additional posts that will be able to work in an agile way across the service to improve capacity.

Actions:
1. New weekly workshops for staff to assist with performance. (Head of Temporary Accommodation and Allocations, Dec 19)
2. Replace the current IT system for Housing Needs ('Locata') with the new 'Home Connections' system (Head of Temporary Accommodation and Allocations, Oct 19)
3. Additional training for staff on Psychologically Informed Environment to improve skills to enable more prevention and build resilience (Head of Temporary Accommodation and Allocations, Mar 20)
4. Monitor service design / structure to identify changes to improve effectiveness (Head of Temporary Accommodation and Allocations, Sep 19)
5. Recruitment to Agile Housing Officer posts (Head of Tenancy Services, December 2019)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
% of households that experience fuel poverty based on the 'low income, high cost' methodology [Corporate - city]	**%**	**11.50**	**11.70**	AMBER **Declining**

Position:
The latest available figures, released in June 2019, estimate that in 2017 11.7% of households in Brighton & Hove were in fuel poverty. This equates to 15,125 households in the city.
This compares to 11.4% in 2016, 12.7% in 2015 and 12.3% in 2014.
The target of 11.5% is based on the statistical neighbour average.
The national result for 2017 is 10.9%. Both the national result and the stat neighbour have improved on last year from 11.1% and 12.1% respectively.
Households are defined as fuel poor where:
• They have required fuel costs that are above average (the national median level).
• Were they to spend that amount, they would be left with a residual income below the official fuel poverty line.

Commentary:
Brighton and Hove performance has dipped slightly, while both national and statistical neighbour performance has improved. However, the relative nature of the fuel poverty indicator makes it difficult to isolate accurately absolute reason for change. The fuel poverty status of a household depends on the interaction between three key drivers; household incomes, fuel poverty energy efficiency ratings (FPEER) and required fuel costs. For any factor to affect the number of households in fuel poverty, it must change by a greater amount for those in fuel poverty, than for those not in fuel poverty. We cannot be clear as to the reason for the increase locally when compared to both national and regional figures.
Possible reasons to explain the higher levels of fuel poverty in Brighton & Hove than both the

national figure and that for the south east;
1. In calculating fuel poverty housing costs are taken off the full income of each household; this is referred to as the 'After Housing Costs' (AHC) income, since money spent on housing costs cannot be spent on energy costs. Local housing market reports show above average housing costs in Brighton & Hove.
2. Dwellings rated as FPEER Bands D, E, F and G are over-represented in the fuel poor population compared to the non-fuel poor population, the nature of the local housing stock, being older than national average, higher incidence of solid wall construction may explain higher levels of fuel poverty in Brighton & Hove.
3. Housing tenure is an important factor, the 2017 national report estimates that the level of fuel poverty is highest in the private rented sector (19.4 per cent) compared to those in owner occupied properties (7.7 per cent). Those in the private rented sector also tend to be deeper in fuel poverty, with an average fuel poverty gap of £383, compared to just over £200 for those in local authority and housing association properties. Brighton & Hove has a significant private rented sector (28% of households according to the 2011 census)

The Fuel Poverty and Affordable Warmth Strategy for Brighton & Hove, was adopted by Housing & New Homes Committee and the Health & Wellbeing Board in 2016. Local work has been recognised by National Energy Action who rated the local HWB area to be one of only 13 of 152 nationally as scoring a maximum of 6 in their assessment framework for addressing the guidance laid out in the 2015 NICE guidelines on excess winter deaths and health risks posed by cold homes. A multi-agency steering group has been established to take key actions forward from the strategy.

The public health funded annual Warmth for Wellbeing programme continues to offer support and advice to vulnerable householders, through the autumn and winter of each year. The programme for 2019/20 is in the process of being finalised with key delivery partners in the city. In addition to this for 2019-20 the Local Energy Advice Partnership (LEAP) has launched in the city, operated by Agility Eco and funded via energy companies this is offering additional support to vulnerable residents in the city via home advice visits and onward referrals for additional support including money and debt advice.

As part of the SHINE partnership BHCC successfully bid for EU Interreg 2 seas funding to offer energy advice, home assessments and small energy saving measures to council tenants building on the significant energy efficiency improvements to our own housing stock, this project will be delivered through to 2020, to date over 500 households have received a either advice, small energy saving measures and heating enhancements, or a combination of interventions. As part of Your Energy Sussex, a licensed energy supply partner has been procured to deliver a set of local Sussex energy tariffs, offering competitive pricing and excellent customer service. Robin Hood Energy offer a range of tariffs, under a white label agreement, to encourage local residents to switch to a tariff enabling them to save on their energy bills, including recruiting HRA void properties into the scheme. The launch of the Sussex tariff took place in February 2018, BHCCs support for the scheme and switching in general was agreed at committee in March 2018. To date nearly 4000 households across Sussex have switched to YES tariffs. In preparation for the HRA void switching trial all meters at Tilbury Place, buy back property for TA provision have been switched to YES. Since June 2019 all suitable HRA voids are being switched to YES, to date over 80 properties have been switched via this route.

The DFG funded 'Warm, Safe Homes' grant funds insulation measures and heating and boiler repair/replacement for eligible households. This is being promoted through the local network of partners and is managed by Mears Home Improvement Agency. In 2018/19 grants funded a range of measures to the value of approximately £150,000, to 49 households.

The council has developed an Energy Strategy for the HRA, in consultation with tenants and leaseholders, the strategy was agreed at H&NH committee in January 2018. The strategy

outlines the current state of our housing stock, targets to improve this including a requirement in the fuel poverty regulations to get as many properties as practicable to EPC level C by 2030 and options to achieve this. In line with this a bid is being submitted with partners for ERDF funds to fund improvements at increasing SAP ratings to at least 60 homes over 3 years.

Next steps:
1. Ongoing communications on reducing energy bills and support for householders including benefit of switching energy suppliers and the availability of the YES energy tariffs January - Ongoing. (Housing Sustainability and Affordable Warmth Manager)
2. Continued roll out of HRA void energy switching scheme & support the Wider Sussex tariff marketing and communication campaign, explore option to roll out voids switching omto council managed temporary accommodation, Ongoing, (Housing Sustainability and Affordable Warmth Manager)
3. Continue to scope out impact of minimum energy efficiency regulations on Private Rented Sector and role of the council in enforcing standards and options to support landlords to carry out improvements through the Retrofitworks 'Warmer Sussex' programme. (ongoing, Housing Sustainability and Affordable Warmth Manager)
4. Promotion and coordination of support and advice throughout the winter including the Warmth for Wellbeing programme, the SHINE project, LEAP and National Energy Actions WASH advice service (Public Health & Housing)

Appendix 3: Context: Performance Management Framework and Golden Thread

1.1 There are eight component parts of the council's Performance Management Framework, as shown in this diagram:



1.2 A summary of the 8 areas of the PMF is provided in the table below:

Component	Summary and Performance Management Approach
1 – Business planning and management	• Plans are set at various levels ○ the partnership plan "Brighton and Hove connected" ○ the council's corporate plan ○ directorate plans ○ service plans. • Executive Leadership Team (ELT) in consultation with relevant Committee Chairs develop a key indicator set mapped to these plans to track performance outcomes and receives quarterly performance update reports. Accountable Directors discuss corrective actions and ELT prioritises options.

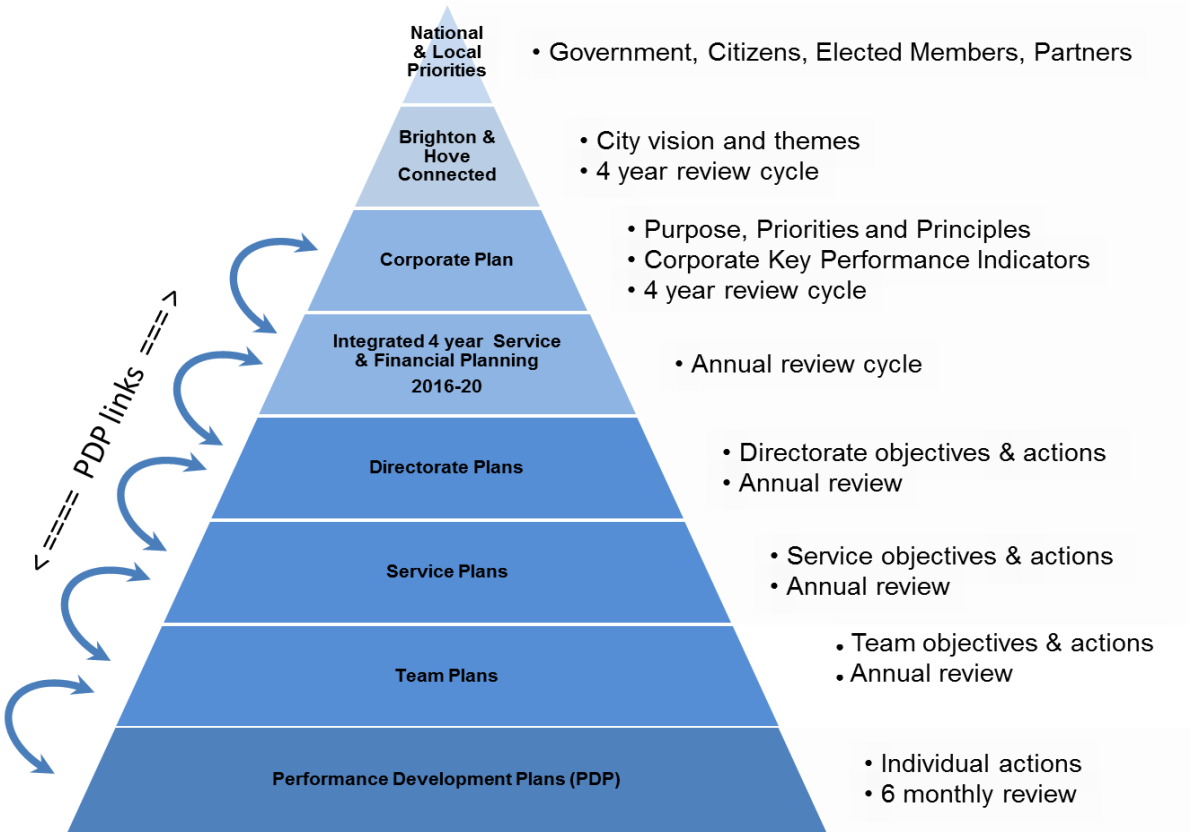
Component	Summary and Performance Management Approach
	• Corporate KPIs are approved by PR&G annually. Performance reports are reviewed at PR&G twice a year
2 – Risk management	• Through understanding risks, decision-makers are better able to take actions to manage those risks and implement mitigating actions • Strategic Risks are reviewed quarterly at ELT and reported to the Audit and Standards Committee throughout the year • Citywide Risks are reviewed annually and managed by the relevant partnerships • Directorate Management Teams review Directorate risks and relevant strategic risks linked to their directorate quarterly.
3 – Financial management	• The efficient and effective management of council funds to accomplish the objectives of the council • Monthly reviews of actual income and expenditure and comparing this with the allocated budget for each budget holder throughout the year (months 2 to 11) enables variances to be identified and corrective action taken where required. • Corporate Critical budgets are identified and more detailed analysis and action planning is undertaken. Progress is reported to ELT monthly and to PR&G regularly.
4 – Customer insight	• Understanding how our customers see and use our services gives us useful information on ways we can improve our performance to deliver value. • The city tracker survey provides feedback on our services and analysis of our complaints, compliments and comments along with internal contact volumes contribute towards the annual Customer Insight report that is reviewed by ELT and published on the council website.
5 – Modernisation, programmes and projects	• Modernisation is Council's Portfolio of change management programmes/projects which support delivery of Corporate Plan. • Corporate Modernisation Delivery Board - Sponsoring Group initiates and leads corporate programmes and projects that are intended to achieve outcomes including cross-cutting programmes and projects. Chaired by the Chief Executive and consists of directors and other key officers of the council. • Directorate Modernisation Boards report to the Corporate Modernisation Delivery Board, are set up to drive the directorate programmes and projects forward and deliver outcomes and benefits. • Programme and Project Boards report to the Directorate Modernisation Boards, these are responsible for planning, set-up and management of programmes and projects.

Component	Summary and Performance Management Approach

6 – People management	• People are our most important asset and resource, and good managers make best use of our people to deliver value to our customers
	• Elements of people management include
	  ○ Staff survey
	  ○ Our people data (workforce statistics)
	• Management across the council receive regular reports to enable them to effectively plan service delivery and identify and resolve skill and staffing gaps to enable delivery of the corporate plan

7 – Health & safety management	• Managing health and safety is about looking after our business, people and reputation • Health and Safety Committee chaired by the Chief Executive are responsible for the development of health and safety policy for the council, monitoring performance on health and safety issues and ensuring that changes to legislation or regulations are implemented effectively.
8 – Safeguarding Quality assurance	• Quality assurance includes reviewing our practices in relation to safeguarding vulnerable people. This helps prevent mistakes and gives confidence. Monitoring is through safeguarding audits and quality assurance reports are reviewed quarterly by the relevant service at Service Management Team meetings. Local Safeguarding Children's Broad and Adult's Safeguarding Boards oversee quality assurance in relation to safeguarding.

1.3 The diagram below demonstrates the 'Golden Thread' that links the council's purpose, principles and priorities through to services delivered at the frontline of the council, and how external factors influence these.


National & Local Priorities
• Government, Citizens, Elected Members, Partners
Brighton & Hove Connected
• City vision and themes
• 4 year review cycle
Corporate Plan
• Purpose, Priorities and Principles
• Corporate Key Performance Indicators
• 4 year review cycle
Integrated 4 year Service & Financial Planning 2016-20
• Annual review cycle
Directorate Plans
• Directorate objectives & actions
• Annual review
Service Plans
• Service objectives & actions
• Annual review
Team Plans
• Team objectives & actions
• Annual review
Performance Development Plans (PDP)
• Individual actions
• 6 monthly review
<==== PDP links ===>

Appendix 4: Progress update Corporate Key Performance Indicators
Proposals for new Corporate KPIs

Proposed new Corporate KPI information

↑ = improving ↓ = declining ↔ = unchanged

Dir.	Number	Unit of measurement	Measure	Frequency	Polarity (high is good, low is good or trend)	Committee Chair	Committee	Accountable ELT lead	Accountable CMT lead	4th Tier accountablity	Commentary Provider	Data Provider	2017/18 Result	2018/19 Result	**2019/20 Amber Value**	**Amber Value Rationale**	**2019/20 TARGET (Green Value)**	**Green Value Rationale**	Comparator
Economy Environment & Culture																			
EEC	1	%	% of people who agree that they will have enough money, after housing costs, to meet basic living costs? (City tracker) [Corporate - city]	Annual	High is good	Cllr Alan Robins	Tourism, Equalities, Communities & Culture Committee	Nick Hibberd	Max Woodford	Cheryl Finella	Mita Patel	David Golding	64.3%	65.9%	63.9%	Amber value set to represent 2% deterioration in performance from the 2018/19 outturn	65.9%	Target to maintain 2018/19 outturn performance levels.	No comparator information available as this is a local measure.
EEC	2	%	% of people in the city who cycle for travel at least once per week [Corporate - city]	Annual	High is good	Cllr Anne Pissaridou	Environment, Transport & Sustainability Committee	Nick Hibberd	Andy Renaut	Paul A Holloway	Paul A Holloway	Jamie McSorley	16.3% (2016-17 data)	14.0% (2017-18 data)	7.0%	Amber value set to South East 2017/18 outturn performance level re Sport England Active Lives Survey 2019 (2017-18 data)	14.4%	Target to maintain 2018/19 outturn performance levels.	South East 12.9% England 11.5% Source: Sport England Active Lives Survey 2019 (2017-18 data)
EEC	3	%	% of people in the city who walk for travel at least once per week [Corporate - city]	Annual	High is good	Cllr Anne Pissaridou	Environment, Transport & Sustainability Committee	Nick Hibberd	Andy Renaut	Paul A Holloway	Paul A Holloway	Jamie McSorley	65.6% (2016-17 data)	61.9% (2017-18 data)	42.4%	Amber value set to South East 2017/18 outturn performance level re Sport England Active Lives Survey 2019 (2017-18 data)	57.9%	Target to maintain 2018/19 outturn performance levels.	South East 72.3% England 69.5% Source: Sport England Active Lives Survey 2019 (2017-18 data)

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

Subject:		**Review of the Constitution**	
Date of Meeting:		**5th December 2019**	
Report of:		**Executive Lead Officer for Strategy, Governance & Law (Monitoring Officer)**	
Contact Officer:	**Name:**	**Abraham Ghebre-Ghiorghis**	**Tel: 01273 291500**
	Email:	**abraham.ghrebre-ghiorghis@brighton-hove.gov.uk**	
Ward(s) affected:		**(All Wards);**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report proposes changes to the Council's Constitution for approval by Policy & Resources Committee and (where relevant) Council. The proposals set out in the report have been considered by the cross-party Constitutional Working Group (CWG).

2. RECOMMENDATIONS:

Policy and Resources Committee:

2.1 That the proposal to make changes to the Scheme of Delegations to Officers in Part 6 of the Council's Constitution relating to the Council's planning functions as indicated in Paragraphs 4.1-4.3 and Appendix 1 be agreed.

2.2 That the proposal to change Part 6 of the Council's Constitution to increase the financial threshold in relation to officer delegations governing the acquisition of residential property in para 4.5 be agreed.

2.3 That the proposal in para 4.9 to invite a BAME individual to attend Policy & Resources Committee early in 2020 be approved as a first step to increase participation and input by protected characteristic groups.

2.4 That the proposal in paragraphs 4.11 which relates to the arrangements for the council's Member Working Groups be agreed.

2.5 That the draft protocol regarding the use of urgency powers attached at Appendix 6 and referred to at paragraphs 4.13-4.14 be agreed.

2.6 That Full Council be recommended to approve the changes recommended to it in paras 2.7 to 2.9 below.

Full Council:

2.7 That the proposed changes to delegations in respect of Planning Committee and to relevant Protocols be agreed as indicated in paras 4.1 to 4.3 and Appendices 2-4.

2.8 That the proposal at para 4.12 to amend the Council Procedure Rules in respect of the arrangements of the council's Urgency Sub Committees be agreed.

2.9 That the proposal at para 4.15 for a gender-neutral Constitution and the proposal for a BME invitee to attend Policy & Resources Committee meetings as referred to in paragraph 4.9 be agreed.

Policy & Resources Committee and Full Council:

2.10 That the Chief Executive and Monitoring Officer be authorised to take all steps necessary or incidental to the implementation of the changes agreed by the Policy & Resources Committee and by Full Council, and that the Monitoring Officer be authorised to amend and re-publish the Council's constitutional documents to incorporate the changes.

2.11 That the proposed changes come into force immediately following their approval by Policy & Resources Committee or adoption by Full Council, as appropriate.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The Council is required to keep its Constitution under review with a view to achieving efficiency, economy and effectiveness. The cross-party Constitutional Working Group (CWG) was set up to assist with this by considering proposals and advising the Council on proposed changes to the constitution. The current members of the CWG are Councillors Moonan (Chair), Littman and Wares . The proposals set out in the report were discussed and agreed by the CWG on 12th September 2019 and on 4th November 2019.

4. PROPOSALS

Planning delegations

4.1 This proposal seeks to make provision for a process whereby Permission in Principle and Technical Details Consent may be decided by Planning Committee or by Officers. This is required in order to bring the Constitution into line with current legislation.

4.2 The Town and Country Planning (Permission in Principle) Order 2017 (as amended) introduced the ability to apply for Permission in Principle for residential development and for the subsequent Technical Details Consent. Permission in Principle can be granted in relation to location, land use and amount of development. The following development proposals are excluded from the ability to apply for Permission in Principle: major development; EIA development;

householder development and development likely to have a significant effect on sites within the Habitats Regulations.

4.3 The changes to the Constitution which are proposed are attached as Appendices 1 to 4 inclusive. The proposals have been approved in principle by Planning Working Group members in addition to the Constitution Review Group. The proposals allow officers to determine applications for Permission in Principle unless the existing call-in triggers apply, in which case the application would be determined by Planning Committee.

Proposal to change officer delegations in relation to the acquisition of residential property

4.4 On 18/9/2019 the Housing and New Homes Committee received a report with a recommendation that the financial limits applied to the officer delegations in relation to land acquisition be reviewed. That Report is attached as Appendix 5.

4.5 The current officer delegations enable the acquisition of land, after consultation with the Chair of P&R, up to a value of £250,000. As indicated in the report to Housing and New Homes Committee, it was proposed that the officer delegation limit be increased to £500k for the purpose of the acquisition of residential land only. This increase was suggested as a means of assisting the Council in meeting its priorities for homes and emergency accommodation. The increases in delegation will enabling the Council to act quickly to secure successful purchases. It is proposed to do an annual report to Policy & Resources Committee on acquisitions so that Members have the opportunity to consider how the arrangements work in practice and review them if necessary.

4.6 In addition to the Housing and New Homes Committee, the proposal has been reviewed by the Constitution Review Group, which approved the principle of increasing the threshold.

Proposals to encourage and develop Black, Asian and Minority Ethnic ('BAME') engagement and participation in Council decision-making

4.7 The Constitution Review Working Group considered the findings of the Operation Black Vote Audit which was published earlier this year. That audit placed this Council at the very bottom of a league table nationally insofar as BAME representation in the Council's elected members was concerned. While that audit was carried out prior to the May 2019 local elections, the Constitution Review Group also noted the findings of the Global HPO report which was brought to the Policy and Resources Committee in October 2019 and which considered race equality within the council's workforce.

4.8 The CWG considered the actions that might lawfully be taken as a proportionate means of tackling the issues which had been identified. CWG also noted the work done by other councils to develop civic leadership programmes with under-represented groups with the aim of encouraging the engagement of persons with one or more protected characteristics.

4.9 The Working Group seeks this Committee's approval to agree to the attendance of a BAME individual to provide a 'lived experience' perspective at a meeting of

Policy & Resources Committee in early 2020 as a first step. It is proposed that the choice of nominees be led by relevant community groups and that the nominee be invited to attend this Committee rather than being co-opted onto it due to the legal prohibition which prevents co-optees to committees which regulate or control the council's finances (S102 Local Government Act 1972).

4.10 It is further proposed to explore options for a broader programme to offer civic engagement opportunities, including to other protected characteristic groups. This will be the subject of a further report to this Committee in due course.

Arrangements for proceedings of the Council's Member Working Groups

4.11 In July 2019 this Committee approved terms of reference which had been prepared for each of the Council's existing permanent member working groups ('MWGs'). In order to ensure that those groups function in a way which is consistent, it is proposed that the following general expectations be embedded in Part 4 of the Constitution:-

- That the Chair of each MWG shall normally be appointed from the council's largest political group unless Policy & Resources Committee has made other express provision;
- That while MWGs will be expected to achieve consensus where possible, the Chair shall have the right to exercise a casting vote;
- That the political groups may change any of its nominees or provide substitutes for any of its nominees to any MWGs.

Arrangements for proceedings of Urgency Sub Committees

4.12 There is currently an express requirement that an Urgency Sub Committee *'shall consist of the Chair of the Committee and two other Members nominated by the Group Leader or Leaders as appropriate to meet the requirements for the allocation of seats between political groups'*. It is proposed to amend Council Procedure Rule 22.1 to allow for flexibility for the political group from which the Chair comes to choose their nominee rather than require the Chair to be a member of the Urgency Sub Committee. The amendment will state that the Chair of the Committee should '*normally'* be the Chair of the parent Committee. This is considered to create an expectation without imposing an express requirement.

Arrangements for use of urgency powers

4.13 The CWG considered a draft protocol on the use of urgency powers which is intended to clarify the arrangements for the use of Special Committee meetings, urgency Sub-Committees and Officer urgency powers. The draft protocol is attached at Appendix 6. The protocol includes two flow charts illustrating:-

(1) the hierarchy of decision making, meaning that officer urgency powers are only used when it is not reasonably practicable to convene a member decision making body; and

(2) the specific steps that need to be taken when officer urgency powers are used.

4.14 The protocol requires an annual report on the use of officer urgency powers to be reported in May to P&R. Further it requires each exercise of officer urgency powers to be recorded on an Officer Decision Record which will include the details of the consultation undertaken with the Chair/Deputy Chair of the relevant Committee before taking a decision.

Incorporating gender-neutral language in the Council's Constitution

4.15 The Council's Constitution is a living document which evolves over time to reflect the Council's arrangements for exercising the powers vested in it. It has been noted that the Constitution does not currently use gender neutral language, but instead deploys gendered pronouns which rely on binary oppositions ('he' and 'she').

4.16 It is proposed that the Constitution be amended throughout so as to consistently incorporate language which is fully gender-neutral. Making these changes to this key council text would reinforce the Council's commitment to describing and categorising people in ways that are inclusive and supportive. The proposal would be achieved by using 'they' to replace 'he' or 'she' as a singular pronoun in appropriate situations, while making any small adaptations considered necessary in order to ensure that there is no detrimental impact on clarity of meaning.

4.17 This Committee is asked to recommend that full Council formally approve the above proposal.

5. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

5.1 The Committee or Council could decide not to implement the changes set out in the report.

6. COMMUNITY ENGAGEMENT & CONSULTATION

6.1 The cross-party Constitutional Working Group has considered the proposals and has made the recommendations in this report.

7. CONCLUSION

7.1 The proposals reflect the Council's ongoing efforts to review its Constitution to ensure that it is reflective of current practice and priorities and to achieve clarity and increased efficiency. It is therefore recommended that they are pursued.

8. FINANCIAL & OTHER IMPLICATIONS:

8.1 Financial Implications:

There are not expected to be any significant financial implications arising from this report

Finance Officer Consulted: James Hengeveld *Date: 7.11.19*

8.2 Legal Implications:

8.3 Policy and Resources Committee and, where specified in this report, full Council have the authority to make the changes to the Council's Constitution which are set out in the report. The intention is for the proposals to be implemented with immediate effect.

Lawyer Consulted: Victoria Simpson Date: 5.11.19

8.4 Equalities Implications:

The proposals in this report have been reviewed for adverse equalities implications. As indicated in the body of this report, the proposals at paras 4.7 and 4.15 are made with the aim of discharging the council's equalities duties. Both of these separate initiatives take as their primary focus the imperative of ensuring greater inclusivity in terms of the council's approach, and the need to ensure that the council takes a proportionate approach to seeking actively to ensure participation and engagement insofar as it is able to do so.

Sustainability Implications:

None

Any Other Significant Implications:

None identified

SUPPORTING DOCUMENTATION

Appendices:

1. Part 4 - the Scheme of Delegations to Committees - (tracked changes) (extracts)

2. Part 6 - the Scheme of Delegations to Officers (tracked changes) (extracts)

3. Part 8.5 – the Protocol for Members regarding Planning Applications (tracked changes) (extracts)

4. Part 8.6 – the Protocol for Representations at Planning Committee (tracked changes) (extracts)

5. Report to Housing and New Homes Committee of 18th September 2019

6. Draft Protocol on the use of Urgency Powers.

Extract from Part 4 - Scheme Of Delegation to Committees and Sub Committees

PLANNING COMMITTEE

Explanatory Note

This Committee exercises the Council's functions in relation to development control matters.

Delegated functions

1. To consider and determine applications submitted under the Planning Acts for planning permission, permission in principle, technical details consent, listed building consent, and reserved matters pursuant to major planning applications.

2. To consider and determine applications for the display of advertisements submitted under the Town and Country Planning (Control of Advertisements) (England) Regulations.

3. To determine whether prior approval applications for the construction, installation, alteration or replacement of telecommunications masts submitted under Part 24 Schedule 2 of the Town and Country Planning (General Permitted Development) Order 1995 should be granted or refused.

4. To exercise any other function of the Council under the Planning Acts whether as a local planning authority or otherwise which may be referred to it by the Executive Director Economy, Environment and Culture or other officer authorised by him/her.

[**NOTE**: The Council may approve a restricted pool of Members to serve as members or substitute members of the Committee, all of whom have undergone basic training and continue to undergo the mandatory training for such Members. The mandatory training will take place at least twice a year. Where such a pool has been approved, any meeting of the Committee must comprise only Members from the pool; no substitution by non-pool Members will be allowed.]

Extract from Part 6 - Scheme of Delegation to Officers

SCHEDULE 4

Functions delegated to the Executive Director Economy, Environment and Culture in relation to Planning:

Part I

(1) To determine planning applications (including identifying the need for and the settling of terms of Planning Obligations under S106 of the Town and Country Planning Act 1990, the imposition of conditions where consent is granted and the renewal of existing permissions) where the applications relate to the following categories of development:-

(i) alterations/extensions to single dwellinghouses and buildings containing residential flats;
(ii) works within the curtilage of buildings which are incidental to their lawful use;
(iii) changes of use;
(iv) applications submitted pursuant to Article 4 Directions;
(v) alterations to or installation of shop fronts;
(vi) the provision of no more than 9 new dwelling units (net increase), either by he construction of new buildings or by conversion of existing buildings;
(vii) extensions and alterations to non-residential buildings;
(viii) applications relating to the formation of accesses, fire escapes, replacement windows, flag poles, the erection of and alterations to walls, fences or other means of enclosure, floodlights, radio and TV masts, telecommunications apparatus, material changes to the external appearance of buildings, including extensions;
(ix) renewals of temporary permissions;
(x) applications to vary or delete conditions attached to planning permissions;
(xi) all other minor planning applications not referred to above.

(2) Applications for permission in principle.

(3) Applications for technical details consent (including identifying the need for and the settling of terms of Planning Obligations under S106 of the Town and Country Planning Act 1990 and the imposition of conditions where consent is granted).

~~(2)~~ (4) Applications for consent under the Advertisements Regulations.

~~(3)~~ (5) Applications for Listed Building Consent.

~~(4)~~ (6) To undertake all consultations, notifications and publication of advertisements on behalf of the Council in relation to any of the matters listed above.

Extract from Part 8 - Codes and Protocols

PART 8.5 PROTOCOL FOR MEMBERS REGARDING PLANNING APPLICATIONS

Note: for the purposes of this Protocol reference to "planning applications" shall include reference to applications for permission in principle and technical details consent.

1. Lobbying and neutrality

(a) Members of the Planning Committee should not organise the support of, or opposition to, planning applications.

(b) No Member should lobby Members of the Planning Committee outside the formal procedures for objecting to or making representations on planning matters, as set out in this Protocol and the Protocol for Public Representations at Planning Committee.

(c) Planning Committee Members should retain a neutral position on planning applications prior to determination at the Committee and, in order to retain the impression of being free from bias, should avoid making public statements as to their support of, or opposition to, any application.

(d) Planning Committee Members should use a standard paragraph in letters to lobbyists etc explaining they will retain a neutral position on planning matters and applications until such time as the application is put to the Committee for determination. However, before doing so Members may wish to take advice from officers as to whether the application will be determined by the Committee or under delegated authority.

A suggested standard paragraph is as follows:

"As a Member of the Planning Committee I am unable to comment on planning application reference…….until such time as the application comes before the Committee for determination"

(e) Ward Members not sitting on the Committee should be informed of applications in their ward.

(f) Members not sitting on the Planning Committee may make public their personal view on any development issue and may take advice from the Executive Lead for Strategy, Governance & Law before commenting on any particular planning application. Where views are expressed it should be made clear that the merits of the application will be dealt with by the Committee at the determination stage in accordance with statutory criteria.

(g) No Member should appear to be delivering planning outcomes to lobbyists, agents, third parties, objectors, etc. prior to a planning application being determined.

(h) Members who have been lobbied or taken part in any discussions on an application, and then substituted onto the Committee, should declare this at the Committee. Members who have expressed a strong view on a particular application should seek advice from the Executive Lead for Strategy, Governance & Law prior to being substituted. 12/05/2016

Note
Planning Committee Members have to retain a "neutral" position on any application for the very fact that they are part of the decision making process and cannot be seen to side with either the applicant or objectors prior to the date of determination of the application when all relevant facts are known. As decision makers, they should not be seen to be prejudging the application, nor to be influenced by those with whom they have a special relationship as fellow Members, at any stage prior to determination. This would not therefore debar a local Member from speaking on an application at the determination stage but would prevent a Member from lobbying Members at any time leading up to determination.

The Planning Committee is constrained to take into account only relevant planning considerations, against the background of the Development Plan and other material planning considerations. Planning decisions should not be unduly influenced by party politics, or individual Members. Should Members be allowed to become involved in applications to the extent of organising support/objection the Council's credibility in the decision making process could be compromised.

For example, therefore, Members should not distribute or organise the distribution of leaflets urging the public to support or oppose particular planning applications. However, Members could set up meetings to gain the public's views on particular applications, but in so doing regard must be had to codes (c) and (f) above.

For further advice regard should be had to the Local Government Association's publication: "*Probity in Planning*" which contains detailed guidance on good planning practice for Councillors and officers dealing with planning matters.

2. Declaration of Members' Interests

(a) All Members should be conversant with the Code of Conduct for Members.

(b) Non-voting Planning Committee Members should leave the committee room during consideration of any application in which they have an interest which would amount to a disclosable pecuniary interest had they been voting Members of the Committee.

[Note: Members should be aware that officers are bound by the Code of Conduct for Employees and should declare financial and non – financial interests.] 12/05/2016

3. Procedures and Conduct of Meetings
(a) Chair's Briefings

(i) Chair's briefings should be held after the draft agenda has been set and officers' recommendations made.
(ii) The prime purposes of Chair's briefings should be:-
 to discuss the issues with the Chair, Deputy Chair and Opposition Spokesperson;
 to ensure that the rationale for officers' recommendations is fully explained;
 for the Chair to highlight possible problem items and potentially controversial applications;
 to consider arrangements for site visits;

(b) Officer - Member Briefings

(i) Member briefings should be held after the draft agenda has been set and officers' recommendations made.
(ii) The purpose of Member Briefings is to ensure that the rationale for officers' recommendations is fully explained.
(iii) Officer-Member briefings are to be fact finding exercises only.

(c) Committee Meetings

(i) An opportunity will be given for members of the public to address the Committee. Those wishing to make representations must follow the Protocol for Public Representations at the Planning Committee.
(ii) A representative of the Executive Lead for Strategy, Governance & Law should be present at all Committee meetings.
(iii) Ward Members not sitting on the Committee, any ward Member of an adjoining ward or other ward which will be affected by the application, representatives of Rottingdean Parish Council (in relation to applications which affect the area of the Parish Council) and representatives of a neighbourhood forum designated under the provisions of the Localism Act 2011 (in relation to applications which affect the area of the neighbourhood forum) have the right to attend the Planning Committee and speak for a maximum of 3 minutes to any application within/affecting their ward or area.

Note
This includes the right of ward Members to speak on an application where they are Members of the Applicant Committee (see also note to Code 6(a)). 12/05/2016

4. Site Visits

(a) Site visits should follow established criteria. A copy of the criteria is attached as Appendix 1.
(b) A Code of Conduct for site visits should be followed. A copy of the Code is attached as Appendix 2.
(c) It is recommended that all Planning Committee Members should attend site visits.
(d) Planning Committee Members with an interest in an application should not attend the site visit for that application.

5. Decisions Contrary to Officer Recommendation

(a) Members must give tenable and substantiated reasons when refusing and approving planning applications.
(b) Reasons for rejection and approval should be fully minuted.
(c) A recorded and named vote should be taken where applications are rejected or approved against officer recommendations.
(d) Officers must ensure that Members are fully aware of the reasons for their recommendation and the implications for the Committee of a decision against the recommendation – this would include the cost implications of any appeal.
(e) Officers will ensure that any decision (including a decision that is contrary to officer recommendation) is appropriately supported.

6. Planning Applications made by the Council

(a) There is no automatic prohibition on Members of the Planning Committee speaking and voting on planning applications made by Committees or Sub-Committees of which they are also Members. However, Members need to be mindful of the following:

- there may be a potential public perception that, by being part of the application and determination process, Members may not retain a neutral and objective position;
- Members must confine themselves to determining planning applications on the basis of material planning considerations only and not take into account non-planning considerations;
- Members should not take part in the planning decision if their Membership of the Applicant Committee or Sub-Committee, or other circumstances, would lead to a charge of bias or predetermination.;
- Members should consider each situation on its own merits and, if the position is unclear, err on the side of caution and not take part in the determination of the application;
- If Members are unclear or need advice, they should consult the Executive Lead for Strategy, Governance & Law or the Planning Lawyer.

12/05/2016

7. Relationship between Members and Planning Officers

(a) Planning officers who work closely with Members must ensure that their professional judgment is not compromised by the nature of their professional relationship with Members.
(b) Members should recognise that Chartered Planners are governed by their code of professional conduct obliging RTPI members to make professional and independent recommendations.

(c) Informal relationships between officers and Members should be avoided as this may create difficulties for chartered planners where there are genuine differences of approach to a planning matter.

Note
Members need also to be familiar with the Code of Conduct for Member/Officer Relations found elsewhere in this part of the Constitution.

12/05/2016

APPENDIX 1
Criteria for Planning Committee Site Visits

1 The Purpose of Site Visits

1.1 The purpose of a Site Visit is:-
 to enable Members of the Committee to obtain a fuller appreciation of the likely impact of proposed development, which may not be apparent from the officers' report and presentation or form a public vantage point outside the site, so as to inform better decision making in respect of that application;
 to enable Members of the Committee to assess the impact of schemes that they have previously approved so as to inform decision making in the future (site visits to implemented schemes).

1.2 The purpose of a Site Visit is not:-
 to allow ward Councillors, applicants, objectors or other members of the public to lobby Members of the Committee, nor
 to duplicate or check up on the site assessment made by the planning case officer.

2. Protocol for calling for Site Visits

2.1 Any Member of the Committee or Councillor is entitled to make a request for a site visit explaining how they consider their request meets the criteria set out above. It will be entirely at the discretion of the Committee to decide whether it wishes to carry out a site visit in that particular instance.

2.2 A request for a site visit may be made by a Member either at Planning Committee or at an Officer-Member Briefing. Officers may suggest or formally recommend that a site visit be made. A site visit will be held unless the majority of Members, present at the time when the request is considered, disagree. Should a site visit be agreed the ~~planning~~ application will be heard at, or deferred until, the next Planning Committee following the site visit.

2.3 Members will be encouraged to identify potential cases for Committee site visits at the earliest possible occasion so as to avoid unnecessary deferments. 12/05/2016

APPENDIX 2

Site Visits by Planning Committee

Code of Conduct

1. Authorised attendance at a site visit shall be limited to elected and co-opted Members of the Planning Committee, a representative of the Executive Director Economy, Environment and Culture and the applicant or his or her representative. Councillors representing the ward in which the application is submitted or adjacent wards affected by the application will also be invited to attend.

2. There shall be no discussion of the merits of any application during the site visit. Such discussions will only take place at a meeting of the Committee.

3. During the site visit Members should endeavour to remain in a group and must not enter into individual discussions with the applicant, the applicant's agent or any objector, supporter or ward Councillor.

4. The applicant, objectors, supporters and ward Councillors shall be treated equally during the site visit,

5. Neither the applicant, nor their representative nor any objector, supporter or ward Councillor shall be permitted to make representations to Members of the Committee during a site visit but they may, however, give any purely factual information which is required by Members and which cannot be ascertained by viewing alone.

6.. Site visits are normally arranged for the afternoon of the day immediately prior to the following Planning Committee. It is the responsibility of the case officer to:

(a) Notify the applicant/owner of the site that a visit is to take place and explain the procedure;
(b) Liaise with the Clerk to the Committee regarding the time and place of the visit so that a letter can be sent with the next agenda notifying Members of the visit.
(c) Ensure that the report is included on the next agenda.

Extract from Part 8 - Codes and Protocols

PART 8.6 PROTOCOL FOR PUBLIC REPRESENTATIONS AT PLANNING COMMITTEE

The following procedure shall be followed at the Planning Committee meetings for the purpose of enabling members of the public to make representations. This protocol supplements the Council Procedure Rules and the two should be read together.

1. A planning officer will introduce the ~~planning~~ application and display any plans as well as bringing to Members' attention any new matters that have arisen since the agenda was prepared. Members may ask questions of the planning officer.

2. Objectors (or their representative) have an opportunity to address Members. Where there is more than one objector, the clerk to the Committee will require the objectors to nominate a spokesperson. Exceptionally, and at the Chair's discretion, more than one objector may be allowed to speak, but only where new material issues are to be raised. Members may ask questions of the objectors only for the purpose of clarifying matters of fact already raised during the objector's presentation.

3. Ward Members, a representative of Rottingdean Parish Council and a representative of a neighbourhood forum may address the meeting in relation to any ~~planning~~ application before the Planning Committee that falls within or affects their ward/area.

4. The applicant (or their representative) has an opportunity to make representations in support of the application, but only if the recommendation is to refuse or there are ward Members, a representative of Rottingdean Parish Council, a representative of a neighbourhood forum or objectors speaking against the application. Applicants will make their representations after all other speakers have spoken. Applicants will be notified of any notice of intention to speak. Members may ask questions of the applicant only for the purpose of clarifying matters of fact already raised during the applicant's presentation.

5. Members may receive legal and other professional advice as necessary during the proceedings.

6. In the interests of efficient despatch of business, the following rules regarding speaking time per application will apply:

 A total time of 3 minutes shall be allowed for all objectors. Where the Chair permits more than one objector to speak, the time will be divided equally among the objectors (unless they come to some other arrangement between themselves.)

05.12.2018

 A total time of 3 minutes shall be allowed for Ward Members. Where more than one Ward Member wishes to speak, the time will be divided equally among the Ward Members (unless they come to some other arrangement between themselves)

 A total time of 3 minutes shall be allowed for Rottingdean Parish Council

 A total time of 3 minutes shall be allowed for a neighbourhood forum

 A total time of 3 minutes shall be allowed for the applicant.

 In exceptional cases, these timings may be extended at the Chair's discretion. An exception may involve an abnormal weight of objections or support or where the application is particularly complex.

7. A person wishing to speak at a meeting of the Committee shall give written notice of his/her intention to do so to Democratic Service 4 clear days before the meeting (Normally, the Committee meets on Wednesdays which means the notice has to be received by the preceding Friday). The applicant and other persons wanting to make representations will be notified of the arrangements for public speaking by being sent a copy of this protocol together with contact details. Applicants may be given the right to speak notwithstanding that they have failed to give the required notice.

8. For the purposes of this protocol:-

 the term "objector" shall mean a person who lives in the immediate vicinity of the application site or who otherwise may reasonably be considered to be potentially directly affected by the proposed development

 the term "neighbourhood forum" means a neighbourhood forum designated as such in accordance with the Localism Act 2011

Requests or applications for the discharge or variation of completed s106 planning obligations

9. In those cases where the request or application is to be determined by the Committee, developers or their agents requesting or applying for the variation or discharge of completed s106 planning obligations have the opportunity to address the Committee for a total of 3 minutes in support of their request/ application. The opportunity arises whether the officer recommendation is to agree or to refuse the request/application. Four clear days' notice of the intention to address the Committee shall be given to Democratic Services. Members may ask questions of the developer /agent only for the purpose of clarifying matters of fact already raised during the developer's/agent's address.

…… 05.12.2018

10. The Committee or the Chair may waive any of the requirements of this protocol if satisfied on legal and professional advice, and only in **exceptional** circumstances, that it is appropriate to do so in the circumstances.

HOUSING COMMITTEE	Agenda Item 9 Brighton & Hove City Council

Subject:		**Home Purchase Policy update**	
Date of Meeting:		**Housing Committee 18 September 2019 Policy and Resources Committee 10 October 2019**	
Report of:		**Executive Director – Neighbourhoods, Communities & Housing**	
Contact Officer:	**Name:**	**Diane Hughes**	**Tel: 01273 293159**
	Email:	**Diane.hughes@brighton-hove.gov.uk**	
Ward(s) affected:		**All**	

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 Housing & New Homes Committee agreed a Home Purchase Policy in September 2017 to enable the purchase of homes funded by the Housing Revenue Account (HRA). This supported the council to:

- Maximise the supply of affordable homes in the city as outlined in the Housing Strategy
- Meet housing need through the housing register
- Utilise retained Right to Buy receipts thereby avoiding the need to return capital funds to the government, and reducing the impact on the HRA's borrowing headroom.

1.2 A 12 month pilot took place from November 2017 which focused on the council buying back former council homes where the council had the right of first refusal. In September 2018 Housing & New Homes Committee was presented with feedback on the pilot and agreed revisions to this policy. These revisions included the council also being able to consider other acquisitions opportunities such as affordable housing gained through planning (S106 sites).

1.3 This report provides an update on the operation of the policy.

2. RECOMMENDATIONS:

That the Housing Committee:

2.1 Notes the outcomes of the Home Purchase Policy to date.

2.2 Recommends that Policy and Resources Committee agree an additional HRA capital budget of £3.000m for the scheme for 2019/20.

2.3 Recommends to the Constitutional Working Group a review of the financial limits applied to officer scheme of delegations.

2.4 Recommends use of the rent support reserve held within the HRA reserves to enable consideration of reduction of rents under the Home Purchase Policy to achieve social rents or 27.5% living wage rents.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The citywide Housing Strategy adopted by council in March 2015 has as priority one *Improving Housing Supply* with a commitment to prioritise affordable housing provision in the city. The city has an Affordable Housing Brief based on evidenced local housing needs which reflects the very pressing need for affordable homes in the city.

3.2 A Home Purchase Policy which enables the purchase of properties for which there is demand, at the right price, supports the priority to increase affordable homes in the city. The policy outlined a number of ways that the purchase of homes can take place. The 'buy back' scheme has allowed the council to buy back former council homes where the council has the right of first refusal. This has been extended into a wider offer to other leaseholders/freeholders of former council owned homes who may wish to sell their properties back to the council.

3.3 **Buy back scheme for former council owned homes (right of first refusal and open market sales)**

Since the scheme began the council has received 83 offer notices[1]. Of these:

- 23 properties have been purchased to be let as either general needs or temporary accommodation properties
- 23 properties have offers agreed and sales are proceeding with the council's legal services
- 7 properties are currently under consideration
- 30 properties are not proceeding.

3.4 A breakdown of the properties that the council has purchased or are purchasing is as follows:

Size	**Number**
Studio	2
1 bedroom	13
2 bedroom	24
3 bedroom	7

Property use	**Number**
General needs	26
Temporary accommodation	20

[1] As at 31 July 2019

The reasons for properties not proceeding are:

Reason	Number
Property over £250,000 threshold	13
Property did not offer the council value for money	7
Owner did not accept the offer	4
Owner withdrew property from sale	6

3.5 Full details of the offers are included in Appendix 1. The scheme has demonstrated that there are a good number of opportunities coming through and the wider offer to extend the scheme has proved popular with leaseholders and freeholders. The primary assessment tool for deciding whether a property should be used as general needs or temporary accommodation is based on the financial viability of the purchase. Secondary considerations are the proportion of properties used general needs and council owned temporary accommodation to create a balance in the programme, and opportunities to achieve rents at 27.5% living wage (to date four general needs properties have achieved 27.5% Living Wage rent). At present the scheme is operating on approximately 60% general needs and 40% temporary accommodation basis with this proportion able to be adjusted at any time (subject to financial viability of the purchases).

3.6 The budget for the scheme for 2019/20 is £7.000m. The council has spent £1.863m with a further £5.598m forecast to be spent committed bringing the total spend to £7.461m as at July 2019. To allow the scheme to continue for the remainder of 2019/20 a further budget of £3.000m is being requested as detailed in paragraph 4.1.

Delegated authority limits

3.7 Whilst the threshold of £250,000 has not proved to be a barrier to this policy, it has resulted in the purchase of smaller properties (typically 1 and 2 bedroom homes). An analysis of Land Registry sales of three and four bedroom properties in the past two years in council housing localities show that sales of 118 three bedroom homes fell into the following price bands:

Price band	Number of homes
£200 - 249,000	10
£250 - 299,000	31
£300 - 349,000	47
£350 - 399,000	21
£400,000 plus	9

Findings from the sales of 20 four bedroom homes were:

Price band	Number of homes
£280 - 299,000	2
£300 - 349,000	6
£350 - 399,000	8
£400,000 plus	4

3.8 The Executive Director of Neighbourhoods, Communities & Housing's current financial limit under officers' delegated power is £0.250m as outlined in the Scheme of Delegations. The Land Registry analysis shows that an increase in the Scheme of Delegations limit to £0.500m would enable a considerable increase in the scope of the scheme. Any amendment to the officer scheme of delegations would need approval from Policy & Resources Committee and is a matter for the cross party Constitutional Working Group to consider.

Other opportunities

3.9 Alongside the purchase of former council homes, other opportunities may become available to purchase other properties or land for housing. Affordable housing is required to be provided on site at all new housing developments providing more than 15 units (City Plan Policy CP20). These developer contributions providing affordable housing are typically known as S106 sites. The council is now actively considering these sites, and also looking at a range of acquisition opportunities to provide new homes.

3.10 Where time permits a business case will be developed for each potential purchase to be considered at the cross party Housing Supply Member Board and Housing Committee for approval.

3.11 In some exceptional cases, there may be a benefit in considering the need for the use of an Urgency Sub Committee to be able to respond to opportunities arising in the market. This would ensure transparency in decision making. In addition Urgency Powers are also available if, due to urgent timing, committee approval could not be sought in advance. The Executive Director Neighbourhoods, Communities & Housing in consultation with Executive Director for Finance & Resources, may use their Chief Officer Urgency Powers in order to meet a deadline. Consultation must take place with the Chairs of Housing Committee (HC) and Policy & Resources Committee (PR). Any decisions taken under Urgency Powers are reported to Housing Committee and Policy & Resources Committee in accordance with the procedure outlined in the Scheme of Delegations.

4. Budget and resources

4.1 With the budget of £7.000m for 2019/20 now fully committed, a further capital budget allocation is required to allow the scheme to continue operating at its current level during this financial year. A further £3.000m will allow the purchase of approximately 12 further properties, bringing the total number acquired under the Home Purchase Policy's 'Buy Back' scheme in 2019/20 to an estimated 42.

4.2 The scheme is currently managed, through the equivalent of one full time post supporting the operation of the scheme.

5. ANALYSIS & CONSIDERATION OF OPTIONS

5.1 The Home Purchase Policy offers the opportunity to maximise council owned homes. Reports presented at Housing & New Homes Committee in September 2017 and 2018 provided a range of options, with the preferred one being to have in place a policy which allows both the buy-back of former council homes and other acquisitions.

6 COMMUNITY ENGAGEMENT & CONSULTATION

6.1 Tenants and leaseholders were consulted on the development of the Home Purchase Policy through the Area Panels in Summer 2017 and on the subsequent changes to the policy in 2018.

7. CONCLUSION

7.1 The purchase by the council of additional affordable homes will help meet the council's strategic objectives to increase housing supply as set out in the council's Housing Strategy.

7.2 The Home Purchase Policy will continue to be kept under review to determine the success of the scheme and to inform future budget decisions.

8. FINANCIAL & OTHER IMPLICATIONS:

Financial implications

8.1 The forecast expenditure for 2019/20 is £7.461m; this already exceeds the approved budget of £7.000m for the financial year. Without committing further budget to the scheme it will result in having to pause the purchase of two or three homes as there will be insufficient budget to fund the purchases.

8.2 If approved, the additional £3.000m budget would form part of the 2019/20 HRA capital programme and would be funded by up to 30% Right to Buy Receipts, with the remaining assumed from HRA borrowing. However, the actual funding of the budget will be considered in line with the whole of the HRA capital programme at the end of the financial year. As stated in the body of the report, the additional budget would support a further 12 homes to be purchased.

8.3 Each property purchased through this policy is subject to a viability test. This test is designed to ensure that purchases are providing value for money for the council. The results of the tests are indicative only and used as a decision making tool for officers to consider, alongside other factors when deciding to proceed with the purchase or not. The results can be seen in appendix 1 to this report. To date seven properties have been rejected on a value for money basis, due to the valuation being high for for the properties and the rental income not supporting the purchase.

8.4 The viability test will continue to be applied to any new properties coming forward and will be used to provide assurance that if the delegated authority is raised, properties will only be purchased if they provide good value for money as well as matching the type of property required by the council.

Finance Officer Consulted: Monica Brooks *Date: 12/8/19*

Legal Implications:

8.5 Section 17 of the Housing Act 1985 confers a power on local housing authorities to acquire houses. The continued acquisition of property for use as residential accommodation is clearly within the council's powers.

8.6 The Council's Scheme of Delegations to Officers sets a limit of £250,000 on officers' powers for the disposal and acquisition of land. The Council is required to keep its constitution under review with a view to achieving efficiency, economy and effectiveness. The Cross-Party Constitutional Working Group (CWG) was set up to assist with this by considering proposals and advising the Council on proposed changes to the constitution. It is therefore appropriate for any proposals to amend the constitution to be directed initially to the Constitution Working Group, rather than Policy & Resources Committee which is the body with the power to approve changes to the Scheme of Delegations to Officers.

Lawyer consulted: Liz Woodley *Date: 07.08.19*

8.7 Equalities Implications:

The Home Purchase Policy supports the delivery of the city's Housing Strategy and an increase in housing supply will extend opportunities to accommodate households on the Housing Register who are on housing need.

8.8 Sustainability Implications:

Purchased properties are required to meet the Brighton & Hove Standard and seek to be energy efficient, minimise carbon emissions and reduce water usage.

SUPPORTING DOCUMENTATION

Appendices:

Appendix 1: Home Purchase Policy outcomes

Documents in Members' Rooms **None**

Background Documents Home Purchase Policy

DRAFT PROTOCOL ON THE USE OF URGENCY POWERS BY OFFICERS

This Protocol clarifies expectations on the use of urgency powers by officers of the council and is to be read with reference to **the Officer Flowchart** and **the Officer Checklist** provided below.

When may officer urgency powers be used?

General delegations in Part 6 of the Scheme of Delegations provide Chief Officers with urgency powers in two contexts:

1) where an emergency has been declared or where an officer acting as gold command considers it necessary to take appropriate steps under the Council's emergency planning, resilience or business continuity procedures; and
2) in any situation where it is not reasonably practicable to obtain prior approval of a Committee or Sub-Committee.

The use of urgency powers in accordance with 1) is not dealt with in this Protocol, which governs the use of urgency powers in scenario 2) only.

A: Officer Flowchart: is it possible to obtain the prior approval of a Committee or Sub Committee as a first resort?

Officers are required to follow the Flowchart below. This summary is to be read alongside it.

When a decision needs to be made urgently, officers are expected to ask themselves the following questions in sequence, having regard to the Council Procedure Rules:

1. Can the matter be put to an ordinary Committee meeting? The dates for the council's committees are scheduled considerably in advance.

2. If a meeting of the Committee is either not scheduled within relevant deadlines or is happening too soon for members to have opportunity to scrutinise the proposals, then officers should ask: is it practicable to convene a special meeting (CPR rule 19)? These may be called by the Chair or Deputy Chair or by one quarter of the voting members to the Committee by requisition. The process involves scheduling an additional meeting of the entire Committee to consider one or more agenda items.

3. If it is not practicable to convene a special meeting, whether for timetabling, room availability or other reasons, then officers should ask: is it practicable to convene an Urgency Sub Committee of the Committee (rule 22)? This involves convening a dedicated meeting of three members of the Committee on a cross party basis. The fact that it may be called at short notice mitigates against optimum scrutiny as any decision is made by a smaller pool of members (albeit on a cross party basis).

If 1, 2 and 3 have been considered but are not possible, then officers may consider exercising delegated urgency powers. The expectation is that all relevant decisions will be referred to a member body unless it is not reasonably practicable to convene one of 1-3 ab ove.

B: Officer Checklist: Exercising Urgency Powers

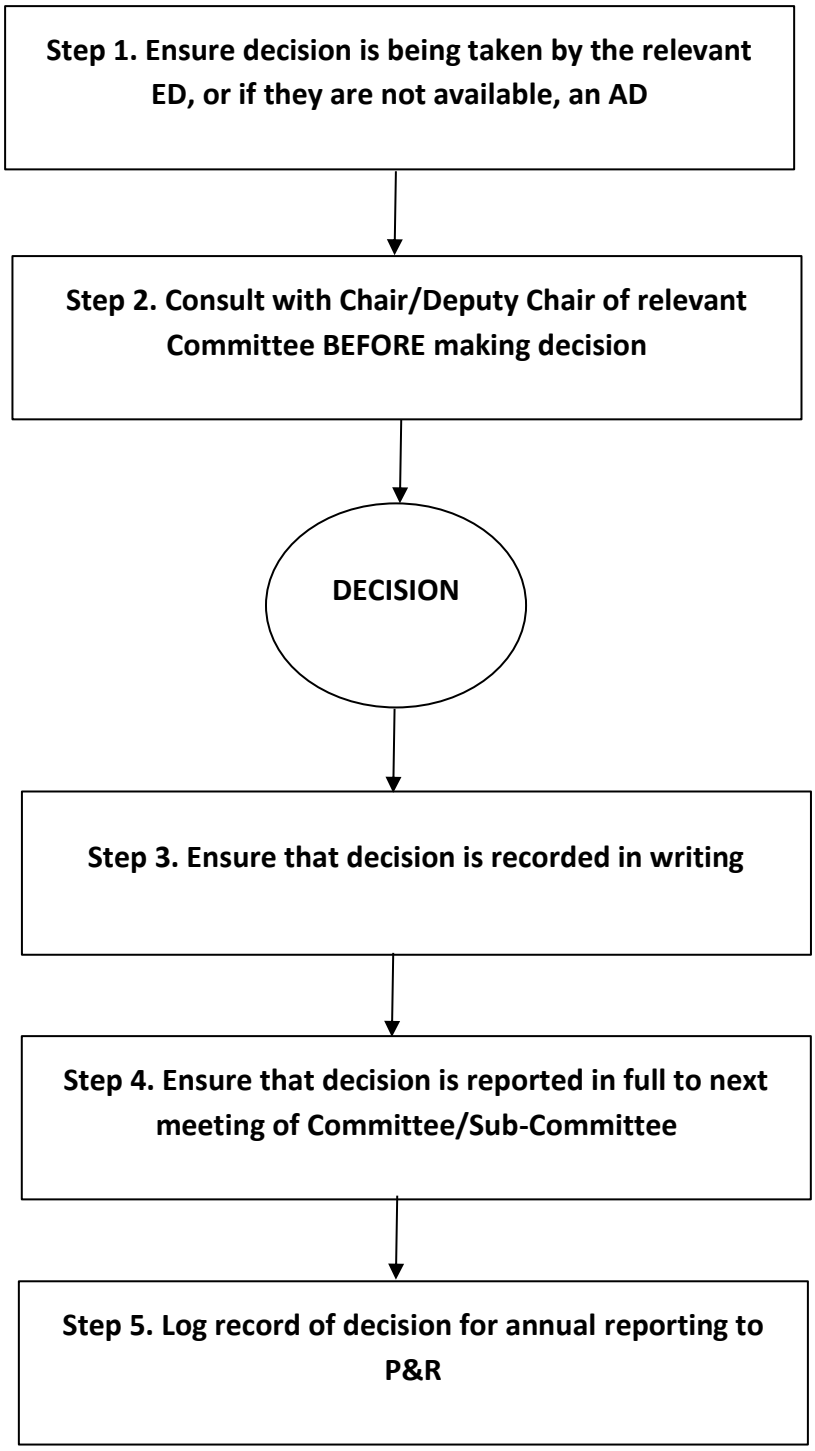
The Officer Checklist below is to be used only where it is not considered reasonably practicable (having reviewed the Flowchart) to obtain Committee or Sub Committee approval

Where the flowchart indicates that it is not reasonably practicable to obtain Committee approval, then urgency powers may be available as long as the following safeguards are met:

- The Officers must firstly consult the Chair of the Committee or Sub Committee before taking any decision;
- The Officer must complete an Officer Decision Record using the template (see annex at the end] and including a record of the consultation undertaken;
- The officer decision must be taken at Chief Officer level or in their absence at Assistant Director level;
- After the decision has been taken, it must be reported to the next scheduled Sub Committee or Committee for information so as to ensure as much transparency as possible;
- A copy of the Officer Decision Record must be logged with Democratic Services so that it can be included in the annual report to P&R which reports on decisions taken by officers using urgency powers.

B: OFFICER CHECKLIST: EXERCISING URGENCY POWERS

(NB Only applicable where not reasonably practicable to obtain approval from a member body – see flowchart)



Extract from the Scheme of Delegations to Officers – Urgency Powers:

7. Urgency Powers (with relevant provisions are highlighted in grey).
(1) In cases where an emergency has been declared or when an officer acting as gold command considers it necessary to take appropriate steps under the Council's emergency planning, resilience or business continuity procedures:-

(a) After consultation with the Leader of the Council or a Deputy Leader, to exercise any of the functions, whether within the service area of the chief officer or otherwise, in cases of urgency where it is not practicable to obtain prior approval of the relevant Committee or Sub-Committee. See also notes (i) to (iv) below.
(b) To approve expenditure of up to £1,000,000, the action taken to be reported for information to the Leader of the Council and Group Leaders as soon as practicable. See also notes (i) to (iv) below.
NOTES
(i) Contact the Emergency Planning & Resilience Duty Officer on 07540 675 169 in connection with the exercise of the above delegated powers.
(ii) The Leader of the Council or in his / her absence a Deputy Leader shall be informed as soon as is practicable if it appears likely that any such emergency will be declared.
(iii) If it is not possible or practicable for an officer who would normally exercise the above delegated powers to do so, the powers may be exercised by the officer who is designated to be in charge under the Council's emergency planning or business continuity procedures or any officer appointed by him / her to act on his / her behalf.
(iv) If it is not possible or practicable for the officer to consult the Leader or a Deputy Leader before exercising the above delegated powers, the officer may exercise the powers without doing so but shall take such steps as appear appropriate at the time to keep Members informed of the action taken.

(2) In any other cases of urgency:-
(a) After consultation with the Chair (or in his / her absence, a Deputy Chair) of the relevant Committee or Sub-Committee, to exercise any of the functions within the service area of the officer in cases of urgency where it is not reasonably practicable to obtain prior approval of a Committee or Sub-Committee.
(b) The action taken shall be reported, as appropriate, to the Committee or Sub-Committee.

This record relates to urgent decisions taken by Chief Officers under the Scheme of Delegation to Officers Paragraph 7(2).

RECORD OF URGENT DECISION TAKEN BY [insert Job Role]

SUBJECT:

CONTACT OFFICER:

REASONS FOR URGENCY AND WHY NOT PRACTICABLE TO HOLD A SPECIAL MEETING OR URGENCY SUB-COMMITTEE:

DETAILS AND OUTCOME OF CONSULTATION WITH THE CHAIR/DEPUTY CHAIR OF RELEVANT COMMITTEE:

DATE OF CONSULTATION WITH CHAIR/DEPUTY CHAIR:

THE DECISION:

REASONS FOR DECISION:

DETAILS OF ANY ALTERNATIVE OPTIONS CONSIDERED:

LEGAL IMPLICATIONS:

Name ***Date***

FINANCIAL IMPLICATIONS:

Name ***Date***

DATE OF NEXT COMMITTEE MEETING TO WHICH THE DECISION WILL BE REPORTED:

Date:

Signed:

Executive Director

Logged by Democratic Services Officer for Annual Report:

Name: Date:

POLICY & RESOURCES COMMITTEE	Agenda Item 93 Brighton & Hove City Council

Subject:	**Item from Tourism, Equalities, Communities & Culture Committee – Women in Local Government**	
Date of Meeting:	**21 November 2019**	
Report of:	**Executive Lead Officer for Strategy, Governance & Law**	
Contact Officer:	Name: **Penny Jennings**	**Tel: 01273 291065**
	E-mail: penny.jennings@brighton-hove.gov.uk	
Wards Affected:	All	

FOR GENERAL RELEASE

Action Required of the Policy & Resources Committee:

The Tourism Equalities Communities & Culture Committee recommends that Policy & Resources Committee be recommended to:

(1) Approve the proposals as set out in Appendix 1

(2) Request officers to promote all roles, including senior roles, available for flexible working and part-time.

BRIGHTON & HOVE CITY COUNCIL

TOURISM, EQUALITIES, COMMUNITIES & CULTURE COMMITTEE

4.00pm, 21 November 2019

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillors Robins (Chair, Grimshaw (Deputy Chair), Rainey (Opposition Spokesperson), Nemeth (Group Spokesperson), Ebel, Evans, Mears, O'Quinn, Powell and Simson

26.1 The Committee considered a report of Executive Lead for Strategy, governance and Law (Monitoring Officer) prepared in response to the decision of Full Council to explore options implement the recommendations of the Fawcett Society on women in local government.

26.2 It was explained that in July 2017, The Fawcett Society in partnership with the Local Government Information unit had published a report on women in local government entitled "Does Local Government Work for Women?" The report had looked at the representation and experiences of women elected to local authorities. It made a number of recommendations for improvement. In December 2018 the Policy and Resources Committee agreed a number of actions but some of the recommendations required further consideration.

26.3 The actions proposed in response to the outstanding Fawcett Report recommendations were set out in Appendix 1 to the report. It was noted that these plans had been discussed by a cross-party group consisting of the Group whips.

26.4 The Chair noted that the following proposed amendment had been received from the Green Group:
To amend recommendation 2.2 and add recommendation 2.3 as shown in ***bold italics:***

"2.2 That Members recommend to the Policy and Resources Committee that the proposals set out in Appendix 1 to the report be approved, ***with the additional recommendation 2.3;***

That the Committee requests officers to promote all roles, available for flexible working and part time." (Proposed by Councillor and seconded by Councillor Rainey)

26.5 Councillor Powell spoke in support of her proposed amendment stating that whilst the work completed to date and proposed going forward was commended, she was of the view that the council should be doing all that it could both to support women in the workplace and to seek to make them fully aware of the flexible working options available to them. Councillor Rainey stated that she concurred in that view and therefore seconded the proposed amendment.

26.6 The Community Works invitee, Anusree Biswas Sasidharan, welcomed the report and the work that had been undertaken to implement the outstanding Fawcett Society recommendations. A great deal of work had obviously been undertaken and that was to be commended.

26.7 The Executive Lead for Strategy, Governance and Law explained that the report related primarily to the appointment of elected Members. The Council had arrangements in place in relation to the appointment of officers and that appointment to some posts for instance some group appointments fell outside the direct remit of the council.

26.8 Councillors Powell and Rainey stated that notwithstanding the comments made, which were noted and understood they wished their amendment to be considered and voted on. Considering that it was very important to encourage and enable flexible working arrangements and to seek to ensure that potential female councillors and staff were fully aware of those possibilities.

26.9 Councillors Nemeth and Mears stated that they did not feel able to support the proposed amendments as though happy to support the report recommendations as they stood, if amended they would take them outside the remit of what the council could do. Candidates were chosen on merit and group leaders were not precluded from operating that on a job share or on the grounds of gender.

29.10 Councillor Simson whilst understanding the rationale for the wording of the proposed amendment struggled with it as currently worded especially as the report related primarily to elected members rather than officers. Councillor Simson stated that she might feel able to support an amendment to the amendment which referred to "all roles" without stipulating what those roles might be. That was tentatively suggested as an amendment to the Green Group amendment but was not agreed. The Committee then moved to a vote on the Green Group amendment.

26.11 A vote was then taken on the proposed Green Group amendment which was agreed by a vote of 7 with 3 abstentions. It was then voted on as the substantive amendment and was agreed by a vote of 7 with 3 abstentions.

26.12 **RESOLVED –** (1) That the Committee agrees the plans to address the outstanding Fawcett Society recommendations as detailed in Appendix 1 to the report; and

26.13 **RESOLVED TO RECOMMEND TO POLICY AND RESOURCES COMMITTEE –** (2) That Members recommend to Policy and Resources Committee that the proposals set out in Appendix 1 be approved, with the addition of (3) below; and

(3) That the Committee requests officers to promote all roles, including senior roles, available for flexible working and part-time.

TOURISM, EQUALITIES, COMMUNITIES & CULTURE COMMITTEE	Agenda Item 25 Brighton & Hove City Council

Subject:		**Women in Local Government**
Date of Meeting:		**21 November 2019**
Report of:		**Executive Lead for Strategy, Governance & Law (Monitoring Officer)**
Contact Officer:	**Name:**	**Giles Rossington** **Tel: 01273 295514**
	Email:	**giles.rossington@brighton-hove.gov.uk**
Ward(s) affected:		**(All Wards);**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 In April 2018 Full Council agreed to explore options to implement the recommendations of the Fawcett Society report on women in local government. Action has subsequently been taken on a number of the recommendations, but some recommendations require further decisions by members. This report seeks approval for plans to address the outstanding recommendations.

1.2 The actions in response to the outstanding Fawcett Report recommendations are included as Appendix 1 to this report. These plans have been discussed by a cross-party group consisting of the Group whips.

2. RECOMMENDATIONS:

Tourism, Equalities, Communities & Culture Committee:

2.1 That the Committee agrees the plans to address the outstanding Fawcett Society recommendations as detailed in Appendix 1

2.2 That Members recommends to the Policy & Resources Committee that the proposals set out in Appendix 1 be approved.

Policy & Resources Committee:

2.1 That the Committee approves the proposals set out in Appendix 1.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 In July 2017 The Fawcett Society, in partnership with the Local Government Information Unit, published a report on women in local government: Does Local Government Work for Women? The report looked at the representation and experiences of women employed by and elected to local authorities. It also made a number of recommendations for improvement.

3.2 In April 2018 a Green Group Notice of Motion (NoM) to Full Council asked the Council to agree to explore options for implementing the Fawcett Society report recommendations. This was agreed by Full Council.

3.3 A report detailing actions taken in regard to the Fawcett Society report recommendations was taken to Policy, Resources & Growth Committee (PRG) in December 2018. Whilst officers had taken action on a number of the recommendations, others required further member decisions. PRG consequently resolved that the outstanding recommendations should be considered by a member group consisting of the party whips, with the groups' recommendations to be taken to the relevant committee(s) for approval.

3.4 It was not possible to arrange this meeting prior to the May election. However, the group has now met and has discussed actions against each of the outstanding Fawcett Society recommendations (Appendix 1).

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The Council has committed to exploring options for implementing the Fawcett Society report recommendations and a cross-party member group consisting of the Group whips has discussed actions in respect of the outstanding recommendations.

4.2 The committee has the option to reject the actions proposed.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 None has been undertaken for this report which is largely focused on internal Council processes and procedures.

6. CONCLUSION

6.1 The committee is asked to approve plans to address the implementation of the recommendations in the Fawcett Society report on women in local government, as agreed by Full Council in April 2018.

6.2 These plans have already been considered by a cross-part group of party whips.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 There are no significant financial implications arising from this report. Costs incurred in the recommendations, for example administering training sessions, would be expected to be met within existing resources

Finance Officer Consulted: Peter Francis *Date: 12/11/2019*

Legal Implications:

7.2 The proposals in this report are consistent with the Council's powers and will assist the Council in complying with its obligations under the Equalities Act 2010

Lawyer Consulted: Abraham Ghebre-Ghiorghis *Date: 12/11/2019*

Equalities Implications:

7.3 Women have been historically un-represented in local government, particularly in terms of elected members and in political and officer leadership positions. The Fawcett Society report recommendations, and the proposed council actions in response to these recommendations, are intended to help redress this imbalance.

Sustainability Implications:

7.4 None identified

Any Other Significant Implications:

7.5 None identified

SUPPORTING DOCUMENTATION

Appendices:

1. Proposals, agreed by the cross-party whip group, to address the outstanding recommendations of the Fawcett Society report

Background Documents:

1. The Fawcett Society: Does Local Government Work for Women? https://www.fawcettsociety.org.uk/Handlers/Download.ashx?IDMF=0de4f7f0-d1a0-4e63-94c7-5e69081caa5f

Appendix 1

OUTSTANDING FROM THE WOMEN IN LOCAL GOVERNMENT REPORT.

1. Introduction

In December 2018, the Policy, Resources and Growth Committee received a report on implementation of the proposals in the "Women in Local Government" report commissioned by the Fawcett Society and the LGIU. Some of the recommendations had been actioned and the Committee asked for the outstanding matters to be considered by Group Whips with recommendations going back to committee. This note lists the outstanding matters with recommendations.

2. Introducing a reasonable adjustment policy for disabled councillors.

Under the Equality Act 2010, Councils have a duty to make reasonable adjustments in relation to Members. There is also the duty to pay due regard to advancing equality and this includes encouraging disabled people to participate in public life.

The Council currently does not have a specific policy for Councillors. However, the same policies that apply to staff could be applied to Members with suitable adjustment.

Recommendations

- That members be encouraged to complete a form about any disability and any additional or special needs they may have;
- Ensure Members have access to the Council's occupational health facility to the extent that their condition affects their role as Councillors;
- Raise awareness of disability among members and officers;
- Make sure all reasonable adjustments are made
- Develop a policy that mirrors the one that applies to officers with necessary modification

2 Local government leaders to support BAME and Muslim women who experience pressure from within their communities not to participate in political life.

The Fawcett report focused on the barriers that BAME and Muslim women may face when standing as a candidate. The report urged senior party figures within local government to not be bystanders if they see BAME women, in particular Muslim women, being discouraged from standing or facing obstacles.

The report recommended that local government leaders recognise and talk about the problem, actively work with BAME and Muslim women to encourage women in their communities to stand, and to offer support to them if they do.

Recommendations

- Ensure awareness raising sessions for potential candidates are held in time before parties pick up candidates
- Consider inviting high profile BME Members from other authorities to share their experience

- Recommend political parties to encourage women from BME backgrounds to come forward as candidates
- Ensure that the Council's ways of working, publicity and engagement does not alienate women from BME backgrounds

3 Establishing a formal role to oversee Member conduct

This Fawcett recommendation is that the Council considers appointing a senior Councillor whose role it is to promote culture change and promote equality. This role would be separate from the standards complaints procedure.

Recommendation

That the Lead Member for Equalities takes the role of leading on equalities as it affects Councillors. Ensure there is Mentoring and other support to develop the role.

4 Active sponsorship of new Councillors

The Fawcett recommendation for Councils to introduce sponsorship schemes for all new Councillors and for women Councillors to be encouraged to take part in the scheme. The scheme could be akin to a mentoring scheme.

The Council already offers a senior officer "buddy" for new Councillors. Political groups may also choose to buddy new members with more experienced members.

Recommendation

Identify opportunities through the Member Development Working Group and the LGA and encourage all Groups to introduce/continue schemes for supporting new Councillors.

5 Adopting a requirement in the Constitution for at least 50 percent of Chairs of Committees to be women

Currently, out of the ten Council Committees, six Chairs of Committees are women. This is 60% and therefore currently exceeds the recommendation. Whilst this is the current arrangement, the Fawcett recommendation seeks to *impose* a requirement for at least 50% of Chairs to be women, if this is possible. It is suggested in the Fawcett report that this requirement could also extend to Deputy Chairs. Currently, of the seven committees that appoint Deputies, five are women, equating to 71%.

Recommendation

To include a reference in the constitution to an aspirational to secure that 50% of chairs and Lead Member roles are held by women. This would not be legally binding but would give a clear indication of the Council's intent and desire.

6 Supporting gender equality networks between Councillors and local government officers

The Fawcett Society recommends that the above could be delivered through regional networks which the Fawcett Society and LGiU intend to lead on establishing.

Recommendation

Identify appropriate networks through the LGA, LGIU and Fawcett Society and ensure r have access to such networks.

7 Working with the police

The Fawcett report recommends that local authorities should work with the local police force to ensure that women council candidates understand the legal protection available against online and offline abuse and harassment of Council candidates. The suggestion for consideration is for Councils to work alongside local police forces to set up information sessions for women candidates prior to election periods, so that they can be made aware of their legal rights to protection and to ensure that both they and the police are clear when interactions on social media cross the line into illegal abuse and harassment.

Recommendation

- Members note the work done on Member safety as part of the Member Induction Programme;
- Ensure that this is repeated at appropriate intervals with updates and that the police are invited to participate in sessions on Member safety.

8 Maternity, paternity, adoption and parental leave policy for Councillors

The Fawcett report recommends that the Secretary of State for Communities and Local Government should introduce a statutory England-wide, comprehensive maternity, paternity, adoption and parental leave policy for councillors.

Regardless of whether a statutory policy is introduced, the Council has the ability to choose to adopt a policy for Councillors if it considers it desirable.

Recommendation

- Note that**,** under current arrangements, Members in Brighton & Hove do not lose allowances for absence and there is no need to seek “leave.” **T**he Independent Remuneration Panel review the issue of review Members’ allowances on an ongoing basis, including carers’ allowances. We will keep the position under review but the Constitutional Working Group did not feel it was necessary to introduce a policy for leave given there are no restrictions under the current system.
-

9 Meeting times

The Fawcett report recommends that Councils should regularly survey Councillors to identify the most mutually convenient meeting times for all Members involved in the meetings and when setting meetings, should ensure Councillors with caring responsibilities and disabled councillors are not excluded. Attempts to secure agreement to any changes have not been successful in the past.

Recommendation

- Undertake a survey of Members and bring the findings to the Whips meeting. If there is consensus, then submit proposals to P&R and the Chief Executive for approval.

10 Training to tackle discrimination –

The Fawcett report recommends that training be offered to Councillors on equalities/tackling discrimination.

Training is already provided as part of the Councillor induction scheme. This consists of both equalities training for new Councillors and training offered for all Councillors. One example of the latter was the recent training offered on unconscious bias.

Recommendation

- Ensure, through the Member Development Working Group, that the Member development programme includes a session on equalities.

11 Audio recordings of Council meetings to enable transparency –

The Fawcett report recommends that Council meetings should be recorded to ensure transparency.

Full Council meetings are already recorded via webcam. Most Committee meetings are also recorded. Only three Committees are currently not recorded (Licensing, Audit & Standards and Health Overview & Scrutiny Committees).

Recommendation

- That Officers consider extending webcasting to the three Committees mentioned above, but not Licensing Panels or Personnel Appeals Panel.

12 Members Allowance Scheme

The Fawcett report recommended that Councils review their members Allowance Schemes in respect of child and dependent care payments.

The Independent Remuneration Panel has met to consider amending the Members Allowance Scheme in respect of child and dependent care allowance. The full report was submitted to Full Council in December 2018.

Recommendation

Ensure that the IRP reviews this at appropriate intervals to ensure it remains effective and up-to-date.

13 Flexible working and part-time working –

Whilst the majority of the Fawcett recommendations focus on Members, one part of the report focused on the relative lack of women in senior roles, compared with the high number of women being employed by local authorities. One barrier to progression to senior roles is the lack of flexible or part-time working for senior roles.

Councils are recommended to offer all roles, including senior roles, as flexible working and part-time by default unless there is a clear business case otherwise. The business case is recommended to be backed up by a genuine organisational commitment to viewing flexible working on equal terms with traditional working patterns.

The Council already has a policy in place whereby all roles are open to being worked on a flexible working basis unless there is a clear business case whereby this would not be possible. Any Council officer can also apply for the role to be a job share, whereby part of the assessment is whether the job can be made part time. When a post becomes vacant, consideration is also given to whether the post can be a job share.

Recommendation

- To note the Council's current policy as it applies to Officers
- That the Council agrees that Member positions of special responsibility (such as Chair, Deputy Chair or Lead Member) are open to job share.

14. Use of Non-disclosure Clauses in Settlement

14. Use of Non-disclosure Clauses in Settlement

This recommendations comes not from the Fawcett Society, but from the Parliamentary Select Committee on Women and Equalities. It proposes restricting the use of non-disclosure agreements (NDAs) in settlement agreements. It is expected that this will be reflected in legislation to be introduced by the government, but it is not clear when that will happen. The Council's current practice is to include confidentiality or non-disclosure clauses in all settlement agreements.

Recommendation

- That the Council supports the principle of restricting the use of non-disclosure agreements to what is necessary and proportionate. This could include limiting NDAs to cases (a) where the employee requests it, and (b) where the use is approved by the Compensation Panel (the Panel that approves severance settlements) or a senior officer (could be Chief Executive, Monitoring Officer or Executive Director for Finance & Resources) as being necessary and proportionate. It should not apply in cases covered by the Public Interest Disclosure Act.
- That the Head of HR&OD and the Executive Lead Officer for Strategy, Governance & Law be authorised to implement the proposal subject to the outcome of consultation with the unions.

Abraham Ghebre-Ghiorghis

Lead Executive Officer, Strategy, Governance & Law

4 September 2019

POLICY & RESOURCES COMMITTEE	Agenda Item 94 Brighton & Hove City Council

Subject:	**PROCUREMENT OF SHORT TERM AND EMERGENCY TEMPORARY ACCOMMODATION**			
Date of Meeting:	**13 November 2019**			
Report of:	**Executive Director for Housing, Neighbourhoods and Communities**			
Contact Officer:	Name:	**Shaun Hughes**	**Tel:**	**01273 29 05 69**
	E-mail:	shaun.hughes@brighton-hove.gov.uk		
Wards Affected:	All			

FOR GENERAL RELEASE

Action Required of the Policy & Resources Committee:

The Housing Committee recommends that Policy & Resources Committee be recommended to:

1. Agree to procure short term and emergency temporary accommodation via a new dynamic purchasing system (DPS);

2. Agree that option 2 as set out in paragraph 3.9 should be used to develop the specification for the DPS. This service level is anticipated to create a minimum budget pressure of £0.300m requiring a funding commitment within the 2020/21 General Fund budget. If this exceeds available resources following announcement of the Local Government Financial Settlement, this would require equivalent savings from elsewhere across General Fund services;

3. Notes the indicative numbers of short term and emergency temporary accommodation units required in each year as shown in the table in Appendix 1;

4. Delegates authority to the Executive Director of Housing, Neighbourhoods and Communities in consultation with the Director of Finance & Resources, to:

   (i) Procure and award the DPS referred to in 2.1 with a duration of up to four (4) years; and

   (ii) Award and enter into call-off contracts under the DPS referred to in 2.1.

BRIGHTON & HOVE CITY COUNCIL

HOUSING COMMITTEE

13 NOVEMBER 2019

COUNCIL CHAMBER, HOVE TOWN HALL

Present: Councillor Williams (Chair) Brennan (Deputy Chair), Gibson (Opposition Spokesperson), Mears (Group Spokesperson), Atkinson, Barnett, Fowler, Heley, Hugh-Jones and Osborne

MINUTE EXTRACT

PART ONE

33 PROCUREMENT OF SHORT TERM AND EMERGENCY TEMPORARY ACCOMMODATION

The Committee considered the report presented by Sylvia Peckham.

33.1 Over the next five years, the council are planning to change the model of Temporary Accommodation (TA) provision to reduce the ratio of short term and emergency temporary accommodation to longer-term leased accommodation and to provide more council owned short-term accommodation. Overall, the council plan to reduce the use of TA over the next 5 years.

33.2 However, there will be a continuing requirement for emergency accommodation for the short to medium term. Officers are therefore proposing to set up a new Dynamic Purchasing System (DPS) to provide a compliant route to market for short-term and emergency temporary accommodation, managed on behalf of the council for homeless households under statutory duties. The DPS would be a backup in case it takes longer to reduce down TA and/or buy accommodation, so the council is not exposed to risks of non-provision and have to rely on spot purchasing B&B style accommodation.

33.3 In 2012, the Council developed two Framework Agreements and a Dynamic Purchasing System for the provision of short term and emergency temporary accommodation managed on our behalf. This accommodation is for those households that we have an accommodation duty toward, either under the homelessness legislation; the Care Act or Children Act. These procurement systems have now expired and so the Council needs to develop a new mechanism to procure accommodation.

33.4 Under the above systems, the Council awarded individual contracts for the provision of 422 units of accommodation. The individual current contracts are due to expire between 2020 and 2022.

33.5 The purpose of this report is to provide an update of procurement options and to seek approval for the re-procurement of managed short term and emergency temporary accommodation; and to recommend this re-procurement to Policy & Resources Committee. Members should note that there are significant financial implications to recommending the level of service in Option 2 as outlined in section 7.

33.6 Councillor Mary Mears stated that they did not support the report, were nervous about the system and would prefer to see how contracts have worked. Any debate seemed pointless. Councillor Mears was informed that there are two options for DPS at this stage. The second option would allow units to be delivered when needed.

33.7 The Chair, Councillor Gill Williams stated they appreciated comments.

33.8 Councillor David Gibson was informed that contracts can be flexible, and more funds would result in more units.

33.9 Councillor David Gibson noted that the quality of life is very important.

33.10 Councillor Siriol Hugh-Jones noted that accommodation needs to be used wisely.

33.11 Councillor Amy Heley proposed an amendment to the recommendations seconded by Councillor Nichole Brennan.

33.12 Sylvia Peckham confirmed the finance comments on the amendment.

33.13 Councillor Mary Mears felt the amendment was bizarre and not thought through.

33.14 The amendment was accepted as proposed.

Resolved:

The Recommendations as amended were:

The Housing Committee recommends that Policy & Resources Committee be recommended to:

2.1 Agree to procure short term and emergency temporary accommodation via a new dynamic purchasing system (DPS);

2.2 Agree that option 2 as set out in paragraph 3.9 should be used to develop the specification for the DPS. This service level is anticipated to create a minimum budget pressure of £0.300m requiring a funding commitment within the 2020/21 General Fund budget. If this exceeds available resources following announcement of the Local Government Financial Settlement, this would require equivalent savings from elsewhere across General Fund services;

2.3 Notes the indicative numbers of short term and emergency temporary accommodation units required in each year as shown in the table in Appendix 1;

2.4 Delegates authority to the Executive Director of Housing, Neighbourhoods and Communities in consultation with the Director of Finance & Resources, to:

(i) Procure and award the DPS referred to in 2.1 with a duration of up to four (4) years; and

(ii) Award and enter into call-off contracts under the DPS referred to in 2.1.

HOUSING COMMITTEE	Agenda Item 33 Brighton & Hove City Council

Subject:	**Procurement of Short Term and Emergency Temporary Accommodation**	
Date of Meeting:	**13th November 2019**	
Report of:	**Executive Director for Housing, Neighbourhoods & Communities**	
Contact Officer: **Name:**	**Sylvia Peckham**	**Tel: 01273 293318**
Email:	**sylvia.peckham@brighton-hove.gov.uk**	
Ward(s) affected:	**(All Wards);**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 Over the next five years, the council are planning to change the model of Temporary Accommodation (TA) provision to reduce the ratio of short term and emergency temporary accommodation to longer-term leased accommodation and to provide more council owned short-term accommodation. Overall, the council plan to reduce the use of TA over the next 5 years.

1.2 However, there will be a continuing requirement for emergency accommodation for the short to medium term. Officers are therefore proposing to set up a new Dynamic Purchasing System (DPS) to provide a compliant route to market for short-term and emergency temporary accommodation, managed on behalf of the council for homeless households under statutory duties. The DPS would be a backup in case it takes longer to reduce down TA and/or buy accommodation so the council is not exposed to risks of non-provision and have to rely on spot purchasing B&B style accommodation.

1.3 In 2012, the Council developed two Framework Agreements and a Dynamic Purchasing System for the provision of short term and emergency temporary accommodation managed on our behalf. This accommodation is for those households that we have an accommodation duty toward, either under the homelessness legislation; the Care Act or Children Act. These procurement systems have now expired and so the Council needs to develop a new mechanism to procure accommodation.

1.4 Under the above systems, the Council awarded individual contracts for the provision of 422 units of accommodation. The individual current contracts are due to expire between 2020 and 2022.

1.5 The purpose of this report is to provide an update of procurement options and to seek approval for the re-procurement of managed short term and emergency temporary accommodation; and to recommend this re-procurement to Policy & Resources Committee. Members should note that there are significant financial implications to recommending the level of service in Option 2 as outlined in section 7.

2. RECOMMENDATIONS:

That Housing Committee recommends that Policy & Resources Committee:

2.1 Agree to procure short term and emergency temporary accommodation via a new dynamic purchasing system (DPS).

2.2 Decides whether option 1 or option 2 as set out in paragraph 3.9 should be used to develop the specification for the DPS.

2.3 Notes the indicative numbers of short term and emergency temporary accommodation units required in each year as shown in the table in Appendix 1.

2.4 Delegates authority to the Executive Director of Housing, Neighbourhoods and Communities in consultation with the Director of Finance, to:

(i) Procure and award the DPS referred to in 2.1 with a duration of up to four (4) years; and
(ii) Award and enter into call off contracts under the DPS referred to in 2.1.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 Due to changes in the funding formula for temporary accommodation (TA) and the current underlying budget pressure, the council are seeking to reduce all forms of temporary accommodation. Indications are that funding subsequent to the Flexible Homelessness Support Grant (FHSG) will be pegged to the number of Homelessness preventions achieved, rather than numbers of residents in TA. As such, the focus is to reduce the amount of temporary accommodation needed and to provide a balanced portfolio of TA stock that the council requires; both in terms of leased, managed and council owned property.

3.2 There will be a continuing requirement for emergency accommodation for the short to medium term. The council are therefore proposing setting up a new DPS to provide a compliant route to market for short-term and emergency temporary accommodation, which is managed on behalf of the council for homeless households under statutory duties. The DPS would be a backup in case it takes longer to reduce down short term and emergency temporary accommodation and/or buy accommodation, so the council is not exposed to risks of non-provision and has to rely on spot purchasing B&B style accommodation.

3.3 The current Frameworks and DPS were approved by Policy and Resources Committee in November 2012. Following development of specifications, contracts were called off from 2014 onwards. The Frameworks and DPS have now expired and the call off contracts awarded expire from May 2020 through to 2022.

3.4 The current priority is to reduce reliance on all forms of temporary accommodation through earlier intervention and sustainment of failing tenancies

or to find alternative solutions to resolve homelessness (as per the Homelessness Reduction Act 2017).

3.5 To achieve this, the Council has greater engagement with the private rented sector (PRS) to provide longer-term tenancies and ensure tenants and landlords are provided with support to sustain tenancies and ensure accommodation is suitable. Those households who need supported accommodation are provided with short term and emergency accommodation until we are able to move them into accommodation that will be better suited to their needs and we are working with Adult Social care in this respect.

3.6 The Council have developed a draft Enforcement Policy in Private Sector Housing, to ensure private rented accommodation is safe and well managed, and in addition we are exploring a selective licensing scheme both of which supports this approach.

3.7 In the interim, there will still be a requirement for short term and emergency temporary accommodation, tapering down over a five-year period from the current 420 units to approximately 148 units across a variety of bed-sizes. As such any call offs via the DPS will be for varying contract lengths dependent upon the quality and price of the accommodation on offer. Appendix one contains a table setting out the reduction over time.

3.8 Appendix two contains the specification of the council's DPS for emergency temporary accommodation (which has now expired) for information.

3.9 High level options with regard to the specification for the new DPS at this stage are as follows:

- Option One – Retain current specification such that it is basic accommodation with a janitor/caretaker. We are considering what has worked/ not worked or needs refining but provision would largely remain as is currently provided but with an area where residents can receive visitors. Indicative costs suggest that prices will increase reflecting inflation, changes in the housing market plus costs of damages and robust management. This price increase will need to be factored into the 20/21 budget setting process as a budget pressure and will depend on the number of properties procured and the new prices set by the providers.

- Option Two – An enhanced model of service provision following feedback. Indicative costs to provide the enhancements set out below have been obtained. It is estimated that this enhanced service level, including an enhanced caretaker role, would cost an extra £3,000 per unit per year. This does not include any allowances for incentivising reduced levels of evictions or low carbon issues, which are more difficult to quantify. So if the council were to procure 100 units in 2020/21, this would cost an extra £0.300m for each full year. Even though the council is aiming to reduce the number of units needed, there is no certainty that the plan will be successful and so there is currently no budget identified for an enhanced provision. Therefore, if no additional funding is received over and above that already confirmed in the 1-year Spending Review, then Service Level Option 2 will create a minimum budget pressure of £0.300m adding to the

budget gap and requiring savings from elsewhere across General Fund services.

- Service Charges (utilities and upkeep of common ways) to be included in the cost of the accommodation.
- Laundry facilities – a well-equipped laundry room in blocks of accommodation or within a 10 minute walk to facilities.
- Basic kitchen equipment (kettles, crockery, and cutlery) not currently provided but has potential for a charity/ voluntary service to assist.
- Room inspections – review number of inspections to avoid impacting on residents' time.
- Role of Caretaker –consider enhanced training and support for vulnerable tenants, not just traditional caretaker responsibilities.
- Damages – to be costed as part of the provider fee.
- Wi-Fi freely available in all blocks.
- Incentivising reduction in evictions.
- Low Carbon issues and fuel poverty should be considered.

3.10 The location of properties to be considered will be limited to the following areas to ensure adequate supply and competition from suppliers:

- The City Of Brighton & Hove
- The Brighton & Hove Broad Rental Market Area
- Adjoining BRMA (e.g. Worthing, Crawley and Reigate)

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The longer-term plan is to reduce the need for emergency and temporary accommodation through early intervention and tenancy sustainment to prevent homelessness or to enable a household to move in a planned way.

4.2 The service is increasing the number of referrals into the PRS and is working intensively with private sector landlords to offer longer tenancies; and working collaboratively to sustain existing PRS tenancies.

4.3 The possibility of providing some in-house managed short-term accommodation subject to a business case has been agreed by Housing & New Homes Committee (19th June 2019):

"'That it be noted the contents of the report and the business case will be developed to assess available properties as being potentially suitable for Short-term Temporary Accommodation for consideration at a future committee'

Work is underway to find a suitable building. However, purchasing accommodation that is both affordable and meets the needs of the service will take time and so the council will still need to procure accommodation from the private sector to meet demand at least in the short to medium term.

4.4 Officers have considered the mechanism through which to procure and have discounted a framework. Framework agreements require that providers are qualified at the start and that prices are fixed for the period of the framework.

This means that if the housing market moves away from anticipated costs, that providers are not able to deliver the accommodation they intended for the price tendered. The Council are not able to call on other providers who have not been qualified at the start and so this model is not agile to deliver the accommodation required. Taking the learning from this, a dynamic purchasing system is proposed because it enables providers to request to join the DPS at any stage and so allows new providers to be considered; and it provides a mini tender process at each call off so that providers can reflect the cost of housing in the current market. This is more likely to enable the provision of a sufficient stock of good quality accommodation.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The Temporary Accommodation Action Group (TAAG) were consulted in October. This group brings together service users, councillors, officers, advocates and charitable organisations such as Just Life and Fulfilling Lives. This forum was invited to provide feedback regarding the developing specification. Initial feedback is that whilst Wi-Fi might be helpful for some people, it is the ability to have visitors that would make a difference, as residents would not feel so isolated. Mixed feedback was received in relation to location, with one resident commenting that being out of area has been the best thing for him, although at first he had not welcomed this. It enabled him to better deal with his addiction behaviour. Other feedback was that people felt isolated when out of area and in an unfamiliar place.

5.2 A report was considered by Procurement Advisory Board (PAB) on 9th September 2019, which set out that the PAB provides recommendations to P&R committee in relation to the following proposal:
That the council procures short-term and emergency accommodation through a new DPS to provide flexibility and scaling based on future housing demand, having regard to the strategy and Government direction to reduce use of TA and take into account the replacement of properties with council owned and managed accommodation. The PAB noted the report and made no recommendations.

6. CONCLUSION

6.1 The current procurement route and contracts are expiring and so permission is sought to re-procure. The council requires sufficient housing to meet need, at various stages of the process (investigation of claim through to accepted duty). It requires short term and emergency temporary accommodation to discharge its statutory duties ~~in~~ under housing law, to meet immediate need to accommodate people even if no duty was eventually held to exist.

6.2 The council is developing it's own short- term/emergency accommodation and account has been taken of projected units in the proposed number of units required in the table in appendix 1.

6.3 Option 1 would provide a similar level of service provision. Option 2 would deliver a more enhanced service but there are significant additional budget implications that would need further funding to be identified.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The Housing General Fund Budget for 2019/20 is currently forecast to overspend by £1.100m. This overspend will be funded by one-off Flexible Homelessness Support Grant received for 2019/20 to support the reduction of homelessness. The level of Government funding for 2020/21and beyond is currently unknown and the council is currently waiting for announcements by the Ministry of Housing Communities and Local Government (MHCLG). This level of uncertainty means that there is a risk of budget pressures emerging.

7.2 The current 2019/20 expenditure budget for payment of rent and management of short term and emergency accommodation is £4.835m held within the Housing General Fund Temporary Accommodation budget. This budget represents 422 units of short term TA. Appendix 1 gives an estimate of the volume of short term and emergency accommodation required over the next 5 years, reducing to 148 homes by 2023/24. This plan is part of a wider strategy to reduce the number of households living in temporary accommodation and the overall budget for temporary accommodation. This reduction plan is not solely in the control of the council. It could be affected by external factors such as changes in the housing market, political changes and the on-going effects of Universal Credit.

7.3 As well as procuring units of accommodation the report gives members two options for the level of service**:**
Option 1 Service level. Option 1 is broadly similar to the current level of service. The price the Council will pay for the newly procured accommodation is unknown but even with a similar service level, re-procurement is likely to lead to increased costs, given that current prices were agreed 3-5 years ago and there is high demand for rented accommodation in the city. Any increases above normal allowances for annual inflation would normally lead to a budgetary pressure for 2020/21 and beyond but, as mentioned in the body of the report, there are already plans to reduce the number of homeless households in this type of accommodation and therefore the total cost could be within the current budget. So, the service pressure resulting from the new prices will depend on the success or otherwise of the reduction plan. However, a prudent estimate for this service pressure will be taken into account when setting the General Fund Budget for 2020/21.

7.4 **Option 2 Service Level.** Option 2 is an enhanced service – estimated at £3,000 extra per year for each new unit procured. If 100 units were to be procured in 2020/21, this would cost an extra £0.300m for a full year. Given the risk factors of containing the newly procured units within the current budget, and the unknown level of future funding from the Government, this cost is very likely to lead to a further service pressure. If no additional funding is received over and above that already confirmed in the 1-year Spending Review, then Service Level Option 2 will create a minimum budget pressure of £0.300m adding to the budget gap and requiring savings from elsewhere across General Fund services.

Finance Officer Consulted: Monica Brooks Date: 28/10/19

Legal Implications:

7.4 There are a variety of housing needs, which need to be addressed. There are frequently 'emergencies which require us to have emergency accommodation. Due to the difficulty around locating accommodation on short notice either in the existing Council stock or in the private sector, it is more efficient and meets our legal requirement to have a pool of accommodation available to meet short term to medium term needs. Without property available, we face legal challenge.

7.5 A DPS is similar to an electronic framework agreement, but new suppliers can join it at any time. It is to be run as a completely electronic process, and should be set up using the restricted procedure and some other conditions (as set out in Regulation 34 of the Public Contracts Regulations 2015). The DPS involves a two-stage process. First, in the initial setup stage, all suppliers who meet the selection criteria and are not excluded must be admitted to the DPS. Contracting authorities must not impose any limit on the number of suppliers that may join a DPS. Unlike framework agreements, suppliers can also apply to join the DPS at any point during its lifetime. Individual contracts are awarded during the second stage. In this stage, the authority invites all suppliers on the DPS (or the relevant category within the DPS) to bid for the specific contract. The DPS should be set up and run in accordance with the Regulations as well as the council's Contract Standing Orders (CSOs).

Lawyer Consulted: Isabella Sidoli Date: 04/11/19

Equalities Implications:

7.6 Although the scope of these umbrella arrangements is specifically for the accommodation of 'general needs' clients, it is acknowledged there is an unmet support need for some clients placed in emergency/short term accommodation. This will be met in part by the Housing support service , but the new specification can include a greater emphasis upon the clients' needs with a view to sustaining accommodation and consideration of move-on options.

A number of households supported by Adult Social Care (ASC) and Children's services are accommodated in emergency/short term accommodation. The specification will be developed in consultation with colleagues in ASC and Children's to ensure the specific needs of their clients are considered as part of this exercise; Members so as to incorporate their priorities, feedback from existing providers and from support providers and residents of short term accommodation.

Sustainability Implications:

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7.7 Specification and tender documents will be designed in a manner to encourage Small to Medium Enterprise (SME) applicants. By the nature of this

procurement exercise, the accommodation the council seek will be located within, or adjoining the Brighton & Hove Broad Rental Market Area (BRMA) so is likely to be sourced from local contractors and/ or those who employ staff from local residents and purchase goods locally, which should contribute to the circular economy and community wealth.

There is an opportunity to require that] the accommodation which is procured meets energy efficiency standards. In addition changing the ratio of short to long-term accommodation in favour of longer term reduces the risks associated with a few providers and reduces budget pressures.

SUPPORTING DOCUMENTATION

Appendices:

1. Table setting out the reduction of units over time

2. Existing Specification

Appendix 1

Table showing proposed reduction of short-term accommodation over time and number of units it will be necessary to procure.

Year	*Short term / Emergency units*	*Number of units contract ends*	*Est.Purchased units ready to let*	*Number of units to be procured*	*Resulting number of units by year end*
2020 - 21 (*)	322	(202)	30	100	250
2021 - 22	250	(88)	0	38	200
2022 -23	200	(30)	0	0	170
2023 - 24	170	(2)	0	(20)	148
2024- 25	148	0	0	0	148

(*) includes 100 units handed back in 2019/20

Appendix 2

CURRENT SPECIFICATION – DYNAMIC PURCHASING SYSTEM (DPS) FOR EMERGENCY ACCOMMODATION

In this specification the following words shall have the meanings given to them below:
Call-Off Contracts means specific contracts awarded by the Council under the terms of the DPS.
Council means Brighton & Hove City Council.
DPS means the Council's dynamic purchasing system consisting of Providers who have been approved by the Council to tender for contracts to provide and manage emergency accommodation for the Council.
ITT means an invitation to tender issued by the Council inviting the Providers on the DPS to tender for specific Call-Off Contracts.
Lease Agreement means the contractual agreement for a Property entered into between the Council and the Provider in the form supplied by the Council.
Lease Payment means the Lease Agreement payments due from the Council to the Provider under the Lease Agreement.
Management Agreement means the management agreement (to use with the Lease Agreement) for a Property entered into between the Council and the Provider in the form supplied by the Council.
Occupier means a person/family who has signed an Occupier Agreement with the Council and occupies a Room.
Occupier Agreement means the Council's licence agreement which is between the Council and the Occupier in the form to be provided by the Council.
Property means a property including all the Rooms within it provided by the Provider which conform to the requirements set out in this Specification.
Property Owner means the Provider [or a third party] who may lawfully grant the Council a Lease Agreement in respect of a Property.
Provider means a Provider appointed a place on the DPS
Room means a unit of emergency accommodation situated within a Property used for living and sleeping that is available for the exclusive use by an Occupier
Room Booking Form means the form used by the Council to book a unit of emergency accommodation
Working Day means any day other than a Saturday or Sunday or public holiday in England and Wales.
Working Hours means the hours from 9.00am to 6.00pm Monday to Friday and excluding public holidays in England and Wales

1. OVER VIEW OF THE DPS

1.1 The Council intends to establish a DPS of Providers who satisfy the Council's standards and requirements should they successfully tender to provide and manage emergency accommodation for families and vulnerable individuals to whom the Council has a housing duty.

Selection of Provider from the DPS

1.2 During the term of the DPS, when the Council requires emergency accommodation for families and vulnerable individuals to whom it has a housing duty the Council may set out its requirements for such accommodation in an ITT to all Providers on the DPS.

1.3 Following a successful tender bid, Call-Off Contracts may then be executed as follows:

1.4 The Provider will enter into a Lease Agreement with the Council for a term of

three (3) years to seven (7) years.
1.5 The Provider will enter into a Management Agreement with the Council for the Provider to manage that Property and the Occupiers within it.

2. PROPERTY AND ROOM STANDARDS
2.1 Properties supplied to the Council must:
2.1.1 Conform to the requirements set out in the Council's ITT.
2.1.2 Be available for the sole and exclusive use of the Council.
2.1.3 Be located within the Brighton & Hove City Council boundaries or in adjoining Broad Rental Market Areas
2.1.4 Consist of a number of individual Rooms with shared and/or self-contained kitchens and sanitary facilities in converted houses (HMO) or purpose built blocks (not situated above or next door to commercial or business premises unless otherwise agreed in writing with the Council) or existing bed and breakfast hotels or guest houses (subject to their planning status), which together with the communal areas will form the Property.
2.1.5 Be compliant with the buildings current planning use class for use as emergency accommodation for the Council.
2.1.6 If the facilities for the Rooms are shared; have access to adequate kitchen and bathroom/WC facilities. If the Rooms are self-contained; have a bedroom/living area, a separate kitchen or a kitchen area within the Room and a bathroom & WC.
2.1.7 Meet the following standards: the Property & Room Standards; when wheelchair accessible Rooms have been requested by the Council, the Wheelchair Accessible Property & Room Standards; the Property & Room Furnishing Standards as set out in Appendix A.

3. PROPERTY AND ROOM MANAGEMENT SERVICES
3.1 The list of duties set out in this Specification is not exhaustive and the Council may seek to add or vary duties. The parties (the Council and the Provider) will agree any such additions or changes in writing prior to implementation.
3.2 **Room allocation**
3.2.1 Following completion of the Call-Off Contracts in relation to a Property as specified above the Council will be entitled to allocate Rooms in the Property to persons qualifying for emergency accommodation.
3.2.2 The emergency accommodation will be required by the Council from the date specified in the ITT, [following a full assessment by the Council of their needs]. The Provider will be required to provide adequate staff cover at the Property to enable nominations to take place at any time, they shall respond immediately to allocations made by the Council and must facilitate the occupation of a Room by the nominee on the day of the allocation. Whilst most allocations to the accommodation will be done during the Working Day, unless otherwise specified, the emergency accommodation must be available to the Council to allocate clients to 365 days of the years at any time of the day or night.
3.2.3 If the allocation occurs during Working Hours the Council will phone and then email the Provider setting out details of the person/family (the 'Nominee') that the Council has signed up an Occupier Agreement for the Room. The Provider shall then meet the Nominee at the Property at the time set by the Council.
3.2.4 If the allocation occurs outside of Working Hours the Council's 'night duty' service will contact the Provider by phone and the Provider will be required to have staff available to facilitate the Nominees move in to the Room. On the following Working Day the Council will email the Provider setting out details of the Nominee that the Council has signed up an Occupier Agreement with and who has moved into the Room.
3.2.5 The Provider must not give keys to or move a Nominee into a Room without a

Room Booking Form except where the Nominee has been allocated the Room out of Working Hours. In this case the Nominees details will have been given over the phone and they will not have a Room Booking Form.
The Provider shall:
3.2.5.1 Hand over the keys to the Nominee and facilitate their move in to the Room at that time;
3.2.5.2 Explain the Provider's management rules for the Property to the Nominee;
3.2.5.3 Provide the Nominee with the schedule of condition and inventory of furnishing of the Room; and
3.2.5.4 Confirm to the Council on the day that the Nominee has moved into the Room.
3.2.6 The Provider shall inform the Council immediately if the Nominee does not attend the viewing or does not accept the Room. If the Nominee does not attend the viewing or accept the Room, the Council will re-allocate the Room.
3.2.7 The Provider must accept all Nominees unless they are known to the Provider to have previously been evicted from a Room or another property managed by the Provider and the Provider forms the reasonable view that the accommodation is not suitable for the Nominee in view of this history. Before refusing to accept a Nominee on this basis, the Provider must discuss the refusal with the Council and obtain the Council's approval to banning the Nominee. If the Provider operates a banned list this must be reviewed and agreed with the Council on a six monthly basis.
3.2.8 The Provider shall inspect the Room within two (2) days of the Nominee moving in to ascertain whether they are in occupation and whether there are any issues of concern with the Room or with the Occupier. If the Nominee is not in occupation, the Provider shall inform the Council immediately and the void Room shall be managed in accordance with section 3.4 below.
3.2.9 The Council may transfer any Occupier at its own discretion to another similar Room in the Property or to another Provider. The Occupier will be informed a minimum of nineteen (19) hours before the transfer and the Provider will also be informed at this time. The Provider must seek the Council's approval if it wishes to move an Occupier from one Room to another Room.

3.3 **Room inspections, monitoring and management of occupied Rooms**
3.3.1 The Provider shall act as the Council's agent for the purposes of; managing the Rooms and the Property and enforcing the terms of the Occupier Agreement.
3.3.2 The Provider shall appoint a manager who will be responsible for the day to day running and good management of the Property. The manager's details (name, address, day time and emergency phone numbers) shall be provided in a readily visible location in the Property.
3.3.3 The Provider shall make twenty four (24) hours on-site management available to the Property and have adequate staff cover at all times to ensure the safety and wellbeing of the Occupiers and to control acts of ASB by the Occupiers or their friends, family or associates.
3.3.4 The Provider will inspect all Rooms at least once a week (or more frequently if the Provider or Council believes that the Room may be not properly occupied, or is at risk of damage by the Occupier or if the Provider or the Council has concerns that the Occupier may not be able to sustain their Occupier Agreement) to:
3.3.4.1 Determine whether the Room is occupied by the Occupier;
3.3.4.2 Determine whether the Occupier has any issues in sustaining their Occupier Agreement.
3.3.4.3 Ascertain whether there has been a breach of the Occupier Agreement
3.3.4.4 Inspect the Room to determine whether any repairs, maintenance or dilapidations works are required.

3.3.5 The Provider shall inform the Council as soon as reasonably practicable in the event that during its Room inspection it discovers that there has been a breach of an Occupier Agreement or breach of the Lease Agreement. The Provider shall then take appropriate action as set out herein to remedy the breach or as agreed with the Council.
3.3.6 During and throughout the term of the agreement the Provider shall ensure that the Property remains compliant with the Property & Room Standards (Appendix A). The Provider shall be responsible for the replacement or repair of any furniture or furnishing during the term of the agreement.
3.3.7 The Provider will be required to have clear fire evacuation procedures and routes for all Occupiers of the Property and have the evacuation Procedures and Routes clearly displayed in the Property. The Provider will be required to inform all new Occupiers what to do in case of fire and give them details of; the fire precautions provided in the Property and in their Room, the escape routes/provisions within the Property and the safe assembly points outside it.
3.3.8 The Provider must ensure that an 'individual assessment and a personal evacuation plan' is drawn up for any Occupier with disabilities or mobility issues covered by the Equality Act 2010. The Council shall identify to the Provider any Occupier who needs an 'individual assessment and a personal evacuation plan'. This will be completed in co-operation with the Occupier and a copy supplied to the Occupier; the original being retained by the Provider to inspection by the council on request.
3.3.9 The Provider shall provide a working phone on site for use by Occupiers and a notice shall be displayed by the phone with numbers of the Fire Brigade, environmental health service, Police station and local doctors.
3.3.10 The Provider shall ensure that Occupiers have access to their Rooms at all times except when essential repairs, maintenance or cleaning are being carried out.
Enforcement of Occupier Agreements/ASB:
3.3.11 The Provider shall manage any anti-social behaviour (ASB) including any noise nuisance, harassment, hate crime, domestic violence and neighbourhood disputes caused by Occupiers. All incidents of ASB must be reported to the Council. The Provider should consult with the Council (or other body in the city) where the ASB is significant and the Council or other body has a statutory responsibility in relation to such behaviour. Such bodies include the Brighton and Hove Community Safety Partnership, Crisis Intervention Team, Vulnerable Adults Team, Families and Young People Team and The Brighton and Hove Drug and Alcohol Action Team.
3.3.12 The Provider shall also adhere to the Council's ASB victim and witness standards, to be provided to the Provider by the Council
3.3.14 The Provider shall document all ASB and hate crimes that they deal with and keep records of all incidents and any warnings or actions they take, which shall be provided to the Council on request.
3.3.15 In the event that the Provider becomes aware that an Occupier has breached or is likely to breach any of the terms of their Occupier Agreement the Provider shall inform the Council and take all reasonable enforcement steps. All warnings and enforcement steps taken by the Provider against the Occupier must be made in writing to the Occupier (the form of these notices to be agreed with the Council). Records of all these actions must be kept by the Provider and provided to the Council on request
3.3.16 Where the Council considers that legal action (to be taken by the Provider on behalf of the Council) is appropriate for any breach of the Occupier Agreement or for ASB or to gain possession of the Room or the Property, the Council and Provider shall agree a method statement (except in the case of legal action against the Occupier for Rent Arrears which will be the sole responsibility of the Council). All legal actions commenced by the Provider in the name of the Council must be approved by the Council.

3.3.18 The Council shall be responsible for all reasonable costs associated with any legal action against an Occupier provided the Provider has followed the process set out above.

3.4 Management of void Rooms

Void on expiry/termination of Occupier Agreement:

3.4.1 The Council and Provider shall inform each other as soon as possible after they become aware that an Occupier Agreement is coming to an end or has been terminated.

3.4.2 The Council must serve a “planned end of Occupier Agreement notice” on the Provider by 5.00 pm on the day prior to the Occupier Agreement end date. The Occupier will be expected to leave the Room by 12.00 mid-day on the Occupier Agreement end date.

3.4.3 The Provider shall visit the Occupier in their Room before the Occupier Agreement has ended and inform them of their exit obligations under the Occupier Agreement.

3.4.4 Once the Occupier Agreement has expired or is terminated and the Occupier has left the Room, the Provider shall take possession of the Room, remove any belongings and change the locks if necessary.

3.4.5 The Provider shall remove all previous Occupiers rubbish and any graffiti must be removed. The Room shall be thoroughly cleaned and the floor vacuumed or washed as necessary. All sanitary ware and kitchen facilities exclusive to the Room shall be hygienically cleaned and fit for use.

3.4.6 The Provider shall complete and pay for any works that are required to ensure the Room meets the Property & Room Standards (Appendix A) within two (2) Working Days of the end of the Occupier Agreement so that the Council can allocate a new Nominee to the Room. For the avoidance of doubt any void periods longer than two (2) Working Days (unless otherwise agreed in writing by the Council) will be the responsibility of the Provider and the Lease Payments and the Management Fee will be adjusted accordingly.

3.4.7 In bringing the void Room up to the minimum standard to satisfy the Property & Room Standards and the Property & Room Furnishing Standards (Appendix A) the Provider will be responsible for any costs or works associated with the Occupiers non-compliance with the terms of the Occupier Agreement including making good any deliberate damage and the replacement of any furniture of furnishings.

Void due to abandonment:

3.4.8 The Council and Provider shall inform each other as soon as possible after either party becomes aware that a Room has been abandoned.

3.4.9 The Provider shall take the following steps with respect to an abandoned Room:

3.4.10 The Provider may (in accordance with any applicable legislation) enter the Room for the purpose of securing the Room and any fixtures, fittings or furniture against vandalism and theft and shall affix a note to the door of the Room providing the Occupier who abandoned the Room with information where the keys can be collected.

3.4.11 The Provider shall be responsible for the collection, removal and storage of any items belonging to the Occupier left in the Room. The Provider will store any items for a minimum of two weeks. The Provider will be responsible for all costs incurred in relation to the storage of the Occupier’s items.

3.5 Financial arrangements

3.5.1 The form of Lease Agreement entered into by the Council in relation to the Property will confirm the level of Lease Payments to be paid to the Provider or the Property Owner as the case may be. This Lease Payment will payable from the commencement of the Lease Agreement throughout the term subject to the void control procedure set out above.

Occupier's Rent
3.5.2 In the event that the Provider unreasonably refuses to accept a Nominee or fails to make a Room available for occupation in accordance with the procedures set out above, the Council will not be liable for the cost of the void Room due to the Provider until such time as it is allocated to a Nominee or ready for occupation.
3.5.3 The Council will set and collect the Occupier's rent pursuant to the Occupier Agreement
Utilities and Service Charges
3.5.4 The Provider shall be responsible for paying the council tax on the Property and for all costs associated with the provision of utilities to the Property. Where agreed with the Council, the Provider may levy a service charge on the Occupier.
3.5.5 If the Provider wishes to levy a service charge it must either be a fixed weekly charge to the Occupier (dependent upon the Room size) or the Occupier will pay for any agreed utility(s) through an individual meter in their Room. Individual meters in Rooms must be calibrated so that the Occupier is paying the standard rate for the supply of the service. For the avoidance of doubt, the Provider cannot charge the Occupier any form of rent, utility surcharge or levy a service charge upon the Occupier without the written agreement of the Council.
Management Fee
3.5.6 The Council will pay a Management Fee to the Provider at the rates specified in the Management Agreement.
Lease Payments
3.5.7 The Provider shall make the Lease Payments to the Property Owner in accordance with the Lease Agreement and shall be reimbursed by the Council for this. The Provider shall supply the Council with evidence that it has made the Lease Payments on request.

3.6 Management of Lease Agreement obligations
Ensuring the Property Owner complies with the Lease Agreement, provision of repairs and maintenance service
3.6.1 The Provider shall ensure that the Property Owner complies with its obligations under the Lease Agreement and shall give such support and information as required by the Council to enable it to enforce its rights under the Lease Agreement.
3.6.2 The Provider shall inform the Property Owner that it will be making the Lease Payments to the Property Owner on behalf of the Council and inform them that they, the Provider, will be managing the Occupier Agreements on behalf of the Council.
3.6.3 At the start of the Lease Agreement, the Provider shall undertake a schedule of condition and inventory of the Property and all the Rooms and agree it with and provide a copy to the Property Owner and, if requested, to the Council. The schedule of condition and inventory must be drawn up to the best practice 'industry standard'.
3.6.4 The Provider will take responsibility for carrying out all repairs to and maintenance of the Property to ensure compliance with the Lease Agreement. The Provider shall obtain any necessary permission from the Property Owner to enable it to carry out these tasks.
3.6.5 The provider shall provide a 24-hour 365 day emergency repair service. It shall also provide a day to day repair service so that the Council and Occupiers can request any repairs and maintenance to the Room or the Property during the hours of 9am to 6pm on a Working Day and the Provider shall attend to such requests in accordance with the timeframes set out in Appendix B. The Provider shall inform the Occupier of the repairs and maintenance service that it offers.

3.6.6 In the event that the Property Owner wishes to carry out any works at the Property which affect or are likely to affect the Occupier, the Provider shall liaise between the Property Owner and Occupier and notify the Council.
Ensuring the Council complies with the Lease Agreement
3.6.7 The Provider shall pay the Lease Payments to the Property Owner in accordance with the Lease Agreement whether the Rooms and/or the Property are occupied or void. The Property Owner shall provide the Council with evidence that this payment is being made if requested by the Council.
3.6.8 The Provider shall take all reasonable steps to secure vacant possession of all the Rooms and the Property at the end of the Lease Agreement in accordance with any applicable legislation relating to the repossession of an Occupier Agreement which may include, when requested by the Council, serving the Council's template eviction notice on the Occupier and providing the Council with a certificate of service. Any legal action commenced against the Occupier will be carried out in accordance with section 3.3.16 above.

3.7 Satisfaction and complaints handling
3.7.1 The Provider shall have policies, procedures and systems in place to record, investigate and fully address complaints made by Occupiers and/or Property Owners. The Provider's complaints process shall include the following as a minimum:
3.7.1.1 Stage One – problem solving
The Provider shall acknowledge an initial complaint within two (2) Working Days of receipt and give the complainant details of the Provider's staff member dealing with the complaint.
The staff member should aim to reply within ten (10) Working Days resolving the problem
If there is a delay in replying the staff member should inform the complainant of the reason for the delay and when they can expect to receive an answer
3.7.1.2 Stage Two – Formal investigation
Following Stage One, if the complainant is not satisfied, a formal investigation of the complaint will be undertaken by the Provider's staff manager as follows:
The continuing complaint will be acknowledged and the complainant will be given the name of the manager dealing with the complaint.
The manager should aim to complete his/her investigation within twenty (20) Working Days and if further time is required they will explain to the complainant why this is needed.
As far as possible, the Provider should aim to put the complainant in the position he/she would have been in had things not gone wrong.
The Provider shall inform the Council of any and all Stage two complaints within two (2) Working Days of their receipt.
3.7.1.3 Stage Three – referral to the Council
If the complainant is still dissatisfied following Stages One and Two, the Provider shall refer the matter to the Standards & Complaints Department at the Council.

3.8 Reports, monitoring and communications
3.8.1 The Provider must keep records and full documentation (electronic) of all communications it has with the Council, Property Owners, Occupiers and all other parties associated with the agreement, with full details kept of the subject, the response and the subsequent actions taken by the Provider. Where requested the records and full documentation must be made available to the Council.
3.8.2 The Provider shall allow Council officers and officers or staff of any organisation working with, for or authorised by the Council without notice access to all parts of the Property to; inspect it, to ensure the requirements set out in the Contract are being complied with and to visit the Occupiers in

their Rooms.

3.9 Property Management

3.9.1 The Provider shall carry out thorough regular cleaning of all the common parts of and shared facilities at the Property including; all kitchen and bathroom facilities, woodwork and flooring. The Provider is required to keep any outside spaces well maintained, clean and clear of obstacles, grass regularly cut and any bushes and shrubs pruned. Windows and window panes, external woodwork and finishes should be kept in a clean condition.

3.9.2 The Provider will be required to clear refuse, litter and re-cycling from the common parts of the Property and not allow litter, refuse or re-cycling to build up in any part of the Property and the external areas.

POLICY & RESOURCES COMMITTEE	Agenda Item 98 Brighton & Hove City Council

Subject:		**Time Table of Meetings 2020/2021**	
Date of Meeting:		**5 December 2019**	
Report of:		**Executive Lead Officer for Strategy, Governance & Law**	
Contact Officer:	**Name:**	**Mark Wall**	**Tel: 01273 291006**
	Email:	**mark.wall@brighton-hove.gov.uk**	
Ward(s) affected:		**All**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 To consider the proposed schedule of meetings for the municipal year 2020/21 (see appendix 1) based on the current meetings timetable and taking into account the PCC elections scheduled for the 7 May 2020.

2. RECOMMENDATIONS:

2.1 That the proposed timetable of meetings for the 2020-2021 municipal year be agreed; subject to any necessary amendments following changes to the Constitution and/or committees' requirements.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The report outlines the proposed schedule of meetings for 2020/21 and enables Members and members of the public to identify when various committees are due to meet throughout the year.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The proposed timetable for 2020/21 maintains a similar cycle of meetings to those in 2019/20. It takes into account the meetings of the Health & Wellbeing Board, the Greater Brighton Economic Board and various project boards, as well as changes to school holiday periods. In summary, the proposals are:-

Full Council:

6 Ordinary Council meetings,
plus the Annual Council and Budget Council 8 meetings in total

Policy Committees:

Policy & Resources:	6 meetings
Children, Young People & Skills:	6 meetings
Environment, Transport & Sustainability:	6 meetings

Housing:	6 meetings
Tourism, Equalities, Communities & Culture:	6 meetings
<u>Regulatory Committees:</u>	
Planning:	12 meetings
Audit & Standards:	4 meetings
Licensing:	3 meetings
<u>Sub-Committees:</u>	
Licensing Panels:	As required (avg 2 per month)
Personnel Appeals:	2 per month
<u>Health Overview & Scrutiny Committee:</u>	
Health Overview & Scrutiny:	4 meetings
<u>Forums/Other Bodies:</u>	
Corporate Parenting Board:	4 meetings
Procurement Advisory Board	Monthly
Strategic Delivery Board	Monthly
Limited Liability Partnership Board	Quarterly
<u>Partnerships:</u>	
Greater Brighton Economic Board	Quarterly
Health & Wellbeing Board:	8 meetings
City Management Board	Monthly
Orbis Joint Committee	Quarterly

4.2 The proposed timetable for 2020/21 provides for a total of 54 committee meetings, 48 partnership and board meetings, excluding the number of licensing panels and personnel appeals (see Appendix 1).

Governing Principles for the Meetings Timetable

4.3 The following guidelines have been applied in reviewing the meetings timetable:

- As far as possible clashes of meetings have been avoided. However, inevitably, given the constraints of avoiding school/public/religious holidays and the number of meetings to be accommodated on specific days of the week, there are occasions where there are overlaps of meetings.
- What appear at the moment to be “free” days will be filled by Licensing Panel hearings and the various Chairs’ pre-meetings and political group meetings.
- As far as possible meetings have not been scheduled on Fridays.

- As far as possible school holidays, religious holidays and party conference weeks have been avoided, although it has not been possible to keep those weeks completely clear.
- Meeting start times are generally scheduled for 4pm or later to encourage public attendance. However, Committees can determine whether to continue with the programmed start time or if an alternative time would be more appropriate for their particular meeting.

4.4 There must be a sufficient number of meetings to enable the council business to be transacted. The schedule of Council and Committee meetings is designed to ensure that:

- Committee and scrutiny reports can be received without undue delay;
- Consideration of the various plans and strategies to be adopted by Full Council can be accommodated;
- There is scope to accommodate city-wide debates if necessary; and
- Public interest and participation through questions, deputations, petitions and petition debates continues to be facilitated.

4.5 The Health Overview & Scrutiny Committee is programmed to meet quarterly in line with the Overview and Scrutiny rules.

4.6 Whilst every effort will be made to keep meetings on the dates listed there may be a need to alter them and additional meetings may be required for dedicated debates on key issues or particular plans and strategies.

4.7 As usual, a number of further meetings, which are not part of the Council's formal meetings cycle, have been programmed to meet on a regular basis e.g. the Procurement Advisory Board, the Corporate Parenting Board, the Strategic Delivery Board, City Management Board and the Greater Brighton Economic Board.

4.8 An additional day for a reconvened Budget Council meeting has also be included in the proposed time-table so that the date can be held in diaries should the need arise for such a meeting.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Leading Members, Directors and appropriate officers have been consulted on the proposed timetable and appropriate committee and council dates set to meet statutory requirements e.g. Budget Council.

6. CONCLUSION

6.1 The time table also lists the dates and times of other meetings such as; Area Housing Panels, the Police & Crime Panel and East Sussex Fire Authority and the Brighton & Hove Strategic Partnership Board; and as such there are occasional clashes with council meetings which are unavoidable.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The overall number of meetings proposed is similar to the current financial year and so not expected to have any significant financial implications. Any costs involved to implement the changes, such as staff time, are expected to be met from existing resources.

Finance Officer Consulted: Peter Francis Date: 11.11.19

Legal Implications:

7.2 The proposed time table of meetings does not prevent the calling of Special Meetings or the use of Urgency Sub-Committee meetings should circumstances arise. However it does enable a more organised scheduling of meetings to be maintained throughout the municipal year.

7.3 The proposed time table allows for continued compliance with the Access to Information Procedure Rules set out in Part 7.1 of the Constitution

Lawyer Consulted: Abraham Ghebre-Ghiorghis Date: 11.11.19

Equalities Implications:

7.4 The majority of meetings are scheduled for 4.00pm or later to encourage public attendance and interest; as well as taking account of the potential that some councillors will have full-time work and therefore able to combine that with attending meetings. Holiday periods are also avoided as far as is feasible.

7.5 The scheduling of meetings at 4.00pm or later does impact on some Members in regard to work and child care commitments and therefore may restrict their ability to serve on certain committees. However, the question of earlier start times has been raised and discussed at various levels and the majority of Members remain in favour of the general start time of 4.00pm for committee meetings.

Sustainability Implications:

7.6 There are no sustainability implications arising from the repot.

Any Other Significant Implications:

Crime & Disorder Implications:

7.7 There are no direct crime & disorder implications arising from the report, however considerations are taken into account for each meeting, along with risk assessments and security arrangements are put in place accordingly.

Risk and Opportunity Management Implications:

7.8 The scheduling of meetings aims to accommodate the decision-making processes for the year, but there is always the possibility of additional meetings having to be called.

Public Health Implications:

7.9 There are no public health implications in the report and all venues to be used have been assessed for access, hearing loops and health and safety measures.

Corporate / Citywide Implications:

7.10 The scheduling of meetings accommodates the Council priority for open and effective city leadership.

SUPPORTING DOCUMENTATION

Appendices:

1. Proposed time table of meetings for 2020-2021

Documents in Members' Rooms

1. None

Background Documents

1. Committee time table for 2019-20

BRIGHTON & HOVE CITY COUNCIL

TIMETABLE OF MEETINGS
2020/2021

2020	APRIL	APRIL	APRIL	APRIL	MAY	MAY	MAY
MONDAY	6 SH	13 BH *Easter Monday*	20 **East Area Housing Panel 7.00pm** **Children, Young People & Skills Cttee 4.00pm**	27	4	11 **Procurement Advisory Board 2.00pm**	18
TUESDAY	7 SH Theravadin New Year	14 SH	21 **West Area Housing Panel 2.00pm** **Greater Brighton Economic Board 10.00am**	28 *Ninth Day of Ridvan*	5 Site Visits for Planning 2.00pm *Pre-application presentation* **Environment, Transport & Sustainability Cttee 4.00pm**	12 *Lag Baomer*	19
WEDNESDAY	8 SH	15 SH	22 *Declaration of the Bab* **Central Area Housing Panel 2.00pm**	29 **Housing Cttee 4.00pm**	6 **Planning Cttee 2.00pm**	13	20 *Laylat al-Qudr*
THURSDAY	9 SH	16 SH	23 *Declaration of the Bab* **North Area Housing Panel 7.00pm** **Tourism, Equalities, Communities & Culture Cttee 4.00pm**	30 **Policy & Resources Cttee 4.00pm**	7 ***PCC Elections***	14 **COUNCIL 4.30pm**	21 *Feast of the Ascension* **ANNUAL COUNCIL 4.30pm**
FRIDAY	10 BH *Good Friday*	17 SH	24	1 *Twelfth Day of Ridvan*	8 BH *May Day & VE Day*	15	22 *Savitri Brata* *Yom Yerushalayim*

2020	MAY	JUNE	JUNE	JUNE	JUNE	JUNE /JULY	JULY
MONDAY	25 BH	1 *Whit Monday* Personnel Appeals 10am **East Area Housing Panel 7.00pm**	8 **Corporate Parenting Board 4.00pm**	15 **Limited Liability Partnership Board 11.00am** **Children, Young People & Skills Cttee 4.00pm**	22 **Procurement Advisory Board 2.00pm**	29 *Feast of St Peter & St Paul*	6
TUESDAY	26 SH	2 **West Area Housing Panel 2.00pm**	9 Site Visits for Planning 2.00pm *Pre-application presentation* **Health & Wellbeing Board 4.00pm**	16 *Marty Guru Arjan* **Strategic Delivery Board 2.00pm**	23 **Environment, Transport & Sustainability Cttee 4.00pm**	30 *LGA Conference*	7 Site Visits for Planning 2.00pm *Pre-application presentation* *City Management Board 9.30am*
WEDNESDAY	27 SH	3 **Central Area Housing Panel 2.00pm**	10 **Planning Cttee 2.00pm**	17 **Housing Cttee 4.00pm**	24	1 *LGA Conference*	8 **Planning Cttee 2.00pm**
THURSDAY	28 SH *Ascension of the Baha'u'llah*	4 **North Area Housing Panel 7.00pm**	11 *Corpus Christi* *East Sussex Fire Authority 10.30am*	18 **Tourism, Equalities, Communities & Culture Cttee 4.00pm**	25 **Licensing Cttee 3.00pm**	2 *LGA Conference*	9 *Martyrdom of the Bal* **Policy & Resources Cttee 4.00pm**
FRIDAY	29 SH *Shavuot*	5 *Better Brighton Board 2.00pm* Personnel Appeals 10am	12	19	26	3	10

2020	JULY	JULY	JULY	AUGUST	AUGUST	AUGUST	AUGUST
MONDAY	13	20	27 SH	3 SH *Raksha Bandhan* **Procurement Advisory Board 2.00pm**	10 SH	17 SH	24 SH *Lib Dem Party Conference*
TUESDAY	14 **Greater Brighton Economic Board 10.00am**	21 **Strategic Delivery Board 2.00pm** **Audit & Standards Cttee 4.00pm**	28 SH **Health & Wellbeing Board 4.00pm**	4 SH Site Visits for Planning 2.00pm *Pre-application presentation*	11 SH *Krishna Janmashtami*	18 SH	25 SH
WEDNESDAY	15 *St Valdmir Day* **Health Overview & Scrutiny Cttee 4.00pm**	22	29 SH	5 SH **Planning Cttee 2.00pm**	12 SH	19 SH	26 SH
THURSDAY	16	23 SH **COUNCIL 4.30pm**	30 SH *Day of Arafah* *Tisha B'Av* *Better Brighton Board 2.00pm*	6 SH	13 SH *Bon Festival* *East Sussex Fire Authority 10.30am*	20 SH *Islamic New Year*	27 SH
FRIDAY	17	24 SH	31 SH	7 SH	14 SH	21 SH	28 SH *Ashura Eve*

2020	AUG/SEPT	SEPTEMBER	SEPTEMBER	SEPTEMBER	SEPT/OCT	OCTOBER	OCTOBER
MONDAY	31 BH	7 **East Area Housing Panel 7.00pm** **Corporate Parenting Board 4.00pm**	14 *Holy Cross Day* **Limited Liability Partnership Board 11.00am** **Children, Young People & Skills Cttee 4.00pm**	21 *Feast of Gedaliah* *Labour Party Conference* **Procurement Advisory Board 2.00pm**	28 *Yom Kippur* *Green Party Conference*	5 *Conservative Party Conference*	12
TUESDAY	1 SH *Anant Chaturdashi* Site Visits for Planning 2.00pm *Pre-application presentation*	8 **West Area Housing Panel 2.00pm** **Strategic Delivery Board 2.00pm** **Health & Wellbeing Board 4.00pm**	15 **Audit & Standards Cttee 4.00pm**	22 *Labour Party Conference* *City Management Board 9.30am*	29 *Green Party Conference* **Environment, Transport & Sustainability Cttee 4.00pm**	6 *Sukkot* *Conservative Party Conference* Site Visits for Planning 2.00pm *Pre-application presentation*	13
WEDNESDAY	2 SH **Planning Cttee 2.00pm**	9 **Central Area Housing Panel 2.00pm**	16 *Vishwakarma Puja* **Housing Cttee 4.00pm**	23 *Labour Party Conference*	30	7 *Sukkot* *Conservative Party Conference* **Planning Cttee 2.00pm**	14 **Health Overview & Scrutiny Cttee 4pm**
THURSDAY	3 SH *East Sussex Fire Authority 10.30am*	10 **North Area Housing Panel 7.00pm**	17	24 **Tourism, Equalities, Communities & Culture Cttee 4.00pm**	1	8 *Sukkot* **Policy & Resources Cttee 4.00pm**	15
FRIDAY	4	11	18	25	2 *Better Brighton Board 2.00pm*	9 *Sukkot*	16

2020	OCTOBER	OCTOBER	NOVEMBER	NOVEMBER	NOVEMBER	NOVEMBER	NOV/DEC
MONDAY	19 *Birth of the* Baha'u'llah	26 SH	2 *All Soul's Day* **East Area Housing Panel 7.00pm** **Procurement Advisory Board 2.00pm**	9 **Children Young People & Skills Cttee 4.00pm**	16 *Bhai Dooj*	23	30 *St Andrew's Day* Kartik Purnima Guru Nanak Birthday **Corporate Parenting Board 4.00pm**
TUESDAY	20 *Birth of* Guru Granth **Greater Brighton Economic Board 10.00am**	27 SH	3 **West Area Housing Panel 2.00pm** Site Visits for Planning 2.00pm *Pre-application presentation* *City Management Board 9.30am*	10 **Strategic Delivery Board 2.00pm** **Health & Wellbeing Board 4.00pm**	17	24 *The Martyrdom of Guru Tegh Bahadur Sahib* **Environment, Transport & Sustainability Cttee 4.00pm**	1 Site Visits for Planning 2.00pm *Pre-application presentation*
WEDNESDAY	21	28 SH	4 *Karva Chauth* **Central Area Housing Panel 2.00pm** **Planning Cttee 2.00pm**	11	18 **Housing Cttee 4.00pm**	25 *Day of the Covenant*	2 **Planning Cttee 2.00pm**
THURSDAY	22 **COUNCIL 4.30pm**	29 SH *Mawlid al-Nabi*	5 **North Area Housing Panel 7.00pm**	12	19 **Tourism, Equalities, Communities & Culture Cttee 4.00pm**	26 *Thanksgiving* **Licensing Cttee 3.00pm**	3 *East Sussex Fire Authority 10.30am* **Policy, & Resources Cttee 4.00pm**
FRIDAY	23	30 SH *Sharad Purnima*	6	13 *Dhanteras*	20 *Chhath Puja*	27 Ascension of Abdu'l-Baha	4 *Better Brighton Board 2.00pm*

2020/2021	DECEMBER	DECEMBER	DECEMBER	DEC/JAN	JANUARY	JANUARY	JANUARY
MONDAY	7 **Procurement Advisory Board 2.00pm**	14 *Hanukkah* **Limited Liability Partnership Board 11.00am**	21 SH	28 BH	4 **East Area Housing Panel 7.00pm**	11 **Children, Young People & Skills Cttee 4.00pm**	18
TUESDAY	8 *Bodhi Day* **Strategic Delivery Board 2.00pm**	15 *Hanukkah* *City Management Board 9.30am*	22 SH	29 SH	5 *Guru Gobind Sing Birthday* **West Area Housing Panel 2.00pm**	12 Site Visits for Planning 2.00pm *Pre-application presentation* **Audit & Standards Cttee 4.00pm**	19 **Environment, Transport & Sustainability Cttee 4.00pm**
WEDNESDAY	9 **Health Overview & Scrutiny Cttee 4.00pm**	16 *Hanukkah*	23 SH	30 SH	6 *Epiphan* Armenian Orthodox Christmas Day **Central Area Housing Panel 2.00pm**	13 *Lohri-Maghi* **Planning Cttee 2.00pm**	20 **Housing Cttee 4.00pm**
THURSDAY	10	17 *Hanukkah* **COUNCIL 4.30pm**	24 SH *Christmas Eve*	31 SH *New Year's Eve*	7 **North Area Housing Panel 7.00pm**	14 *Makar Sankranti* **Tourism, Equalities, Communities & Culture Cttee 4.00pm**	21 **Policy & Resources Cttee 4.00pm**
FRIDAY	11 *Hanukkah*	18 *Hanukkah*	25 BH *Christmas Day*	1 BH *New Year's Day*	8	15	22

2021	JANUARY	FEBRUARY	FEBRUARY	FEBRUARY	FEBRUARY	MARCH	MARCH
MONDAY	25 **Procurement Advisory Board 2.00pm**	1	8	15 SH *Parinirvana Day*	22	1 **East Area Housing Panel 7.00pm** **Corporate Parenting Board 4.00pm**	8 **Procurement Advisory Board 2.00pm** **Children, Young People & Skills Cttee 4.00pm**
TUESDAY	26 **Greater Brighton Economic Board 10.00am** **Health & Wellbeing Board 4.00pm**	2 Candlemas	9 *St Maroun's Day* Site Visits for Planning 2.00pm *Pre-application presentation*	16 SH Shrove Tuesday Purim	23	2 **West Area Housing Panel 2.00pm** ***Reserve Date BUDGET COUNCIL 4.30pm***	9 Site Visits for Planning 2.00pm *Pre-application presentation* **Audit & Standards Cttee 4.00pm**
WEDNESDAY	27	3	10 **Planning Cttee 2.00pm**	17 SH *Ash Wednesday*	24 **Health Overview & Scrutiny Cttee 4.00pm**	3 **Central Area Housing Panel 2.00pm**	10 **Planning Cttee 2.00pm**
THURSDAY	28 *Tu Bishvat* Tu Bishvat Thaipusam Mahayana New Year **COUNCIL 4.30pm**	4	11 *East Sussex Fire Authority 10.30am* **Budget Policy & Resources Cttee 4.00pm**	18 SH	25 **BUDGET COUNCIL 4.30pm**	4 **North Area Housing Panel 7.00pm** **Licensing Cttee 3.00pm**	11 *Lailat al Miraj* Maha Shivarati **Tourism, Equalities, Communities & Culture Cttee 4.00pm**
FRIDAY	29	5	12 *Chinese New Year*	19 SH	26 *Purim*	5	12

2021	MARCH	MARCH	MARCH/APRIL	APRIL	APRIL	APRIL	APRIL
MONDAY	15	22	29 *Passover* Hola Mohalla	5 BH *Easter Monday*	12 S	19 **Procurement Advisory Board 2.00pm**	26
TUESDAY	16 **Environment, Transport & Sustainability Cttee 4.00pm**	23 **Health & Wellbeing Board 4.00pm**	30 *Passover* Hola Mohalla	6 SH Site Visits for Planning 2.00pm *Pre-application presentation*	13 S Ramadan Ugadi / Telugu New Year Vaisakhi	20 First Day of Ridvan	27 *Hanuman Jayanti* Theravada New Year **Greater Brighton Economic Board 10.00am**
WEDNESDAY	17 *St Patrick's Day* **Housing Cttee 4.00pm**	24	31 *Passover* *Hola Mohalla*	7 SH *Holocaust Remembrance* Day **Planning Cttee 2.00pm**	14 S Yom HaAtzma'ut Tamil New Year	21 *Rama Navami*	28 *Ninth Day of Ridvan*
THURSDAY	18 **Policy & Resources Cttee 4.00pm**	25 *Annunciation Day* **COUNCIL 4.30pm**	1 *Maundy Thursday* Passover	8 SH	15 S Bihu / Bengali New Year	22	29
FRIDAY	19 *St Joseph's Day*	26	2 BH *Good Friday* *Passover*	9 SH *Yom HaShoah*	16 S	23 St George's Day	30 *Lag Baomer*

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2021	MAY	MAY	MAY	MAY	MAY/JUNE	JUNE	JUNE
MONDAY	3 BH *May Day* Orthodox Easter Monday	10	17 *Shavuot*	24 *Whit Monday*	31 BH	7 **East Area Housing Panel 7.00pm** **Corporate Parenting Board 4.00pm**	14 **Procurement Advisory Board 2.00pm** **Children, Young People & Skills Cttee 4.00pm**
TUESDAY	4 Site Visits for Planning 2.00pm *Pre-application presentation*	11	18	25	1 SH	8 **West Area Housing Panel 2.00pm** Site Visits for Planning 2.00pm *Pre-application presentation* **Health & Wellbeing Board 4.00pm**	15
WEDNESDAY	5 **Planning Cttee 2.00pm**	12	19	26	2 SH	9 **Central Area Housing Panel 2.00pm** **Planning Cttee 2.00pm**	16
THURSDAY	6	13 *Eid ul Fitr*	20 **ANNUAL COUNCIL 4.30pm**	27	3 SH Corpus Christi	10 **North Area Housing Panel 7.00pm**	17 **Tourism, Equalities, Communities & Culture Cttee 4.00pm**
FRIDAY	7	14	21	28	4 SH	11	18

2021	JUNE	JUNE	JULY	JULY	JULY	JULY	AUGUST
MONDAY	21	28	5	12	19 **Procurement Advisory Board 2.00pm**	26 SH	2 SH
TUESDAY	22 *Windrush Day* **Environment, Transport & Sustainability Cttee 4.00pm**	29	6 Site Visits for Planning 2.00pm *Pre-application presentation*	13	20 *Eid ul Adh* **Health & Wellbeing Board 4.00pm**	27 SH	3 SH
WEDNESDAY	23	30	7 **Planning Cttee 2.00pm**	14 **Health Overview & Scrutiny Cttee 4.00pm**	21	28 SH	4 SH
THURSDAY	24 **Housing Cttee 4.00pm**	1	8 **Policy & Resources Cttee 4.00pm**	15	22 **COUNCIL 4.30pm**	29 SH	5 SH
FRIDAY	25	2	9	16	23 SH	30 SH	6 SH

POLICY & RESOURCES COMMITTEE	Agenda Item 97 Brighton & Hove City Council

Subject:	**Deed of Variation to the Integrated Waste Management Services Contract**
Date of Meeting:	**5 December 2019**
Report of:	**Executive Director for Environment, Economy and Culture**
Contact Officer:	**Name: Elizabeth Culbert**
Email:	**Elizabeth.culbert@yahoo.co.uk**
Ward(s) affected:	**(All Wards);**

FOR GENERAL RELEASE.

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The report outlines proposed arrangements for a Deed of Variation to the Integrated Waste Management Services Contract between East Sussex County Council and Brighton and Hove City Council and Veolia South Downs Ltd.

2. RECOMMENDATIONS:

That the Policy & Resources Committee:-

2.1 Approves the principle of entering into the Deed of Variation to the Integrated Waste Management Services Contract as set out in the report;

2.2 Delegates authority to the Executive Director for Environment, Economy and Culture, following consultation with the Executive Lead Officer for Strategy Governance and Law, to agree the final terms and enter into the Deed of Variation to the Integrated Waste Management Services Contract.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 East Sussex County Council (ESCC) and Brighton & Hove City Council (BHCC) have held a Private Finance Initiative (PFI) contract with Veolia South Downs Ltd since 2003 for the delivery and operation of waste facilities, along with recycling and disposal services for household waste across both authority areas. The contract was extended in 2007 and runs until 2033.

3.2 The project has delivered a number of major pieces of infrastructure including –

- Newhaven Energy Recovery Facility (ERF)
- Hollingdean Materials Recovery Facility (MRF)
- Woodlands In Vessel Composting Facility (IVC)
- A number of new Waste Transfer Stations (WTSs) and Household Waste and Recycling Sites (HWRSs)

3.3 Veolia financed, designed, built and now operate the additional infrastructure. All of the facilities will be handed over to ESCC and BHCC at the end of the contract and become assets for the authorities.

3.4 The councils receive £4.5m per year in grant funding from Defra. The total combined annual spend on the contract is approximately £40m per year across ESCC and BHCC. All facilities have now been delivered and the contract is well into the operational phase.

3.5 On 28 November 2007 a Holding Agreement was entered into by the Councils and Veolia following delays and cost increases since the start of the contract in 2003. Within the Holding Agreement Veolia were given a five year extension to the contract in order maintain their rate of return. The possibility to extend the contract by 5-10 years was included in the original OJEU notice. A number of other additional issues were also agreed in order to benefit the Councils including obligations to send waste to energy recovery facilities (until Newhaven ERF was built), royalty payments to the Councils for commercial waste managed by Veolia and electricity income sharing at Newhaven ERF. The contract extension was approved by both Councils in 2007 and Veolia has since delivered all facilities and the associated services.

3.6 The parties' intention at the time of entering into the Holding Agreement was that the principles set out in the Holding Agreement would be formalised in a more detailed Deed of Variation. In preparing the more detailed Deed of Variation, it became apparent that some of the principles set out in the Holding Agreement were interpreted in different ways by both parties. A number of additional issues also arose following the Holding Agreement being entered into. These issues are set out in more detail in a further item on the agenda.

3.7 In early 2018 the Waste Project Board considered taking the unresolved matters to dispute resolution. During the summer of 2018 Veolia agreed to a series of meetings to talk about the issues resulting in agreement, subject to subsequent agreed drafting of the deed of variation, formal approval at both Councils and scrutiny from Defra.

3.8 The key areas of agreement now clarify and resolve issues relating to –

- Newhaven ERF Electricity Income Share
- Newhaven ERF Property Damage Insurance Clause
- Landfill Diversion
- Planned Maintenance
- Income share from third party recycling
- Rent payable during the extension period
- Operational life after the new expiry date
- Base Case update

3.9 The Waste Team are currently liaising with Defra for confirmation that the proposals on the Deed of Variation are acceptable to them. As Defra part-fund the project, the Councils are obliged to report any changes to the contract in order for Defra to scrutinise and ensure that the changes are acceptable under the terms of the PFI grant funding, and in order for HM Treasury to assess

whether there is any impact on how the project is treated. Defra have confirmed that the proposals are acceptable to them.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The Councils could have pursued formal dispute resolution earlier in the negotiations; however, this would have incurred considerable costs for the Councils and may ultimately have been unsuccessful in relation to some or all of the areas disputed. The agreement now reached with Veolia is considered to be positive for the Councils and resolves a number of current contractual and legacy issues dating back to the 2007 Holding Agreement.

4.2 The negotiated agreement represents an anticipated £10.032m reduction in contract costs across the life of the contract. Based on the Joint Working Agreement between ESCC and BHCC, the ESCC share of this is £6.922m and BHCC £3.110m. Further detail is provided under a later item on the agenda.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 In view of the contractual arrangement in place, community engagement would not be appropriate.

6. CONCLUSION

6.1 It is recommended that Committee note the report and approve the principle of BHCC entering into the Deed of Variation and for the Executive Director of Economy, Environment and Culture to be given delegated authority to finalise the terms of the Deed of Variation based on the principles outlined in this report.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The costs to BHCC of the Integrated Waste Management Services Contract are funded from revenue budgets within the City Environmental Management service. The council also maintains a Waste PFI Project reserve to ensure future contract costs can be met. As set out in the main body of the report, it is estimated that the Deed of Variation would result in a reduction in costs to BHCC at current prices of £3.110m, which represents a combination of historic claims, ongoing contract savings, and future cost avoidance.

7.2 The value of historic claims to 31 March 2019 will be deducted from the next unitary payment once the final terms of the deed are agreed. This will result in unbudgeted income of £0.926m in 2019/20 which will be transferred to the Waste PFI reserve. The adequacy of the reserve level to meet future contract costs will be reviewed as part of the 2020/21 budget setting process, and any release from the reserve to support the TBM position or invest in services will be made by Members as part of the 2020/21 budget setting process.

7.3 It is estimated that the ongoing contract savings will be the equivalent of £0.129m per year over the remaining life of the contract. It is anticipated that this will

contribute to 2020/21 service budget savings, subject to approval as part of the budget setting process.

Finance Officer Consulted: Steven Bedford *Date: 30/10/19*

Legal Implications:

7.2 The legal implications are addressed in the body of the report.

Lawyer Consulted: Elizabeth Culbert *Date: 24th October 2019*

Equalities Implications:

7.3 There are no equalities implications arising from this report.

Sustainability Implications:

7.4 The Deed of Variation includes a new obligation for Veolia to divert 10,000 tonnes of bulky waste from landfill each year. As well as providing significant financial benefits to both Councils for the remainder of the contract term, this will result in an increase in environmental performance achieved by the contract.

7.5 This requirement will move 10,000 tonnes of waste up the waste hierarchy from ‘disposal’, which is at the bottom of the hierarchy, to ‘other recovery’. The environmental impact of waste management is improved as it is moved up the hierarchy.

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