





Brighton & Hove
City Council

Policy, Resources & Growth Committee

Title:	Policy, Resources & Growth Committee
Date:	9 February 2017
Time:	4.00pm
Venue	Council Chamber, Hove Town Hall, Norton Road, Hove, BN3 3BQ
Members:	Councillors: Morgan (Chair), Hamilton (Deputy Chair), G Theobald (Opposition Spokesperson), Mac Cafferty (Group Spokesperson), Chapman, Janio, Mitchell, A Norman, Meadows, Sykes and Wealls
Contact:	Ross Keatley Democratic Services Manager 01273 291064 ross.keatley@brighton-hove.gov.uk

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Democratic Services: Policy, Resources & Growth Committee

Monitoring Officer	Councillor Morgan Chair	Chief Executive	Democratic Services Manager
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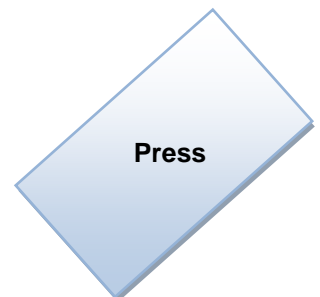
Exec. Director Finance & Resources
Exec. Director Economy, Environment & Culture
Exec. Director Neighbourhoods, Communities & Housing
Exec. Director Families, Children & Learning
Exec. Director Adult Care & Health

Councillor Hamilton Deputy Chair
Councillor Mitchell
Councillor Meadows

Councillor A. Norman
Councillor G. Theobald Opposition Spokesperson
Councillor Wealls
Councillor Janio
Councillor Mac Cafferty Group Spokesperson
Councillor Sykes



Public Speaker	Councillor Speaking
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Public Seating



Public Seating



AGENDA

PROCEDURAL MATTERS

116 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.

117 MINUTES

1 - 14

To consider the minutes of the meeting held on 19 January 2017 (copy attached).

Contact Officer: Ross Keatley

Tel: 01273 291064

POLICY, RESOURCES & GROWTH COMMITTEE

Ward Affected: All Wards

118 CHAIR'S COMMUNICATIONS

119 CALL OVER

- (a) Items 122 – 130 will be read out at the meeting and Members invited to reserve the items for consideration.
- (b) Those items not reserved will be taken as having been received and the reports' recommendations agreed.

GENERAL MATTERS

120 PUBLIC INVOLVEMENT

15 - 22

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

- (a) **Petitions:** to receive any petitions presented by members of the public to the full Council or as notified for presentation at the meeting by the due of 26 January 2017;
 - i) **Don't Cut the Youth Services Funding** (Kate Barker) – Petition Referred from Council on 26 January 2017 (copy attached).
- (b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 2 February 2017;
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 2 February 2017.

Contact Officer: Ross Keatley

Tel: 01273 291064

121 MEMBER INVOLVEMENT

23 - 24

To consider the following matters raised by councillors:

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

Making Vacant Council Buildings Available for Use as Homeless Shelters – referred from Council on 26 January 2017 (copy attached).

Contact Officer: Ross Keatley

Tel: 01273 291064

POLICY, RESOURCES & GROWTH COMMITTEE

FINANCIAL MATTERS

122 BRIGHTON & HOVE YOUTH SERVICES 2017/18 – SOME FURTHER INFORMATION

Report of the Executive Director for Families, Children & Learning (copy attached).

Contact Officer: Rachel Carter

Tel: 01273 294921

Ward Affected: All Wards

123 GENERAL FUND REVENUE BUDGET & COUNCIL TAX 2017/18

25 - 30

Report of the Executive Director for Finance & Resources together with an extract from the proceedings of the Environment, Transport & Sustainability Committee meeting held on 17 January 2017 (copies attached).

Contact Officer: Nigel Manvell

Tel: 01273 293104

Ward Affected: All Wards

124 CAPITAL RESOURCES AND CAPITAL INVESTMENT PROGRAMME 2017/18

31 - 54

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

Contact Officer: James Hengeveld, Rob Allen

Tel: 01273 291242

, *Tel:* 01273

291245

Ward Affected: All Wards

125 HOUSING REVENUE ACCOUNT BUDGET AND INVESTMENT PROGRAMME 2017/18 AND MEDIUM TERM FINANCIAL STRATEGY

55 - 94

Joint report of the Report of the Executive Director for Finance & Resources and the Executive Director for Neighbourhoods, Communities & Housing, together with an extract from the proceedings of the Housing & New Homes Committee meeting held on 18 January 2017 (copies attached).

Contact Officer: Susie Allen, Martin Reid

Tel: 01273 293105

, *Tel:* 01273

293321

Ward Affected: All Wards

126 TARGETTED BUDGET MANAGEMENT (TBM) MONTH 9

95 - 168

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

Contact Officer: Nigel Manvell

Tel: 01273 293104

Ward Affected: All Wards

POLICY, RESOURCES & GROWTH COMMITTEE

REGENERATION & PROPERTY MATTERS

127 SALTDEAN LIDO RESTORATION PROJECT 169 - 176

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

Contact Officer: Ian Shurrock Tel: 01273 292084
Ward Affected: Rottingdean Coastal

GENERAL MATTERS

128 ORBIS PUBLIC LAW - UPDATE ON PROPOSALS FOR THE ESTABLISHMENT OF A SHARED LEGAL SERVICE 177 - 182

Report of the Executive Lead Officer for Strategy, Governance & Law (copy attached).

Contact Officer: Abraham Ghebre-Ghiorghis Tel: 01273 291500
Ward Affected: All Wards

129 REVIEW OF THE CONSTITUTION 183 - 198

Report of the Executive Lead Officer for Strategy, Governance & Law (copy attached).

Contact Officer: Elizabeth Culbert Tel: 01273 291515
Ward Affected: All Wards

130 PROPOSAL TO DISCONTINUE SUPPORT FOR THE OLDER PEOPLE'S COUNCIL (OPC) 199 - 206

Report of the Executive Lead Officer for Strategy, Governance & Law (copy attached).

Contact Officer: Giles Rossington Tel: 01273 295514
Ward Affected: All Wards

131 ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 6 April 2017 Council meeting for information.

In accordance with Procedure Rule 24.3a, the Committee may determine that any item is to be included in its report to Council. In addition, each Group may specify one further item to be included by notifying the Chief Executive no later than 10.00am on 29 March 2017 (the eighth working day before the Council meeting to which the report is to be made), or if the Committee meeting takes place after this deadline, immediately at the conclusion of the Committee meeting.

POLICY, RESOURCES & GROWTH COMMITTEE

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

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Date of Publication - Wednesday, 1 February 2017

BRIGHTON & HOVE CITY COUNCIL
POLICY, RESOURCES & GROWTH COMMITTEE

4.00pm 19 JANUARY 2017

COUNCIL CHAMBER, HOVE TOWN HALL, NORTON ROAD, HOVE, BN3 3BQ

MINUTES

Present: Councillors Morgan (Chair), Hamilton (Deputy Chair), G Theobald (Opposition Spokesperson), Mac Cafferty (Group Spokesperson), Gibson, Janio, Mitchell, A Norman, Meadows and Wealls

PART ONE

97 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

97.1 Councillor Gison was present in substitution for Councillor Sykes.

(b) Declarations of Interest

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

(c) Exclusion of Press and Public

97.3 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.

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

98 MINUTES

98.1 **RESOLVED** – That the Chair be authorised to sign the minutes of the previous meeting held on 8 December 2016 as a correct report.

99 CHAIR'S COMMUNICATIONS

99.1 The Chair noted there were no communications.

100 CALL OVER

100.1 The following items were called for discussion:

Item 106 – Life Events Fees and Charges 2017/18

Item 107 – Adoption of The East Sussex, South Downs and Brighton & Hove Waste and Minerals Sites Plan

Item 108 – Royal Pavilion & Museums

Item 109 – New Homes for Neighbourhoods - Housing Co-Op Pilot

Item 111 – Land at Plumpton Hill and Poynings

- 100.2 The Democratic Services Manager confirmed that the items listed above had been reserved for discussion, and that the following reports of the agenda, with the recommendations therein had been agreed and adopted.

Item 103 – Council Tax Base 2017/18

Item 104 – Business Rates Retention Forecast 2017/18

Item 105 – Provision of Financial Services to South Downs National Park Authority

Item 110 – Policy Review Panel - City Council's Urban and Rural Estates

101 PUBLIC INVOLVEMENT

a) Petitions

- 101.1 The Chair noted there was one petition referred from Council on 15 December 2016 in relation to Memorial for the Battle of Boar's Head. The Chair read the following response:

“Following the petition presented by Ms A. Scales presented at full Council on 15 December 2016, which received unanimous backing from all parties, I am proposing that we take the action requested in the petition. Having spoken to the petitioner I have established that she has an agreed design and an estimate of £2500 for the supply and manufacture of the memorial by a local artist.

I believe it is right that the city recognises the sacrifice of those men from Brighton & Hove who gave their lives in this action a hundred years ago, the day before the Battle of the Somme. Therefore I propose we give Officers delegated authority to proceed with this project, with a contribution of up to £2000, with a contribution from fundraising organised by the petitioner of at least £500.

- 101.2 **RESOLVED** – That the Committee authorise Officers to proceed with the project, and a contribution of up to £2000 be made, on the basis that the petitioner fundraise at least £500.

b) Public Questions

- 101.3 The Chair noted there were four public questions; he asked Elijah Peart to put her question to the Committee.
- 101.4 Elijah Peart asked: “The proposed cuts to the youth collective target specialised services which exist for young people who may have more complicated or demanding needs than others. The help and understanding provided by these specialist youth workers is often vital in preparing these young people for adult life, with many young people quoting the Youth Collective as invaluable in their efforts to find work. How will

you reconcile the fact that many young people cannot find work without the help of these professionals with Labour's manifesto pledge to eradicate youth unemployment in the city?"

- 101.5 The Chair replied: "The services provided by the Youth Collective and by the more targeted in-house youth service have been much valued and given the options of not having to reduce our spending by £23 million in the coming year we would not have proposed the funding reductions to these services. This is a consequence of large cuts to our central government grants. There are a large number of services that we have to provide according to rules set out by government. There are also huge demands on our budget for example children and adult social care and temporary housing that we have to meet. Much of the youth service is not statutory and we find ourselves in the unfortunate position of not being able to afford to run such a wide ranging service anymore. There will however continue to be a number of services still available for young people who have additional needs. You ask in particular about our pledge to eradicate youth unemployment. You may not be aware that the staff who provide employment service at youth centres are part of the Youth Employability Service and there are no proposed reductions to this service which has been very successful in tackling youth unemployment. The latest data for November 2016 showed that in Brighton & Hove that just 3.6% of young people were not in education or employment compared to a South East average of 8% and a West Sussex average of 11%. In addition the most recent data for apprenticeships shows that we have had an increase in 20% in apprenticeships and there is lots of work taking place at the moment to support the city pledge of 1000 apprenticeships in 1000 days. Finally I am very pleased that the East Sussex Learning Network has just secured funding from the HEFCE to support young people from the most disadvantaged areas city get into higher education and training and they'll be looking to us and to voluntary sector to co create programmes and opportunities."
- 101.6 By way of a supplementary question Elijah Peart asked: "You mentioned that there are other services that will be able to pick up the slack left by the reduction to services. Youth Employability Services sees about 300 young people currently and the services being cut see up to 3000 people. If even 10% of that user base ends up going to the Youth Employability Service that is already double the number of young people who are using those services. That's unsustainable and with future cuts more than likely to come from central government how is the increased demand going to be mitigated?"
- 101.7 The Chair replied: "As I say we are not proposing any cuts to the Youth Employability Service but obviously we are facing cuts to our youth service as a whole which are not ones we would have chosen. The blame does lie with central government we would be investing in those youth services not cutting them if the Government were not taking tens of millions of pounds out of our funding each year. As I have said before the budget is always changing and we will always continue to work on how we can continue to fund and support youth services in the short and medium term with the aim of them becoming self-sustaining. The consultation launched this week will help us do that and I hope that you and the other young people present and elsewhere will contribute to that. We don't fund services as a council that don't have value, that don't deliver some long term benefit or offset future costs as you say. I'd say that the Government do need to listen not just to politicians like me but to young people like you who are going to be effected by the cuts they are passing down to us. So today I'm

inviting you and the other young people here today to come with me and Peter Kyle MP to 10 Downing Street in early February to deliver that message direct to government.”

- 101.8 The Chair asked Max Cole-Morley to put his question to the Committee.
- 101.9 Max Cole-Morley asked: “Research has suggested that the voluntary youth services which will lose 80% of their funding actually save the council £5.56 for every £1 spent by the council. If there isn't enough money available for preventative youth work, where will the money be coming from for the necessary crisis management after services are cut?”
- 101.10 The Chair replied: “As I said to the previous question we very much value the work that the voluntary sector has provided for young people and as a previous long-term trustee of the Crew Club, I'm really aware of the value that those services bring. Although we're proposing a service cut here we're anticipating that a substantial amount of the work will continue as the sector receives money from a variety of different sources. There will continue to be preventative work done to support young people who are facing difficulties by schools and colleges and the community and voluntary sector many of whom do this already without financial support from the council and via council services such as the Youth Employability Service, 'Are You OK' our substance misuse service, our adolescent service and our youth offending service.”
- 101.11 By way of a supplementary question Max Cole-Morley asked: “What seems clear is that when it is viewed as necessary the council can find money from somewhere this is illustrated by the fact that Brighton & Hove City Council executive team earn almost £1.5 million/ year. This means that a reduction of approximately 30% in yearly executive wages would create enough money to fund the youth service at risk of an 80% cut. How can it be that our council's think it's acceptable to have a Chief Executive who earns more than the Prime Minister while slashing the budgets of services which ensure the wellbeing of the most vulnerable and disadvantaged members of our community?”
- 101.12 The Chair replied. “Obviously we have a very large budget to manage and our salaries are set very much in-line with other salaries around the country with similar authorities we are not out of step in-fact we're slightly below. There are always suggestions that we get and if you look at our budget pages there is reasoning behind why we can't make some savings that people always approach me about. Youth services are not statutory services a lot of authorities have long since stepped out of providing and funding youth services. As I've said before we're committed to continuing to help and provide what transitional funding we can and I know my colleague Councillor Dan Chapman will be talking about that next week. It is very difficult and as I said in response to the previous question we wouldn't be choosing to make these cuts if we weren't facing £23 million in savings because cuts from this Government and the huge pressure in social care which we've got. It's a very difficult situation with very difficult choices that we have to make. I would hope that as I said in response to the previous question that you will join us in coming to London to make the case to Government.”
- 101.13 The Chair asked Seb Royle to put his question to the Committee.

- 101.14 Seb Royle asked: “Services for young people have already been massively depleted over the past 6 years, with the proposed 80% cut in funding sounding the death knell for voluntary youth work in our city. With £45 million of cuts still to come in the next three years, will there be anything left for young people in 2020?”
- 101.15 The Chair replied: “As I said in response to the previous question we certainly hope so and other authorities have made sure that youth services do continue even where they’ve reduced or removed their funding altogether. It’s a process which I think we should have started a number of years ago in transitioning more of youth services out to the community and voluntary sector and it’s a great shame that we are at this point where we have to propose these reductions. We are committed to ensuring young people who are facing difficulties are able to receive support to help them. The services that I’ve referred to in my previous responses will continue to operate across the city and as I say we will continue to work with you and youth organisations across the city to keep as much as we can going.”
- 101.16 By way of a supplementary question Seb Royle asked: “Statutory services will continue to exist however the cuts proposed to non-statutory services will lead to a vast rise in demand for already underfunded and overwhelmed such as CAMHS and Are You OK as the 100s if not 1000s of young people who rely on youth services search for it elsewhere. There is every possibility that this lack of support will lead to increase suicide attempts by young people as well as rising drug abuse and gang violence. As a politician I think that it’s important that you should seek the support of young people, how can any young people support a party –any party- which has played a part in taking the safety net away from their futures?”
- 101.17 The Chair replied. “The points you made about suicide prevention and drug misuse, those services are statutory and those service are ones which we are continuing to fund. I absolutely agree with you that these services are of value and we wouldn’t be cutting them if we had the choice and if you’re looking to lay the blame anyway the blame lies in Westminster with the current government and again I’m hoping that you will join me us to taking the protest to the Conservative Government in a couple of weeks’ time and making sure they understand just the impact that their cuts are having.”
- 101.18 The Chair asked Boudicca Pepper to put her question to the Committee.
- 101.19 Boudicca asked: “The council seems to expect existing statutory services, such as CAMHS, as well as schools and colleges, to pick up the slack once the youth services are cut. How does the council expect these services to cope with the inevitable rise in demand caused by cuts to youth services without increased funding?”
- 101.20 The Chair replied: “We are in discussion with our partners about how we can redesign our services in the context of reduced funding in order to continue to provide support for our children and young people and as I say that is an active and ongoing process as we go up to the budget. You mention CAMHS, we’ve been working very closely with health commissioners to make sure we can provide support for young people with emotional and mental health needs. We want to move away from a clinic based service which many people decide to no longer access to early support in schools and in communities. To achieve this last year we started to work in three of our secondary

schools with mental health workers being based in schools. This has been successful and has led to a reduction CAMHS referrals so we are at the moment rolling this out across all of our secondary schools. This will not cost more money but it will reach more young people.”

101.21 By way of a supplementary question Boudicca Pepper asked: “What about the young people who have had a referral and who’ve taken the help from the schools and are still on a waiting list. What do you suggest they do in the meantime if there isn’t a parent or a youth worker or somewhere they can go?”

101.22 The Chair replied. “I’m happy to set up a meeting between yourself and Councillor Caroline Penn who you may know is our lead member for mental health services and who is also now stepping up to become deputy chair of the Children and Young People’s Committee. Councillor Penn can go into this in more detail, explaining exactly what the service is and what we are doing to improve the service.”

101.23 The Chair noted there were no more items listed under Public involvement.

102 MEMBER INVOLVEMENT

Member Questions

110.1 Councillor Mac Cafferty asked: “Can the Chair of this committee please outline where the Labour administration is in making clear what non-core designations are in relation to Downland?”

110.2 The Chair provided the following written answer: “The report on this agenda titled “Policy Review Panel – City Council’s Urban and Rural estates” addresses this question through the NoM presented to December PRG by the Conservative and Green groups. This requested a Policy Review Panel to look at governance and policy with respect to the City’s urban and rural estates and will include a review of the respective sections of the Corporate Property Strategy & Asset Management Plan 2014-18 (AMP) agreed by December Policy, Resources & Growth Committee as they concern Downland asset definition and disposal.

This clarification will be addressed through the Policy Review Panel and the PRG report explains how the Policy Review Panel is proposed to be set up and it is proposed that this aspect will be part of the scoping exercise and terms of reference to be agreed at the first meeting of the cross party Policy Review Panel.”

Notices of Motion

110.3 Councillor G. Theobald noted that the whole area of asset management needed Member oversight, he hoped that a formal Asset Management Panel would be set up, but noted that this could be one of the recommendations from the policy review panel.

110.4 Councillor Mitchell noted, it her expectation, that the policy panel would undertake a task and finish scoping exercise which would inform a new permanent Asset Management Panel.

110.5 **RESOLVED** – That the Committee note both Notices of Motion.

103 COUNCIL TAX BASE 2017/18

103.1 **RESOLVED:** That the Committee:

- 1) Approves this report for the calculation of the council's tax base for the year 2017/18.
- 2) Approves the collection rate increase of 0.05% to 98.33%
- 3) Agrees that in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amounts calculated by Brighton & Hove City Council as its council tax base for the year 2017/18 shall be as follows:-
 - a) Brighton and Hove in whole – 87,388.8 (as detailed in appendix 1)
 - b) Royal Crescent Enclosure Committee – 29.0 (as detailed in appendix 2)
 - c) Hanover Crescent Enclosure Committee – 41.6 (as detailed in appendix 2)
 - d) Marine Square Enclosure Committee – 72.5 (as detailed in appendix 2)
 - e) Parish of Rottingdean – 1,545.2 (as detailed in appendix 2)
- 4) Agrees that for the purposes of Section 35(1) of the Local Government Finance Act 1992, the expenses of meeting the special levies issued to the council by the Enclosure Committees shall be its special expenses.
- 5) Agrees that the Enclosure Committees and Rottingdean Parish are paid the required council tax reduction grant of c£5,000 in total, to ensure they are no better or no worse off as a result of the introduction of the council tax reduction scheme for the reasons set out in paragraph 3.7.

104 BUSINESS RATES RETENTION FORECAST 2017/18

104.1 **RESOLVED** – That the Committee:

- 1) Notes that the amount forecast to be received by the council in 2017/18 from its share of local business rates and section 31 (Local Government Act 2003) compensation grants is £59.284m, based on the latest data. This is £0.994m above the forecast used in the December 2016 budget update report.
- 2) Delegates the submission of the final business rates forecast and the NNDR1 2017/18 form to the Executive Director of Finance & Resources following consultation with the Chair of this Committee for the reasons given in paragraph 1.2.

105 PROVISION OF FINANCIAL SERVICES TO SOUTH DOWNS NATIONAL PARK AUTHORITY

105.1 **RESOLVED** – That the Committee Authorises the Executive Director of Finance & Resources to enter into a 3-year contract, with a possible 2-year extension, for the continued provision of Corporate Financial Services to the South Downs National Park Authority from 1 April 2017.

106 LIFE EVENTS FEES AND CHARGES 2017/18

106.1 The Committee considered a report of the Executive Lead Officer for Strategy, Governance & Law in relation to Life Events Fees and Charges 2017/18. The report set out the proposed fees and charges for the financial year 2017/18 for Bereavement Services, Registration Services and Local Land Charges within Life Events, in Strategy Governance & Law (SGL).

106.2 In response to Councillor Wealls it was clarified that benchmarking had been undertaken against the same group of authorities, to assist in setting the fees in recent years, usually this was neighbouring authorities; however, an agreed methodology for selecting benchmarking authorities could be agreed for future years.

106.3 In relation to Councillor Mac Cafferty's specific questions about Bereavement Services fees and charges, it was agreed that the full responses would be provided after the meeting.

106.4 Councillor A. Norman commended the excellent service in Bereavement Services, and she noted that the staff were very caring. She welcomed the reference in the report that proposed no charges be introduced for burial or cremation of children.

106.5 The Chair put the recommendations to the vote.

106.6 **RESOLVED** – That the Committee:

- 1) Approves a general inflationary increase of 2% on all Life Events fees and Charges for the financial year 2017/18 save for the exceptions set out at 2.2 below;.
- 2) Approves a proposal to increase Bereavement Services burial charges by 5%, Registration Services fees and charges by 5%, and a proposed increase of £5.00 on each Local Land Charges search fee for the financial year 2017/18 as detailed in Appendices 1 - 3.

107 ADOPTION OF THE EAST SUSSEX, SOUTH DOWNS AND BRIGHTON & HOVE WASTE AND MINERALS SITES PLAN

107.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Adoption of the East Sussex, South Downs and Brighton & Hove Waste and Minerals Sites Plan. The purpose of the report is to inform the Committee and Council of the outcome of the Public Examination of the East Sussex, South Downs and Brighton & Hove Waste and Minerals Sites Plan (WMSP), and seek approval for the formal adoption of the Plan.

- 107.2 In response to Councillor Mac Cafferty, in relation to the reconciliation of imports, it was explained that the only feasible site was on the East Sussex/Kent boarder, a review would needed to be conducted once the policy was adopted to ensure compliance.
- 107.3 Councillor Janio highlighted his view that Hangleton Bottom was not an appropriate site for commercial waste transfer as identified in the plan; he proposed an amendment to remove the references to Hangleton Bottom in the report. He invited Councillor Hamilton to second the amendment as the site was close to the Ward he represented.
- 107.4 The Monitoring Officer highlighted that as the plan was a joint plan it had to be unilaterally agreed; were Brighton & Hove to amend it, it would mean that the plan would have to go back to a drafting stage as it should be approved as recommended by the Inspector.
- 107.5 Councillor Hamilton noted that he would not second or support the amendment as residents were happy with the current situation at the site.
- 107.6 Councillor G. Theobald formally seconded the amendment, he noted that the Conservative Group had voted against the inclusion of the site of many occasions and he argued that residents would prefer the site to be used for housing.
- 107.7 The Chair put the proposed amendment to the vote. This was **not carried** with 4 in support and 6 against.
- 107.8 The Chair then put the recommendations to the vote. These were **carried** with 6 in support and 4 against.
- 107.9 **RESOLVED TO RECOMMEND – That Council:**
- 1) Note the responses to the consultation on main modifications to the WMSP and contents of the Inspector's Report with his conclusion that the WMSP is legally compliant and 'sound';
 - 2) Adopt the WMSP, incorporating the Main Modifications and minor modifications, as part of the Development Plan for the City, subject to the Head of City Planning agreeing any further minor non-material changes to the text of the Waste and Minerals Plan with East Sussex County Council and the South Downs National Park Authority.

108 ROYAL PAVILION & MUSEUMS

- 108.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Royal Pavilion & Museums. The purpose of the report was to update members on work to establish a new governance model for the Royal Pavilion & Museums (RPM) and seek approval to begin the process to move the Royal Pavilion & Museums into a newly established charitable trust for culture in Brighton & Hove.

- 108.2 The Chair thanked all Officers that had worked on this project to date; the Pavilion was the city's most famous asset and the decision before the Committee was of hugely importance significance, but would ensure the Royal Pavilion and Museums were preserved for years to come.
- 108.3 Councillor G. Theobald welcomed the report, in response to queries it was explained that the next steps included establishing the role profiles for the trustees, then undertaking advertising to make appointments; the final appointments would then be signed off at Leaders' Group.
- 108.4 In response to Councillor Wealls it was confirmed that the Council would seek to achieve the best solution for the transfer of staff to the trust. In response to further questions it was confirmed that the savings for this financial year had already been taking into account and delivered, and there had been agreement made by the Committee in a previous report to put future savings on hold as part of investment in the future model – across the whole first five years it was envisaged the trust would generate a surplus.
- 108.5 Councillor Janio noted he was very supportive of the report and congratulated the current and previous Administration's for their work on this. In relation to the governance it was confirmed that the board would be 9 or 12 members, with elected Councillors being in a minority.
- 108.6 In response to Councillor Mac Cafferty it was explained that rules and regulations in relation to the governance of collections would be written into agreements with the board; lending on a national and international level would continue to assist in raising the profile of the Royal Pavilion and Museums.
- 108.7 The Chair put the recommendations to the vote.
- 108.8 **RESOLVED** – That the Committee
- 1) Approve the establishment of a charitable trust for arts and culture in Brighton & Hove into which the Royal Pavilion & Museums will move in April 2018.
 - 2) Agree that a shadow/interim board of Trustees is established from April 2017, which will include Member appointments to be agreed by the Council.
 - 3) Grant delegated authority to the Executive Director of Economy, Environment & Culture, Executive Lead Officer Strategy, Governance & Law, and Executive Director Finance & Resources to work with the shadow board to prepare all documents required in order to:
 - Establish the new charitable trust for arts and culture in Brighton & Hove;
 - Agree a 25 year funding agreement with the trust, reviewable every 5 years;
 - Agree for the Royal Pavilion & Museums portfolio buildings to be leased to the trust for a period of 25 years, with the City Council retaining the freehold ownership of all buildings;
 - Transfer the operational management services into the new trust;

- Loan the Royal Pavilion & Museums' collections to the trust and for any new acquisitions to be held by the trust.
- 4) To note that a further report will be brought to Policy, Resources & Growth Committee, expected early 2018, which will outline the final heads of terms of the legal and commercial agreements and to seek final approval to establish the new charitable trust.
 - 5) To note that formal consultation will be undertaken with affected staff and unions regarding the details of the proposed transfer to the trust, and with funding partners including Arts Council England.
 - 6) To note that a roadmap will be prepared with Brighton Dome and Festival Ltd to consider the merger of the two trusts to establish a single 'cultural trust' for the city within 4 years of the charitable trust being established.

109 NEW HOMES FOR NEIGHBOURHOODS - HOUSING CO-OP PILOT

- 109.1 The Committee considered a report of the Executive Director for Neighbourhoods, Communities & Housing in relation to New Homes for Neighbourhoods - Housing Co-op Pilot. The Chair also noted that the report had been considered by the Housing & New Homes Committee on 18 January 2017; as set in the associated extract. This report now sought approval to lease the Plumpton Road former garage site to Bunker Housing Co-operative in order to self-build two family homes for rent, which will be let within affordable rent levels to applicants from the Homemove register and to which the council will be able to nominate future tenants.
- 109.2 Councillor Gibson highlighted the credentials of the scheme, and noted that the rents were as low as 75% of the local housing allowance. There was no cost in terms of borrowing, and the model was worth exploring as a means to bring down costs at other locations. He hoped the Committee would support the report.
- 109.3 Councillor G. Theobald welcomed the report and felt the work was very positive.
- 109.4 Councillor Meadows, as Chair of the Housing & New Homes Committee, noted that Officers had been able to learn a lot about housing co-ops through this work. She noted that this report met recommendations from the Fairness Commission, and offered alternative affordable housing in the city at zero cost to the Council. She hoped the Committee would support the report in full.
- 109.5 The Chair then put the recommendations to the vote.
- 109.6 **RESOLVED** - That the Committee take note and approve the recommendations as set out below, as recommended for approval by Housing and New Homes Committee, that:
- a) The land at Plumpton Road, Brighton BN2 9YL be made available for leasing.
 - b) There be delegated authority to the Executive Directors for Economy, Environment & Culture, Finance and Resources and Neighbourhoods,

Communities & Housing (in consultation with each other) to enter into the necessary contracts with Bunker Housing Co-operative Limited to lease the former council housing garage site at Plumpton Road, Brighton BN2 9YL, to secure the building of two new homes for rental by the co-op. The granting of the lease is subject to Bunker obtaining planning consent, funding and entering into a nominations agreement with the council.

110 POLICY REVIEW PANEL - CITY COUNCIL'S URBAN AND RURAL ESTATES

110.1 **RESOLVED** - That a Policy Review Panel is set up to consider the governance and policy with respect to the city's urban and rural estates as set out in 1.2 above and that an outcome report is brought back to Policy, Resources & Growth Committee aiming for late Spring once the review has been completed.

111 LAND AT PLUMPTON HILL AND POYNINGS

111.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Land at Plumpton Hill and Poynings. A joint amendment was presented to December 2016 Policy, Resources & Growth (PRG) Committee by the Green and Conservative Groups requesting that an urgent report be brought to the January 2017 committee meeting detailing alternative options in relation to the approved proposed disposals that include these 2 pieces of land referred to in Policy & Resources Committee February 2016, and that options take account of any impact affecting the Stanmer Park Heritage Lottery Fund (HLF) bid. This report was complemented by a separate report in Part Two of the Agenda.

111.2 In response to Councillor Janio it was confirmed that the report in July 2014 July 2016 related to the funding and refurbishment of the Home Farm traditional agricultural buildings. Councillor Janio went on to highlight to shift to consider the Council's assets in terms of social value, and noted the desire of all group to improve Stanmer Park. He noted the differing views being put forward by residents, and welcomed the policy review panel that had been agreed by the previous item. He went on to note that, given the amendments from both the Conservative & Green Groups, he felt a joint amendment could be put forward.

111.3 At this point to Committee took a short adjournment to agree the wording for the new proposed joint amendment.

111.4 Councillor Mitchell noted her concern that any amendment could undermine the HLF bid to support the wider Stanmer Park project.

111.5 Councillor G. Theobald stated his view that this would not adversely affect the HLF bid, and that an urgency sub-committee could be convened were this to the case. He went to note his concern in relation to some of the language in the report that the Council sought to raise capital from the disposal of assets, and that this could signify the first stage of a wider disposal of down land assets.

111.6 Councillor Mac Cafferty formally proposed a joint amendment on behalf of the Green and Conservative Groups.

- 111.7 Councillor G. Theobald formally seconded the amendment.
- 111.8 Councillor Hamilton highlighted sections of the Council's Asset Management Plan, and noted that this had received cross-party support at Committee. He went on to note that the sites were not farms and as such were considered 'non-core assets'; the capital value of the sites was over 100 times the annual rent. The Poynings site did not have public access. The Plumpton site had been managed by the college for over 60 years; had statutory Rights of Way access; it was protected by virtue of being within the South Downs National Park area, and the proposed sale price was low given the restricted use.
- 111.9 Councillor Gibson noted that he considered there was insufficient information in the report for the Committee to take the decision. The returns referenced in the report did not make allowances for capital growth, and he felt that the option of exploring borrowing in relation to the HLF match funding had not been properly explored given the current very low interest rates.
- 111.10 Councillor Mac Cafferty stated his view that other alternatives to selling these pieces of land had not been properly considered by the Committee in the past.
- 111.11 Councillor Janio stated that the Conservative Group wanted the land to be in the ownership whoever could best utilise it, but he felt there was not enough information before the Committee to allow them to take a pragmatic approach. There was no information in relation to the social value of the land; however, the policy panel would consider all this information as part of a full review.
- 111.12 Councillor Mitchell highlighted that the sale of the land had been brought about in a coherent way and followed agreed Council policy. She noted that the proposed amendment would make the position in relation to Stanmer Park project uncertain. The Administration were fully prepared to work with the Opposition through the policy review panel to work through the issue as quickly as possible.
- 111.13 The Chair then put the joint amendment to the vote. This was **carried** with 6 in support and 4 abstentions.
- 111.14 The Chair then put the amendment recommendations to the vote. These were **carried**.
- 111.15 **RESOLVED:**
- 1) That Committee notes the further requested information, analysis and consequences regarding these two pieces of land,
 - 2) That the two sites be referred to the policy review and the decision referred to the back to the PRG for decision.
 - 3) That with regards to the HLF Stanmer Park project, a report be brought to Committee outlining alternative options for meeting the match funding requirement.

112 ITEMS REFERRED FOR COUNCIL

112.1 There were no items referred to Council.

113 LAND AT PLUMPTON HILL AND POYNINGS - EXEMPT CATEGORY 3

113.1 **RESOLVED** – That the Committee note the information contained in the Part Two report.

114 PART TWO MINUTES

114.1 **RESOLVED** – That the Chair be authorised to sign the Part Two minutes of the previous meeting held on 8 December 2016.

115 PART TWO PROCEEDINGS

115.1 **RESOLVED:** That the information contained Part Two, Items 113 & 114 remain exempt from disclosure to the press and public.

The meeting concluded at 6.30pm

Signed

Chair

Dated this

day of

Subject: Petitions Referred from Council
Date of Meeting: 9 February 2017
Report of: Executive Lead for Strategy Governance & Law
Contact Officer: Name: Ross Keatley **Tel:** 01273 291064
E-mail: ross.keatley@brighton-hove.gov.uk
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

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

2. RECOMMENDATIONS:

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

3. PETITIONS

3.1 Referred petitions:

- i) **Don't Cut the Youth Services**
Petition from Ms. K. Barker referred from the Council meeting held on 26 January 2017 (2042 signatures).

To receive the following Petition:

“Brighton and Hove city council are planning to cut the youth services budgets over the coming few months, which means a lot of youth service centres will close! We think the youth services are helpful for young people in Brighton and Hove and gives them something to do within their free time instead of getting involved in gangs etc... please help us stop the council and let's get our voices heard!”

3.2 Extract from the meeting of Council on 26 January 2017 attached as an appendix.

Subject:	Don't Cut the Youth Services Funding Petition: Extract from the proceedings of the Council Meeting held on the 26 January 2017		
Date of Meeting:	9 February 2017		
Report of:	Executive Lead for Strategy, Governance & Law		
Contact Officer:	Name:	Mark Wall	Tel: 29-1006
	E-mail:	mark.wall@brighton-hove.gov.uk	
Wards Affected:	All		

FOR GENERAL RELEASE

Action Required of the Policy, Resources & Growth Committee

To receive the item referred from the Council for consideration.

Recommendations:

- (1) That the petition be considered by the Committee; and
- (2) That the Committee give consideration to a report produced by officers detailing:
 - (a) service descriptions and client reach which could be provided at a range of funding levels
 - (b) descriptions and impact assessments of expenditure reductions which were considered as an alternative to the proposed cut
 - (c) an impact assessment of the funding reduction on the services themselves, and their clients and the increased pressures on other budgets and services should the proposed cut be implemented.

BRIGHTON & HOVE CITY COUNCIL**COUNCIL****5.30pm 26 JANUARY 2017****COUNCIL CHAMBER, HOVE TOWN HALL****MINUTES**

Present: Councillors West (Chair), Marsh (Deputy Chair), Allen, Atkinson, Barford, Barnett, Bennett, Bewick, Brown, Cattell, Chapman, Cobb, Daniel, Deane, Druitt, Gibson, Gilbey, Greenbaum, Hamilton, Hill, Horan, Hyde, Inkipin-Leissner, Janio, Knight, Lewry, Littman, Mac Cafferty, Meadows, Mears, Miller, Mitchell, Moonan, Morgan, Morris, Nemeth, A Norman, K Norman, O'Quinn, Page, Peltzer Dunn, Penn, Phillips, Robins, Russell-Moyle, Simson, Sykes, Taylor, C Theobald, G Theobald, Wares, Wealls and Yates.

66 PETITIONS FOR COUNCIL DEBATE**(a) DON'T CUT THE YOUTH SERVICES FUNDING**

- 66.1 The Mayor stated that where a petition secured 1,250 or more signatures it could be debated at the council meeting. He had been made aware of two such petitions and would therefore take each in turn. In addition there were two amendments to the recommendation contained in the covering report to the first petition.
- 66.2 The Mayor then invited Kate Barker and Raven as the lead petitioners to present the petition calling on the Council not to cut the youth services budgets.
- 66.3 Raven thanked the Mayor and stated that the petition had reached 2,042 signatures which demonstrated the strength of support for youth services in the city.
- 66.4 The Mayor thanked Raven and called on Councillor Chapman to respond to the petition.
- 66.5 Councillor Chapman thanked the petitioners and stated that the Council was facing significant cuts to budgets and that meant very difficult decisions had to be considered and taken. He noted that councils across the country had reduced their youth services and were planning further cuts to those services, in order to maintain other services. He stated that it was intended to continue to provide support services to young people and noted that a consultation process was currently underway which would inform the re-design of the service provision. The results of the consultation would be reported to all councillors prior to the Budget Council meeting in February, so that decisions could be made in regard to the provision of youth services and the transition to other providers. He also noted that a delegation of young people were due to attend No. 10 Downing Street and offered his support to the delegation.

- 66.6 Councillor Knight moved an amendment on behalf of the Green Group, calling for the petition to be referred to a Special meeting of the Children, Young People & Skills Committee, along with an update from officers on the consultation which could be considered and any recommendations then made to the Budget Policy, Resources & Growth Committee meeting on the 9th February.
- 66.7 Councillor Phillips formally seconded the amendment.
- 66.8 Councillor Wealls moved an amendment on behalf of the Conservative Group, calling for an urgent report to be brought to the Budget Policy Resources & Growth Committee meeting on the 9th February. He noted that the proposal to cut youth services budgets had been late in the day and that a number of young people had asked questions on this subject at the Policy, Resources & Growth Committee meeting on the 19th January. He believed that further information was required in order for the committee to determine whether the level of proposed savings could be made, hence the request for an urgent report to the committee meeting. He acknowledged that difficult decision had to be made, but felt that there appropriate level of information should be available to inform those decisions.
- 66.9 Councillor Brown formally seconded the amendment and stated that there was a risk of creating more costs in the long-term as there would be a need for greater intervention. She hoped that a further report would address the points highlighted in the amendment.
- 66.10 Councillor Phillips stated that it was unacceptable to treat young people in this manner and the council should be listening to them and supporting them. The consultation was very poor and was due to end after the Budget Policy, Resources & Growth Committee, which left little time for consideration and gave the Children, Young People & Skills Committee no input into the process.
- 66.11 Councillor Bewick noted that there was a need to make savings and that this was down to the level of cuts being made by central government to local government funding. There was a need for the council to balance all priorities across its services and the Children's Service faced a total of £5.6m savings to be achieved. He welcomed the attendance of the young people at today's meeting and their efforts to highlight the difficulties that they had to face and hoped that a way forward could be found.
- 66.12 Councillor Mac Cafferty stated that he believed the proposed cuts were short-sighted and harmful and would leave young people in a vulnerable position as they could not necessarily ask for help from their teachers, parents or carers. There was a need to support them and enable them to reach their potential.
- 66.13 In response to the debate Councillor Chapman stated that he was happy for an urgent report to be brought to the Policy, Resources & Growth Committee but could not support the Green amendment. He also wished to assure Members that any decision would not be taken lightly and that full consideration would be given to the proposed savings.
- 66.14 The Mayor noted that the Green amendment to the petition report's recommendation was not supported and therefore put the amended recommendations to the vote which were lost by 11 votes to 41, with 1 abstention as detailed below:

		For	Against	Abstain		For	Against	Abstain
1	Allen		X		Marsh		X	
2	Atkinson		X		Meadows		X	
3	Barford		X		Mears		X	
4	Barnett		X		Miller		X	
5	Bell	Not Present			Mitchell		X	
6	Bennett		X		Moonan		X	
7	Bewick		X		Morgan		X	
8	Brown		X		Morris		X	
9	Cattell		X		Nemeth		X	
10	Chapman		X		Norman A		X	
11	Cobb		X		Norman K		X	
12	Daniel		X		O'Quinn		X	
13	Deane	✓			Page		✓	
14	Druitt	✓			Peltzer Dunn		X	
15	Gibson	✓			Penn		X	
16	Gilbey		X		Phillips		✓	
17	Greenbaum	✓			Robins		X	
18	Hamilton		X		Russell-Moyle			Ab
19	Hill		X		Simson		X	
20	Horan		X		Sykes		✓	
21	Hyde		X		Taylor		X	
22	Inkpin-Leissner		X		Theobald C		X	
23	Janio		X		Theobald G		X	
24	Knight	✓			Wares		X	
25	Lewry		X		Wealls		X	
26	Littman	✓			West		✓	
27	Mac Cafferty	✓			Yates		X	
					Total	11	42	1

66.15 The Mayor noted that the Conservative amendment to the report's recommendation had been accepted and therefore put the recommendations as amended to the vote which were carried unanimously as detailed below:

		For	Against	Abstain		For	Against	Abstain
1	Allen	✓			Marsh	✓		
2	Atkinson	✓			Meadows	✓		
3	Barford	✓			Mears	✓		
4	Barnett	✓			Miller	✓		
5	Bell	Not Present			Mitchell	✓		
6	Bennett	✓			Moonan	✓		
7	Bewick	✓			Morgan	✓		
8	Brown	✓			Morris	✓		
9	Cattell	✓			Nemeth	✓		
10	Chapman	✓			Norman A	✓		
11	Cobb	✓			Norman K	✓		
12	Daniel	✓			O'Quinn	✓		
13	Deane	✓			Page	✓		
14	Druitt	✓			Peltzer Dunn	✓		
15	Gibson	✓			Penn	✓		
16	Gilbey	✓			Phillips	✓		
17	Greenbaum	✓			Robins	✓		
18	Hamilton	✓			Russell-Moyle	✓		
19	Hill	✓			Simson	✓		
20	Horan	✓			Sykes	✓		
21	Hyde	✓			Taylor	✓		
22	Inkpin-Leissner	✓			Theobald C	✓		
23	Janio	✓			Theobald G	✓		
24	Knight	✓			Wares	✓		
25	Lewry	✓			Wealls	✓		
26	Littman	✓			West	✓		

27	Mac Cafferty	✓			Yates	✓		
					Total	53	0	0

66.16 The motion was **carried**.

66.17 **RESOLVED:**

- 1.1 That the petition be noted and referred to the Policy, Resources & Growth Committee for consideration at its meeting on the 9th February 2017; and
- 1.2 That a report be produced by officers and brought back to Policy, Resources & Growth Committee detailing –
 - (a) service descriptions and client reach which could be provided at a range of funding levels;
 - (b) descriptions and impact assessments of expenditure reductions which were considered as an alternative to the proposed cut; and
 - (c) an impact assessment of the funding reduction on the services themselves, and their clients and the increased pressures on other budgets and services should the proposed cut be implemented.

NOTICE OF MOTION

**MAKING VACANT COUNCIL BUILDINGS AVAILABLE
FOR USE AS HOMELESS SHELTERS**

That the Council requests the Policy, Resources & Growth Committee to commission and give consideration to an urgent report that would enable the city council to:

1. Make policy that allows for all vacant City Council buildings to be made freely available for use as temporary homeless shelters, to be run by community charity and voluntary organisations that are able and willing to do so;
2. Publicises the availability of vacant City Council buildings to the voluntary and community sector, and calls for expressions of interest from the community to operate these spaces;
3. Make preparations for this at the earliest possible time, given the onset of winter, and offers clear guidance frameworks and assistance to all interested groups, particularly with navigating any regulatory requirements; and
4. Sets Terms of Reference for use of the spaces, Conditions of use and clearly details the arrangements for reclaiming possession of the relevant premises when circumstances require it.

Supporting information

1. There is an increased likelihood of premature deaths and exacerbation of health problems that impact upon those sleeping rough in Brighton and Hove, which has been acknowledged in the Rough Sleeping Strategy, which seeks to end rough sleeping by 2020.
2. The recent publication of Brighton and Hove's Homelessness figures estimate that around 144 people are sleeping rough in the city. This is a significant increase on the previous year and reports from local homelessness and housing charities show that this figure is likely to continue to rise, given changes to benefit caps, the rising cost of living and the crisis in affordable housing in Brighton and Hove. Recent media reports outline the need for more homelessness shelters in the city.
3. Similar schemes have been introduced by local authorities in Manchester and Bristol:

[1] <http://www.bbc.co.uk/news/uk-england-manchester-34835788>

[2] <http://www.bbc.co.uk/news/uk-england-bristol-35167430>

and the success of the petition started in Brighton and Hove on this same issue:

<https://you.38degrees.org.uk/petitions/open-up-empty-buildings-in-brighton-and-hove>

Subject: Extract from the proceedings of the Environment, Transport & Sustainability Committee meeting held on the 17 January 2017 – Fees & Charges 2017/18

Date of Meeting: 9 February 2017

Report of: Executive Lead Officer for Strategy, Governance & Law

Contact Officer: Name: **John Peel** Tel: 29-1058
E-mail: john.peel@brighton-hove.gov.uk

Wards Affected: All

FOR GENERAL RELEASE

Action Required of the Committee:

To receive the recommendation referred from the Environment, Transport & Sustainability Committee for consideration.

Recommendations:

That Environment, Transport & Sustainability Committee recommends to Policy, Resources & Growth Committee that disabled bay application fees and individual bays be frozen at current rates.

BRIGHTON & HOVE CITY COUNCIL

ENVIRONMENT, TRANSPORT & SUSTAINABILITY COMMITTEE

4.00pm 17 JANUARY 2017

COUNCIL CHAMBER, HOVE TOWN HALL, NORTON ROAD, HOVE, BN3 3BQ

MINUTES

Present: Councillor Mitchell (Chair) Horan (Deputy Chair), Janio (Opposition Spokesperson), Greenbaum (Group Spokesperson), Atkinson, Deane, Miller, Nemeth, Robins and Wares

PART ONE**63 FEES AND CHARGES 2017/18**

- 63.1 The Committee considered a report of the Executive Director, Economy, Environment & Culture and the Executive Director, Neighbourhoods, Community & Housing that set out the proposed 2017/18 fees and charges for the service areas covered by the Environment, Transport and Sustainability Committee in accordance with corporate regulations and policy.
- 63.2 The Executive Director, Economy, Environment & Culture explained that a proposed officer amendment to the report had been circulated to Members. The amendment was in relation to paragraph 3.11 that concerned highway fees and specifically Temporary Event Advertising signs and sought to clarify where the council was proposing to charge for public event signage. The Executive Director, Economy, Environment & Culture explained that the charge was only proposed for signage for advertising purposes and would not be applied to any reasonable directional signage used to direct people to the location of a public event in the city. Furthermore, charities would be entitled to a 50% reduction in the fee. The officer amendment to paragraph 3.11 is set out in bold italics with relevant deletions below:

City Transport**3.11 Highways (Appendix 3)**

The majority of fees and charges will increase in line with the corporate rate of inflation with the following exceptions.

- Fees relating to Section 50 Opening Charges and Works on the Highway (installation of ramps) have been reviewed and amended to reflect the cost of associated inspections and officer time. The proposed fees have therefore been set to ensure cost recovery.
- It is proposed to introduce a new fee for Temporary Event Advertising Signs. Brighton and Hove is a very popular city for a range of events, for which many

organisations wish to advertise on the public highway ~~or need to provide temporary directional signage to the event location.~~ There are specific requirements that must be met with regard to advertising and signing on the highway, which involves an officer assessing the application and sites for signage and authorising each location. The introduction of a new fee will allow the council to recover the costs for providing essential highway approval for these temporary advertisements and signage. It is estimated that an initial fee of £10 per sign for the first 50 reducing to £5 for any further signs will cover the cost of administrating this process. ~~As the process is the same irrespective of type or size of the event, this fee will apply to all type of events, including charity events.~~ **However, a 50% discount will be offered to charities.**

The Brighton and Hove Traffic Management Permit scheme was introduced on 30th March 2015 as a way to manage activities in the public highway and to minimise disruption from street and road works. To meet the additional cost of introducing and operating a permit scheme, the Traffic Management Act 2004 gives permit authorities the power to charge a fee in respect of certain activities. Fees have been set at levels that are expected to reasonably cover the cost of the scheme and are reviewed on an annual basis. It is proposed that fees will be maintained at existing rates in the 2017-18 financial year. A schedule of fees is available on the council website.

- 63.3 Councillor Deane thanked officers for a detailed report and asked for clarity on the 50% increase in wasp nest removal.
- 63.4 The Environmental Health Manager explained that this was a new service introduced in 2016/17 and was not meeting cost recovery at its current fee.
- 63.5 Councillor Atkinson thanked officers for a comprehensive report. Councillor Atkinson welcomed sports booking fees remaining at the same level whilst discussions took place on the future of parks. Councillor Atkinson noted that most fees would only rise at the rate of corporate inflation which was a fair approach. Revised charges for parking appeared to be a sensible mixture of discouraging non-resident parking and promoting use of underused car parks and parking charges were one method of reducing congestion and air pollution. Councillor Atkinson stated that in relation to sustainable transport goals in the city, he hoped local bus operators would think carefully before raising their prices.
- 63.6 Councillor Janio asked for further clarification on the proposed increase to Temporary Event Advertising Signs specifically the proposed policy for those signs that provided directions and those advertising events.
- 63.7 The Chair stated that the officer amendment circulated clarified the policy and removed all references to directional signs and made the position of charities clear.
- 63.8 Councillor Miller noted that High Street car park had a proposed charge of £2,080 for an annual season ticket and asked for clarification as to why this was significantly higher than the main car parks such as Regency Street and Trafalgar Street. Furthermore, Councillor Miller noted that there was no three hour tariff and asked if residents and visitors would have to pay for four hours even if they stayed little over two hours.

- 63.9 The Assistant Director- City Transport answered that High Street car park was very busy and in the central area and the differential between that and other car parks reflected market rates. In relation to the query raised on two hour tariffs, the Assistant Director- City Transport confirmed that a stay longer than two hours and up to four hours would be charged at the four hour tariff price.
- 63.10 Councillor Greenbaum welcomed the report stating that the parking tariff management struck a fair balance. Councillor Greenbaum asked why all off-street parking did not increase at 2% and why second permits in households had not been introduced.
- 63.11 The Parking Strategy and Contracts Manager stated that the increases were considered in the context of traffic management and any increases were related to demand. The Parking Strategy and Contracts Manager clarified that second permits had not been considered due to several complications particularly in relation to students and which member of the household paid the higher charge.
- 63.12 Councillor Janio requested assurance that there would be no misinterpretation over what constituted advertising signs and directional signs.
- 63.13 The Chair provided her assurance to Councillor Janio on the matter.
- 63.14 Councillor Wares stated that he was supportive of the fees and charges proposed for allotments, sports clubs, flyer licensing, trading standards, commercial, trade and green waste and environmental health. Councillor Wares stated that he was concerned about the highways element of the report and it appeared to him that the case put forward for rises relating to congestion and pollution were a smokescreen for opportunistic rises. Councillor Wares referred to the fact there were no increases in off-street parking charges aside from one location which was opposite the i360. Councillor Wares noted that the Council needed the i360 to be a success and such proposals may deter visitors to the attraction. Councillor Wares added that increases to the price of permits for sole traders, small businesses, doctors, teachers and carers could not, in his view, possibly be to manage demand or congestion. Councillor Wares also believed there should be no increases to apply for a disabled bay.
- 63.15 On behalf of the Conservative Group, Councillor Wares moved the following motion to add recommendation 2.1 d), e) and f) as shown in bold italics below:
- d) Recommends to Policy, Resources & Growth Committee that on-street parking charges be frozen at current rates.***
 - e) Recommends to Policy, Resources & Growth Committee that parking permits of all types be frozen at current rates.***
 - f) Recommends to Policy, Resources & Growth Committee that disabled bay application fees and individual bays be frozen at current rates.***
- 63.16 Councillor Miller formally seconded the motion.

63.17 On behalf of the Conservative Group, Councillor Miller moved a motion to add a recommendation 2.1 g) as shown in bold italics below:

g) Recommends to Policy, Resources & Growth Committee that at Rottingdean Marine Cliffs, Rottingdean West Street car parks and Rottingdean High Street seafront pay and display; a free one hour tariff be introduced

63.18 Introducing the amendment, Councillor Miller stated that the three Rottingdean Coastal ward councillors had met with local traders that morning and they had asked for the proposal to be made. Councillor Miller explained that whilst Rottingdean High Street did have high levels of air pollution; many residents were elderly and had to travel by car. Local business had suffered in recent years and several had shut or were about to close due to parking charges and the fact that all villages in the surrounding area had free parking. There would also be a negative impact to the council through business rates lost.

63.19 Councillor Wares formally seconded the motion.

63.20 Councillor Greenbaum stated that whilst she was sympathetic to Councillor Miller's amendment, it was necessary to think more progressively particularly in relation to air quality and a free one hour tariff was not the solution to such issues.

63.21 The Legal Officer advised that in the event any of the proposed motions were agreed, additional wording would be required at the end of 2.1 a) to reflect the Committees recommendation to Policy, Resources & Growth Committee.

63.22 The Chair put the officer amendment to the vote which was carried.

63.23 The Chair put 2.1 d) of the Conservative Group motion to the vote which failed.

63.24 The Chair put 2.1 e) of the Conservative Group motion to the vote which failed.

63.25 The Chair put 2.1 f) of the Conservative Group motion to the vote which was carried.

63.26 The Chair put 2.1 g) of the Conservative Group motion to the vote which failed.

63.27 The Chair then put the recommendations, as amended, to the vote which was carried.

63.28 **RESOLVED-** That Committee:

- a) Approves the proposed fees and charges for 2017/18 as set out within the report and its appendices save for as set out in d) below.
- b) Delegates authority to the Executive Director of Economy, Environment & Culture to increase any charges for fees as notified and set by central Government during the year.
- c) Approves the introduction of a 50% discount on the cost of parking suspensions for charities and local community events with an estimated attendance of less than

15,000 and not already covered by an exemption such as Pride and Armed Forces Day.

- d) Recommends to Policy, Resources & Growth Committee that disabled bay application fees and individual bays be frozen at current rates.

Subject:	General Fund Revenue Budget & Council Tax 2017/18		
Date of Meeting:	9 February 2017		
Report of:	Executive Director of Finance & Resources		
Contact Officers:	Name:	Nigel Manvell James Hengeveld	Tel: 29-3104 29-1242
	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 sets out the final proposals for the General Fund Revenue Budget and Council Tax for 2017/18 together with the Service & Financial Plans up to 2019/20. The increase in the council tax level is based on the minority Administration's council tax proposal of 1.99% together with a further 3% increase in respect of the Adult Social Care precept.
- 1.2 The budget proposals for 2017/18 clearly pose a significant challenge, given a savings requirement (budget gap) of over £20m for the second year running within the 4-Year planning period covered by the Integrated Service & Financial Plans. The total savings over the previous 4 years were £76m with a further budget gap of £47m predicted up to 2019/20. Savings will inevitably become progressively more difficult to achieve and will impact on services.
- 1.3 Increasing demands and reducing government grant funding are the principal drivers of the budget gap in 2017/18 and beyond. To close the gap, service leads have explored what can be redesigned and what can or should be delivered with or by other providers. Options have been considered in the context of future affordability and sustainability, potential for cost reductions and efficiencies, the potential to manage demands more effectively, or the possibility of generating greater income. The budget strategy continues to focus on modernising services and on getting basic services right, protecting provision for vulnerable people, and investing to support economic growth and regeneration.
- 1.4 The report incorporates previous decisions made by Policy, Resources & Growth Committee on the council tax base and business rates tax base, and by full Council on the Council Tax Reduction Scheme.

2. RECOMMENDATIONS:

That Policy, Resources & Growth Committee recommends to Council:

- 2.1 The Administration's proposed Council Tax increase in the Brighton & Hove element of the council tax, comprising:
 - (i) A general Council Tax increase of 1.99%;
 - (ii) An Adult Social Care precept increase of 3.00%;
 - (iii) The Council's net General Fund budget requirement for 2017/18 of £203.590m;

- (iv) The 2017/18 budget allocations to services as set out in Appendix 1 incorporating 2017/18 savings proposals contained in the 4-Year Integrated Service & Financial Plans;
 - (v) The reserves allocations as set out in paragraph 3.25 and table 2;
 - (vi) The Prudential Indicators as set out in Appendix 8 to this report.
- 2.2 That Council note the Equalities Impact Assessments to cover all budget options and their cumulative effect are set out in Appendices 9 and 10.
 - 2.3 That Council approves the authorised borrowing limit for the year commencing 1 April 2017 of £419m.
 - 2.4 That Council approves the annual Minimum Revenue Provision statement as set out in Appendix 7.
 - 2.5 That Council notes the 4-Year Integrated Service & Financial Plans and associated Budget Strategies including savings proposals for later years up to and including 2019/20 at appendix 6.
 - 2.6 That Council approves the strategy for funding the investment in change and flexible use of capital receipts set out in paragraphs 3.63 to 3.66.
 - 2.7 That Council note that supplementary information needed to set the overall council tax will be provided for the budget setting Council as listed in paragraph 4.3.
 - 2.8 The Policy, Resources & Growth Committee agrees that officers be authorised to make any necessary technical, presentational or consequential amendments to this report before submission to full Council.

3. CONTEXT / BACKGROUND INFORMATION:

Projected Resources available in 2017/18

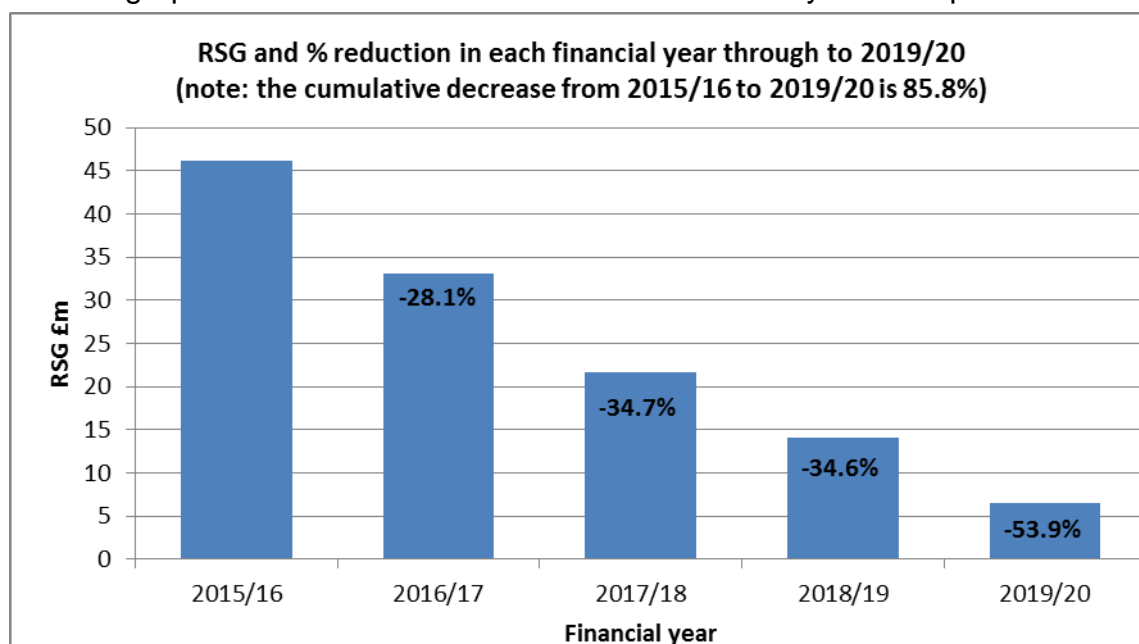
Local Government Finance Settlement

- 3.1 The provisional Local Government Finance Settlement (LGFS) was announced on 15 December 2016 and confirmed the council's Revenue Support Grant for 2017/18 at £21.618m in line with the 4 year offer announced in December 2015. The final LGFS is not due to be announced until early February 2017 and therefore any change from the provisional settlement will need to be reflected in the supplementary report to Budget Council.
- 3.2 The table below shows the provisional 2017/18 funding assessment compared to 2016/17 along with the national percentage change.

Table 1	Final 2016/17 £m	Provisional 2017/18 £m	Increase / (Decrease) £m	Change %
BHCC Revenue Support Grant (RSG)	33.126	21.618	(11,508)	-34.7%
BHCC Government assumed business rates income retained by the council	54.119	55.224	1,105	2.0%
BHCC Settlement Funding Assessment (SFA)	87.245	76.842	-10.403	-11.9%
National SFA Change				-10.6%

3.3 The government-assumed level of business rates retained locally is used in the grant calculation and is different from the actual business rates forecast to be collected locally which is shown later in this report.

3.4 The provisional LGFS also provided indicative estimates of RSG through to 2019/20 and the graph below shows the reductions over the four year offer period:



Adult Social Care Precept and Better Care Funding

3.5 The local government settlement for 2016/17 included flexibility for authorities with social care responsibilities to raise council tax by up to 2% per annum above the referendum threshold. The provisional settlement for 2017/18 included a further flexibility of bringing forward the precept increase to a maximum of 3% but maintaining an overall precept of 6% over the remaining three year period to 2019/20. This flexibility is to address, in part, the rising costs of this service and councils raising additional revenue through this precept must demonstrate that the additional resources are being applied to Adult Social Care. Due to the significant cost and demand pressures in Adult Social Care (ASC), the Medium Term Financial Strategy (MTFS) assumes the ASC precept will be 3% in 2017/18 and 2018/19, and 0% in 2019/20.

3.6 In addition to the precept, the government confirmed within its 4 year settlement offer £1.5 billion additional funding for authorities to spend on Adult Social Care by 2019/20 to be included in an Improved Better Care Fund. This additional money is planned to be passed directly to authorities through a separate grant that takes into account a council's ability to raise resources through council tax. The indicative allocations to this council remain at £3.2m in 2018/19 and £6.2m in 2019/20. This Improved Better Care Funding is separate from the current Better Care Fund that is pooled with local health partners. However, both will support integrated working through the Caring Together initiative for Brighton and Hove.

3.7 The government announced a new 2017/18 Adult Social Care Support Grant by bringing forward reductions in funding for New Homes Bonus (NHB) and redirecting these funds to councils with ASC responsibilities. This one off grant is £1.234m for this council; however the council's reduction in NHB resources is £0.995m.

Referendum Threshold

3.8 The Government has announced that the threshold above which an increase in council tax requires confirmation from a local referendum, including the 3% additional flexibility for Adult Social Care, will be 5%. Any proposal to increase council tax by 5% or above would need to be accompanied by an agreed substitute budget. This would need to be implemented if the increase were voted down by the electorate.

Forecast Business Rate Retention income for 2017/18

3.9 Details of the likely business rate retention income forecasts were set out in the report to the January meeting of Policy, Resources and Growth Committee. The estimate of resources overall remains unchanged however the split between business rates and section 31 compensation grants relating to small business rate relief has been amended using the most up to date information. Therefore the council is forecast to receive £59.284m from its local share of business rates and section 31 compensation grants in 2017/18. This is £1.028m higher than forecast in December 2016, after allowing for the proposed £0.034m discretionary rate relief saving, of which £0.470m relates to inflationary increases and £0.110m relates to additional growth. Therefore £0.580m of the gain will increase resources on a recurrent basis. The remaining £0.448m is assumed to be a one off gain only, because it arises from changes to be made for the revaluation of Business Rates and changes to reliefs.

Council Tax Increase and Taxbase

3.10 The Council Tax taxbase report agreed by this committee in January 2017 included taxbase related savings of £0.307m. Assuming a Council tax increase of 4.99% and the changes to the taxbase, the total projected increase in council tax income in 2017/18 is £7.765m.

Schools Funding

3.11 For 2017/18, allocations to schools have increased by over £2m; this is due to 3 main factors:

- Increasing pupil numbers
- Delegation of funding for Capital Expenditure on the Revenue Account (CERA)
- A reduction in 'exceptions' funding returned to the Local Authority (LA).

3.12 For 2017/18 academies and free schools are included in the Dedicated Schools Grant to ensure all schools, academies and free schools are funded on the same basis using the LA's funding formula. The Department for Education (DfE) then recoups the funding attributable to academies and free schools and pays this directly to the relevant schools.

- 3.13 The DfE has advised that the authority should include future pupil estimates for new schools that are still adding year groups, and this applies to the free schools in Brighton & Hove. The funding mechanism operating nationally means that funding will be applied on a lagged basis (i.e. the 2017/18 Schools Block is based wholly on the October 2016 census numbers) and funding for September 2017 pupil growth will not be allocated to the LA until 2018/19.
- 3.14 Following discussions at meetings of the Schools Forum, funding for CERA is being delegated to all mainstream schools in 2017/18. This equates to a total of £0.843m (or £27.89 per pupil).
- 3.15 Following agreement at the extraordinary meeting of the Schools Forum in November 2016, the LA is retaining Education Services Grant (ESG) retained duties funding of £0.492m.
- 3.16 Within the formula, the deprivation factor for 2017/18 will be 8.7%, a small reduction but still above the current national average of 7.6%. Similarly, funding for the low attainment factor within the formula for 2017/18 will be 5.9% which is also a small reduction but well above the current national average of 4.3%. The reduction in funding being allocated through these factors resulted in an increased allocation through basic entitlement (age weighted pupil units). The LA considered the implications of the relatively small reductions in allocations through deprivation and low attainment and advised maintaining the existing unit values for these factors to minimise funding turbulence, particularly with a national funding formula coming in the near future. The minimum funding guarantee, which protects against losses greater than -1.5%, can also provide protection to schools that lose overall funding as a result of reductions in the deprivation and low attainment allocations.
- 3.17 The application of the formula on the basis outlined above, including continuation of a mobility factor in the formula, means that the primary / secondary funding ratio is unchanged from the 2016/17 level of 1:1.32.

Other Government Grants

- 3.18 The grant allocations for 2017/18 have been included in Appendix 3 together with the 2016/17 allocations for comparison. Some grant allocations for next year have not yet been announced and where these are critical to the setting of the 2017/18 budget, forecasts have been included.
- 3.19 There are some changes to grants in 2017/18 and beyond as follows:
- The Education Services Grant is currently £2.895 million of which £0.478m relates to retained duties. This grant is due to be phased out nationally as part of savings of around £600 million. The government originally planned to reduce accordingly the local authority role in running schools by the removal of a number of statutory duties; however no legislation is currently planned. The government will provide transitional funding in 2017/18 of £0.863m meaning a reduction of £2.032m in 2017/18 and a further £0.863m in 2018/19. The reductions in grant are reflected in the budget assumptions. The retained duties element of £0.478m will be recovered through schools and therefore funded by the Dedicated Schools Grant. This is reflected in the budget proposals for Families, Children & Learning.
 - The reduction in Public Health Grant in 2017/18 of 2.5% has been confirmed, reducing the grant by £0.521m.
 - Housing Benefit Administration grant has reduced by £0.143m to £1.254m, a further reduction of 10%.

New Homes Bonus

- 3.20 The government has announced a new methodology for calculating the New Homes Bonus (NHB) whereby a threshold of 0.4% growth in housing stock per annum must be achieved before any NHB grant is calculated. This may affect 2018/19 resources if this target is not met. In addition, the government has reduced the reward from 6 to 5 years for 2017/18 (5 to 4 years in 2018/19) as well as reducing the national total by £241m. The impact for this council is a reduction of £0.995m from the level previously assumed in the MTFS.

Fees and Charges

- 3.21 The Council's Corporate Fees & Charges Policy requires that all fees and charges are reviewed at least annually and should normally be increased by either: the corporate rate of inflation (2%)¹, statutory increases, or actual increases in the costs of providing the service. Increasingly, linked to the Value for Money approach, services are benchmarking non-statutory fees and charges with other providers and councils to ensure that charges are comparable and competitive, and can maximise income to protect essential services.
- 3.22 Wherever possible, non-statutory increases above the standard rate of inflation and changes to concessions or subsidies are normally considered by the relevant service committee in advance of budget proposals.

Reserves and One-off Resources

- 3.23 The working balance is planned to be maintained at £9m over the period of the Medium Term Financial Strategy. The review of reserves and the working balance is included at Appendix 4 and indicates where reserves are recommended for release to support the budget.
- 3.24 The following table shows the projected general reserves position and one off resources assuming spending is in line with the latest projections for 2016/17 shown in the TBM month 9 report. The table includes the release of specific reserves and other one off resources to support the 2017/18 budget with allocations identified in paragraph 3.25. The resources to support the Integrated Service & Financial plans are detailed in paragraph 3.61. The change in one off resources since the Budget report to this committee in December is included in appendix 2.

Table 2 – Unallocated General Reserves & one off resources	£m
Forecast overspend on services at Month 9 (TBM)	-1.862
2016/17 Risk Provisions	3.000
Additional Restructure & Redundancy costs in 2016/17	-0.600
Estimated Council Tax Collection Fund Surplus	0.654
Estimated Business Rates Retention collection fund 2016/17 deficit	-1,684
BRR gain in 2017/18 treated as one-off	0.448
Transitional grant	0.047
Release of unused Rugby World Cup Resources	0.100

¹ See paragraph 3.32 for an explanation of the corporate rate of inflation

Release of reserves as set out in appendix 4	0.593
Total Unallocated general reserves & one off resources	0.696
Allocation of one off resources	
Transitional funding for the Youth Service	-0.100
One off funding for schools pension contributions	-0.120
Risk provision for increased costs of ICES	-0.300
Funding for supported bus routes	-0.080
Funding to support planning enforcement	-0.046
Funding for cemeteries grounds maintenance	-0.050
Balance	0

3.25 The table above includes the following commitments and allocations : -

- Transitional funding for the Youth Service to support the change to the new level of funding.
- One off transitional funding for schools to mitigate the late change to pension costs notified by the East Sussex Pension Fund which was received after schools budgets were determined and issued.
- The overspend in the Integrated Community Equipment Store identified in TBM 9 is a financial risk in 2017/18 and it is proposed to hold a one off risk provision
- Funding to maintain supported bus routes until the next retender due in September 2017.
- Additional resources to support planning enforcement in 2017/18
- One off resources for cemeteries maintenance.

Expenditure Estimates

Latest position in 2016/17

3.26 The Month 9 Targeted Budget Management (TBM) report elsewhere on the agenda shows a projected overspend of £1.862m of which £0.603m is the estimated share of the projected overspend of NHS controlled s75 services. After allowing for risk provisions there is a net underspend of £0.538m. The overall position is a significant improvement since month 7 was presented to Policy, Resources and Growth Committee. This is mainly driven by significant improvements to forecasts from the Economy, Environment and Culture directorate and Corporate budgets.

2015/16 Adjusted Base Budget

Internal Transfers and Other Adjustments

3.27 Internal transfers relate to changes in responsibility between services and corporate budgets. In 2016/17 the main transfers relate to aligning budgets with the senior management structural changes and realigning insurance budgets.

2017/18 Budget

Analysis of Budget Changes between 2016/17 and 2017/18

3.28 Table 3 below shows how the budget has changed since 2016/17. The table shows that funding will be £5.981m or 2.9% lower than in 2016/17. This raises the question:

'Why is a £20.986m savings package required for 2016/17 when overall funding has only reduced by £5.981m?' The answer is within the table below but can be more simply summarised as:

- The budget must deal with the reduced funding of £5.981m;
- On top of this the council estimates pay and cost inflation of £3.067m;
- Most significantly, the council is also experiencing demographic and demand-led increases for Adult Care Services of £6.320m;
- There are also substantial demand pressures on Children's social care and homelessness totalling £5.616m;

3.29 These are the principal reasons why a large savings package must be delivered to meet increasing costs and demands and ensure critical services to vulnerable people with assessed care and safeguarding needs can be met next year.

Table 3: Analysis of budget changes	£m
Revised 2016/17 base budget	209.571
Pay and Inflation	3.067
Removal of one-off risk provision	-1.500
Recurrent risk provision (already included in base budget)	0
One off allocations included in Table 2	0.696
Commitments & Reinvestment (net position)	-0.372
Demographic and cost service pressures in Adult Social Care (partially funded by the ASC precept)	6.320
Demographic and cost service pressures for all other services	6.318
Funding pressures from reductions in unringfenced grants	2.232
Full year effect of 2016/17 savings	
Savings package 2017/18	-20.986
Change in use of reserves	-1.756
Proposed Base Budget 2017/18	203.590

3.30 Appendix 1 shows a detailed breakdown of the proposed budgets and budget changes for each service. To see an explanation of the reduction in overall funding of £5.981m please see the bottom part of the table at Appendix 1.

Changes from the Draft Budget Proposals

3.31 The draft budget proposals were submitted to the 8 December 2016 meeting of the Policy, Resources & Growth Committee. At that time a remaining budget gap of £3.160m was reported. The proposals submitted in this report would close the budget gap due in part to changes in a number of projections and in part due to changes in resources arising from the January tax base reports and from the provisional Local Government Finance Settlement. In summary, the main changes were:

- Changes in expenditure projections, mainly additional Children's social care pressures and revised pension costs: £0.484m;

- Reduction of the risk provision. A further £0.800m had been included in the draft proposals to recognise ongoing pressures on social care budgets throughout 2016/17. However, the proposed budget has been able to provide funding for all identified service pressures across social care and homelessness and therefore the additional risk provision is not deemed necessary (see Section 6): -£0.800m;
- Increased resources from the tax bases: -£0.788m;
- Net change in resources from the provisional financial settlement: -£2.056m.

The full details of the movement are set out in the table in Appendix 2 of the report.

Pay and general inflation assumptions

- 3.32 Council services experience different cost increases (inflation) than nationally announced inflation indices. This is particularly relevant for third party contracts for social care where increasing standards, the living wage, and regulation are driving up costs. However, there are also many other areas of expenditure where inflation is higher than consumer inflation. These costs, and the costs of pay awards, account for the majority of the inflation included within the budget. The council averages out these cost increases and applies a standard 'corporate rate of inflation' to provide a truer reflection of costs. Fees and charges income is assumed to increase in line with the standard corporate rate otherwise income would not keep pace with costs and there would be a growing gap in resources over time. The use of a standard rate for both costs and income therefore avoids increasing budget gaps. In considering whether increases to existing fees and charges can provide increased resources, the standard corporate rate of inflation must therefore be met first before assuming any contribution to savings.
- 3.33 The budget for 2017/18 includes a provision of 1% for pay awards and the potential greater increases to lower scale points and the impact of funding the £8.45 Living Wage Foundation pay rate on the General Fund.
- 3.34 The East Sussex Pension Fund carried out its latest triennial review in 2016 which has determined the contribution rates from 2017/18 to 2019/20. The contribution rates have been presented on a different basis to previous valuations based on a percentage on-cost of 17.1% and a lump sum element. The overall rate is calculated at 20% for 2017/18 based on the actual pensionable pay in 2015/16, and then increased by the actuary's assumptions on pay cost inflation. Unfortunately, the split between the on-cost percentage and the lump sum payment was not available until 19th January and has had some impact on pension cost estimates.
- 3.35 The additional costs to the general fund are expected to be £0.796m of which £0.500m was included in the budget projections. The impact on the HRA is an additional £0.045m and this is reflected in the updated HRA budget report. There is also an impact on schools; pension costs are accounted for by schools individually and this late announcement was after schools budgets had been determined and issued and has therefore impacted on schools' ability to manage the increase in costs. It is therefore proposed to allocate £0.120m one off General Fund resources to schools to provide transitional support for 2017/18 (lump sum element only) and give time to fully plan for the step increase in pension costs for 2018/19.
- 3.36 The provision for inflation averages out at approximately 2% which determines the 'corporate rate of inflation' applied to budgets. Fees and charges are also assumed to increase by this rate with the exception of parking Penalty Charge Notices which are fixed by statute. Increases in costs above the applied corporate rate of inflation are

expected to be managed within service budgets unless the increase is significant and specifically identified as a corporate service pressure.

Risk Provisions included in the 2017/18 budget

- 3.37 The Budget includes £1.500m recurrent risk provision in recognition of the financial risks included within the overall budget package. This is in line with the recommendations of the Chief Finance Officer as set out in section 6 of this report.

Commitments and Reinvestment

- 3.38 Details of the main commitments and reinvestment in services in addition to the one-off allocations from reserves are shown below:

- £0.80m for the increase in the employer's pension contributions.
- £0.86m planned investment in Modernisation.
- £0.55m for the General Fund element of the Apprenticeship Levy.
- £2.40m increased income from unringfenced grants including £1.4m increased income from changes to S31 grants relating to Business Rate reliefs; £1.2m one off Adult Social Care Support Grant; offset by £0.2m reduction in recurrent New Homes Bonus.
- £0.075m for Poverty Proofing the School Day.

Service Pressures

- 3.39 As the council's overall funding is reducing, a significant proportion of the proposed savings package is required to enable reinvestment into service areas where there are predicted increases in demands for services or known cost increases.
- 3.40 The budget estimates for priority service pressures have been reviewed and amended to reflect the significant underlying pressures experienced during 2016/17 in relation to Adults and Children's Social Care and Homelessness (Temporary Accommodation). In addition, the council anticipates there will be significant additional cost and demographic pressures during 2017/18. The allocations below reflect these. Further details of these risks are outlined in section 6.
- 3.41 The total demographic and cost pressure allocations included within the 2017/18 budget are £14.870m for base budget changes (recurrent funding):
- £6.320m for Adult Social Care. This includes increased costs, demand and complexity for learning disability services of £2.9m; the impact of changes to the national living wage relating to home care and care home fees of £1.7m; increased costs from Deprivation of Liberty Safeguarding assessments (DoLS) of £0.8m; reduction in Public Health grant of £0.5m; increased costs of Memory and Cognition services and Mental Health services of £0.4m;
 - £3.384m for Children's Social Care mainly relating to children's agency placements;
 - £2.232m for reductions in unringfenced grants particularly the reductions to Education Services Grant of £2.0m and Housing Benefit administration grant;
 - £2.232m for increased costs and demands for Homelessness and Temporary Accommodation;
 - £0.702m lower level pressures including maintaining the funding level for the Royal Pavilion, loss of income at Carlton Hill car park, and exceptional contract and income budget pressures.

4 Year Integrated Service & Financial Plans (ISFPs)

- 3.42 Last year the Council adopted a longer term service and financial planning approach in order to set out a clearer direction of travel and map out a budget plan for addressing a predicted £68m budget gap over the 4 year period until the end of this Parliament. This approach has been recognised positively by Ernst & Young, the council's external auditors, who provided a positive view on the council's achievement of value for money and financial resilience as a result.
- 3.43 The council is now almost a year into the 4-year plan and savings of around £20m will be delivered by the end of 2016/17. The remaining 3 years (2017/18 to 2019/20) will be more challenging as demands and costs continue to grow while government funding from the Revenue Support Grant will reduce by a further £26m. The council's agreement to sign up to the government's '4-year settlement offer' provides certainty over some elements of government funding, but some other grants e.g. Education Services Grant, are continuing to change. Taking into account known grant and funding changes together with assessed demand and cost pressures, an overall budget gap of £46.7m is predicted between 2017/18 and 2019/20. This means that substantial savings need to be found to balance the budget.
- 3.44 The budget gap is driven by a number of key factors:
- Increased demand for Adults Social Care services, for example, due to people living longer but with increasingly complex social care needs;
 - Increased costs across children's services due to increasing numbers of children on child protection plans, the increasing cost of care leavers and the cost of care;
 - Increased costs of social care contractual costs, Deprivation of Liberty Safeguard assessments and National Living Wage impacts;
 - Inflationary pressures, for example, increasing costs of temporary accommodation leased by the council to tackle homelessness, due to private sector rent increases and housing supply issues;
 - Substantially reducing government grant funding, particularly in relation to Revenue Support Grant and Education Services Grant.
- 3.45 The corollary of this is that council will need to invest £11.936m service pressure funding to meet projected adult and children's social care and homelessness cost and demand increases. Alongside the reductions in government funding and other budget changes outlined in Table 3 above, the council must therefore identify a package of recurrent savings of £21.0m in 2017/18 to achieve a balanced budget. However, savings do not have to be targeted on services in the same proportion as anticipated increases in costs and demands as there may be other areas where there is greater opportunity to save money without impacting adversely on priority areas or on service provision or availability.
- 3.46 The council has had to make savings of over £76m in the previous 4 years, meaning that further measures inevitably become harder to identify, carry greater delivery risks and may have greater impacts on residents, customers and service users.

City Council Budget Strategy

- 3.47 The council is a large public service provider and commissioner covering around 700 individual services that support many different priorities and statutory requirements. The budget strategy is inevitably multi-stranded and complex as reflected by the wide range of savings proposals identified in the 4-Year ISFPs at appendix 6.
- 3.48 Given the financial challenges, the council's proposed budget strategy is to focus on getting basic services right, protect services for vulnerable people, particularly

demand-led services, while continuing to support the key priorities set out in the Corporate Plan, in particular investing to support economic growth and regeneration.

- 3.49 The budget and savings package will continue to be supported by the approach outlined in the council's Efficiency Plan developed in 2016/17 and submitted as part of the application process for the government's 4-year offer². In summary, this includes the following approaches:
- Modernisation, of services including exploring different models of service delivery to improve efficiency, value for money, and outcomes for residents, including developing accessible digital services where appropriate. Where it is decided to retain council services, they will be redesigned and benchmarked to ensure costs are appropriate and that management and administrative costs are continually challenged.
 - Exploring innovative solutions including commercial opportunities for self-financing through income generation in some services, while continuing to ensure non-statutory fees & charges fully recover costs and that procurement and contract management continues to drive value in the £300m spent on services provided by third parties.
- 3.50 In terms of taxation, the budget strategy proposes offsetting some of the growth in demand and costs across social care and homelessness by applying a Council Tax increase of 4.99%, which includes a general increase of 1.99% together with an additional 3% increase for the Adult Social Care precept.
- 3.51 The strategy is mindful of the need to support equality and will be underpinned by impact assessments and meaningful engagement and consultation with people, partners and other stakeholders directly affected by changes to services.

Delivering the Strategy

- 3.52 Delivering the budget strategy over the next 3 years demands effective project and programme management, strong governance and accountability, and resilient leadership and partnership working. The council will consequently require substantial one-off investments, for example, to facilitate changes in service provision, invest in digital services, fund restructuring and redundancy costs, and provide project and change management and other technical expertise that may not be available in-house.
- 3.53 Failure to invest in implementation will heighten the risk that day-to-day service delivery will crowd out change. Due to the complexity and breadth of budget proposals, responsibility for delivery is delegated to service directorates but will be supported by additional funding, governed by the Corporate Modernisation Programme Board. More information about specific service strategies and budget proposals can be found within the service directorates' 4-Year ISFPs at appendix 6.
- 3.54 In summary, the approach contained in the budget strategy and 4-year plans and supported by the proposed capital and revenue budget proposals is as follows:
- Getting basic services right and making the city an enjoyable place to live and work***

² Brighton & Hove City Council Efficiency Plan is available on the web site [here](#)

- Modernising services through the Digital First programme with around £6m capital investment planned to improve mobile working, efficiency, and digital accessibility of services for residents and visitors;
- Working more closely with Neighbourhoods to improve engagement and collaboration in relation to community and enforcement services, for example across licensing, planning, and environmental services, to ensure that the lives of residents are not adversely affected by low level illegal activities;
- Investing in recycling and collection to improve services and protect the environment;
- Investing in transport infrastructure, traffic management strategies and street lighting to improve safety and the environment;
- Continuing to develop Housing programmes and financing solutions to address housing supply issues and reduce homelessness;
- Undertaking a citywide review of the supported bus network including re-procurement of this service in 2017;
- Developing self-service for support services through the Orbis shared service partnership with West Sussex (legal only), Surrey County Council and East Sussex County Council to reduce costs across Finance, Revenues & Benefits, HR, ICT, Legal, Procurement and Property Services;
- Maximising the economies of scale and contractual savings available through the Corporate Landlord model, including continued rationalisation of the council's administrative buildings;
- Continuing to improve procurement and, particularly, contract management to ensure that maximum value is derived from circa £300m external supplier and provider spend;
- Over £2m management savings are proposed in 2017/18 following a similar level of saving in 2016/17 (£1.9m). Further opportunities to streamline management costs will continue to be explored through shared service arrangements, reviewing management spans of control and new ways of working. However, relative to the magnitude of service savings required over the next 2-3 years, further management savings are likely to be very small in scale and it will be important to ensure that the council remains able to safely discharge its statutory, legal, financial and duty of care responsibilities particularly at a time when major service changes and budget savings must be delivered on top of the day to day operational management of services.

Protecting provision for vulnerable people as the city's population grows and the cost of care rises

- Investing savings and taxation increases in essential services to ensure that projected increases in statutory demands and needs can be met safely and to adequate inspection standards. £6.320m will be provided to meet growing costs and demands across Adult Social Care, £3.384m for increased costs and additional care leaver responsibilities in children's social care services and £2.232m for homelessness to meet temporary accommodation costs;
- Further protecting services for vulnerable adults and children by getting the balance between universal, preventative and targeted services right without impacting on longer term care costs;
- The budget supports continued Children's Centre service provision by reframing and redesigning other preventative services including Early Help,

Troubled Families and Public Health services, taking into account the findings of the Fairness Commission where possible (and affordable);

- Maintaining support for Welfare Reform - expected to affect over 600 families in the city - through advice and support to ensure people are helped to move to sustainable tenancies wherever possible and help them onto a sustainable financial footing. Discretionary funds will continue to be provided to help those who suffer severe short term financial hardship;
- Potential development of an in-house secure residential facility for high risk and high cost adolescents will be explored to determine whether this can help to avoid high out-of-city costs;
- Focusing on increased prevention of homelessness with key partners and assisting homeless households to move to alternative lower cost provision;
- Development of new Temporary Accommodation through commissioning a council housing stock review to deliver conversions of existing under-used or unused buildings or spaces;
- Continuing to develop the new models of social work practice across children's social care to avoid higher cost care pathways and placements;
- Bringing together children's disability services and adult learning disability services to manage and reduce the demands that arise when young people transition into adult services;
- Continuing to reduce the reliance on independent foster agency placements to minimise cost;
- Engaging fully with the Brighton & Hove Caring Together initiative through integrated commissioning with the Clinical Commissioning Group (CCG) and the Better Care Programme to ensure greater collaboration and integration with Health Services and reduce the cost of health and social care and help support people to live in the community for longer;

Supporting economic growth and regeneration that benefits everyone

- Growing the economy through the Greater Brighton Partnership and long term capital investment through major regeneration programmes to renew and strengthen the infrastructure of the city;
- Drawing in private sector investment to create jobs and ensure that economic gains are fairly distributed;
- Maintaining a resilient Planning Service will be an important factor in the delivery of the regeneration programme;
- Developing the Housing Joint Venture with Hyde Housing to increase affordable housing supply;
- Making the most of our assets to generate new long term revenues for the council to protect essential public services;
- Growing a commercial approach to waste and street cleaning services with a focus on income opportunities;
- Preparing for the move of the Royal Pavilion & Museums over to a Trust Status delivery model;
- Introduction of a new model of delivery for Parks and Open Spaces.

Discretionary Funds and Welfare Reform

3.55 The proposed budget includes continued recognition of the potential impacts of changes to the Council Tax Reduction Scheme and national Welfare Reform

changes. As well as a wide range of support and advisory services including Financial Inclusion, Housing and Welfare Rights the council also provides one-off resources and grants to support those suffering short term hardship including:

- (i) Discretionary Housing Payments (DHP) - £0.597m in 2016/17 but announcement for 2017/18 still awaited;
- (ii) Welfare Reform and Social Fund reserve - £0.634m; planned use includes a one-off allocation of £0.295m to continue the Social Fund in 2017/18, £0.095m for discretionary council tax reduction support and £0.144m to support the Welfare Reform programme. A contingency of £0.100m is also set aside for any residual issues in 2018/19.
- (iii) The revenue budget also includes recurrent Council Tax Reduction discretionary support of £0.055m in addition to the £0.095m provided from the Welfare Reform reserve above..

Outcome Based Budget Allocation

- 3.56 The strategy outlined above will allocate resources for 2017/18 as shown in Table 4 below to achieve the desired outcomes. The change in budget for each directorate reflects a balanced judgement about the level of funding required in each area to support priorities, meet statutory responsibilities and deliver change.
- 3.57 The change in budget from 2016/17 to 2017/18 for each area will therefore be the combined result of:
- Inflation provision, where appropriate, to avoid real terms reductions;
 - Commitments (e.g. for the impact of decisions previously approved by the council);
 - Service pressure funding (i.e. provision recognised in the budget to meet growing statutory demands, needs or costs, particularly across social care and homelessness);
 - Savings (i.e. net savings from the 4-year Integrated Service & Financial Plans aligned to the budget strategy above).
- 3.58 The combination of these factors will give rise to a net change in each directorate's overall budget resources as shown below and in appendix 1.

Table 4 – Indicative movement in Service Budgets

Service Directorates	2016/17 Net Budget £'000	2017/18 Proposed Net Budget £'000	Increase / Decrease Over 2016/17 %
Health & Adult Social Care	49,688	49,308	-0.7
Families, Children & Learning	80,971	83,139	+2.7
Economy, Environment & Culture	32,424	28,814	-11.1
Neighbourhoods, Communities & Housing	14,961	14,738	-1.5
Finance & Resources	19,559	17,476	-10.7
Strategy, Governance & Law	5,227	4,669	-10.7
Total Service Budgets	202,830	198,144	-2.3
Corporate and other Budgets	6,741	5,446	n/a
Total Council	209,571	203,590	-2.9

Note: Learning Disability Services for adults are now managed under the Families, Children & Learning directorate. If added to other Adult Social Care Services, the change on all Adult Social Care is +1.6% while the change across Families, Children & Learning excluding Learning Disability is +0.9%.

3.59 Overall, the council expects a reduction in budget resources of 2.9%. It is clear from the above table which service areas will be protected and which are charged with achieving greater efficiencies.

3.60 The 4-year Service & Financial Plans at Appendix 6 include proposals for each directorate with an accompanying 4-Year Budget Strategy statement. The total General Fund savings identified in the draft proposals and the remaining potential budget gaps are outlined below:

Table 5	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Budget Gap	20,986	15,100	10,639	46,725
Budget proposals	-20,986	-11,536	-7,241	-39,763
Remaining Gap	0	3,564	3,398	6,962

Investing in change

3.61 The 2016/17 Budget Report included high level estimates of the investment requirements for change over the planning period to 2019/20. This investment is needed to deliver the large savings programme as well as modernising and changing services to be able to manage demands and continue to provide services with less resource. The level of investment required has been update and reprofiled in line with the updated Integrated Service & Financial Plans (ISFPs) and covers the following:

- The 4-Year ISFPs require investment in services to support spend-to-save initiatives and service redesigns. This is estimated to be a minimum of £6.800m over the 4 year period of which £5.800m relates to the remaining 3 years. It is anticipate £3.200m will be required in 2017/18. This will be held in a reserve and only released through approval of the Corporate Modernisation Delivery Board, chaired by the Chief Executive, based on proven business cases.
- The 4-Year ISFPs will also require additional support to co-ordinate and project-manage the implementation of savings and modernisation programmes. The estimated additional cost including legal support is £3.100m over the 4 year period with £0.400m required in 2017/18. This investment supplements the £0.857m resources from earmarked modernisation reserves. This support includes a Business Process Improvement service to support service redesign savings and additional contract management resources to improve contract performance and further reduce contractual costs;
- Managing changes in the level of staffing. Approximately 290 posts are expected to be deleted from the council's staffing establishment over the next 3 years. This will happen through a mixture of normal turnover, redeployments and severance. The latter, preferably through voluntary severance, needs resourcing and an estimated £4.000m will be needed over the remaining 3 years with £2.000m required in 2017/18;
- Modernising the council's customer service offer will require significant investment in digital services. The 'Digital First' programme has identified an investment requirement of £6.000m to provide digital services such as

improved web site access and mobile working. This has been funded through the council's capital investment programme.

- 3.62 The funding of these resource requirements, as originally set out in the 2016/17 budget uses reserves in part but also relies substantially on capital receipts. The ability to use capital receipts flexibly to achieve modernisation and savings was included in the government's 4-year settlement funding offer which this council accepted in October 2016. The Digital First programme is fully funded from capital receipts leaving £5.600m to be funded in 2017/18. Of this, £0.600m is carried forward revenue resources set aside to support spend to save leaving a potential £5.000m to be funded and the Capital Resources and Capital Investment Programme report on this agenda includes these funding requirements.

Flexible Use of Capital Receipts to support Investment for ISFP's

- 3.63 As part of the December 2015 Spending Review, the Secretary of State for Communities and Local Government made an offer to councils to take up a 4-year funding settlement for the period 2016/17 to 2019/20. To accept this offer, an 'Efficiency Plan' was required to be prepared and published by 14th October 2016. The Policy, Resources & Growth committee approved the Efficiency Plan on the 13 October 2016.
- 3.64 The Efficiency Plan included the council's strategy to use the flexible use of capital receipts to support the investment in change and the expenditure detailed in paragraph 3.61. This, alongside the detailed savings proposals within the ISFP's at appendix 6, is expected to meet the definition of qualifying expenditure and provide sufficient detail to demonstrate transparency and accountability.
- 3.65 The key criteria to use when deciding whether expenditure can be funded by the capital receipts flexibility is that it is forecast to generate ongoing savings to an authority's net service expenditure and that all the planned investment in change meets this criteria. Capital receipts applied to invest in change must be received between 1/4/2016 and 31/3/2019. The Capital programme presented to this committee in February 2016 included committing surplus capital receipts from the Workstyles programme to support the investment in change and this strategy is confirmed in the Capital Resources and Capital Programme report on this agenda.
- 3.66 The impact of using this flexibility is included within the Prudential Indicators shown in appendix 8.

Staffing Implications

- 3.67 At this stage in the budget process it is difficult to determine exactly how many staff may be affected by the proposals. A broad estimate is that in 2017/18 a further 150 full time equivalent (FTE) posts may be removed from the council's staffing structure as a result of the savings proposals set out in Appendix 6. However, actual numbers will be dependent on the detailed options proposed and on the results of formal consultation where required. Some of these posts are already vacant and some will become vacant through normal turnover.
- 3.68 The 4-year integrated service and financial plans provide further information about reductions in posts up to 2020 and currently indicate that approximately 290 FTE posts will be removed from the staffing structure over the remaining 3 years. This figure is likely to increase as service plans become clearer for subsequent years and remaining budget gaps are addressed. This information is now being used to plan for reductions in the workforce to mitigate the impact on staff and focus redeployment, outplacement and voluntary severance activity. A redeployment co-ordinator has recently been appointed to provide a focused resource to support those at risk of redundancy. Improved information on the establishment will provide opportunities to

identify potential vacancies for redeployment in addition to considering those posts that have been put forward for recruitment.

3.69 In addition to the posts mentioned above, the transfer of some services to alternative models of delivery may result in the TUPE transfer of some staff to other organisations. The proposals over the next 3 years currently include the transfer of approximately 270 FTE posts, although the figure could change as plans become clearer. Changes have been proposed to our tender process to ensure that the Trade Unions have involvement as stakeholders where there is a potential TUPE transfer of staff. Close working with future providers of services will ensure that staff are fully engaged and consulted with as they move into other organisations.

3.70 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;
- Using improved information about the establishment to identify vacancies across the organisation;
- Limiting the use of temporary or agency resources through the financial controls currently in place.

These measures will continue as work takes place with trade unions and colleagues on the detailed staffing implications.

3.71 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 in service areas affected by budget proposals. This will take place 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 into the future.

Annual Minimum Revenue Provision (MRP) Statement and Prudential Indicators

3.72 The council is required by law to prepare an annual statement on the amount of debt that will be repaid in the following year. The statement for 2017/18 is set out in Appendix 7.

3.73 The prudential capital finance system introduced in 2004 requires the council to set a number of indicators for affordability, prudence and sustainability. The recommended indicators are set out in appendix 8. Members should note that the indicator for the authorised limit is a statutory limit required to be determined by full Council under section 3(1) of the Local Government Act 2003.

Corporate Budgets

3.74 The Council's budget contains a number of corporate budgets that are monitored and controlled centrally. The significant corporate budgets include the Concessionary Fares budget which has been set on the basis of the council's agreements with bus operators; the centrally held unringfenced grants income budget that reflects announcements from government; and the former employees' pension costs budget.

Contingency

- 3.75 The council's contingency budget includes a small provision for costs which are likely to occur but for which the estimated cost cannot be adequately foreseen at this stage. It also includes risk provisions and other resources awaiting transfer to services. The proposed contingency for 2017/18 is £5.740m as detailed in table 5.

Table 6: Contingency Summary	£m
Corporate recurrent risk provision	1.500
One off risk provision relating to ICES	0.300
General Fund lump sum pension contribution	2.732
General Fund Apprenticeship Levy	0.550
Modernisation fund resources from reserves	0.857
Provision for pay related matters and grants and other resources still to be announced	0.097
Council tax reduction grant for Parish/Garden Committees	0.004
Total Contingency	6.040

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Change in use of reserves

- 3.76 The budget for 2017/18 draws on reserves to support the one-off investments identified in table 2.

4. COUNCIL TAX

- 4.1 The Administration is proposing a council tax increase of 4.99% including the 3% flexibility for Adult Social Care. A council tax increase of 4.99% results in a band D council tax of £1,461.50 for the council's element, an increase of £69.47 from the 2016/17 level; of this increase, £41.76 relates to the Adult Social Care Precept.
- 4.2 In order to propose an overall council tax for the city, the council tax set by the precepting authorities needs to be known and this information will be included in the Supplementary Budget Report to Budget Council.

Supplementary Budget Report to Budget Council

- 4.3 Not all the budget and council tax information needed to set the budget and council tax is available at present. Therefore, additional information will need to be provided for Budget Council; this will include:-
- The final confirmed Local Government Finance Settlement 2017/18.
 - Any other grants that are announced before Budget Council.
 - An updated high level Medium Term Financial Strategy.
 - The agreed council tax set by East Sussex Fire Authority and Sussex Police and Crime Commissioner.
 - The statutory council tax calculations required under the 1992 Local Government Finance Act.
 - The full budget and council tax resolution for Budget Council.

5. MEDIUM TERM FINANCIAL STRATEGY AND RISK ASSESSMENT

- 5.1 The Medium Term Financial Strategy (MTFS) will be updated to reflect the final Local Government Finance Settlement for 2017/18 and indicative allocations up to 2019/20 and will include revised planning assumptions.

6. REPORT OF THE CHIEF FINANCE OFFICER (SECTION 151) UNDER SECTION 25 OF THE LOCAL GOVERNMENT ACT 2003

- 6.1 Section 25 of the Local Government Act 2003 requires the Chief Finance Officer (Section 151 Officer) of a local authority to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. This report has to be considered by Policy, Resources & Growth Committee and the full Council as part of the budget approval and council tax setting process. The budget reports on this agenda are focused on the General Fund Revenue Budget 2017/18 and the Capital Programme. It also considers key medium term issues faced by the council and provides updated 4-year plans that go some way to addressing predicted budget gaps in later years.

Robustness of Estimates

- 6.2 There is inevitably an element of judgement in drawing up budget estimates of expenditure and income which are made at a point in time and may change as circumstances change. This statement about the robustness of estimates cannot give a complete guarantee about the budget but provides the council with reasonable assurance that the budget has been based on the best information and assumptions available at the time, and has considered identifiable risks. Given the experience of recent years, greater attention has been paid to demand-led budget predictions.
- 6.3 In setting the budget for 2017/18, current expenditure trends and service demands have been considered by the Executive Leadership Team and Corporate Management Team working closely with finance professionals. The budget takes into account trends and issues identified in the TBM Month 9 (December) report and further projections of future demand and cost.
- 6.4 The budget proposal differs to 2016/17. Last year, service pressures of approximately £18m were identified but the budget was only able to provide funding of around £12m. As a consequence, a higher level of risk provision was recommended (£3m) to Budget Council and close attention has been paid to demand management activities during 2016/17. In the event, approximately £2.4m of the risk provision has had to be used to balance the 2016/17 financial position but the residual risk has been managed down.
- 6.5 For 2017/18 further funding and reinvestments of over £14m have been provided to meet identified service pressures across social care and homelessness together with funding the loss of grants (mainly Education Services Grant). This funding meets all identified demand-led service pressures at the time of setting the budget and is therefore a significantly improved situation to 2016/17. Consequently, a reduced risk provision of £1.5m is considered appropriate on the basis that:
- (i) The authority continues to demonstrate its track record of managing within or close to budget despite challenging targets;
 - (ii) The authority continues to demonstrate that the substantial majority of its savings programmes are achieved;
 - (iii) As noted above, the 2017/18 budget substantially provides funding and reinvestment to meet all identified demand-led service pressures;

- (iv) Although there are risks in relation to Section 75 partnership arrangements and other funding agreements with health, including the Better Care Fund, the authority has a good relationship with the Clinical Commissioning Group that ensures a joint approach to managing and mitigating risks;
- (v) The authority has provided adequate reserves and provisions against other known and identified risks;
- (vi) The authority has set aside appropriate discretionary resources and funding to mitigate the multifarious impacts of Welfare Reforms.

6.6 Alongside the risk provision of £1.5m, the Council is also recommended to maintain a minimum working balance of £9m as well as other earmarked reserves to manage any short term pressures, unmanageable risks or further unachievable savings. If utilised, this would need a clear and immediate plan for replenishment in the following year. The council will need to monitor the implementation of savings proposals closely as the prospect of significant budget gaps in future years means that non-achievement of savings may store up greater difficulties for the years ahead.

Adequacy of Reserves

6.7 The recommendation on the prudent level of General Fund working balance has been based on the robustness of estimates information and a risk assessment of the budget provided at appendix 5.

6.8 As indicated above, current analysis of authority-level risks indicates that continuation of a working balance at a level of £9.000m (excluding school balances) is prudent having taken into account all known and foreseeable risks in relation to the 2017/18 budget. This represents 4.5% of the council's net revenue budget excluding schools, or about 4 weeks Council Tax revenue. The variables in the business rates retention system are now better understood and, although forecasting remains relatively intricate, are not expected to put the council at serious risk.

6.9 All specific reserves have been reviewed in detail to ensure they are set at an appropriate level as set out in appendix 4. The council's earmarked reserves fulfil specific legal or financial requirements, for example the Insurance Fund Reserve, and are not therefore available to support the annual revenue position.

Assurance Statement of the Council's Section 151 Officer

6.10 In relation to the 2017/18 General Fund revenue budget, the Section 151 Officer has examined the budget proposals and considers that, whilst the spending and service delivery proposals are increasingly challenging, they are nevertheless achievable with strong governance and accountability at all levels and given Member and Executive will to implement the changes and maintain impetus. The 2016/17 financial position has again shown that the council is able to manage potential financial risks, albeit utilising available risk provisions held for the purpose. In 2017/18, with identified demand-led service pressures substantially funded, the focus will be on strengthening budget accountability, managing demand effectively, and localising risk management in services rather than reliance being placed on corporate solutions or controls.

6.11 In terms of the adequacy of reserves, the Section 151 Officer considers a working balance of £9.000m to be adequate taking into account other reserves, the risk provisions and the council's track record in budget management.

7. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

7.1 The budget process allows all eligible political parties to put forward viable alternative budget and council tax proposals to Budget Council on 23 February 2017. Budget

Council has the opportunity to debate both the proposals recommended by Policy, Resources & Growth Committee at the same time as any viable alternative proposals. However, all budget amendments must have been “signed off” by finance officers no later than 12 noon on Thursday 16 February 2017.

8. COMMUNITY ENGAGEMENT AND CONSULTATION

8.1 Local Government budgets and finances are complex and therefore the council has attempted to provide a range of information through its web pages to aid understanding and encourage residents and others to share their views, primarily via the council’s web site or via social media. The council’s #BHBudget Twitter feed provides links to news stories about the budget as well as an updated Budget Animation and a video about services provided by the Families, Children & Learning directorate. Local media coverage also provides a commentary on some aspects of the budget.

8.2 Frequently asked questions and common themes emerging throughout the development of the budget have been monitored and responded to in our ‘Behind the Budget’ web page: <https://www.brighton-hove.gov.uk/content/council-and-democracy/council-finance/behind-budget>.

The frequently asked questions and themes emerging after publication of the draft budget proposals in December 2016 include:

- Council Tax [alone] should pay for council services?
- How about using [i.e. raising] parking charges?
- What’s happening to youth services?
- [Why not] Cut pay instead of services?
- Why fund the i360 if there’s not enough money?
- [Why not] Make students pay Council Tax?
- [Why not] Just cut councillors and their allowances?
- [Why not] Set a “no cuts” budget?
- [Why not] Charge wealthier people more Council Tax?
- Extra Business Rates will solve the problem [won’t they]?

Together with the above common areas, some commentators have questioned the position regarding:

- Support for Homeless and rough sleepers in the light of growing numbers;
- Refuse/recycling collection and street sweeping;
- Parking schemes and planning;
- Plans for seafront regeneration;
- Park services.

8.3 Consultation and feedback in relation to the 2017/18 budget proposals is also promoted and invited from all quarters through a range of engagement processes including:

- Meetings with the Older People’s Council where changes are explored, particularly impacts on Adult Social Care and services for older people more generally.

- Ongoing discussions with key City Partners in developing proposals including discussions about associated Equality Impact Assessments. Feedback has been provided directly to services and members as appropriate.
- The Schools Forum, attended by representatives of all school phases, where a report on the potential areas of interest and potential impact of the General Fund budget proposals were discussed at a meeting on 19 January 2017. This is a public minuted meeting and agenda and minutes are available on the council's website.
- Meetings with Trades Unions branch secretaries and Departmental Consultative Groups (DCGs) which provided an opportunity for consultation with Trades Unions' representatives across all council services.
- Invitations to representatives of the business community to discuss budget proposals and changes to business rates and reliefs.

9. CONCLUSION:

- 9.1 The council is under a statutory duty to set its budget and council tax before 11 March each year. The options and recommendations to Budget Council contained within this report together with the recommendations to follow in the supplementary report to full Council, should enable the council to meet its statutory duty.

10. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

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

Finance Officer Consulted: James Hengeveld

Date: 31/01/17

Legal Implications:

- 10.2 Policy, Resources & Growth Committee is responsible for formulating budget proposals for adoption by the Council. Power to adopt the budget is vested in full Council.
- 10.3 For these purposes, the "budget" includes the allocation of financial resources to different services and projects, proposed contingency funds, and setting the council tax.
- 10.4 Section 52ZB of the Local Government Finance Act 1992 requires a billing authority to determine whether its relevant basic amount of council tax is "excessive". If the amount is excessive, the billing authority is required to hold a referendum, with a view to applying an alternative amount if the excessive amount is rejected in a referendum.
- 10.5 The determination of whether a relevant basic amount of council tax is excessive must be made in accordance with principles determined by the Secretary of State. The Department for Communities and Local Government (CLG) has stated that for the 2017/18 financial year, an increase of 5% or more - including the Adult Social Care precept of 3% - will be regarded as excessive. Therefore, local authorities opting for an increase of 5% or more (including the Adult Social Care Precept) will be required to hold a referendum.

Equalities Implications:

- 10.6 The process for assessing the equalities implications of the budget changes for 2017/18 and an assessment of the cumulative impact is shown in Appendix 9. All the Equalities Impact Assessments are included at Appendix 10.

Sustainability Implications:

- 10.7 A carbon budget has been set for 2017/18. This shows the level of spend on energy and the estimated carbon emissions across each carbon budget area and includes a planned 4% reduction on the 2016/17 budget level. This target will be challenging to meet on the basis of the current approach to carbon management.
- 10.8 Carbon budgets aim to provide the organisation with a framework of accountability for reducing carbon emissions from our buildings, street lights and fleet. They were first introduced in 2012/13 and supported by action plans that set out how carbon budgets are to be achieved and these plans are reviewed and challenged once a year. The council spends around £6.8m each year heating and lighting its buildings, lighting our neighbourhoods and travelling around the city to deliver key services.
- 10.9 The council's 2015/16 Carbon Reduction Commitment (CRC) footprint accounted for 13,295 tonnes of CO² from council buildings for which the council purchased £0.207m worth of CRC allowances at £15.60 per tonne. This is a reduction of 2146 tonnes on the 2014/15 CRC footprint of 15,441 tonnes of CO²
- 10.10 Half-hourly electricity and gas prices decreased by an average of 6.48% and 23.6% respectively in October 2016. Non-half hourly electricity supplies were fixed for three years from April 2016 with an average price increase of 1% on the previous 36 month contract.
- 10.11 The council's carbon budget data update is detailed in Appendix 12 and profiles spend and CO² carbon footprint for 2015/16 across the council and sets out the target until 2017/18.

SUPPORTING DOCUMENTATION

Appendices:

1. Movements in Budget Allocations 2016/17 to 2017/18
2. Changes in the budget projections since the 8 December 2016 budget report to Policy, Resources & Growth Committee
3. Summary of special and specific grant allocations for 2016/17 and 2017/18
4. Review of the council's reserves including the planned use of reserves
5. Assessment of Risks
6. 4 Year Integrated Service & Financial Plans
7. Minimum Revenue Provisions statement
8. Prudential Indicators 2017/18 to 2019/20
9. Equalities Impact Assessment – Cumulative impact
10. Equalities Impact Assessment – Individual Assessments
11. Carbon Budget for 2017/18

Documents in Members' Rooms

1. None

Background Documents

1. Budget files held within Finance
2. Consultation papers

2017/18 BUDGET - Budget changes from 2016/17 to 2017/18

Appendix I

	2016/17 Adjusted Base £'000	Inflation £'000	Service Pressures	Commitments and reinvestment £'000	VFM & Other Savings £'000	2017/18 Original Budget £'000	Increase over adjusted base £'000	Increase over adjusted base %
Families, Children & Learning	80,971	1,347	6,236	295	(5,710)	83,139	2,168	2.68
Health & Adult Social Care	49,688	1,050	3,468	-	(4,898)	49,308	(380)	(0.76)
Economy, Environment & Culture	32,424	217	382	256	(4,465)	28,814	(3,610)	(11.13)
Neighbourhoods, Communities & Housing	14,961	18	2,420	-	(2,661)	14,738	(223)	(1.49)
Finance & Resources	19,559	163	-	(13)	(2,233)	17,476	(2,083)	(10.65)
Strategy, Governance & Law	5,227	16	-	-	(574)	4,669	(558)	(10.68)
Total Directorate Spending	202,830	2,811	12,506	538	(20,541)	198,144	(4,686)	(2.31)
Concessionary Fares	10,933	218	-	333	(250)	11,234	301	
Financing Costs	6,705	-	132	(143)	-	6,694	(11)	
Corporate VFM Savings	8	(1)	-	(35)	(100)	(128)	(136)	
Contingency and Risk Provisions	5,650	81	-	309	-	6,040	390	
Unringfenced grants income	(15,495)	-	2,232	(2,385)	-	(15,648)	(153)	
Levies to External Bodies	170	4	-	30	-	204	34	
Other Corporate Budgets	(898)	(46)	-	177	(95)	(862)	36	
NET REVENUE EXPENDITURE	209,903	3,067	14,870	(1,176)	(20,986)	205,678	(4,225)	(2.01)
Contributions to/ from(-) reserves	(332)	-	-	(1,756)	-	(2,088)	(1,756)	
BUDGET REQUIREMENT	209,571	3,067	14,870	(2,932)	(20,986)	203,590	(5,981)	(2.85)
Funded by								
Revenue Support Grant	33,126					21,618	(11,508)	(34.74)
Business Rates Local Share	53,932					56,877	2,945	5.46
Top Up Grant (16/17) / Tariff Payment (17/18)	1,656					(1,500)	(3,156)	(190.58)
Business Rates Levy payment	-					(122)	(122)	-
Business Rates Collection Fund surplus/(deficit)	(1,089)					(1,684)	(595)	54.64
Council Tax Collection Fund surplus/(deficit)	1,964					654	(1,310)	(66.70)
Council Tax	119,982					127,747	7,765	6.47
Total	209,571					203,590	(5,981)	(2.85)

Appendix 2

Changes in the budget projections since the 8 December 2016 budget report to Policy, Resources & Growth Committee

	£'000	£'000
Remaining budget gap 2017/18 at 8 Dec 2016		3,160
<i>Changes in expenditure projections</i>		
Increase in service pressure assumptions following TBM Month 9 review	369	
Additional Pension costs (2016 Triennial Review)	296	
Net changes to corporate budgets	-72	
Reduction in centrally held risk provision	-800	
Increase in savings within Finance & Resources (Grant backed)	-140	
Inshore Fisheries (IFCA) Levy increase	31	
Revised Gap		2,844
<i>Changes in Resources</i>		
Improved final council tax base approved at January PR&G Committee	-208	
Final retained business rates estimate from NNDR1 form (recurrent element)	-580	
Reduction in New Homes Bonus (recurrent element)	261	
Further reduction in Education Services Grant	132	
2017/18 Adult Social Care Support Grant (treated as bringing forward improved Better Care Funding from 2018/19)	-1,234	
Increase Adult Social Care precept from 2% to 3%	-1,215	
Remaining Budget Gap		0

Appendix 2

Changes in the one off resources since the 8 December 2016 budget report to Policy, Resources & Growth Committee

	£'000	£'000
Projected shortfall in one resources at 8 Dec 2016		1,403
Loss of New Homes Bonus	724	
Improvement from TBM7 to TBM 9	-1,588	
Improvement in Business Rates collection fund deficit	-147	
Business Rates Retention gain in 2017/18 treated as one off	-448	
One off transitional grant	-47	
Release of reserves set out in appendix 4	-593	
Total unallocated general reserves and one off resources in table 2 of report		-696

Summary of special and specific grant allocations for 2016/17 and 2017/18

Description	2016/17 £m	2017/18 £m	Notes
Dedicated Schools Grant (DfE)	<i>Estimated</i> 157.263	<i>Estimated</i> 160.563	Exact amount depends on pupil numbers. The amounts are shown after recoupment for academies and free schools
Pupil Premium (DfE)	<i>Estimated</i> 8.424	<i>Estimated</i> 8.424	Exact amount depends on number of eligible pupils. Excludes academies and free schools
Post 16 Funding (EFA)	4.004	<i>Estimated</i> 4.004	Awaiting announcement from Education Funding Agency. This funding is for schools with 6th form provision
Education Services Grant (DfE)	<i>Estimated</i> 2.895	0.863	Exact amount depends on pupil numbers
Troubled Families (DCLG)	<i>Estimated</i> 1.020 <i>Based on claims</i>	<i>Estimated</i> 0.900 <i>Based on claims</i>	This is based on attachment fees for the number of qualifying families and on payments by result
Primary School Sport Funding (DfE)	0.523	<i>Estimated</i> 0.523	Exact amount depends on pupil numbers
High Needs Strategic Planning Fund (DfE)	0.106	0.000	One off fund to carry out a strategic review of the High Needs block in the Dedicated Schools Grant
Youth Justice Grant (Youth Justice Board)	0.257	Not known	Not announced yet for 2017/18
Adult Safeguarded Learning (Skills Funding Agency)	0.321	<i>Estimated</i> 0.321	
Music Education Hub Grant (ACE)	0.315	0.316	
SEN Implementation Grant (DfE)	0.145	0.162	
Extended Rights To Free Transport (DfE)	0.052	<i>Estimated</i> 0.047	Not announced yet for 2017/18
Staying Put Implementation Grant (DfE)	0.263	Not known	Not announced yet for 2017/18
Early Innovators (DfE)	0.120	0.000	One year grant
Universal Infant Free School Meals (DfE)	2.434	<i>Estimated</i> 2.434	Estimate based on census figures throughout the school year with confirmation expected in July 2017
Asylum Seekers	<i>Estimated</i> 1.015 <i>Based on claims</i>	<i>Estimated</i> 1.130 <i>Based on claims</i>	
Public Health (Health)	21.140	20.619	
Local Reform And Community Voices Grant (Health)	0.168	<i>Estimated</i> 0.151	Not announced yet for 2017/18. Includes allocations for the Independent Complaints Advocacy Service, additional allocations for Deprivation of Liberty Safeguards, and additional allocations for Local Healthwatch
Independent Living Fund Grant (CLG)	0.622	<i>Estimated</i> 0.591	Not announced yet for 2017/18
Renaissance In The Regions (ACE)	0.698	0.698	
Renaissance – Museum Development (ACE)	0.552	0.552	
Bikeability Cycle Training Grant (DfT)	<i>Estimated</i> £0.050m <i>Based on claims</i>	<i>Estimated</i> £0.039 <i>Based on claims</i>	
Sustainable Travel Transition Year (16/17) / Access fund for Sustainable Travel (17/18) (DfT)	0.485	0.497	Access fund for Sustainable Travel is a three year grant of £1.485m starting in 2017/18

Description	2016/17 £m	2017/18 £m	Notes
Bus Services Operator Grant (DfT)	0.173	0.173	
Lead Local Flood Authorities (DCLG)	0.001	0.027	
Housing Benefit Subsidy (DWP)	<i>Estimated</i> 156.810 <i>based on</i> <i>claims</i>	<i>Estimated</i> 144.694 <i>based on</i> <i>claims</i>	This will be subject to caseload changes and transfers to Universal Credit
Temporary Accommodation – Management Fee replacement grant (CLG)		Awaiting announcement	An upfront grant from 1 April 2017 to replace DWP's Temporary Accommodation Management Fee which ends 31 March 2017
Housing Benefit Administration Grant (DWP)	1.397	1.254	
Discretionary Housing Payments (DWP)	<i>Estimated</i> 0.597	Not known	Assists people with housing costs where they have difficulty paying rent after receipt of housing benefit
Local Council Tax Support Administration Subsidy (CLG)	0.398	0.365	
Schools PFI	2.390	2.390	Same amount p.a.
Libraries PFI	1.505	1.505	Same amount p.a.
Waste PFI	1.498	1.498	Same amount p.a.
Children's Workforce Development	<i>Based on</i> <i>claims</i>	<i>Based on</i> <i>claims</i>	
Ministry of Justice Grant	<i>Estimated</i> 0.814	<i>Based on</i> <i>claims</i>	Police & Crime Commissioner Elections in May 2016 and EU referendum in June 2016 reimbursed by Home Office after the election
Consolidated Payment Grant (Home Office/Identity & Passport Service)	0.004	0.004	
Adult Social Care Support Grant	0.000	1.234	One-off grant in 2017/18
<i>New Homes Bonus - Yr 1 (CLG)</i>	<i>0.596</i>	<i>0.000</i>	<i>Started in 2011/12 (6 years)</i>
<i>New Homes Bonus –Yr 2 (CLG)</i>	<i>0.425</i>	<i>0.000</i>	<i>Started in 2012/13 (reduced to 5 years)</i>
<i>New Homes Bonus –Yr 3 (CLG)</i>	<i>0.970</i>	<i>0.970</i>	<i>Started in 2013/14 (reduced to 5 years)</i>
<i>New Homes Bonus –Yr 4 (CLG)</i>	<i>0.680</i>	<i>0.680</i>	<i>Started in 2014/15 (reduced to 4 years)</i>
<i>New Homes Bonus –Yr 5 (CLG)</i>	<i>1.166</i>	<i>1.166</i>	<i>Started in 2015/16 (reduced to 4 years)</i>
<i>New Homes Bonus- Yr 6 (CLG)</i>	<i>1.177</i>	<i>1.177</i>	<i>Started in 2016/17 (reduced to 4 years)</i>
<i>New Homes Bonus- Yr 7 (CLG)</i>	<i>-</i>	<i>0.627</i>	<i>Started in 2017/18 (4 years) – new 0.4% threshold introduced</i>
New Homes Bonus Sub Total	5.014	4.620	
New Homes Bonus Returned Funding Adjustment Grant (CLG)	0.129	0.133	
<i>S31 Business Rate Multiplier Cap (CLG)</i>	<i>Estimated</i> 0.780	<i>Estimated</i> 0.854	<i>Grant to compensate for the RPI increase in 2014/15 & 2015/16 being capped at 2% in each year</i>
<i>Small Business Rate Relief Doubling and Threshold changes (S31 Grant) (CLG)</i>	<i>Estimated</i> 1.663	<i>Estimated</i> 3.064	<i>The doubling of Small Business Rate Relief (SBRR) from 50% to 100% has been made permanent and new thresholds have been introduced from 1 April 2017</i>
<i>Small Business Rate Relief on First Property (S31 Grant) (CLG)</i>	<i>Estimated</i> 0.016	<i>Estimated</i> 0.008	<i>If ratepayers receiving SBRR take on an additional property that would disqualify them from receiving relief they will continue to receive current relief for 12 months</i>
<i>Newly Built Empty Property Relief (S31 Grant) (CLG)</i>	<i>Estimated</i> 0.004	<i>Estimated</i> 0.002	<i>Discontinued from 1 April 2016 – the estimated sum relates to awards starting before this date running into 2017/18.</i>
<i>Long Term Empty Property Relief (S31 Grant) (CLG)</i>	<i>Estimated</i> 0.064	<i>Estimated</i> 0.000	<i>Discontinued from 1 April 2016 – the estimated sum relates to awards starting before this date running into 2017/18.</i>
S31 Business Rate Grants Sub-total	<i>Estimated</i> 2.527	<i>Estimated</i> 3.928	The grant will be based on actual relief due at 31 st March in each year

Review of Reserves

Adequacy of Reserves – working balance

The working balance is recommended to be maintained at £9m over the next 3 years of the Medium Term Financial Strategy. Determining the appropriate levels of working balance requires a professional judgement based on local circumstances including the overall budget size, risks, robustness of budget estimates, major initiatives being undertaken including large savings programmes, budget assumptions, levels of other earmarked reserves and provisions, and the council's track record in budget management. The consequences of not keeping a minimum prudent level of balances can be serious and in the event of a major problem or a series of events, the council would run a serious risk of a deficit or of being forced to cut spending during the year in a damaging and arbitrary way.

The current level of balances has been based on the robustness of estimates information and the Corporate Risk Register. In addition, the other strategic, operational and financial risks taken into account when considering the minimum level of the working balance include:

- (i) The complexity and degree of uncertainty associated with planned economy and efficiency measures and/or service changes and the likelihood of achieving them in full;
- (ii) The level of balances required to complement resources potentially available under the Bellwin Scheme for Emergency Financial Assistance to Local Authorities in the event of a major emergency;
- (iii) Risks of rising demand, increasing costs and/or falling income due to economic conditions or potential legislative changes;
- (iv) The risk of major legal challenges, both current and in the future;
- (v) Risks in the financial inter-relationship between NHS partners and the council.
- (vi) The need to retain a general contingency to provide against unforeseen circumstances that may arise. For example, delays in council tax billing which could arise from a major systems or power failure;
- (vii) The need to retain reserves for general day-to-day cash flow needs.

In addition, the cash flow risk for unitary authorities is significant given the full range of services provided. Taking all of these factors into account, a £9.0m working balance is considered appropriate, representing about 4 weeks of council tax revenue.

Schools' Balances

Schools' balances, while consolidated into the council's overall accounts, are a matter for Governing Bodies. Nevertheless, under the council's Scheme for Financing Schools the council has a duty to scrutinise whether any school holds surplus balances. The council's Scheme for Financing Schools is in line with the requirements of the Secretary of State for Education and the arrangements in place are considered adequate. It should be noted that many schools' finances are under pressure and that the total 'licensed budget deficits', which allows schools to manage a budget deficit over a 2-year period, currently exceed the

Scheme for Financing Schools guideline of 40% of Schools' Balances. This situation will be kept under review by the S151 Chief Finance Officer but may require further consideration if schools' management of deficits falls behind approved plans.

Estimated Earmarked General Fund Revenue Reserves

Processes are in place to regularly review the council's earmarked revenue reserves. Details of the review of reserves are included in the table below.

	Estimated Balance as at 01/04/17 £'000	Planned Use 2017/18 £'000	Estimated Balance as at 01/04/18 £'000	Review Arrangements	Conclusion
GENERAL FUND RESERVES					
Developer Contributions Unapplied	493	300	793	Reviewed throughout the year to reflect agreed liabilities and new agreements.	Retain for specified purpose.
Capital Receipts	8,212	20,059	28,271	Ongoing review as part of TBM process.	Committed to fund the Capital Investment programme including HRA Capital Programme, Workstyles and support for the four year Service and Financial Plans.
Capital Reserves	0	0	0	Following closure of accounts.	Balance will be used to fund ongoing corporate commitments.
Library PFI Project Reserve	727	171	898	Following closure of accounts.	Use for funding the project over the lifetime of the PFI scheme.
Waste PFI Project Reserve	3,351	110	3,461	Following closure of accounts.	Use for funding the project over the life time of the PFI. This reserve has provided a 5 year loan to the East Sussex Credit Union agreed at Policy & Resources in January 2016
Section 106 Receipts	358	0	358	Reviewed throughout the year to reflect agreed liabilities and new agreements.	Retain for specified purpose.
Section 106 Interest	353	30	383	Reviewed throughout the year to reflect agreed liabilities and new agreements.	Retain for specified purpose.
Brighton Centre Redevelopment Reserve	3,224	-184	3,040	Following closure of accounts.	Future contributions to this reserve are planned to coincide with the sale of

	Estimated Balance as at 01/04/17 £'000	Planned Use 2017/18 £'000	Estimated Balance as at 01/04/18 £'000	Review Arrangements	Conclusion
					Patcham Court Farm. Planned expenditure relates to supporting progress of the project. Interest is accrued on balances held.
Customer Access & Accommodation Strategies	278	-60	218	Following closure of accounts.	Balance held for the Link programme as included in the business case.
Disclosure & Barring Service Checks	25	0	25	Ongoing cost of DBS checks are recharged to service budgets.	Balance of £0.025m not required and can be released.
Modernisation Fund Reserve	857	-857	0	Following closure of accounts.	This reserve is part of the overall funding being used to support the delivery of the Integrated Service & Financial Plans.
City Regeneration Fund	31	-31	0	Following closure of accounts.	Balance expected to be utilised in 2017/18.
Welfare Reform Reserve	827	-534	293	Following closure of accounts.	Planned use includes a one-off allocation of £0.295m to continue the Social Fund in 2017/18, £0.095m for discretionary council tax support and £0.144m for the welfare reform programme. A contingency of £0.100m is set aside for 2018/19 and therefore the remaining £0.193m can be released.
Restructure Redundancy Reserve	0	320	320	As part of closure of accounts.	Retain for specified purpose. The Reserve reflects the contribution of £2m and an estimate of the use in 2017/18 of £1.68m.
Insurance Reserve - General	5,728	0	5,728	The Insurance Fund is subject to a bi-annual health check by the actuaries.	The healthcheck was carried out in January 2017 and recommended an Insurance Fund of £5.521m. This releases £0.207m.
Working Balance - GF	9,000	0	9,000	Reviewed against the register of financial risks, taking into account the requirements of the Local Government Act 2003.	A minimum working balance of £9.000m is recommended by the Chief Finance Officer in accordance with the requirements of Section 25 of the Local Government Act 2003. All resources over the £9m have been reflected in the 2017/18 budget.
i360 Earmarked	2,731	887	3,618	Following	Balance is ring fenced for

	Estimated Balance as at 01/04/17 £'000	Planned Use 2017/18 £'000	Estimated Balance as at 01/04/18 £'000	Review Arrangements	Conclusion
Reserve				closure of accounts.	reinvestment in the wider development of the seafront and its infrastructure. This balance is after £1m contribution to landscaping works.
City Deal New England House Dev Reserve	4,900	-4,900	0	Following closure of accounts.	Expected to be utilised in 2017/18 depending on outcome of project negotiations.
Museum Objects Acquisition Reserve	63	0	63	Following closure of accounts.	Retain for specified purpose, which includes the agreed wider use to support the transfer of museum objects and records to the Keep.
Royal Pavilion Fund	95	0	95	Following closure of accounts.	Retain for specified purpose - conservation works at the royal Pavilion.
Jack Thompson - Hove Museum	227	0	227	Following closure of accounts.	Retain for specified purpose - acquisitions/refurbishment at Hove Museum.
James Green Foundation	133	0	133	Following closure of accounts.	Retain for specified purpose - to fund the Burmese collection.
Brighton & Hove Natural History Society Reserve	10	0	10	Following closure of accounts.	Retain for specified purpose - maintaining the assets of Brighton & Hove Natural History Society which are held at the Booth Museum.
Sports Facilities Reserve	220	-220	0	Following closure of accounts.	Anticipated to be fully utilised in 2017/18 for M & E works at the Prince Regent swimming pool.
Financial Inclusion & Community Banking	107	-107	0	Following closure of accounts.	Retain for specified purpose to fund contractually committed expenditure as part of the Moneyworks contract.
Sustainable Temporary Accommodation Reserve	166	0	166	Reviewed during the year as part of budget monitoring process.	Held for dilapidation costs for leased temporary accommodation. Level to be kept under review.
HMO Licensing Fees Reserve	180	0	180	Following closure of accounts.	Retain to support annual inspections of HMO licenses
HMO Additional Licensing Fees	454	0	454	Following closure of accounts.	Retain to support annual inspections of HMO licenses
Hostel Accommodation	23	-23	0	Following closure of	Held for dilapidation costs for West Pier Hostel

	Estimated Balance as at 01/04/17 £'000	Planned Use 2017/18 £'000	Estimated Balance as at 01/04/18 £'000	Review Arrangements	Conclusion
Dilapidations				accounts.	following retendering of service.
Damage Deposit Guarantee Scheme Reserve	271	0	271	Reviewed during the year as part of budget monitoring process	Retained for specific purpose but required level will continue to be reviewed
Seaside Homes Reserve	44	0	44	Reserve is likely to maintain at this level	Retained for specific purpose but required level will continue to be reviewed
Winter Maintenance	498	0	498	Following closure of accounts.	Held to fund exceptional costs of extreme weather.
Surface Water Management Reserve	684	-300	384	Following closure of accounts.	Retain to support planned SWAMP works.
Preston Park Parking Surplus Reserve	87	-35	52	Following closure of accounts.	Retain to support expenditure on Preston Park.
East Brighton Park Parking Surplus	9	2	11	Following closure of accounts.	Retain to support expenditure on East Brighton Park.
Road works permit scheme reserve	165	100	265	Review as part of scheme fees review	Scheme must be cost neutral over time and therefore balance is held to offset scheme costs and the impact of changes to permits
Concessionary Bus Passes	54	0	54	Following closure of accounts.	Reserve used to smooth out annual purchase of concessionary passes as there is a major reissue every 5 years. Reduce reserve to reflect the likely future cost and release £0.030m.
ICT Investment Reserve	294	-198	96	Following closure of accounts.	Retain balance to support the Digital First Programme in 2018/19.
Dome Planned Maintenance Earmarked Res	238	0	238	Following closure of accounts.	Retain - subject to lease agreement with Brighton Dome & Festival Society.
New England House Refurbishment Reserve	150	-150	0	Following closure of accounts.	Balance of £0.150m held to provide match funding for New England House redevelopment.
Social Fund Reserve	90	-90	0	Following closure of accounts.	Reserve to be fully used in 2017/18
Investment Prop (Dilapidations)	87	-87	0	Following closure of	Remaining balance expected to be utilised in

	Estimated Balance as at 01/04/17 £'000	Planned Use 2017/18 £'000	Estimated Balance as at 01/04/18 £'000	Review Arrangements	Conclusion
Reserve				accounts.	2017/18.
Insurance Reserve - Risk Management	9	0	9	Following closure of accounts.	Remaining Balance of £0.009m to be released
Regulatory services Licensing	116	0	116	Following closure of accounts.	Retain for specified purpose - to fund potential future deficits or repayment to licensees.
Four Year Integrated Service & Financial Plan Reserve	607	-607	0	Following closure of accounts.	Retain for specified purpose - supporting investment requirements contained in Service & Financial Plans
Total General Fund Reserves	46,176	13,596	59,772		
GENERAL FUND PROVISIONS					
Modern Records units X and Z	93	0	93	Following closure of accounts.	Provision no longer required Balance of £0.093m can be released
Workstyles Dilapidations Provision	226	-226	0	Following closure of accounts.	Retain for specific purpose relating to 2 properties. Dilapidation negotiations expected to be concluded in 2017/18
Business Rates Appeals Provision	2,702	2,861	5,563	As part of closure of accounts.	Retain for specified purpose to meet back-dated costs of successful business rates appeals.
Seaside Rent Guarantee Provision	322	0	322	Following closure of accounts.	Maintain for specified purpose. The level of the provision is likely to increase in the early years and will be drawn down in accordance with the agreement.
Cemetery Provisions	71	-10	61	Following closure of accounts.	Retain for maintenance and replacement as required.
Land Charges Personal Searches Provision	36	0	36	Following closure of accounts.	Remaining balance of provision not required. This releases £0.036m
Total General Fund Provisions	3,450	2,625	6,075		
HOUSING REVENUE ACCOUNT RESERVES					
Capital Reserves	1,002	-800	202	Following closure of accounts.	Committed to fund the HRA capital investment programme
EDB Reserves	510	-297	213	Following closure of accounts.	Retain for estates development. Annual amount is approved to fund EDB; the programme is a rolling programme with new schemes approved annually.

	Estimated Balance as at 01/04/17 £'000	Planned Use 2017/18 £'000	Estimated Balance as at 01/04/18 £'000	Review Arrangements	Conclusion
HRA Auto Meter Reads Reserve	45	0	45	Following closure of accounts.	Maintain to fund installation of automatic meter readers.
HRA - Renewable Energy Projects	269	-180	89	Following closure of accounts.	Retain to support renewable energy projects
Restructure Redundancy Reserve	388	0	388	Following closure of accounts.	Retained to fund possible future redundancies.
Working Balance - HRA	8,131	-500	7,631	Following closure of accounts.	A minimum working balance of £3m is recommended by the Chief Finance Officer in accordance with the requirements of Section 25 of the Local Government Act 2003. Any residual balance can be used to support the HRA long term business plan.
Total Housing Revenue Account Reserves	10,345	-1,777	8,568		
SCHOOLS / DSG RESERVES					
Schools PFI Project Reserve	1,436	-50	1,386	Following closure of accounts.	Use for funding the project over the lifetime of the PFI scheme.
Schools LMS Balances	1,000	-500	500	Following closure of accounts.	Balances are held by school governing bodies.
Portslade CC Adult Balance	20	0	20	Following closure of accounts.	Balance used at the discretion of the facility.
Total Schools / DSG Reserves	2,456	-550	1,906		
TOTAL ALL FUNDS	62,427	13,894	76,321		

Summary of amounts released from Reserves to support one-off resources

Description	Amount Released £'000
Disclosure & Barring Service Checks	25
Welfare Reform Reserve	193
Insurance Reserve - General	207
Concessionary Bus Passes	30
Insurance Reserve - Risk Management	9
Modern Records units X and Z	93
Land Charges Personal Searches Provision	36
Total	593

ASSESSMENT OF MEDIUM TERM RISKS

The Medium Term Financial Strategy (MTFS) of a large corporation with many demand-led services and complex and uncertain funding streams will always contain a significant degree of risk. While the government's 4-year settlement deal should have provided additional certainty, in practice this is not the case as there are significant elements of transitional funding (e.g. Education Services Grant), one-off funding (e.g. Adult Services Support Grant) and other uncertainties (e.g. Business Rate Revaluation impact) that continue to make long term financial planning very challenging. In general, factors that can have a material effect on the medium term financial position of an authority include:

- The lack of certainty in future resource levels;
- Changes in function & funding;
- Changes in how some services are funded;
- Changes in the economy including the impact on business rates income;
- Changes in employer costs e.g. pension or national insurance changes;
- The level of future successful appeals against the business rating list;
- Impact of levels of house building on both council tax and new homes bonus;
- Achievement of performance targets for performance related funding;
- Ability to manage identified demand-led service pressures;
- Decisions on council tax and council tax reduction;
- Democratic support for change including partnership working and integration.

Risks to the MTFS arise from both external and internal factors. External risks include, for example, Government policy decisions that can have an adverse impact on the council. External risks are generally the most difficult to manage or plan for.

Internal risks can also arise for a number of reasons, such as cost overruns, changing priorities or ineffective systems of demand management. They may also be influenced by external factors. It is vital to have adequate mechanisms to manage internal risks if financial stability is to be achieved. There are a number of ways in which the effects of risks can be managed and these are set out in the following risk table. Furthermore, the City Council's MTFS aims to minimise the impact of some of the major financial risks and the impact on the delivery of the City's Corporate Plan commitments.

However, the forecasts within the MTFS are based on prudential assumptions that reflect the most likely position based on current knowledge and therefore there are also opportunities if any of the forecasts overstate actual expenditure or under-estimate actual income.

Risk	Likelihood of occurrence (L)	Impact (I)	Risk (L) X (I)	Possible Impact on Financial Strategy	Mitigation / Management
Potential Risks affecting 2017/18 onwards					
Council tax base is lower than anticipated e.g. lower number of new properties / more student exempt properties / more discounts awarded / higher caseload for CTR discounts, resulting in a deficit on the collection fund	3	3 0.1% reduction in council tax = £0.1m	9	Would require reductions in budgets (increased savings) for the following year	Close monitoring of the collection fund and checking validity of exemptions and discounts particularly new property developments, student numbers, CTR discounts and empty discounts. Working with further education establishments to encourage development of more dedicated student accommodation. Trends in recent years have been positive and there is no indication for this to change in 2017/18.
Collection of council tax for CTR claimants falls due to the impact on household budgets and further changes to CTR scheme agreed in December, resulting in a deficit on the collection fund	3	2 0.1% reduction in council tax collection = £0.1m	6	Would require reductions in the budget (increased savings) for the following year	Close monitoring of the collection fund, including council tax payers under the CTR scheme. Additional debt collection resources were provided at the start of the CTR scheme and collection rates have been adjusted for further CTR scheme changes to reflect harder to collect debt. Collection rates in recent years have been maintained at target levels. Appropriate communication, advice and collection strategies have been agreed to minimise impact.

Risk	Likelihood of occurrence (L)	Impact (I)	Risk (L) X (I)	Possible Impact on Financial Strategy	Mitigation / Management
Services fail to operate within set budgets due to increased service demand or weak systems of demand management	3	4 1% gross expenditure on demand led budgets = £1.6m	12	Departmental service pressures that can only be met through additional resources, such as the risk provisions, or savings being made elsewhere. Possible need for emergency spending and/or recruitment controls with potential impacts on service delivery and quality. Reduction in reserves / working balance. Qualification of accounts by not securing economy, efficiency and effectiveness in the use of resources.	Close monitoring and analysis of demanded budgets and overall budget through TBM. Identify action plans to mitigate cost pressures. Use of the full adult social care precept to mitigate increased demand. Demand management activity prioritised through the Caring Together and Better Care Fund integration programmes in Adult Social Care, Dynamic Purchasing System in Homelessness and through the new model of social work practice (PODS and Adolescent Services) in Children's Social Care.
Services fail to operate within set budgets due to: <ul style="list-style-type: none"> • Unachievable income • Price variations • Exceptional legal costs 	3	4 1% of fees and charges income = £1.1m	12	Departmental cost or income pressures that can only be met through additional resources, such as the risk provisions, or savings being made elsewhere in the budget. Possible need for emergency spending and/or recruitment controls with potential impacts on service delivery and quality. Reduction in reserves / working balance. Qualification of accounts by not securing economy, efficiency and effectiveness in the use of resources	Monitor income budgets through TBM and the Modernisation Board governance arrangements for income and debt collection. Identify action plans to mitigate unachievable income, price variation and exceptional legal costs. In-year review of charging policy and revised charges approved where necessary. Support for improved contract management and procurement is planned for 2017/18.

Risk	Likelihood of occurrence (L)	Impact (I)	Risk (L) X (I)	Possible Impact on Financial Strategy	Mitigation / Management
<p>Services fail to operate within set budgets due to unachievable savings arising from:</p> <ul style="list-style-type: none"> - Over-estimate of the savings potential; - Industrial relations issues; - Withdrawal of political support; - Higher than estimated costs to implement the savings opportunity. 	3	3 1% of GF savings = £0.2m	9	Departmental service pressures that can only be met through additional resources, such as the risk provisions, or savings being made elsewhere in the budget. Possible need for emergency spending and/or recruitment controls with potential impacts on service delivery and quality. Reduction in reserves / working balance	Monitor savings through TBM and identify action plans to mitigate the unachievable savings. Potentially refer back to members for decisions on alternative savings.
Waste tonnages higher than projected resulting in additional disposal costs	2	4 1% increase in tonnage per annum = £0.7m p.a. over life of contract	8	Would increase the waste disposal budget and compensating savings would need to be identified elsewhere in the budget	Provision for higher tonnages made in assessment of waste PFI reserve. Monitor and identify specific areas of growth and undertake waste minimisation and further recycling measures.
The uncertainties within the housing market, changes in housing benefit and welfare reform create spending pressures within the budget e.g. homelessness	4	4 10% increase in net homelessness budget = £0.4m	16	Would create additional pressures in the Housing Strategy and potentially other related budgets which would need to find compensating savings	Continue to assess and monitor the potential impact of changes to the housing benefit system / welfare reform and plan and respond to government consultations accordingly. A range of additional discretionary funds continue to be set aside to be directed to the most appropriate area as needed. There are a number of supporting strategies linked to the corporate plan priorities including the Homelessness, Financial Inclusion and Welfare Reform strategies.
Increased insurance premiums as a result of national or international storm damage claims over the longer term	3	2 30% increase = £0.16m	6	Would require compensating savings to be identified in 2017/18 and future years.	Consider options such as retendering and further self-insurance to minimise potential cost increases. Continued emphasis on risk management to help prevent future claims

Risk	Likelihood of occurrence (L)	Impact (I)	Risk (L) X (I)	Possible Impact on Financial Strategy	Mitigation / Management
Long term borrowing rates higher than anticipated	2	2 0.1% higher = £0.02m for £20m	4	Would increase borrowing costs budget over the long-term. Would hinder business cases involving borrowing and make invest to save schemes less financially attractive	Closely monitor long term borrowing rates and future borrowing requirements to help identify the best time to borrow, supported by independent advisors. Trigger rates have been incorporated into decision making for new borrowing to ensure the council benefits from low interest rates in a fluctuating market. Under-borrowing (using available cash balances) remains a viable short term strategy.
Major civil incident occurs e.g. storm, flooding, riot	2	3 Estimated "Bellwin" threshold = £0.5m	6	Budget overspend / reduction in reserves / working balance. Pressures on other budgets The council would have to meet the costs of uninsured risks in addition to the "Bellwin" threshold.	Ensure adequate levels of reserves to cover threshold expenditure. Ensure appropriate insurance cover is in place and that the Insurance Fund is sufficient to cover uninsured risks.
Severe winter weather places additional spending pressures on winter maintenance and other budgets across the council	3	3 Depends on severity of weather event and length of cold snap	9	Need to use reserves or one-off risk provisions. Plan to replenish reserves in future years will be required.	Advance planning to minimise possible disruption.
Cost overruns occur on schemes in the agreed capital programme	2	3 1% cost overrun on total programme = £1.4m	6	Reserves or other capital resources redirected to fund overspend. Unable to meet capital investment needs.	Effective cost control and expenditure monitoring. Flexibility within programme to re-profile expenditure if necessary. Flexing Capital Financing Strategy.
Capital receipts lower than anticipated	3	4 10% reduction in receipts = £1.2m	12	Fewer resources available for transport programme, workstyles, modernisation, Digital First, 4-year Service & Financial Plans, and/or other strategic funds	Flexible capital programme that allows plans to be reduced or re-profiled. Alternative site disposal plans are capable of being accelerated if necessary.

Risk	Likelihood of occurrence (L)	Impact (I)	Risk (L) X (I)	Possible Impact on Financial Strategy	Mitigation / Management
Income from business rates is lower than expected due to successful rating appeals / higher levels of relief awarded / redevelopment of existing sites gives temporary reduction / collection performance declines	3	3 1% of forecast retained business rates income = £0.5m	9	Would require an increased budget gap to be addressed in the following financial year.	Make appropriate provisions in resource forecasts. Respond to CLG consultations on business rates changes. Close monitoring of business rates yield and collection to ensure it reflects the latest known position. Corporate approach to economic development and city regeneration.
The council fails to reduce its carbon footprint resulting in higher than anticipated energy costs and need to purchase more allowances than anticipated under the CRC scheme	2	2 Allowances budget = £0.2m	4	Would reduce resources within budgets creating the need to find additional savings.	Continue developing council carbon budgets for services and report / monitor alongside financial budget. Programme of investment to reduce carbon footprint across the council.
Further risks affecting 2018/19 onwards					
Transfer to 100% retained business rates by the end of parliament results in a net loss of resources from combined impact of: <ul style="list-style-type: none"> Reduced grant funding including the RSG New responsibilities transferred to authorities Increased business rates income Downward changes in business rates tax base have bigger impact than the current 49% exposure 	3	4	12	Transfer is expected to involve major transfers of functions and funding of approximately £60m and therefore creates significant uncertainty over resource levels. Would require an increased budget gap to be addressed in the following financial year/s.	Engage fully in upcoming and future government consultations to ensure there is early warning of any adverse consequences
Business Rates Revaluation due to be implemented in on 1 April 2017 leads a loss in business rates income from a change in distribution and new successful appeals	5	4 1% of forecast retained business rates income = £0.5m	20	Would require an increased budget gap to be addressed. Protection from safety net is afforded at 7.5% below baseline funding.	Respond to any government consultation on changes to the distribution mechanism. Liaison with VOA to ensure good access to data. Monitor the impact of appeals throughout the remaining revaluation period.
Pay assumptions for 2017/18 onwards are lower than agreed pay awards and other pay related costs	2	3 0.5% change in pay award = £0.7m	6	Impact on budget gap if pay provisions are insufficient to meet increased ongoing costs arising from transformation, pay awards and/or impact of the National Living Wage.	Monitor progress on pay award negotiations and wider national settlements. Monitor progress of pay negotiations on a frequent basis and update financial forecasts regularly.

Risk	Likelihood of occurrence (L)	Impact (I)	Risk (L) X (I)	Possible Impact on Financial Strategy	Mitigation / Management
Cash reductions in remaining unringfenced government grants in 2017/18 and beyond are above levels included in future years' budgets	4	4 5% reduction in unringfenced government grants = £0.7m	16	Would require an increased budget gap to be addressed in the following financial year	Provisions for reductions made in resource forecasts. Develop strategies to identify priorities and mitigate impact of reductions
Reduction in Dedicated Schools Grant following review of existing formula and possible introduction of a national model for distribution between schools	4	4 1% of DSG = £1.6m	16	Additional pressure on schools' budgets.	Respond to consultation papers and lobby Government on impact. Early discussions with Schools Forum on potential impact.
Reduction in Pupil Premium Grant (PPG) following review of its introduction in 2010/11 and performance of disadvantaged pupils over the period	3	3 10% of PPG = £0.9m	9	Additional pressure on schools' budgets.	Respond to consultation papers and lobby Government on impact. Early discussions with Schools Forum on potential impact.
Forecast resources from 2018/19 onwards lower than forecast in the MTFS	3	4 1% reduction in Settlement Funding Assessment = £0.8m	12	Would require an increased budget gap to be addressed in the following financial year/s.	RSG indicative allocations announced up to 2019/20 providing more certainty subject to the other risks identified. Lobby with LGA over future spending totals. Lobby for greater overall share of funding assessment (SFA).
Government changes to business rates (e.g. cap on multiplier, enhanced or new reliefs) are not fully funded through ongoing section 31 compensation grants	3	4 Estimated value of Section 31 grant = £2.5m	12	Would require an increased budget gap to be addressed in the following financial year/s.	Lobby CLG to ensure any new measures impacting on business rates income are fully funded.
Energy and fuel prices increase above budgeted provision	3	2 10% increase to the general fund = £0.35m	6	Would reduce resources within budgets creating the need to find compensating savings. However, higher electricity prices would mean that the share of electricity income from the Energy From Waste plant will increase to offset some of the cost increase.	Reduce consumption and implement measures to generate energy. Monitor energy/fuel market contracts closely. Risk provisions and service pressures provide some cover for higher inflation.
Investment interest rates lower than anticipated	3	3 0.1% lower = £0.07m	9	Would need more reserves to cover any shortfall in the investment interest budget.	Keep investment strategy under constant review.

Risk	Likelihood of occurrence (L)	Impact (I)	Risk (L) X (I)	Possible Impact on Financial Strategy	Mitigation / Management
Further transfer of schools from local authority to free schools and academies	3	3 10% transfer of pupils Reduced Business Rates income =£0.1m	9	Would require an increased budget gap to be addressed in the following financial year/s.	Provide central education services to new free schools and academies to help replace loss of funding. Reduce costs where possible.

Likelihood: 1 – Almost impossible, 2 – Unlikely, 3 – Possible, 4 – Likely, 5 – Almost certain.

Impact: 1 – Insignificant, 2 – Minor, 3 – Moderate, 4 – Major, 5 – Catastrophic or fantastic.

Risk (L x I): 1-3 Low, 4-7 Moderate, 8-14 Significant, 15-25 High.

Other potential risks

- Risks around alternative delivery models (ADMs), Trusts and outsourcing and joining up of services through shared services or partnerships which will need to be managed through robust legal and financial agreements and effective governance arrangements.

Opportunities

- Business Rates Retention scheme – Retaining 49% of business rates growth above the baseline funding level and up to 100% by the end of parliament.
- New Homes – Entitlement to New Homes Bonus Grant and increase in council tax resources.
- Improving the local economy – Potential to reduce Council Tax Reduction caseload and increase business rates and council tax resources.

4-Year Integrated Service & Financial Plans and Budget Strategies 2017/18 to 2019/20

The 4-Year Integrated Service & Financial Plans (ISFPs) in this appendix provide the following information for each service area:

- Service Area: Services are grouped under major divisions of service and then by Service Section. A brief description of the service area is also provided.
- Gross Budget (2016-17) – this is provided for contextual (scale) information only and is the current total expenditure for the service including staffing, transport and premises related costs, supplies and services, contract or provider costs, grants and other transfer payments;
- Net Budget (2016-17) – also provided for contextual information, this is the current Gross Budget less any income from fees and charges, specific government grants, rents, or external/partner funding (e.g. health service funding);
- Budget FTE (2016-17) – further contextual information indicating the current Full Time Equivalent (FTE) staffing budget for the relevant service area;
- Rationale for Strategy – provides a brief description of the service's main objectives and the strategic approach adopted for improving value for money or reducing spending over the 4-year period;
- Service & Financial Proposal – a brief description of the measures that will be undertaken to achieve savings over the 4 years; often with more detail provided for 2017/18;
- Delivery Risk and Impact on Outcomes – identification of potential risks to delivery and/or the level of saving achievable and a summary of the potential impact of the service strategy on outcomes for customers, service users, clients, partners and other stakeholders as appropriate;
- Saving 2016/17 – for information only, this identifies savings already delivered or being delivered in the current financial year i.e. Year 1 of the 4-Year Plan;
- Savings 2017/18 to 2019/20 – proposed amounts to be saved over the remaining 3 years of the 4-Year Plan. The Council will only formally approve the proposals for 2017/18 (highlighted) for which there is a statutory requirement to set and approve a budget and Council Tax.

Summary of Integrated Service & Financial Plans 2017/18 to 2019/20

Directorate	2017/18			2018/19			2019/20			2017/18 To 2019/20		
	Proposed Savings £'000	Posts Deleted FTE	TUPE FTE	Proposed Savings £'000	Posts Deleted FTE	TUPE FTE	Proposed Savings £'000	Posts Deleted FTE	TUPE FTE	Proposed Savings £'000	Posts Deleted FTE	TUPE FTE
Director of Families, Children & Learning	0			0			0			0		
Health & Disability Services	1,731	12.8	96.6	1,383	2.2		300	3.0		3,414	18.0	96.6
Education & Skills	1,940	27.4	30.8	263	2.0		212	2.0		2,415	31.4	30.8
Children's Safeguarding & Care	2,039	5.0		2,247	0.5		1,768	8.0		6,054	13.5	
Children's Safeguarding & Quality Assurance	0			0	0.0		70	1.0		70	1.0	
Total Families, Children & Learning	5,710	45.2	127.4	3,893	4.7	0.0	2,350	14.0	0.0	11,953	63.9	127.4
Adult Social Care	2,285	3.5	26.0	1,725	10.0		766	10.0		4,776	23.5	26.0
S75 SPFT	293			340			255			888		
Integrated Commissioning	172			85			70			327		
Public Health	2,148	2.0		836	0.9		479	4.6		3,463	7.5	
Total Health & Adult Social Care	4,898	5.5	26.0	2,986	10.9	0.0	1,570	14.6	0.0	9,454	31.0	26.0
Transport	1,083	5.0		455	3.3		491			2,029	8.3	
City Environment	1,025	11.0		741	10.6		261	8.0		2,027	29.6	
City Development & Regeneration	384	2.0		275	1.5		192	1.5		851	5.0	
Culture	335	6.0		121		118.5	81			537	6.0	118.5
Property	1,638	17.8		409	2.0		402			2,449	19.8	
Total Economy, Environment & Culture	4,465	41.8	0.0	2,001	17.4	118.5	1,427	9.5	0.0	7,893	68.7	118.5
Housing General Fund	1,579	6.0		364	2.0		93	2.4		2,036	10.4	
Libraries	142			205	4.1		154	2.3		501	6.4	
Communities, Equalities & Third Sector	628	3.2		170	1.0		135			933	4.2	
Regulatory Services	220	2.8		129	2.5		70	1.0		419	6.3	
Community Safety	92	1.0		38	1.0		31	0.5		161	2.5	
Total Neighbourhood, Communities & Housing	2,661	13.0	0.0	906	10.6	0.0	483	6.2	0.0	4,050	29.8	0.0
Finance	1,222	23.3		446	18.5		408	13.5		2,076	55.3	
Finance (Tax Base Savings)	341			307			307			955		
Human Resources & Organisational Development	354	7.0		207	3.0		181			742	10.0	
ICT	657	9.0		394	5.0		288	8.0		1,339	22.0	
Total Finance & Resources (excl Tax Base Savings)	2,233	39.3	0.0	1,047	26.5	0.0	877	21.5	0.0	4,157	87.3	0.0

Directorate	2017/18			2018/19			2019/20			2017/18 To 2019/20		
	Proposed Savings £'000	Posts Deleted FTE	TUPE FTE	Proposed Savings £'000	Posts Deleted FTE	TUPE FTE	Proposed Savings £'000	Posts Deleted FTE	TUPE FTE	Proposed Savings £'000	Posts Deleted FTE	TUPE FTE
Corporate Services	445	0.0	0.0	116	0.0	0.0	16	0.0	0.0	577	0.0	0.0
Corporate Policy	60	1.0		40	1.0		10			110	2.0	
Democratic & Civic Office Services	54	0.2		32			29			115	0.2	
Legal Services	120	0.8		59			40			219	0.8	
Life Events	151	0.0		40			60			251		
Performance, Improvement & Programmes	113	3.0		48	1.5		26	0.5		187	5.0	
Communications	76	0.0		61			46			183		
Total Strategy, Governance & Law	574	5.0	0.0	280	2.5	0.0	211	0.5	0.0	1,065	8.0	0.0
Total General Fund (excl Tax Base Savings)	20,986	149.8	153.4	11,229	72.6	118.5	6,934	66.3	0.0	39,149	288.7	271.9
Total General Fund (incl Tax Base Savings)	21,327	149.8	153.4	11,536	72.6	118.5	7,241	66.3	0.0	40,104	288.7	271.9
Housing Revenue Account	932	0.0	0.0	350	1.6	0.0	250	0.0	0.0	1,532	0.0	0.0

Families, Children & Learning

Budget Strategy 2017/18 to 2019/20

Services and Responsibilities

Families, Children and Learning brings together different services for children and young people from birth up to the age of 25, together with services for adults focused on skills & employment and learning disabilities. Much of the education and special educational needs provision is funded through the ring-fenced Dedicated Schools Grant (DSG). Although this budget strategy is focused on General Fund spend there are also parallel proposals in relation to the DSG as there is a significant pressure on the budget following the extension of support for young people with Special Educational Needs & Disabilities (SEND) up to the age of 25 and also parallel pressures on school budgets.

The main area of General Fund spend relates to the placement costs for children and young people in care and adults with learning disabilities (LD). The LD budget transferred across on 1 November 2016 in order to ensure improved pathways between children and adult services. It is a large net budget of just under £29m and includes a supported employment budget, part of which supports a team supporting adults with learning disabilities which work closely with colleagues in the Education & Skills branch. There are significant budget pressures on this budget and it is currently overspending in relation to placement costs within the Community Care budget arising from residents requiring more support. There is currently a procurement exercise taking place to reduce costs across some of the LD provision.

In relation to children, the number of children with child protection plans and being brought into care nationally continues to increase. Over the last 12 months however, the numbers in Brighton & Hove have been reducing. This has led to cost savings, but is at risk if there is a high profile safeguarding case either nationally or locally. In addition, both locally and nationally there has been an increase in the number of adolescents requiring intensive support, including high costs residential placements. In part this is related to the greater focus on meeting the needs of young people who are vulnerable to child sexual exploitation.

Our vision is for a directorate that is ambitious and works more closely with partners. We want all of the city's families and children to be happy, healthy and safe, fulfilling their potential. Over the last few years, services have been redesigned in order to improve efficiency and reduce costs and this will continue in future years with proposals to stop doing some things, redesign some services and reduce the demand for more intensive and expensive services. Inevitably, this requires difficult decisions in balancing untargeted, non-statutory support with preventative, statutory and safeguarding provision.

There are 3 key branches in the directorate together with a performance and safeguarding service that ensures that we meet our duties and provides quality assurance. The key branches are as follows:

Education and Skills £7.683m

This service area includes:

- Early Years and Family Support (including Children's Centres)
- School Organisation

- Education Standards and Achievement
- Skills, Employment and Youth
- Virtual School for children in care
- Music and Arts Study Support

Health SEN and Disability Services £34.319m

This service area includes:

- Educational Psychology and Learning Support Services
- Special Educational Needs
- Social work and early help support for children with a disability
- Residential, short break and respite provision for children with a disability
- Assessment, social work, behaviour support and health services for adults with learning disabilities
- Council residential and day activities services for adults with learning disabilities
- Able & Willing Supported Employment Service

Safeguarding and Care £39.113m

This service area includes:

- Fostering and Adoption Services
- Children in Need and Child Protection
- Children in Care and Leaving Care services
- Adolescence and Youth Offending Services
- MASH (Multi Agency Safeguarding Hub)
- Early Help Hub
- Early Parenting Assessment Programme & Looking Forward project
- Contact Service
- RuOK? – substance misuse service for adolescents
- Functional Family Therapy

Users of Family Children & Learning Services

The directorate provides a range of different services from universal to those targeted at small groups of people with very high levels of need and/or where we are required to fulfil a statutory duty. Some of the key groups of users we interact with are as follows*:

32,190	children attend city schools;
8,432	parents/carers applied for school places this year;
7,018	contacts were received by the Multi Agency Safeguarding Hub this year, of these 2,400 were safeguarding concerns that required follow up work;
6,156	children have been identified as having a special educational need or disability;
4,237	children are eligible for free school meals;
3,652	children with additional needs are supported by the Inclusion Support Service;
2,963	nights of respite accommodation were provided for disabled children;
2,600	children attended a council Children's Centre in the last quarter;
2,160	children are open to our social work service, of these, in November 2016, 387 are on a child protection plan and 449 have been brought into the care of the Council;

972 children have an Education Health & Care plan;
 784 families have been identified locally through the national Troubled Families Programme;
 742 adults with a learning disability are supported by the Council's community care budget (this includes 428 people who receive accommodation support);
 730 young people had contact with the council's youth service in the last quarter;
 559 children attend a council nursery;
 398 children receive supported bus travel to school and a further 470 children receive free bus passes;
 300 young people were supported by the Youth Employability Service;
 288 Direct Payments were made to children and adults with a disability;
 187 children are electively home educated;
 140 homeless families were supported by the directorate;
 143 adults with a learning disability attend day care support;
 135 foster care families are supported by the directorate;
 95 families who have an adopted child were supported and last year 40 children moved out of care into adoption. A further 42 children are supported through a special guardianship order.

* Please note these figures are a mixture of snapshots in time or usage over a set period and are shared with the intention of being illustrative.

Strategy and Key Proposals

Getting basic services right and making the city an enjoyable place to live and work

- Improving outcomes for the different client groups is the key driver for the directorate. Although there have been significant budget savings in previous years, the various service redesigns that have been implemented have helped to ensure that improvements are maintained. It is intended that future service redesigns will continue this trend.
- Work is taking place to develop a wider education partnership that might in the longer term take on some of the council's education responsibilities. Engagement regarding this is currently taking place with schools.

Protecting provision for vulnerable people as the city's population grows and the cost of care rises

As mentioned there are considerable pressures on social care and disability budgets as evidenced by in-year forecast overspending and projected demands and costs. The budget will provide substantial service pressure funding of £2.712m for children's social care and £2.973m for adult learning disability services which will be applied to meet new demands and growing costs. Proposals for savings and efficiencies are as follows:

- The now established model of practice in social work and the adolescence service is contributing to a stepping down of children to less expensive placements and keeping them out of care. It is anticipated that these measures will result in significant savings on our current activity as set out in the 4 year budget strategy, although there are additional financial demands that are creating pressures on the budget as a consequence of increased care leaver costs, an increasing number of adolescents with very risky behaviours and increased numbers of unaccompanied asylum seeking young people. The budget will ensure social work caseload ratios are maintained in line with safe and good practice.
- The directorate is developing a proposal which it is hoped could lead to the development of in-house residential provision for adolescents in our care, potentially with a partner provider,

therefore avoiding out of city costs. Such a proposal will be presented to the Corporate Modernisation Board as an invest-to-save proposal to ensure due diligence. The business case is not yet finalised.

- The review of the fostering service last year is already leading to a reduction in the number of independent foster placements required. This is in the context of our increased 'Staying Put' duty to provide continued foster care for young people over the age of 18.
- The current provision of in-city residential and short breaks provision for disabled children is to be restructured to provide increased resources for long term full-time residential support thus preventing the need for agency out-of-city placements for children in care or needing residential provision. Increased use of direct payments will support families needing short breaks.
- Bringing together adult learning disability and children's disability services will provide an opportunity to rationalise management across both services. This follows management savings following the recent directorate restructure leading to a reduction in the number of Assistant Directors and the redesign in Children's Social Work services to pod teams and the deletion of Practice Manager posts.
- A redesign of our wider early help services is currently being developed which will include management efficiencies. This includes consideration of the provision that meets the Troubled Families agenda and the relationship with the Multi Agency Safeguarding Hub.
- Youth Service in-house and contracted provision will be fundamentally redesigned and will not be able to provide universal youth service provision. Other services for young people, including advocacy and services and support for those who are vulnerable to exploitation, involved in substance misuse, entering the criminal justice system or requiring emotional and mental health support will be prioritised for continuing support.

Supporting economic growth and regeneration that benefits everyone

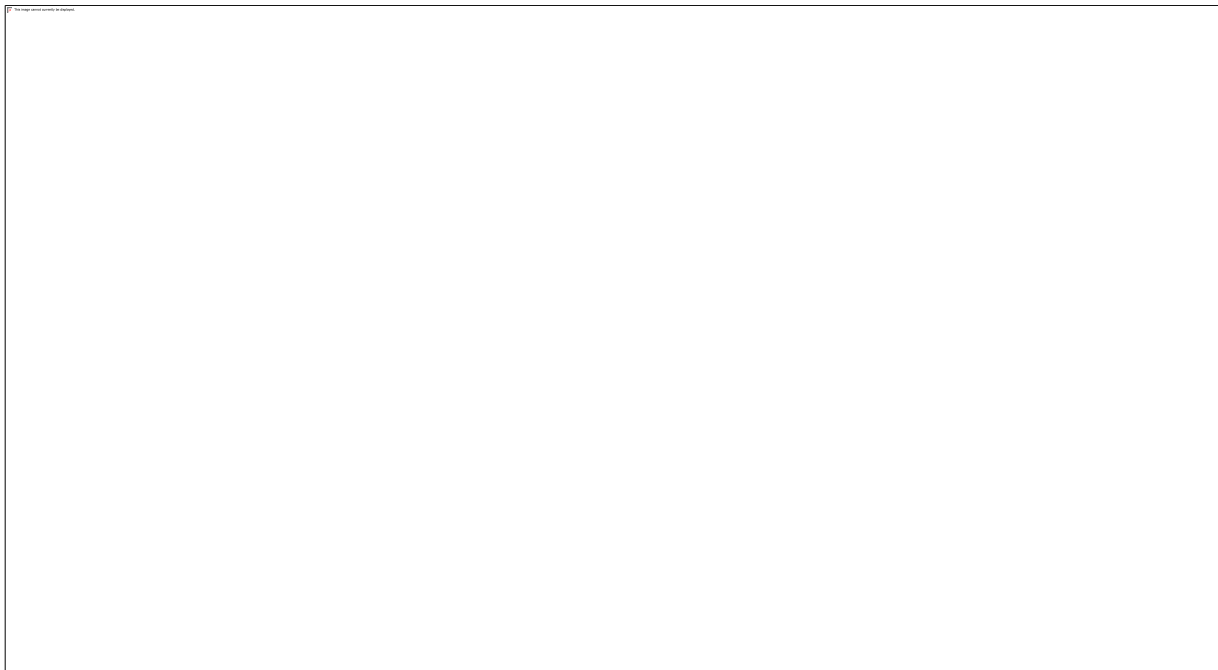
- The support for the city wide skills and employment plan is working closely with the wider city growth strategy. There will be a key focus on increasing the number of apprentices employed within the council and across the city as a whole.
- The Music and Arts Service is under-going a procurement process which aims to link it to wider cultural provision and greater opportunities to attract different sources of funding.

Key Service and Financial Risks

The directorate provides targeted support and interventions. Our Ofsted inspection recognised that the council is running a safe system, protecting children from harm, however it should be noted that need is increasing nationally, including an increasing number of children entering the care system.

Risks are set out in the detailed schedules for each proposal but there are wider risks that can impact on the budget strategy such as high profile child safeguarding cases, changes in legislation or in court proceedings.

One key example of the financial risk that the council is facing is legislation going through the House of Lords currently to make it a statutory duty for us to work with all care leavers until they are 25. At present the statutory responsibility ends at 21 (or 25 if in education). Below is an estimate of the number of care leavers who will be eligible to receive a service when these changes come in.



Department				Savings Detail			
Department	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Director of Families, Children & Learning	1,007	292	4.0	100	-	-	-
Health & Disability Services	39,055	34,319	378.1	4,008	1,731	1,383	300
Education & Skills	12,831	7,683	280.0	786	1,940	263	212
Children's Safeguarding & Care	39,380	37,679	356.4	2,971	2,039	2,247	1,768
Children's Safeguarding & Quality Assurance	1,496	1,434	25.2	-	-	-	70
Total Families, Children & Learning	93,769	81,407	1,043.7	7,865	5,710	3,893	2,350

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
DIRECTOR OF FAMILIES, CHILDREN & LEARNING											
Director of Children's Services	Salary and directorate support costs for the Director and support staff	264	264	4.0	Savings of £0.100m were achieved last year through a reduction in senior management.			100			
	Troubled Families	743	28	-	This is a largely grant funded programme The current programme is seeking to work with a total of 784 families who meet the central governments criteria for being 'troubled families'.						
Director of Families, Children & Learning Total		1,007	292	4.0				100	-	-	-

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
HEALTH & DISABILITY SERVICES											
Services for children with disabilities	Residential, respite and short breaks.	2,130	2,102	56.9	The LA will continue to meet its full statutory duty towards children with SEN and disabilities and remains committed to working with parents, young people and all stakeholders, including the Community & Voluntary Sector (CVS), in partnership. In this area of high spend and increasing demand for services, reviews and consultations are looking to integrate, consolidate and improve services. The aim is to preserve and enhance where possible frontline services for children and families but also reduce spend through more efficient management, back office functions and use of infrastructure such as buildings. Reviews of the way services are organised are underway. Rationalisation of service delivery is proposed via the closer working with adult services and improved transition arrangements. Annually there are about 3,000 nights when children with disabilities stay at one of our provision and 123 families who receive a direct payment from the Council	Review of contracted services to ensure value for money and effective service delivery in the areas of information, advice and guidance and short break support. This saving represents just under 10% of the budget for contracted services across disability, parental advice and mental health services and is being found by re-tender of larger contracts, asking contractors to reduce administration costs and transfer of responsibilities for a counselling contract to the Clinical Commissioning Group (CCG). In addition the council is looking to re-direct some services for mental health advocacy to the statutory youth advocacy service within the council as this will allow a more strategic alignment in order to reach as many young people as possible.	opportunities will be impacted. Impact on Outcomes: Careful and well-planned introduction will ensure minimal impact on outcomes. See EIA 1.	-	86	100	40
Services for children with disabilities	Social work	1,013	1,013	25.0		Reduction in management capacity across the Children's Disability Service and the Adults Learning Disability Service following re-structure to provide one integrated service. Bringing together adult and children's services provides an opportunity to rationalise management across both services and to streamline provision.	Delivery Risk: May impact on management capacity at pressure points but priority will be on statutory duties. See Staffing EIA S2.	50	100	50	200
Services for children with disabilities	Direct payments	348	248	-							
Services for children with disabilities	Family support services	87	87	-							
Services for children with disabilities								500	-	-	-

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Agency disability	Residential, fostering, boarding school and respite placements	1,313	1,313		- 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.	The current provision of in-City residential and short breaks provision to be re-structured to provide increased resource for long term full-time residential support thus preventing the need for agency out of City placements for children in care or needing residential provision. Increased use of direct payments will support families needing short breaks.	Delivery Risk: Reliance on positive impact of the new practice model changes and anticipated downward trend on agency placements. Impact on Outcomes: Impact on children and families will be mitigated by a considered restructure of residential provision and a rebalancing of budgets and to increase funding for Direct Payments. Greater provision of full time residential education and care will help keep families together. See EIA 2.	290	510	150	60
Special educational needs	Special Educational Needs	281	281	18.4	No change proposed. As of November 2016 there are a total of 6156 children identified as having a special education need of some sort with 972 who have an Education, Health & Care Plan (previously a SEN Statement)			40			
Learning Support Service	Integrated Inclusion Service. Including Educational Psychology Service and Child & Adolescent Mental Health Services (CAMHS)	567	435	28.1	This is a new service that has been developed from what were previously separate services. The main funding comes from the Dedicated Schools Grant. This is also a small trading element at present and it is intended that this function is developed further over the next year and that additional income is then achieved from 2018/19.	The proposal is to develop a greater traded function which schools believe offers them value for money. As this is a new service this cannot be done immediately.	Delivery Risk: School budgets are under considerable pressure despite minimum funding guarantees. Impact on Outcomes: If additional income is achieved there should be no specific impacts.	225		200	

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000	£'000				£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Community Care (Adults) including: Community Support Day Care Direct Payments Home Care Shared Lives Supported Accommodation Residential Care Nursing Care	Learning Disabilities 905 Whole Time Equivalents (WTEs) budgeted for in 2016-17	24,150	21,374	-	High cost services compared with benchmarked authorities which impacts on value for money. Cultural change is required to deliver a more personalised approach, building on community resources. Closer working with Housing colleagues will be necessary here.	Review high cost clients receiving multiple services who have not been reviewed in the previous two years. Taking a more holistic approach to the commissioning of care homes.	Delivery Risk: Limited availability of suitable accommodation in the City, high unit cost and continued increase in the numbers of clients with eligible need. These demands equate to additional costs of £3.223m for 17/18. Savings can only be achieved by accessing local accommodation. Impact on Outcomes: Concentrating on key statutory duties and those clients who present the highest risk to themselves and to the Community, ensuring needs are met in the most cost effective manner. See EIA 2a.	2,004	650	650	-
Assessment & Support and Intervention Team (Adults)	Learning Disabilities Assessment Teams (including Management, Assessment and Admin)	997	900	24.5	Improvement of digital offer and ability to self assess and reduce demand. Develop customer portal and use of technology to improve efficiency.	Supported self assessment and signposting of customers by effective use of the on-line portal to divert traffic. Also, implementation of micro-commissioning and brokerage model. Includes increased use of brokerage and externalisation of reviews for lower needs cases. Opportunities for integration with health and children's services will be within scope of the redesign.	Delivery Risk: Ability to develop an integrated approach with partner organisations to deliver services. The availability of effective ICT systems and infrastructure are key to the achievement of savings. Significant increase in demand relating to Deprivation of liberty Safeguards (DOLS) and associated costs, resulting in pressure on the budget.	100	31	-	-
Learning Disabilities - Community Support (Adults)	Community Support Service 75 WTEs budgeted for in 2016-17	233	196	6.1	High cost compared to benchmarked authorities and to other client groups. Strategy is to re-model and streamline the service to improve value for money.	Re-modelled service focusing support for complex, high need individuals in their own homes through short term services.	Delivery Risk: Delays in implementation. Impact on Outcomes: Assessed needs will continue to be met in line with statutory duties. See EIA 3.	30	30	-	-

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		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Learning Disabilities - Day Services (Adults)	Learning Disabilities - Day Options 35 WTEs budgeted for in 2016-17	735	714	31.5	Part of the Learning Disability Strategy - includes increased Personal Budgets, and re-providing support.	'Move-on' of clients using community resources, and personal budgets focusing on those with most complex needs.	Delivery Risk: Delays in implementation that could reduce savings.	580		100	-
Learning Disabilities - Employment Support (Adults)	Employment Support Services including Able & Willing	863	390	30.8	A non-statutory service, and there is a need to focus on supporting more people into work.	Focus services so that they enable people to develop skills, and the service is able to support more disabled people into work, rather than the Council directly providing long term employment.	Delivery Risk: None - restructure already in place. Impact on Outcomes: This saving has already been achieved.	-	50	-	-
Learning Disabilities - Residential (Adults)	Registered Residential Service (4 Homes) Ex-Health Homes Maintenance 19 WTEs budgeted for in 2016-17	2,497	2,171	60.5	High cost and most local authorities do not provide services in-house. Part of Learning Disabilities strategy is to re-provide services. Maintenance budget will be considered as part of the service re-provision.	Following consultation to implement outcomes/model to deliver the savings required	Delivery Risk: Delays in implementation and potential risk of staff transfer costs. Impact on Outcomes: Not anticipating any impact on outcomes for service users.	70		-	-
Learning Disabilities - Residential (Adults)	Respite Services	822	766	19.7	Part of Learning Disabilities strategy which will focus the service on complex, short term, hospital avoidance/step down cases and provide a service of last resort.	Re-focus of service to complex, short term services. Opportunities for use of provision being considered as part of the LD/SEND review.		-	-	-	-
Learning Disabilities - Shared Lives (Adults)	Shared Lives Service	47	47	2.7	Good value for money compared to residential care or Voluntary Sector/delivers savings to Community Care budget.	Scope to support 'move on' and release savings in other areas. Continue to monitor Value for Money (VfM).		-	-	-	-
Learning Disabilities - Supported Accommodation (Adults)	Registered Supported Living (8 Services) 42 WTEs budgeted for in 2016-17	2,703	2,013	69.9	High cost and most local authorities do not provide services in-house. Alongside supporting some people to move on to more personalised services.	Following consultation to implement outcomes/model to deliver the savings required	Delivery Risk: Delays in implementation that could reduce achievable cost reductions. Without re-provision, value for money concerns will persist. Potential risk of staff transfer costs. Impact on Outcomes: Not anticipating any impact on outcomes for service users. See EIA 5.	94	223	-	-

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FAMILIES, CHILDREN & LEARNING											
Other	Learning Disabilities Operational Provider Management (Including Denmark Villas Management)	269	269	4.0	Existing management structure required to support the current procurement of Learning Disability accommodation services.	This saving was originally identified in 2018/19 but has been brought forward. The wider redesign of services for both children and adults should lead to overall efficiencies, including management savings.	Delivery Risk: Delays in integration would impact on the saving identified here. Impact on Outcomes: Not anticipating any impact on outcomes for service users.	25	51	133	-
Health & Disability Services Total		39,055	34,319	378.1				4,008	1,731	1,383	300
EDUCATION & SKILLS											
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	2,046	2,046	7.1	Underlying pressure on this budget requires further work on independent travel, and rigorous implementation of policy. Planned work on reducing spend on supported buses is also underway. As of November 2016 there are 398 children and young people who receive direct transport support and a further 470 young people who receive bus passes. In addition this budget contributes to the wider supported bus transport subsidy	Significant savings have been achieved in previous years and overall cost compares well with other Councils. No further proposals are included here although a review is planned which might lead to future saving proposals		-	-	-	-
Schools PFI	PFI budget for 3 schools	2,407	-	-	No change proposed. Tied to long term PFI contract.	No change					
Access to education	Access to education team including council functions and process regarding school attendance and exclusion, missing education, employment licences, EOTAS (elective home ed and medical needs).	218	175	5.7	Continued support to improve attendance and reduce exclusions will lead to a reduction in support costs in the medium term. As of November 2016 there were 32,190 children attending Brighton & Hove schools.	Reduction in support costs in the medium term.	Delivery Risk: Service redesign needs to be effective to avoid pressures on the service in later years. Impact on Outcomes: Not anticipating any impact on outcomes for service users.		61	50	39

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		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Standards & Achievement	Core school intervention team, commissioned school partnership advisers (this funding previously was part of the Education Services Grant - please see below)	467	467	7.5	Greater efficiency to improve value for money.	To deliver service differently. Money has been allocated to fund a Partnership Adviser for Leadership and Governance. This was due to be appointed for 2016-17 academic year. By allocating responsibilities between the existing team and apportioning some of Hilary ferries time for management, it is possible to not appoint to this role.	Delivery Risk: Low risk. Impact on Outcomes: Customer satisfaction will be monitored closely.	15	69	33	33
Education Services Grant (ESG)	This was previously a direct grant from the DfE, although not ring-fenced. The DfE have set out interim arrangements for next year as there has been a delay in introducing a new funding formula for schools. Without the agreement from School's Forum to agree for the £0.478m to be returned to the council the wider Standards & Achievement budget above would have been largely unfunded				The ESG is being reduced from £2.895m to £1.007m in 2017/18, with the remainder being cut in 2018/19. As a result of this reduction, all expenditure has been reviewed to identify any possible savings. Funding previously allocated to the Local Authority through the ESG for retained duties for all pupils, has been transferred to the schools block of the DSG in 2017/18. The transfer from the ESG into the DSG is £0.478m. There was an extraordinary meeting of the Schools Forum on the 1 November which obtained approval for this £0.478m to be met from DSG. This gives a £0.478m saving to the General Fund.	No change	Impact on Outcomes: No impact anticipated.		478		
Governor Support	This service provides challenge and support to governors to full fill our statutory role as a LA. It also provides a high quality traded service which has a high percentage buy back from schools.	61	50	3.5	This service provides challenge and support to governors to full fill our statutory role as a LA. It also provides a high quality traded service which has a high percentage buy back from schools.	Savings through efficiencies and increasing trading of the service.	Delivery Risk: Low risk.		10		

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
School Organisation & Admissions	This includes our staff and support to deliver on our statutory school organisation and admissions role and management and leadership of school meals, home to school transport and all other statutory school organisation functions.	109	109	2.0	No further changes proposed given current pressures on this area of service and potential changes to school admission arrangements						
Adult and community learning	Provides short informal courses and advice for adults who are not currently in work	360	8	6.0	Significant savings have been achieved in previous years			3			
Music & arts study support	Provision of music and arts opportunities	1,074	7	29.6	Remove remaining council subsidy. The service is leading on the development of a cultural hub for the city and is aiming to remodel with partners over the next year.	New delivery model should be in place	Delivery Risk: Change of venue of activities could impact on numbers of CYP attending activities. Impact on Outcomes: Improved Partnership working with increased opportunity for income generation. See EIA 6.	10	7		
Other Services/Management	The Virtual School.	37	37		- Greater efficiency to improve value for money. More effective use of pupil premium.	To deliver service differently to reduce costs.	Delivery Risk: Low risk. Impact on Outcomes: No impact anticipated.		20		
Other Services/Management	The catering contract	18	18		- Cease this internal contract to address value for money concerns.	Cease contract/subsidy for the Kings House service.	Delivery Risk: Low risk. Impact on Outcomes: No impact anticipated.	54	10		
Other Services/Management	Standing Advisory Council on Religious Education (SACRE)	-	-		- Improve efficiency in the delivery of this statutory service.	Small reduction in associated cost of provision.	Delivery Risk: Low risk. Impact on Outcomes: Continues to deliver strategy requirements.	6			

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FAMILIES, CHILDREN & LEARNING											
Other Services/Management	Education and Traded services support	129	129	4.0	No further changes are proposed. This is the budget for the Assistant Director, the officer responsible for traded services (which is fully funded by the service level agreements) and administrative support	Additional trading across Education and Skills in 2017/18		10	20		
Youth Service	Integrated support service for children aged 13-19	1,052	1,004	28.8	Statutory duty to ensure there is a suitable offer to young people. In addition this budget is responsible for the statutory advocacy team. There is evidence of the impact of youth work, advice and support on corporate priorities, especially participation and transition from school to employment and participation.	The Youth Review recognised a reduced investment requirement for in-house provision of targeted youth work, youth engagement and central support/coordination, and for commissioning of open access provision for targeted neighbourhoods/communities from CVS providers. Four staff and a manager were transferred to the Stronger Families Team in addition to the deletion of the Head of Service post. Subsequently it is proposed that the council no longer provides or funds a youth service. The management post has been deleted (below) and there will need to be further consultation on the remainder of the youth service and consideration of commissioning provision with a particular focus on groups with protected characteristics.	Delivery Risk: The LA ensuring there is sufficient coordination of the youth agenda going forward. Impact on Outcomes: There will no longer be universal youth provision. Discussions will be required with existing youth providers across the city. See EIA 7 & Staffing EIA S4.	399	645		
Youth Service	Management				Review of management structure	Deletion of Head of service post. There will be a further review of management arrangements given the proposal above	See EIA 7 & Staffing EIA S4.		50		
Youth Service	Play Service	-	-	-	Plan staff consultation re ceasing service. Ongoing revenue funding ceased last year.	Exploration of alternative funding options has been unsuccessful	Delivery Risk: Reduction in universal play service support for children - service is valued by families that receive it.	1			
Youth Service	Youth Employability Service	457	423	11.0	Efficiencies have been achieved in previous years but outcomes continue to be strong. No further budget reductions are proposed. As of November 2016 the service works with 300 young people of whom 149 are not in education employment or training.						

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FAMILIES, CHILDREN & LEARNING											
Early Years - Children's Centres	City-wide service integrated with health visiting which aims to improve outcomes for children under 5. Seven designated Children's Centre's and delivery points across the city.	1,553	1,553	46.0	The service was reviewed in 2015/16 and funding reduced from April 2016. The Fairness Commission recommended that the Council should prioritise support for Children's Centres. As of November 2016 there are 2,600 children attending Children's Centres and in addition 140 children receiving targeted interventions and a further 100-150 adults volunteering or receiving support to help them back into employment	Income from midwifery for clinics. Running cost savings. Alternative funding for finance support from 2018/19.	Delivery Risk: Low risk. Impact on Outcomes: Minimal impact. See EIA 8.	156	60	60	
Early Years - Children's Centres	City-wide service integrated with health visiting which aims to improve outcomes for children under 5. Seven designated Children's Centre's and delivery points across the city.				Two year olds from low income families are entitled to free part time childcare funded by the Dedicated Schools Grant. Promoting volunteering.	Review of universal groups run in children's centres and play and learn groups in libraries. Reducing funding for the Brighton Unemployed Centre Crèche. Reduction in administration.	Delivery Risk: Not all children attending the crèche will be eligible for free childcare and some attend other settings. Impact on Outcomes: Risk that the Brighton Unemployed Centre Crèche may close. See EIA 8.		40		
Early Years Nurseries	Subsidy for the Council run nurseries (Acorn, Bright Start, Cherry Tree, Jump Start, Roundabout 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.	1,353	326	87.7	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. The Government is introducing a tax-free childcare scheme from April 2017 worth up to £2,000 per child each year and £4,000 for disabled children and extending the entitlement to free childcare from 15 to 30 hours for 3 and 4 year olds with working parents from September 2017. There are 539 children attending council run nurseries	A staffing restructure has recently been completed to achieve the savings agreed for 2016-17 and achieve future savings. However because of pay protection the full savings will not be achieved until 2019-20. An increase in fees that parents pay for children under three to £5.15 an hour is currently being explored further.	Delivery Risk: Medium risk - the fee increase may reduce occupancy in the nurseries. Risk that Government funding for 30 hours is less than the fees paid by parents so this will reduce income for the nurseries. Impact on Outcomes: Minimal impact.	60		20	40

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		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Early Years - Childcare	Support for childminders, out of school childcare, childcare workforce training, inclusion funding for children under 2 and management and administration of free entitlement for 3/4 year olds	527	368	8.8	Statutory duties to secure advice and support for childcare providers and sufficient childcare provision. To encourage childcare providers to increase the number of apprentices and access apprenticeship funding for qualifications. To use a self-service database to administer training.	To no longer provide funding for childcare qualification bursaries. Reduced administration for organising training following the introduction of a self-service database. Removing sustainability funding for voluntary sector providers and running cost savings.	It is hoped that the apprenticeship levy and new funding mechanisms for apprenticeships will provide alternative funding for childcare qualifications. However there is some uncertainty about how this will affect childcare providers and whether the funding will be enough. The Government is expected to publish a workforce strategy which may clarify the funding. Impact on Outcomes: Minimal impact. See EIA 9 & Staffing EIA S1.	41	60	20	20
Integrated Team for Families and Parenting Service	The ITF & Parenting Service work with families who have multiple complex needs that generally fall just below the social work threshold, including Family Coaching, specific interventions and group work programmes. These contribute to the Stronger Families Stronger Communities (SFSC) targets. The Parenting Service delivers evidence based group and 1-1 parenting interventions. Also funded from Troubled Families Budget (£530,000)	811	811	30.3	To review the service to only offer those interventions which are most effective. Also to look at opportunities to align the work of this team more closely with other early help provision.	To restructure the staffing of the service and reduce running costs. This is part of a wider piece of work looking at early help services	Delivery Risk: High. There is currently a high demand for the service with waiting times of between 4-6 weeks. Increased waiting times or rejecting referrals could result in increased pressure on social work teams i.e. families referred to MASH as situation escalates and social workers not being able to step down to Early Help. Impact on Outcomes: High impact is possible - likely to increase pressure on social work. See EIA 10 & Staffing EIA S3.	31	80	80	80

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		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Early Help	This is not a discrete budget but seeks to consider efficiencies across a range of budgets in this area including Stronger Families, Stronger Communities, the Integrated Team for Families and Parenting Service and the Early Help Hub				To be achieved through a re-design of early help activity across Families, Children & Learning to include the Early Help Hub, Parenting, Family coaching and the repercussions of the ending of the Troubled Families programme by 2020. Currently available resources by this date will reduce by two thirds.	Services will focus on those children at risk of escalating need to meet social work thresholds by delivering family support through community provision as part of the neighbourhood strategy based in children's centres.	Delivery Risk: A reduction of this magnitude is high risk to the demand strategy, coupled with other political, social and economic factors which affect this cohort such as welfare reform reducing benefits and cuts in partner agencies provision. We are collaborating with other agencies to maximise effective resource allocation Impact on Outcomes: Might lead to a reduction in support for families with less urgent needs but who still meet the criteria for the governments Troubled Families programme See EIA 10 & Staffing EIA S3.		300		
Skills & Employment	Skills & Employment Team. This team also supports community learning, as provided by The Friends Centre which is funded via Skills Funding Agency (SFA).	152	152	2.0	Greater efficiency to improve value for money.	To deliver service differently to reduce costs. Proposal to secure £20k from SFA pot to support the ongoing management of Community Learning provision.	Delivery Risk: Low risk. Impact on Outcomes: No impact anticipated.		30		
Education & Skills Total		12,831	7,683	280.0				786	1,940	263	212
CHILDREN'S SAFEGUARDING & CARE											
Fostering & Adoption	Payments to in-house carers for fostered and adopted children.	6,842	6,842		Project to reduce the ratio of in house to independent provider provision is effective and is on track to achieve this year's savings.	Maintain budget as investment in this area is better value for money than foster agency placements.	Impact on Outcomes: No impact anticipated.				
Fostering & Adoption	Staffing teams assessing and supporting foster carers and potential adopters. Allowances paid to Adopters	4,111	3,910	66.2	service redesigned to enable capacity for more carer support and monitoring.	Service redesign aimed at reducing any overlapping areas between Adoption and Fostering.	Delivery Risk: Redesigned service may not assess sufficient new carers and adopters. Higher cost foster agency placements would then persist.	28			
Fostering & Adoption						Review of adoption services in light of proposed national changes.			167	160	
Fostering & Adoption						Associated reduction in Resource Officer staffing.	Impact on Outcomes: More 'in-house' carers and new adopters should provide better stability and outcomes for children and young people.	40			

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Social Work & Legal	Social work staffing teams.	8,983	8,983	190.1	The new model of practice being implemented across the children's social work service will enable the relationship between the social worker and the family as the main vehicle to facilitate change and promotes the importance of reflective practice and good quality supervision. Developing this new model involved taking out a layer of management to ensure increased resources to work more directly with children and families. In November 2016 there were a total of 2160 clients open to social work including 387 children with a child protection plan and 449 children in care.	The Social Work Service re-design which has recently been completed is based on a Relationship Model. The service design was based on the demand on the service up to March 2015 and costed within the budget. Cost reductions reflect anticipated impacts of preventive and relationship models on medium term demand. In addition it is anticipated that the number of children requiring a social work intervention will reduce which in turn will lead to a reduction in the number of children coming into care who then require a placement with a foster carer or in residential provision.	Delivery Risk: Continuing high demand and referral rates will put at risk social work staffing efficiencies. Impact on Outcomes: Improved practice model should prevent children needing care and contribute to improved outcomes for young people.	50	75	80	354
Social Work & Legal	Expenditure incurred under section 17 & 18 of the 1989 Children Act, including housing for homeless families.	898	898		-No change in investment planned.		Impact on Outcomes: No impact anticipated.				
Social Work & Legal	Legal costs relating to assessment and court fees.	1,202	1,202		-No changes proposed as courts are making increasing demand on care applications		Impact on Outcomes: No impact anticipated.	19			
Contact Service	Family contact for children in care (CiC) and children in need (CIN)	924	924	22.3	Redesign of the service which provides co-ordinating, supporting and supervising court ordered parental and family contact with children in care and children in need.	Core staffing will be retained but a review of delivery of contact service to reduce costs of sessional workers and their transportation costs will be undertaken.	Delivery Risk: Low risk. Impact on Outcomes: No impact anticipated.	150	106	150	
Care Leavers	Services for 18-24 year olds leaving care, including staying put and ex-asylum seekers.	1,488	1,265		-Continued support for young people leaving care including joint commissioning arrangements with the Housing Directorate and partnership working with voluntary sector providers.	No change. Key strand of the adolescent strategy which it is anticipated will contribute to a reduction in the number of agency placements required	Impact on Outcomes: No impact anticipated.				

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Agency Placements	Residential, fostering and secure placements for looked after children provided by external agencies	11,274	10,434	7.0	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.	The now established model of practice in social work, and adolescence service is contributing to a stepping down of children to less expensive placements and keeping them out of care.	Delivery 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. Impact on Outcomes: Improved practice model should prevent children needing care and contribute to improved outcomes for young people. Demand management has implications for managing risk effectively to meet safeguarding requirements and statutory duties.	2,439	1,511	1,777	1,414
Agency Placements								100	-		
Youth Offending Services	Support and supervision to young people involved in the Criminal Justice System and preventative work for children and young people at risk of becoming involved in offending.	1,384	1,015	25.3	Redesign of services to align with the adolescent strategy.	Redesign of service provides an opportunity to review staffing resources as demands are expected to reduce over time.	Delivery Risk: If the adolescent service does not succeed, offending activity may remain higher and require continued high cost support. Impact on Outcomes: Minimal impact as cost reduction should mirror reducing demand (offending) linked to the adolescent strategy.	30	30	30	
Family Support Services	Family group conferences and intensive intervention initiatives	200	200	-	Maintaining investment in this preventive service area which is critical for effective demand management. Family Group Conferencing is being used increasingly across the country 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 change.	Impact on Outcomes: No impact anticipated.				

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000	£'000				£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Other	Management & admin costs	599	599	9.4	High prevalence in the city requires continued investment in this service area to ensure effective demand management.	No change. A restructure last year led to a significant reduction in managements posts across the service overall.	Impact on Outcomes: No impact anticipated.				
Early Help	Early Help, Parenting and family support services	766	766	25.5	Delivery of Early Help Strategy including identification of vulnerable families, coordination of interventions and delivery of local troubled families and parenting programmes. Service redesign responding to extended Troubled Families Programme, BPI recommendations and changes to early help and preventive services.	To redesign the work of the Early Help Hub to take account of business improvement proposals. This proposal links to the wider review of early help services.	Delivery Risk: Ineffective service design and delays in implementing / developing a new ICT system could impact on achievability of saving. Impact on Outcomes: Reduced funding will impact on capacity to manage systems, data recording and analysis. This will be mitigated by the introduction of a new ICT system funded through external grant. See EIA 10 & Staffing EIA S3.	115	100		
Specialist Assessment	Clermont Family Assessment Centre	470	470	8.8	No changes proposed		Delivery Risk: Low risk.			50	
Specialist Assessment	Therapeutic Services	68	-	-	This is funded externally						

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000	£'000				£'000	£'000	£'000	£'000
FAMILIES, CHILDREN & LEARNING											
Specialist Support	Living Without Violence	171	171	1.8	Due to the low numbers of men completing the programme, in 2015-6 this was 8 and in the first half of 2016-7 it has been 4, it is proposed that alternative methods of delivering and commissioning both group and 1:1 perpetrator programmes are developed for 2017-8.	Transition arrangements to be put in place to enable the completion of the current groups. The existing contribution to the specialist domestic abuse services to enable a partner support function would need to be maintained during the transition. A project plan should be developed with partners to consider a delivery programme, with a combination of 1:1 interventions and a group programme. The project plan could seek to develop a more flexible version of the LWV programme, for example using fatherhood as the key factor in creating and sustaining change or addressing substance misuse issues.	Delivery Risk: The risk in delivering these savings is the loss of an accredited programme for addressing violent and abusive behaviour and that this could lead to reduced opportunities to hold perpetrator's accountable and promote behaviour change. This may led to increased incidences of domestic violence and abuse and, therefore, to an increased risk of children experiencing significant harm, including increased likelihood of repeat contact with Children Services. There is also a potential reputational impact on the city given the profile of domestic violence and abuse, as well as the focus on holding perpetrators to account. Impact on Outcomes: The proposals for alternative models of delivery could lead to improved outcomes for families and help to support safe and stable family lives. See EIA 11.		50		
Other/Management					No change proposed.						
Children's Safeguarding & Care Total		39,380	37,679	356.4				2,971	2,039	2,247	1,768
CHILDREN'S SAFEGUARDING & QUALITY ASSURANCE											
Children's Safeguarding & Quality Assurance	Specific child protection services, the Local Safeguarding Children's Board and independent reviewing officers.	1,496	1,434	25.2	LSCB management and admin is a statutory multi-agency funded safeguarding function. Child protection services and independent Reviewing Officers are statutory services with high case loads and increasing demands.	Reducing and managing demand under the new practice model should enable a modest reduction of staffing resource over the medium term.	Delivery Risk: Continuing high demand and referral rates would put at risk this potential staffing efficiency. Impact on Outcomes: No impact expected. Statutory requirement.				70
Children's Safeguarding & Quality Assurance Total		1,496	1,434	25.2				-	-	-	70
Families, Children & Learning Total		93,769	81,407	1,043.7				7,865	5,710	3,893	2,350

Health and Adult Social Care Directorate

Budget Strategy 2017/18 to 2019/20

Services and Responsibilities

The directorate is responsible for discharging the council's statutory responsibilities in relation to the provision of Adult Social Care to meet eligible need, legal duties to keep people safe from harm, safeguarding people whose liberty may be deprived and delivering our Public Health duties and functions. The Directorate provides a range of support to adults within the city and their carers. These include residential/nursing care, support packages for those with complex needs and universal, preventative support aimed at keeping people well and independent for longer.

In 2015/16, Adult Social Care managed the following activity:

- 5,779 new requests for social care support;
- 1,527 of these new requests resulted in provision of long term funded care services. Others received short term support e.g. reablement or end of life care, signposting to community services or ongoing low level support e.g. issuing equipment;
- 1,993 carers supported;
- 1,504 Deprivation of Liberty Safeguards applications (these numbers continue to increase; 1006 applications received in the first 6 months of 2016-17);
- 868 Safeguarding enquiries were carried out.

During this period we provided long term funded care services for 3,831 adults. This support was provided in the following ways:

- 2,117 adults received domiciliary care in the community;
- 1,064 adults received residential or nursing support (401 nursing care placements and 663 residential care placements);
- 404 adults were in receipt of care services funded via a Direct Payment;
- 246 adults received day care support.

The Direction of Travel agreed by the Health & Wellbeing Board is being followed with a focus on prevention, providing effective information/advice, signposting and making best use of family/community assets. Adult social care must retain a qualified and registered workforce that enables the council to ensure that people who are eligible and in need of social care funded services continue to be supported effectively, and that this is delivered in a way that best meets their needs. Trend data is beginning to demonstrate that this strategy is taking effect, with a lower proportion of people needing a funded service; however it is important to acknowledge that the overall demand in terms of people's social care needs continues to increase.

We are seeing a rising cohort of older people more of whom are living longer than previous generations. The number of residents aged over 65 is projected to increase by a further 16% between 2016 and 2026, including an increase of 21% in those aged 90 and above.

These demographic changes will lead to higher levels of vulnerability and inequality across the population, illustrated by worse than average outcomes for many indicators related to mental health, substance misuse and sexual health resulting in rising demand for health and social care services. Adult social care has a statutory duty to protect vulnerable adults and therefore need to safeguard our services in response to these demographic changes, allowing us to continue supporting those in need.

Health and Adult Social Care must focus on working collaboratively with health colleagues to strengthen local communities, promoting prevention and health improvement, early intervention, support and advice with an overarching view of reducing demand on health and care services.

To realise this vision we must retain and develop a skilled and qualified workforce to work alongside health colleagues and communities in order to lead on these developments, and focus our resources on protecting those who are most vulnerable.

The Public Health ring-fenced budget comes from the NHS and is ring-fenced for 2017/18. The Director of Public Health and CEO are required to sign off, on an annual basis, the budget as legitimate Public Health spend against nationally agreed criteria in terms of the services the budget has been spent on, some of which are mandated.

Strategy and Key Proposals

Protecting provision for vulnerable people as the city's population grows and the cost of care rises

- Service Pressure funding – substantial funding of £6.873m will be applied to meet new demands and growing costs including the Adult Social Care precept of £2.425m.
- Assessment Services budget provision includes the Community Care budget to purchase social care services to meet eligible needs provided in the independent sector.
- The budget also includes provision for social work and care management staff, the staffing budget will be largely protected to enable us to continue to meet our statutory duties in relation to safeguarding vulnerable adults, delivery of our duties under the Mental Capacity Act, Mental Health Act, Deprivation of Liberty safeguards and ensure effective assessment of eligible need under the Care Act. Staff savings targets for 2017/18 are largely based on increased vacancy control procedures across the Directorate.
- Savings against the community care budget will be delivered by controlling unit costs and reducing demand through the provision of effective prevention, information/ advice, signposting, increasing use of technological solutions to support self-assessment.

Scrutiny of all funded provision will continue through Resource Allocation panels.

- Further savings are planned through targeting reviews of high cost packages of care and placements. Our ability to manage these targeted reviews will be enhanced by the implementation of a revised Reviewing Framework, currently being developed as part of the Adult Social Care Service Redesign Programme.
- Mental Health services in the city are provided through integrated arrangements with the Mental Health Trust covering all adults with a functional mental illness and memory and cognition issues. Social Work staff seconded to the Trust discharge our statutory duties under the Mental Health Act to protect those at risk to themselves and/or others. Duties to protect vulnerable adults, including Deprivation of Liberty safeguards continue to make significant demands on staff in this area of service. No staffing savings are therefore proposed as we need to ensure that we can continue to meet these key statutory duties.
- Increased demand, particularly as a result of the rise in numbers of people with a diagnosis of dementia will be contained by better use of Assistive Technology, increased use of Personal Budgets and Direct Payments, block contracting of residential/nursing home beds, access to supported housing and targeted review of high cost packages and placements. The development of Brooke Mead will provide an extra care facility for people with dementia, providing an alternative resource to residential care for those with lower needs.
- A full review of our in house care provision for mental health service users will be undertaken to ensure these continue to safely meet the needs of this complex client group. We will work with the CCG to review these services and ensure the service specifications and funding reflect the increased complexity, and subsequent staffing levels that are required to maintain safe delivery of care.

- Savings will be delivered on contracts for Self-Directed support and the cessation of the Community Meals contract (already delivered). The redevelopment of the Carers Hub will generate efficiencies through an integrated commissioning approach and we will continue to review non statutory in house provided services to create further efficiencies.
- Cuts to the Public Health budget will be met primarily through its commissioned services, reduced programme spend and public health staffing.
- Budget cuts have been made across a range of public health prevention and health improvement services. These include contracts for school nursing and health visiting services which have been combined and redesigned to produce savings through re-procurement. Savings from HIV prevention and social care support services have also been achieved through re-procurement. In Public Health the value of the recently commissioned Community Substance Misuse contract has been reduced in return for a longer delivery term.
- We are developing close working relationships with the CCG with a view to establishing an Integrated Commissioning Unit, where it is hoped that this will enhance our ability to develop effective care services that remain responsive to the demographic changes of the City. We will work together to develop quality services that can respond to the increasing demand and complexity. By developing services together and combining the resources and expertise of our commissioning teams, this will provide us with an opportunity to deliver additional efficiency savings.
- Proposed savings also include a reduction in management spend to reflect the shrinking in house resource.
- Savings will be achieved through further reductions in house provision mainly through continuation of the agreed programme. Led by the CCG and working in collaboration, we are undertaking a review of Community Short Term Services to develop a new model of provision. This will be an opportunity to strengthen these services, focussing on prevention and rehabilitation and ultimately improve the outcomes for people requiring these services.
- Adult social care will work closely with colleagues in health services by aligning our assessment staff with GP clusters. This will facilitate earlier intervention and improve our ability to better explore family and community assets with the aim of reducing demand on publicly funded services.
- We will be exploring the potential benefits of creating an interdepartmental occupational therapy service, to include existing resources from Housing and Adult Social Care. This will involve reviewing our current arrangements and consider how we can develop occupational therapy services in Brighton & Hove as part of our overall plan to work in closer partnership with our health colleagues.
- Our staff savings for 2017/18 will be achieved by reviewing the current vacant posts across the department. We are satisfied that the savings target for 17/18 can be achieved by deleting a small number of posts that are currently vacant, with minimal impact to the operational teams.

Getting basic services right – helping to make the city an enjoyable place to live and work

- The use of Personal Budgets and Direct Payments will continue as a mechanism to put people in control of their own care, as there is evidence that this produces better outcomes at reduced cost.
- Investment in Assistive Technology will be provided as an alternative to expensive people based services and ensure people's care is properly funded by rigour in ensuring Continuing Health Care (CHC) is properly assessed and applied.

Key Service and Financial Risks

Risks are set out in the detailed schedules for each proposal but there are wider risks that can impact on the budget strategy such as complex safeguarding cases, changes in legislation or court proceedings (where we are already managing an increasing number of cases referred to the Court of Protection in relation to Deprivation of Liberty Safeguards).

The home care market remains fragile and the cost of living in the City can impede our ability to attract home care staff and personal assistants. The Care Act requires us to maintain an effective and sustainable care market and therefore we need to ensure providers are supported to deliver a safe and effective service in line with service specification and CQC requirements. We continue to see care home providers exiting the market which leads to increased care fees and significant disruption for the staff and residents directly affected.

Some of the savings identified are reliant upon our ability to work in greater collaboration with health partners, and the pace that this can be delivered. We will continue to engage fully with the Brighton & Hove Caring Together programme and further development of the STP; however the development of an integrated care model for health and social care is likely to take a considerable length of time to develop, given the complexities and demands of each organisation.

Our ability to work preventatively with people and promote early engagement will only be effective if we have sufficient staffing in place to deliver this. Insufficient staffing will leave us only able to focus on those most at risk, and unable to prioritise the early intervention work that is necessary to reduce demand in the longer term.

The development of suitable housing and supported accommodation models are required in the City that will offer a realistic alternative to residential care. Many properties in the City are unsuitable for adaptations and we need develop local solutions that will enable more people to step out of residential care, and prevent or delay admissions.

Department				Savings Detail			
Department	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Adult Social Care	51,414	28,889	552.7	2,851	2,285	1,725	766
S75 SPFT	19,741	11,609	51.5	246	293	340	255
Integrated Commissioning	10,003	8,625	33.9	159	172	85	70
Public Health	22,235	882	50.0	1,096	2,148	836	479
Total Health & Adult Social Care	103,393	50,005	688.1	4,352	4,898	2,986	1,570

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
HEALTH & ADULT SOCIAL CARE											
ADULT SOCIAL CARE											
Community Care including: Community Support Day Care Direct Payments Home Care Shared Lives Supported Accommodation Residential Care Nursing Care	Physical Support & Sensory Support 2,070 Whole Time Equivalents (WTEs) budgeted for in 2016-17	29,412	15,656		- Model of increased personalisation to reduce reliance on public funded services alongside delivery of the Better Care programme and learning from pilots. A small number of people require specialised services and there may be potential implications of the Care Act on demand and responsibilities.	Lower cost (i.e. reduced funding requirement) for new placements and through targeted reviews of current placements, making use of community assets to reduce reliance on high cost services.	Delivery Risk: Primary risk is that eligible need continues to grow which would impact on achievement of the full saving. Development of preventative strategies will help to generate long term benefits; risk of not achieving full target savings within the period. Acceptability of reducing local service levels to that comparable elsewhere also presents risks. Market maturity and availability may impact on costs. Strengthening the market in terms of sustainable cost may impact upon success of savings being fully realised. Impact on Outcomes: Concentrating on key statutory duties and those clients who present the highest risk to themselves and to the Community. See EIA 12.	1,425	1,425	1,425	466

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
HEALTH & ADULT SOCIAL CARE											
Assessment & Support and Intervention Team (SIT)	Head of Adults Assessment Community Short Term Services Social Work Team Information Signposting Triage Financial Assessments and Care Matching Team Community Rapid Response Team Hospital Discharge Service Acute Planned Response Service Hospital Assessment and Reablement Carers Development Team Assessment and Reablement Independent Living Carelink	8,690	6,252	224.2	Improvement of digital offer and ability to self assess and reduce demand. Develop customer portal and use of technology to improve efficiency.	Supported self assessment and signposting of customers by effective use of the on-line portal to divert traffic. Implement technological solutions to financial assessments and externalise welfare rights functions. Requires a more corporate approach to financial assessments. Also, implementation of micro-commissioning and brokerage model. Implement recommendations of Assessment review and integrated teams design (Better Care programme). Includes increased use of brokerage and externalisation of reviews for lower needs cases. Opportunities for integration with health will be within scope of the redesign.	Delivery Risk: Ability to develop an integrated approach with partner organisations to deliver services. The availability of effective ICT systems and infrastructure are key to the achievement of savings. Significant increase in demand relating to Deprivation of liberty Safeguards (DOLS) and associated costs, resulting in pressure on the budget of £0.787m. Impact on Outcomes: The aim is to increase personalisation and put people in control which should result in more positive outcomes.	576	189	300	300
	Community Equipment Service	1,293	559		- Effective demand management will be required to manage within existing resources. This is funded through the Better Care Fund and will be part of the CCG review of funding.	Effective demand management will be required to manage within existing resources.	Delivery Risk: Demands and/or costs may grow beyond resources.	-	-	-	-
Hostel Accommodation	Hostel Accommodation 107 beds budgeted for in 2016-17	2,409	1,143	48.8	Significant savings were taken from this budget in 2016-17. There is an ongoing review of hostel accommodation within the City which will be completed in 2017. As a result of this no savings have been identified at this stage.			280	-	-	-
Memory & Cognition Support - Day Services	Wayfield Avenue Day Services 23 WTEs budgeted for in 2016-17	302	166	9.9	Service provides value for money and reduces the need for residential care services.		See EIA 14b.	100	-	-	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000	£'000				£'000	£'000	£'000	£'000
HEALTH & ADULT SOCIAL CARE											
Memory & Cognition Support - Residential	Ireland Lodge Residential Wayfield Ave Residential 47 WTEs budgeted for in 2016-17	2,451	971	72.5	Provision to be retained as no suitable alternative is available. The Clinical Commissioning Group provide funding for both of these services.	No immediate proposals. Currently working with Commissioners on future service models.	Delivery Risk: Support from the CCG is integral to the successful review and continuous delivery of these services. See EIA 14a.	-	121	-	-
Physical Support - Day Services	Tower House Day Services	-	-	-				150	-	-	-
Physical Support - Home Care	Community Short Term Services & Independence at Home (Including Night Home Care Service, Early Supported Stroke Discharge and Apportionment of Assessment Duties) 83 WTEs budgeted for in 2016-17	3,415	2,919	101.1	High cost but necessary service meeting statutory need. Provision to be retained as no suitable alternative provision is likely to be available.	Cost of service has been reduced and provides increased value for money.	Delivery Risk: Low risk. Impact on Outcomes: No impact expected.	300	380	-	-
Physical Support - Home Care	New Larchwood 21 WTEs budgeted for in 2016-17	427	386	13.1	This service was recently retendered	Work with provider to identify efficiencies through the contract arrangements.	Delivery Risk: Efficiencies are unable to be identified. Impact on Outcomes: No impact expected.	20	20	-	-
Physical Support - Residential	Craven Vale Residential Knoll House Residential 51 WTEs budgeted for in 2016-17	2,766	588	79.7	Joint commissioned services with the CCG, these are currently out for retendering and process remains ongoing. CCG is leading on this.			-	-	-	-
Other	Adults Provider Management	249	249	3.4	Strategy will be to reduce management capacity as overall in-house service reduces.	Dependant upon securing alternative independent sector provision as outlined in plans above.	Delivery Risk: Management costs would become an increasingly large overhead impacting on value for money of whole service. Impact on Outcomes: No impact expected.	-	150	-	-
Adult Social Care Total		51,414	28,889	552.7				2,851	2,285	1,725	766

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
HEALTH & ADULT SOCIAL CARE											
S75 SPFT											
Community Care including: Community Support Day Care Direct Payments Home Care Shared Lives Supported Accommodation Residential Care Nursing Care	Memory & Cognition Support 457 WTEs budgeted for in 2016-17	10,615	4,345		- Improving 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 statutory services. Improving control of the care home market and provide increased community solutions.	Lower cost (i.e. reduced funding requirement) for new placements and through targeted reviews of current placements, making use of community assets to reduce reliance on high cost services.	Delivery Risk: Primary risk is that eligible need continues to grow which would impact on achievement of full saving. Managing the demand for and cost of provision is key. Availability and affordability of residential and nursing home care in the City is remains a risk. This demand equates to additional costs of £0.070m. Impact on Outcomes: Increase provision of block contract beds within the City. New provision of Extra Care Housing in the City for clients with dementia will provide an alternative to residential care for some. See EIA 12.	47	94	141	188
	Mental Health Support 423 WTEs budgeted for in 2016-17	6,144	4,424		- Model of increased personalisation to reduce reliance on public funded services. Improving 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 statutory services. Increased use of supported accommodation will reduce the reliance on residential and nursing care.	Lower cost (i.e. reduced funding requirement) for new placements and through targeted reviews of current placements, making use of community assets to reduce reliance on high cost services. Involves continued review of cost of placements, reductions in waiver use, and reviews of S117 placements to reduce costs and/or increase client contributions.	Delivery Risk: Managing demand and costs of provision is key to achieving reducing funding requirements. Re-admission to hospital and not meeting complex needs in an appropriate manner could result if the model is not implemented effectively. This continued increase in demand equates to additional costs to this budget of £0.314m. See EIA 12.	199	199	199	67

Service Area					Service & Financial Strategy			Savings Detail				
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings	
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19	2019-20
		£'000	£'000	2016-17					£'000	£'000	£'000	£'000
HEALTH & ADULT SOCIAL CARE												
Assessment & Support and Intervention Team (SIT)	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	2,982	2,840	51.5	No further reductions to front line staff are planned as this would affect the ability to deliver the statutory duties and savings identified above.							
S75 SPFT Total		19,741	11,609	51.5					246	293	340	255
INTEGRATED COMMISSIONING												
Commissioning & Contracts	Support to Carers	788	679		- Review service contracts with CCG/children's services / public health to ensure improved service delivery.	Reprocurement of the Carers Hub.	Delivery Risk: Low risk.	-	-		35	-
Commissioning & Contracts	Adults Commissioning & Performance Team Executive Director Adult Services Safeguarding Team	2,142	1,407	32.1	Further discussions with CCG/ BHCC re integrated commissioning. It is anticipated that joint commissioning will deliver efficiencies moving forward. The commissioning function is supporting the delivery of savings across Health and Adult Social Care; as such no savings have been identified for 17/18.	Integrated commissioning and contract management with CCG/ BHCC		30	-			70

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
HEALTH & ADULT SOCIAL CARE											
Commissioning & Contracts	Integrated Commissioning including: Care Act Somerset House Day Services Hop50+ (previously St Johns Day Services) Mental Health Preventive Contracts Independent Mental Health Advocacy Sensory Preventive Contracts Age UK (CRISIS service) Older People Localities Home Care Provider Support	1,592	1,071	1.8	The development of future commissioning strategies remains ongoing with intended completion for 2018/19.	Impact of joint commissioning and contract management will generate efficiencies moving forward. Savings identified in 2017/18 relate to the current commissioning of the community transport service. This is non statutory service.	Delivery Risk: Successful recommissioning of the service within the timescales. Impact on Outcomes: No impact expected. See EIA 15.	41	80	50	-
Commissioning & Contracts	Self Directed Support	219	219	-	Retendering of the contract is due and efficiencies identified as part of the reprocurement process.	Public Health & Adult Social Care (ASC) fund a coordination contract for preventive services across the city. Self Directed Support is also funded by ASC & Children's Services. Both contracts end March 17. The strategy is to review the contracts respectively with Public Health, Children's Services & East Sussex to achieve better value for money.	Delivery Risk: Delays in procurement process. Impact on Outcomes: The Care Act/ Better Care programme puts a greater emphasis on prevention which revised contracts must be able to support. See EIA 16.	20	19	-	-
Commissioning & Contracts	Community Meals	73	73	-	The number of people using the service is in decline and costs increasing.	Cessation of current contract. Implemented alternative options.	Delivery Risk: Low risk. Impact on Outcomes: No impact expected. See EIA 17.	34	73	-	-
Commissioning & Contracts	Learning Disability Development Fund	82	82	-	There is a need for good engagement as a result of special educational needs and Learning Disability strategy.	Improved commissioning process relating to specific outcomes is currently taking place.	Impact on Outcomes: New model should ensure that outcomes to service users and carers are maintained.	34	-	-	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
HEALTH & ADULT SOCIAL CARE											
Housing Related Support	Housing Related Support & Homelessness Prevention Contracts	5,107	5,094		- Considerable savings have been taken out of this budget and services have been recommissioned, ensuring value for money within the current service provision. These recommissioned services are supporting the delivery of the rough sleepers strategy.			-	-	-	-
Integrated Commissioning Total		10,003	8,625	33.9				159	172	85	70
PUBLIC HEALTH											
Public Health	Ring-fenced Public Health Grant	-	(21,140)	n/a	Known reductions in Ring-fenced grant allocations will be dealt with via service pressure funding						
Substance Misuse	Substance Misuse services including inpatient detox beds, residential rehabilitation and community based services	5,877	5,783	2.5	Recently undertaken procurement exercise and new Community Substance Misuse contract began 1st April 2015. Further negotiations took place during the first year with the lead provider to reduce the contract value in return for a longer term. Residential rehab service budget reduced by £138k from 2016-17.	Community Substance Misuse Service budget reduced by a further £600k.	Delivery Risk: Could impact substantially on KPI achievement. Performance may decline. Impact on Outcomes: Possible reduction in the overall number of service users successfully completing treatment. See EIA 18.	488	600	60	20

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
HEALTH & ADULT SOCIAL CARE											
Sexual Health	Commissioning of sexually transmitted infection (STI) prevention and treatment, contraception, HIV prevention and advice services.	4,763	4,763	1.0	A service re-design was undertaken in 2014 and a new 3-year contract for integrated sexual health services (ISHS) began in April 2015. Current contractual obligations for the ISHS end March 2018. Further savings will be achieved from this budget in 2018/19 through negotiation or re-procurement	HIV prevention and social care support services have been reprocured during 16/17, reducing the budget by £102k. Second staged withdrawal of funding for the LGBT Switchboard of £10k.	<p>Delivery Risk: There is uncertainty on the future of the NHSE commissioned level 2 sexual health service at Brighton Station Health Centre beyond April 2017. If the service closes this will place significant additional demand and cost pressure on the integrated sexual health service, estimated at £400k pa. In addition there is a risk related to the current service provider's ability to adapt to a reduced budget.</p> <p>Impact on Outcomes: Potential limit to scale and scope of the HIV prevention work delivered, however difficult to assess the impact in year. Reduced funding of Integrated Sexual Health Service may lead to a reduction in the overall number of patients treated if alternative approaches cannot meet needs.</p> <p>See EIA 19.</p>	115	112	600	129
Healthy Child Programme (0-19) - Public Health Community Nursing	Commissioning of health visiting and school nursing services including the National Child Measurement Programme and breastfeeding peer support and delivery of the Healthy Schools Programme.	6,257	6,257	4.0	The contract for the Healthy Child Programme 0-5 (Health Visiting and Family Nurse Partnership) successfully transferred from NHS England to the Public Health Directorate on 1st October 2015. The Health and Wellbeing Board agreed to an extension of this contract (and the school nursing contract) to 31st March 2017. It is planned to have one Public Health contract for 0-19 which is currently being reprocured and will deliver saving targets	The combined contract will be redesigned to produce savings of around £800,000 in 2017/2018, bringing the total savings for 0-19 to £1M.	<p>Delivery Risk: Insufficient funds to deliver mandated reviews and national service specification for School Nursing Service.</p> <p>Impact on Outcomes: The healthy child programme is being reprocured with the intention of maintaining the recent improvement of the current service. However due to the overall reduction in funding there is a risk of a reduction in performance. Limited impact resulting from other cuts because of remodelling of services.</p> <p>See EIA 20.</p>	220	798	53	50

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
HEALTH & ADULT SOCIAL CARE											
Health Improvement	Commissioning and Delivery of Healthy Weight Programme, the NHS Health Check Programme, Smoking Cessation & Tobacco Control, Public Health Advice and Intelligence, and a range of general prevention and health promotion services.	5,338	5,219	42.5	Where possible, services will be reprocured to maintain service delivery at a lower cost. Additional savings will be made by reducing programme spend and public health staffing levels.	The weight management contract has been extended to 2018 with a reduction in contract value of £50k. Continued funding of the Healthy Neighbourhood Fund and ending of the Community Health Fund with savings of £50k. The cost of delivery of the NHS Health Checks programme will be reduced by £30k. A 10% budget reduction will be levied on Older People's Activities contracts saving £32k; the Oral Health Promotion contract will be reprocured at a lower price saving £26k. Some vacant posts are not being recruited to with key responsibilities picked up by other team members.	Delivery Risk: Possible reduction in take up of the NHS health check programme. Reduced scope to deliver new projects/initiatives across public health programmes. Impact on Outcomes: The reprocurement of service will aim to minimise the overall negative impact on outcomes. Risk of reduction in take up of services by people in more disadvantaged groups See EIA 20a.	273	238	123	280
General Public Health	Commissioning and delivery of the health improvement programme.				Review of PH contracts with an extension year to March 2018 enabled completion to be brought forward for three contracts. Departmental controls have been put on all spending from 2016 onwards with reduced programme budgets going forward.	Ending CAB advice service delivered in 5 GP practices (£30k). Bringing forward the ending of the Community Youth Champions (£25k) and Make a Change contracts (£23k). Additional departmental savings and bringing forward programme management and public health department expenditure savings from 18/19 and 19/20 (£322k).	Impact on Outcomes: Clients using the CAB services will still be able to access citywide services. Schools may choose to fund additional physical activity sessions. Promoting physical activity will be included in the reprocurement of the weight management service which is due to begin in April 2018. Reducing the public health budget limits the opportunity for new public health initiatives in the future. See EIA 20a.	-	400	-	-
Public Health Total		22,235	882	50.0				1,096	2,148	836	479
Health & Adult Social Care Total		103,393	50,005	688.1				4,352	4,898	2,986	1,570

Economy, Environment & Culture Directorate

Budget Strategy 2017/18 to 2019/20

Services and Responsibilities

The Economy, Environment & Culture directorate provides services that aim to maintain an attractive, sustainable and well run city for residents, business and visitors. The directorate includes the following services:

- **City Development & Regeneration** – Leading the council’s devolution work with Greater Brighton and city partners to develop a strong and prosperous economy. Delivering major regeneration and projects, Planning and Building Control services, and developing new affordable homes through joint ventures, housing companies, and the New Homes for Neighbourhoods Programme.
- **City Transport** - The division maintains, manages and improves the city’s transport network & highways infrastructure, including the delivery of major infrastructure projects working closely with Department for Transport and Coast to Capital Local Enterprise Partnership. Traffic Management and Parking Services effectively regulate traffic movement and demand for parking spaces delivering reductions in congestion and improvements in air quality. Management of surface water flooding, sea defences and coastal structures
- **City Environment** – Delivering a modern commercial approach to waste and street cleaning services with a focus on income generating opportunities , rethinking the management of parks and opens spaces, sport and leisure facilities, outdoor events and seafront management, including delivery of the Stanmer Park Masterplan.
- **Property Services** – Leading the council’s property strategy, commissioning and delivery of corporate and commercial property services with an emphasis upon an investment strategy that delivers new revenue streams from our assets and keeping the council’s operational assets safe and fit for purpose. The council’s property and land portfolio includes operational assets such as council offices, town halls, heritage, schools and leisure centre assets and commercial properties and agricultural farmlands.
- **Cultural Services** - Leading the future of the city’s unique arts, cultural and tourism offer and expanding this for a wider city region. The Royal Pavilion and Museums (RPM) comprises five sites open to the public and eight other historical sites/ monuments. Museums give distinctiveness to a place and its communities. The RPM is a nationally significant service within the sector and leads the South East Museum Development Services supporting 300 museums in for the Arts Council. It is also responsible for the City Council’s Service Level Agreement (SLA) with East Sussex County Council for archives.

Strategy and Key Proposals

Over the past year, services in the Economy, Environment & Culture directorate have delivered £3.9m (11.1% of net budget) savings. The Integrated Service & Financial Plan proposals for 2017/18 to 2019/20 set out savings proposals of £7.89m (25.3% of net budget), of which the majority £4.47m (14.3% of net budget) are within 2017/18. These will be achieved through a mixture of commercial approaches to generating income, establishing alternative delivery models, service redesigns and transformations, changes to commissioning, and other proposals.

The budget strategy focuses upon improving the efficiency of services to maintain the city's infrastructure and environment, whilst working increasingly with partners, communities and businesses to find alternative ways to share environmental responsibilities, whilst also seeking to

operate more commercially to generate new income streams, reduce costs, and become financially more self-sufficient through growth and increased civic participation.

The directorate provides strong civic leadership to enable investment and economic growth and city infrastructure which is clear about the benefits to local people, working with Coast to Capital LEP and Greater Brighton city region and South East 7 (SE7) partners to attract external investment, increase economic resilience, improve transport connectivity and local access to jobs, apprenticeships and housing.

Long term capital investment to renew and strengthen the infrastructure of the city will continue, along with the delivery of major regeneration projects, bringing about quality development to address the need for better business space, providing new affordable housing whilst generating income from land and property assets and increasing business rate and council tax returns

The directorate also plays an important role in supporting the arts, culture and heritage sectors of the city. The jobs in the cultural, creative and tourism sectors collectively make up nearly a third of the city's employment and the council owns much of the city's essential heritage and cultural infrastructure.

Our property services will continue the Corporate Landlord approach to make best use of the council's operational and commercial portfolios through redevelopment and regeneration opportunities. It continues to evolve the commercial portfolio through a rebalancing strategy and provide an increasing return on rental streams in the long term and support the council's modernisation programme enabling service re-designs and ensuring capital receipts are maximised in support of the council's capital investment programme and Medium Term Financial Strategy.

Key savings proposals for the directorate include a mixture of redesigning services, establishing alternative service delivery models, and adopting a commercial approach as follows:

Getting basic services right and making the city an enjoyable place to live and work

- Diversifying our commercial approach to generating new income streams across the directorate, including setting fees and charges appropriately to reflect the actual cost and manage demand of those services, expanding garden and commercial waste collection; looking for new ways of generating income from our parks and open space, extending pre-application charging for the planning service, increased income from commercial events. These initiatives will deliver a net saving of £1.45m in 2017/18.
- Introduction of alternative delivery models for parks and open spaces, the roll out of wheel bins to increase recycling levels, and establishing joint venture/company models to deliver new housing. This includes developing options for future delivery of property services through Orbis in partnership with East Sussex and Surrey County Councils.
- Delivery of efficiency savings through Modernisation proposals including service redesign of the City Transport Services to better respond to customers.
- Modernising and streamlining the Planning Service to deliver efficiency savings through digitalisation and business process review. The maintenance of a resilient Planning Service is a crucial factor in the delivery of economic growth and the wider regeneration programmes for the City.
- A city wide review of the supported bus network including procurement of this service in 2017 following consultation with local bus operators to deliver proposals for communities and schools as well as reducing the local authority subsidy by £0.290m.
- A £7m 'Spend to Save' investment in street lighting infrastructure to achieve long term savings of £0.406m in maintenance and electricity costs, improve lighting control and monitoring, reduce carbon and contribute to night time security.

- Service redesign proposals and Digital First service redevelopments across the service will deliver £1.1m savings in 2017/18, focused upon (customer) channel shift to improve efficiency and customer ease of use and access moving towards an improved customer service centre model reducing duplication, to deliver cashless parking, pay by phone, on-line highways licensing, and fully on-line parking permits systems.

Supporting economic growth and regeneration that benefits everyone

- Delivery of major regeneration and investment programmes to drive economic growth and build the business rate base. Continued delivery of the City and City Region's multi-billion pound investment programmes to deliver new housing, employment space and jobs, including delivery of the Seafront Investment Programme, completing the renovation of Shelter Hall, progressing the Brighton Waterfront Proposals, Madeira Terraces, King Alfred, and Preston Barracks developments.
- Moving the Royal Pavilion and Museum service to Trust status, creating one large-scale cultural trust for the city. This would be better placed to generate income and fund-raise, to create a sustainable future for the Royal Pavilion Estate (buildings and garden) , including developing programming and participation opportunities across the whole site, whilst also maximising the impact that museums and their collections can have in changing lives and supporting the realisation of city' council and city partnership priorities.
- Making the most of our assets to generate new long term revenue through a revised asset investment strategy, and increased income from the council's commercial urban portfolio including the Seafront Property Portfolio through rent reviews and lease renewals together with the letting of the new seafront arches.
- Continuing the Workstyles flexible working and civic buildings rationalisation programme and improving access to neighbourhood services.

Protecting provision for vulnerable people as the city's population grows and the cost of care rises

- Continuing the development of 500 new affordable council homes through the New Homes for Neighbourhoods programme;
- Establishing a joint venture to develop 1,000 new homes for lower costs rental and sale for lower income working households in the city;
- The delivery of new forms of supported housing to support the management of demand within health and social care services, through the completion of the Brooke Mead extra care housing scheme.

Key Service and Financial Risks

Formal consultation with staff will be required for those affected by service redesigns alongside clear project plans to deliver agreed savings. All new income streams will be reported to the appropriate Committee for approval. However, moving to a more commercial basis for some areas means operating differently and being able to flex and change services quickly in order to maximise income opportunity or change services that are not generating the expected demand.

Project plans to deliver the savings proposals will be monitored by the directorate management team to ensure they remain achievable or that alternative savings are identified where necessary.

The development of the cultural trust is a significant project that contains a wide range of complex technical elements including capital investment, digital service development, employment law, contractual negotiations, health & safety considerations and complex financial business cases and operating models, all of which will need appropriate advice and support in order to ensure viability and best value.

Maintaining service levels for existing supported bus routes relies upon commercial operators continuing to deliver those routes on a commercial basis or there being adequate capacity on alternative commercial bus services.

A deteriorating transport infrastructure without adequate investment and maintenance will lead to an increased failure rate resulting in an increase in traffic closures, congestion and insurance claims with a negative economic impact on the council, local businesses and tourism. Failure in Seafront infrastructure can impact upon the ability of Seafront properties to be open for business. This can negatively impact upon income from commercial rents and incur compensation costs.

Links to other strategies

The Economy, Environment & Culture directorate budget proposals have a direct impact upon the delivery of the budget strategies for other directorates and those of wider city partners. The delivery of new forms of affordable and supported housing within the regeneration unit is key to the management of demand across health and social care services and to the recruitment and retention of key workers to the city.

Having an attractive, sustainable and well run city plays a key role in delivering a prosperous economy and helping residents into employment which in turn can manage demand upon services. Developing new approaches to the management of parks and open spaces promotes health and well-being which can reduce demand upon health and social care services.

Making best use of our assets through a rebalancing strategy to provide an increasing return on rental streams plays a critical role in supporting the council's modernisation programme enabling service re-designs and ensuring capital receipts are maximised.

The budget strategy is firmly rooted in the modernisation programmes led in this directorate many aspects of which are dependent on the council's Digital First programme, transformation of the council's IT and communications infrastructure, and the council's disposal programme and achievement of capital receipts in support of the capital investment programme.

Department				Savings Detail			
Department	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Transport	23,456	(6,938)	155.7	980	1,083	455	491
City Environmental Management	32,425	27,721	492.8	1,330	1,025	741	261
City Development & Regeneration	4,888	2,607	101.9	226	384	275	192
Culture	13,762	4,148	191.9	572	335	121	81
Property	16,198	3,689	121.4	789	1,638	409	402
Total Economy, Environment & Culture	90,729	31,227	1,063.7	3,897	4,465	2,001	1,427

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
TRANSPORT											
Head of Transport and Policy	Head of Transport and Policy	215	216	6.8	Non statutory but important to retain provision as the service provides essential resource to support Local Transport Plan and other capital projects, including research, public engagement, data monitoring and analysis.	Implement Service Redesign proposals confirmed December 2016 which took into account Management Spans and Accountability principles for designing the structure. Includes one off vacancy management savings of £0.070m whilst redesign recruitment underway.	Delivery Risk: Reduction in resources may impact on income collection and supporting capital schemes. Impact on Outcomes: Effective redesign should ensure that most aspects of the service are deliverable to an acceptable quality. See Staffing EIA S6.	240	150	(70)	
Highways	Highways Inspection and Licensing	741	391	19.2	This is a contractual obligation and a statutory duty. If the authority can demonstrate that it has a maintenance regime, which includes routine inspections and repairs, then it has taken reasonable care. Under the Section 58 defence it is recognised that the authority is carrying out the right functions to look after the condition of the highway correctly. Our inspection & maintenance regime mitigates against circa £5 million insurance claims to the council.	Closer integration with Streetworks permits to streamline processes and improve efficiency, introduce new ICT system in November 2016 to enable customers to licence objects via mobile phone, PC or other device, making the process easier and faster, reducing paper based procedures and office based staff time; savings included in service redesign above.	Delivery Risk: Reduction in resources may impact on income collection and supporting capital schemes.				

Service Area					Service & Financial Strategy			Savings Detail				
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings	
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19	2019-20
		£'000	£'000	2016-17					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE												
Highways	Lighting and Illuminations	2,739	2,739	4.0	Seafront festoon lighting & amenity lighting of public realm supports the visitor economy. Business Case for Invest to Save to PR&G Committee December 2016 which will generate savings in electricity and maintenance costs through modernisation of equipment from 2018 onwards.	Invest to save proposal will generate savings in later years. Seafront festoon lighting maintenance costs of £0.050m will be funded through receipts from BA i360 that are ringfenced for the seafront.	Delivery Risk: Continued deterioration of equipment without future investment. Impact on Outcomes: Community safety & resilience is supported by effective street lighting.	15	52	152	252	
Highways	Network Management and Winter Maintenance	3,757	2,984	21.8	All services are statutory duties. The Highways Asset Management Programme (HAMP) will include a business case for transferring spend from reactive to planned maintenance. CIPFA VfM shows Planned Highway Maintenance Costs are low. Outsourcing options have been investigated but are higher cost per call out. Shared regional contract arrangements are already in place. Traffic and streetworks management benchmarking is underway to explore offering this service to other local authorities. The Winter Maintenance service makes reasonable provision to keep roads clear of ice and snow.	Spending on reactive maintenance is being reduced by 12% over the four year period. For Winter Maintenance need to encourage community resilience.	Delivery Risk: This budget responds to all genuine safety hazards such as large potholes, broken paving etc and significant cuts could put the council at risk of increased insurance claims.	54	94	44	44	
Highways	Traffic Signals and Systems	1,037	1,008	4.6	These budgets represent the real time bus information maintenance and safety maintenance traffic signals, which includes Variable Message Signs, CCTV and traffic signals. There is a statutory duty to maintain this existing infrastructure. Cost per traffic signal site is in the mid-range quartiles of authorities sampled.	Maintenance is already at a minimum and to achieve further savings traffic signals would need to be decommissioned.		52				

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Highways Engineering	Highways Engineering	772	772	7.0	Statutory duty to maintain highway structures, coastal structures and to mitigate floods. Includes statutory inspections which are essential for safety. Draws in DFT funding to support Highway assets and funding from other agencies to bid for seawall and groyne projects. Staff costs are wholly recharged to capital.	An increased focus on preventative maintenance could lead to a larger proportional reduction in reactive maintenance producing long term savings for the council					
Parking Services	Decriminalisation of Parking Enforcement (On-Street Parking) 1. Off-Street & Leased Car Parking. 2. Parking Infrastructure and Maintenance	12,107	(16,888)	62.9	Staff resources create & amend resident parking zones; maintain on street & off street pay parking payment machines.	Savings from unsupported borrowing budgets no longer required. Additional income through investment in one blue badge fraud investigator, growth in visitor numbers, permit holders take-up and review of measures to manage demand and congestion.	Delivery Risk: Any funding required for future off street car park refurbishment would need to be part of a business case based on future income or using any potential increased surplus in future years. Impact on Outcomes: Improved resident satisfaction. See EIA 21.	417	562	204	190
Transport Planning & Road Safety	Transport Planning and Policy. Road Safety and Education.	980	791	26.0	Traffic Management and Road Safety service costs are low compared to other authorities and includes resources and staff costs for physical measures, campaigns, presentations & community events aimed at our priority road user groups. Delivers Local Transport Plan, other key capital projects and statutory functions such as Road Safety Investigation and subsequent measures. There are 22 school crossing patrol sites.	Increase commercial income through new advertising opportunities and reduced funding allocation to the Sussex Safer Roads Partnership	Delivery Risk: Poor take-up of customers for advertising space would impact on delivery of this saving.	70	55	5	5

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Transport Planning & Road Safety	Public Transport	1,108	1,049	3.4	Provides financial support for bus services operated under contract to the city council, where bus operators do not find it economic to provide a service on a commercial basis. The current supported bus network comprises a number of complete routes and the extension of some commercial routes to operate during the evening or at weekends.	The council is required to have regard to the transport needs of members of the public who are elderly or disabled; and statutory duties under the Education Act 1996 for entitled pupils. Savings of £0.290m can be achieved through reprocurement of service which will commence in September 2017.	Delivery Risk: The bus operator/s are not able to pick up non commercial routes that were previously supported by the council. If this happens the council may need to reconsider its options. Impact on Outcomes: There is likely to be minimal impact due to the service continuing commercially. If the operator decides the service is no longer commercially viable there may be an impact to the local community depending on availability and proximity of alternatives. See EIA 22.	132	170	120	
Transport Total		23,456	(6,938)	155.7				980	1,083	455	491
CITY ENVIRONMENTAL MANAGEMENT											
Sports Facilities	Sports Facilities Contracts, non-contract facilities and golf courses contract	1,325	949	4.0	10-year contract let in 2011 which generated a saving of £1.5m per annum and enabled funding for re-investment to increase long term viability of facilities. Some savings are possible from energy costs and contract responsibilities. Delivery of facilities at minimal cost in partnership with community groups such as the Saltdean Lido restoration project. Review golf courses contract for re-tender in 2019/20.	Continue service improvements within existing contract, with a view to re-tendering (to include a new King Alfred) in 2020/21. Energy savings and savings from contract variations which had been achieved by re-letting the contract.	Delivery Risk: Low risk providing projects to provide new facilities are successful. Impact on Outcomes: Risk of any impact from energy savings being mitigated by energy saving measures. Should be limited impact from reduction in contract variations. See EIA 23.	95	90	61	41
Seafront Services	Seafront Properties, Volks Railway and Seafront Services	1,077	(1,079)	23.2	Essential service to ensure the management of the seafront, which is a prime asset of the city and key contributor to the city's tourism economy. Maximise income and continue with existing service due to the health and safety risks of the seafront operation.	Development of Seafront Investment Plan. Opportunities created by new developments (eg. i360, Peter Pan site) to increase income from seafront property portfolio.	Delivery Risk: Poor condition of seafront infrastructure (eg. closure of Madeira Terraces) can negatively impact upon income from properties. Tourism market conditions can influence the number of visitors to the seafront. Overall, low risk providing there is an on-going programme of investment in the seafront.	35	10	10	10

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Outdoor Events	Outdoor Events	230	(51)	3.0	Facilitates the delivery of the city's events programme, with over 300 events annually. Events have a significant economic benefit to the city.	Reviewing event contracts to reduce expenditure and increase income.	Delivery Risk: Risk that some events may not be viable to take place in the city so may result in loss of events and subsequent income. Impact on Outcomes: Expected minimal impact provided events continue to be viable.	30	50	-	-
City Clean & Parks Management	City Clean & City Parks Management and Projects, Strategy & Administration	1,460	1,340	30.6	Reducing spend on supplies and services budgets as the overall service reduces in size.	A 6% reduction in supplies and services budgets for 2017/18 across the service including for example consumables, litter bins and weed spraying. Note that a 13.7% reduction was applied in 2016-17 and there are further reductions applied in future years.	Delivery Risk: Low risk in early years but there is a risk that demand and expectations exceed budget. Impact on Outcomes: Low impact; as service reduces, the requirement for consumables will reduce.	175	75	75	50
					Additional service redesign should enable further efficiencies and cost reductions within City Clean and City Parks services.	Vacancy control and a review of the Management and Administration spans of control across the service in accordance with Management Spans & Accountability (MSA) principles.	Delivery Risk: Redesigned service will need to manage demand. Primary risk that vacancies do not occur as expected or demand exceeds resources. Impact on Outcomes: Low impact if service redesign effective,	450	150	50	50

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
ECONOMY, ENVIRONMENT & CULTURE											
City Clean	Refuse Collection, Recycling Collection, Street Cleansing and Fleet & Vehicle Management	10,904	10,370	302.8	Statutory Refuse, Recycling and Street Cleansing Service. Average cost of refuse collection per household of £49.57 compares favourably with national average of £60.45. Performance levels compare favourably to national averages. Average cost of recycling collection per household is £33.02, compared to average cost of £23.27. Performance levels are below national averages. Average cost of street cleansing per household is £46.73 compared to average cost of £32.98 but the substantial visitor economy and beach cleaning will contribute to higher than average costs. Performance levels compare favourably with national levels. Strategy is to adopt a commercial approach to providing vehicle repairs to the council's fleet and external customers. Also, service redesign following refurbishment of Hollingdean Depot, including better utilisation of fleet and training of drivers.	Savings represent net income (i.e. after any additional costs) from new or increased income generating schemes such as commercial waste collection service, fleet workshop repairs & maintenance, textile banks for recycling, clearing up the city after major public events and advertising on big belly bins	Delivery Risk: Risk that future income targets are lower than estimated. Impact on Outcomes: Low impact if service redesign effective.	185	400	140	60
City Clean	Public Conveniences	920	906	-	Public conveniences are not a statutory service but are linked to the support of the visitor economy.	Reprocurement of the cleaning and maintenance contract to deliver contract savings. There are no proposals to close any additional sites through this retender.	Delivery Risk: Managing demand is key. Cost of contract could be greater than anticipated. Impact on Outcomes: Improved outcomes/service through charging (better financial viability). See EIA 24.		100	75	50

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000	£'000				£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
City Parks	City Parks	2,426	2,197	102.3	Cost of service per household is £38.85, which compares to average cost of £30.76. 7 Green Flag standard parks. The small team develops the strategies that will shape the future of park & open space usage across the City - e.g. Open Space Strategy, Play Pitch / Play Area Strategy / HLF Funding Bids & S106 developments.	New delivery model of parks service, e.g. potential for community and trust run services in future years. For 2017/18 reduction of 1 FTE in Parks project team through merger with Sport and Leisure functions	Delivery Risk: Options appraisal to be developed with full business case for preferred options with two year lead in. Proposal would significantly reduce capacity to deliver key park projects including Stanmer, Open Space Strategy and S106 projects. Impact on Outcomes: Expected improved outcomes for parks and open spaces.	38	50	200	-
City Parks	Conservation and Arboriculture	894	881	22.9	Retain Conservation and Arboriculture services focusing on volunteering, engagement, public rights of way work and the inspection and maintenance of trees in the city. Brighton has a rare tree collection and there are an estimated 12,000 street trees, for which some of the maintenance work is sub-contracted out.	Savings of £0.102m were included for 2016-17 as part of last years budget setting. No further savings are proposed	Delivery Risk: None Impact on Outcomes:	102			
City Parks	Sports & Recreation Bookings & Allotments	148	(231)	4.0	Adopt a commercial approach promoting self managed sport and recreation facilities by users alongside full cost recovery. This covers bowling clubs, tennis courts, football, cricket pitches and allotments.	A review of sport and recreation subsidies through consultation.	Delivery Risk: Risk that income reduces due to increased charging. Needs a full business case to be developed including effective consultation with those affected NB: A proportion of this saving maybe delivered through savings in property budgets. Impact on Outcomes: No impact on outcomes if the strategy is successful.	20	100	130	
Waste PFI	Refuse and Recycling Disposal	13,041	12,439	-	Service is at average cost per head of population compared with CIPFA nearest neighbours. Note: BHCC costs include construction and operation of Private Finance Initiative (PFI) facilities.	A review of the economic and performance assumptions in the PFI financial model will not generate any savings for 2017/18.	Delivery Risk: None	200			
City Environmental Management Total		32,425	27,721	492.8				1,330	1,025	741	261
CITY DEVELOPMENT & REGENERATION											
Assistant Director Development & Regeneration	Asset Management	104	104	1.4	Merger Planning & Building Control with the City Regeneration Service took place in 2016-17 to create efficiencies in service provision particularly in areas such as sustainability advice and strategic planning policy for regeneration.	The merger of Planning & Building Control with the City Regeneration Service resulted in management savings (a reduction of 2 FTE managers)	Delivery Risk: No risk. Impact on Outcomes: Low impact if service redesign successful.				

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000	£'000				£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Economic Development, International & Sustainability	Economic Development, International Team, Sustainability - Biosphere Delivery	790	647	13	The Economic Growth function within Development & Regeneration consists of Economic Development, International and Sustainability services. The Economic Development Service is the only council service that is focused on helping business to survive and thrive and the initiatives budget is significantly smaller than neighbouring authorities (e.g. BHCC ED £0.090m / WSCC £0.600m). The Service was restructured in 2015/16 to better reflect service priorities and is now more streamlined and focused on new operating practices that will help to bring a more robust management and reporting structure to the team's activities. It is recommended to retain this service.	A 10% cut in the initiatives budget is proposed as a result of greater collaboration with external partners. Delete 1fte vacant programme support officer post and provide support more flexibly across the regeneration units.	Delivery Risk: A 10% reduction in the initiatives budget is low risk. Reduced support capacity may lead to less focus upon some sustainability and economic development work. Impact on Outcomes: If costs for delivery are shared there may be a reduction in the outcomes for projects locally. See Staffing EIA S5.	60	40		
Major Projects and Regeneration	Major Projects and Regeneration	363	363	6.1	Retain the current team of four project managers delivering the City Regeneration programme of 13 major regeneration projects. Benchmarking with Bristol, a comparable city with similar regeneration goals and focus on sustainable regeneration, has shown that Bristol direct spend on major projects is considerably higher.	As well as investing in the future of Brighton & Hove and delivering economic growth for the City, new income is generated through completion of regeneration schemes through new business rates, council tax revenue and New Homes Bonus (N.B relates to projects that are additional to assumptions in MTFs). Delete 1.5 FTE vacant programme support officer posts and provide support flexibly across the regeneration units. Recharge work undertaken on the Waterfront projects to the Brighton Centre Redevelopment Reserve.	Delivery Risk: With several major regeneration projects progressing and significant capital funding allocated for projects through the City Deal and Growth Deal there is a risk to delivering a large scale complex regeneration programme with a small team of 4 project managers. Reduced support capacity may lead to less focus upon some sustainability and economic development work.	53	155	67	45

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Head of City Planning	Planning	730	730	21.0	Retention of this high profile service is recommended. There is a political and reputational impact to performance issues associated with planning. A modernisation programme is underway with a focus upon improving performance and customer service. Merger of Planning with the City Regeneration Team took place in 2016-17 to create efficiencies in service provision particularly in management and areas such as sustainability advice, strategic planning policy' and regeneration resulting in a net reduction of 2 FTE managers.	Efficiency savings proposed through cost recovery (pre-application charging and planning performance agreements, and efficiencies delivered through business process review and digitalisation following introduction of new ICT system in Sept 2016.	Delivery Risk: Sufficient expertise at an appropriate level to direct service and deliver customer confidence. Impact on Outcomes: Negligible impact if service redesign is effective. Account will need to be taken of the costs associated with the current Interim Head of Planning and the continued employment of one of the postholders whose post no longer exists in the new structure.	87	88	45	45
Development Planning	Building Control	784	(52)	17.9	Retain this service as it recovers costs where possible through charging.	Service redesign including reducing the use of consultants for regulation of sports grounds and directly employing expertise. A number of Senior Surveyors staff are nearing retirement and a service redesign would support the training and development of new Assistant/Trainee staff to provide good succession planning whilst achieving small efficiency savings.	Delivery Risk: ICT support is essential to deliver robust mobile working solutions to assist in delivery of service. Negotiations to bring consultancy expertise in house are key. Impact on Outcomes: No impact on outcomes - service will be maintained but at a lower cost. These savings are assured.	10	10	10	10
Development Planning	Planning Control Applications	1,246	(51)	27.1	A modernisation programme is underway to improve performance and customer service. A Business Process Improvement (BPI) review will commence in January 2017 following introduction of new ICT system with the aim of delivering efficiencies in administration of planning application. Service is recovering more of its costs through the introduction of pre-application charging and Planning Performance Agreements.	Planning application business process improvement review will result in efficiencies of £0.050m from 2017/18 in administration of planning applications. Additional income is anticipated from Pre-application charges from charging for minor applications and others from 2017/18.	Delivery Risk: Successful recruitment to vacant posts is essential to ensure capacity to deliver. Risk is that this service is not taken up if the fees are too high. Impact on Outcomes: Improved outcomes through a more streamlined planning service and speeding up the planning process for developers. Detailed work on business process reviews will commence early in the calendar year 2017.	9	59	124	59

Service Area					Service & Financial Strategy			Savings Detail				
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings	
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19	2019-20
		£'000	£'000	2016-17					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE												
Planning Policy and Major Projects	Planning Policy and Major Projects	871	866	15.7	Retaining this statutory service. Comparison with private sector rates indicates that use of the council's in house specialists (such as Heritage Team) represents a saving. Development of City Plan Part 2 underway and future years' savings will include a gradual reduction in the use of consultants as the City Plan part 2 progressively reaches adoption.	Proposal to market specialist knowledge of Heritage team etc. to other local authorities therefore increasing income. There is also the potential to merge some parts of the team with the Regeneration Team creating efficiencies. Also seeking opportunities to charge for staff expertise (possibly as part of a sub-regional strategic planning unit).	Delivery Risk: Risk that the market does not buy these services. Impact on Outcomes: Negligible impact if re-prioritisation of work is successful. None, if plans are adopted according to plan.	7	32	29	33	
City Development & Regeneration Total		4,888	2,607	101.9					226	384	275	192

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
CULTURE											
Royal Pavilion & Museums	Management of 5 sites open to public, 8 other sites of historical importance, off site store. Lead Museum Service for SE Museum Development	6,533	1,151	138.2	The Royal Pavilion & Museums are a nationally significant museums service with an international profile through the Royal Pavilion and Brighton Museum. The Socio-economic impact of the Pavilion was c£28m to the city in 2012 and the iconic impact was calculated to be c£60m in 2006 in a University of Brighton study. In addition to its contribution to the tourist economy it contributes to a range of social and educational outcomes for residents and visitors to the city. The strategy is to future-proof the service for social and economic benefit, community engagement and health & wellbeing through a new delivery model outside of council direct management. This will maximise commercial opportunities, earned income, tax rebates and fundraising.	1. Modernisation Programme. A new delivery model outside of council direct management will maximise earned income, tax benefits such as gift aid, tax rebates and fundraising. 2. Continuing to reduce staffing costs and assessing vacant posts as they arise. 3. Re-assessing the use of casual staffing to reduce costs through for example requiring non-front of house staff to cover for absenteeism. 4. New income from hiring of spaces not previously actively hired and additional function income.	Delivery Risk: Options for moving to a new delivery model require securing a permanent funding stream from the council and any delays in the project will impact on how savings are delivered and projects and programmes to which the RPM is committed. Impact on service delivery and ability to continue to meet accreditation standards are important to avoid impacts on grant funding. Accreditation standards include care and documentation of collections which with staff reductions could risk achievement of targets set. Core budget reduction can impact on ability to raise external funds and staffing reductions and loss of museum professional staff may put projects and RPM national and international reputation at risk. Impact on Outcomes: Reduced capacity can impact on delivery of services and public expectations. Ability to deliver on grant funded projects and needs to be managed effectively to avoid impacting on the quality of the service offer. Potential risk that Arts Council will not fund RPM from 2018 onwards with drop in Local Authority funding of funding bodies not granting funds as the council contribution becomes less. However, this is a national situation. 2018-20 savings of £0.121m & £0.081m will be achieved through Business rate reduction on move to Trust which has a net saving effect through loss of Business Rate income to the council. See EIA 25.	205	190	121	81

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Partnership Arrangements	Contribution to BDFL Trust in line with agreement, Archive service for the city through the Keep in accordance with agreement with ESCC and Sussex University	1,906	1,866	1.5	Contractual grant agreement with Brighton Dome & Festival Ltd (BDFL), which includes an inflationary uplift each year with no break clause. The delivery of the Corn Exchange and Studio Theatre capital redevelopment relies on this continued level of support. Contribution to the Keep (modern archive facility) to ensure the continued safeguarding of the City's archives to meet the national archive standards for which there is a 3-year commitment to the same level of funding.	No savings possible but continue to review opportunities for increasing commercial revenue and reducing costs.	Impact on Outcomes: None expected.	90	(90)	-	-
Venues (Including Conferences)	Venues (incl Conferences)	4,785	829	43.9	The Brighton Centre is an important driver to the economy of the City. The VisitBrighton Convention Bureau will continue to deliver significant levels of Business Tourism to the City. The £1.247m 'Subvention' budget is ring-fenced to support conferences at the Brighton Centre (i.e. to support the visitor economy) and maintaining this budget is part of the Waterfront financial plan delivering strategic priorities. The primary strategy is to continue to ensure operational costs are as low as feasible while continuing to improve income generation.	To strategically manage and maximise the commercial potential of the diary. Also, cost reductions on operational supplies, contracts and business rates and 3fte from service design already undertaken.	Delivery Risk: Low risk. However, these savings remove the potential for the budget funding future borrowing costs of the Waterfront development which will now be included in the Medium Term Financial Strategy (MTFS). Impact on Outcomes: No impact on outcomes expected.	180	155	-	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000	£'000				£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Tourism	Marketing & Visitor Services	538	302	8.3	Full business case and option appraisal has been completed reviewing remaining in-house, outsourcing or shared service models. Recommendation is to retain the service because this option would achieve the savings targets identified in the 4 year savings plans, continue to provide the city and visitors with an impartial service, build on the good relationships with businesses across the city and allow a joined up approach with other council services.	£0.110m has been saved from the operating costs budget for 2016-17. Proposed service redesign included a commercial role to explore new income streams. This has been stopped and offered as a saving, increasing savings proposals to £0.080m for 2017/18.	Delivery Risk: Reduced capacity to deliver 'Visit Brighton' visitor services could lead to the council being perceived as not promoting and facilitating business in the City. The Visit Brighton network of member businesses helps to foster the relationship between the council and businesses within the city. The visitor economy is estimated at £815m and supports over 21,500 jobs. Any reduction in tourism services could negatively impact on these figures and the wider economy of the city. Impact on Outcomes: There is an inherent risk of increasing the cost of the VisitBrighton Partnership with a large % increase in year 1, which could have an adverse effect on partners re-joining the Partnership scheme.	97	80	-	-
Culture Total		13,762	4,148	191.9				572	335	121	81
PROPERTY											
Property & Design	AD Property & Design	incl. below	incl. below	1.0	Reduction of existing Supplies and Services budgets.	Reduce budgets for non-essential expenditure.	Delivery Risk: None. Impact on Outcomes:	-	11	-	-
Customer Services	Customer Service Centres, Reception/Switchboard & Concessionary Bus Travel	693	613	19.5	A new concierge model of service delivery. The overall rationale is that the 'meet & greet' and initial enquiry facility provided by the Customer Service Advisors can be removed as a result of services who currently use the Customer Service Centres (CSC) taking an end-to-end approach to working with their customers which removes the need for CSC staff to act as the first point of contact. The proposals have been informed by the CSC Business Process Improvement (BPI) review.	The proposal is to develop a Concierge model of delivery by combining the role of Customer Service Advisors and Security Officers. CSCs would therefore operate with a concierge service at the reception areas. 'Channel shift' (e.g. from face-to-face contact to on-line) is expected to reduce the number of people using services face to face and the development of neighbourhood services and hubs will provide other access points.	Delivery Risk: Knowledge and skills of concierge staff will be critical to effective delivery. Space to accommodate duty staff at Hove Town Hall CSC will be necessary. Impact on Outcomes: Design of end-to-end processes and effective channel shift should minimise any impact on customer satisfaction. BPI process undertaken during 2016 to minimise adverse impacts. See Staffing EIA S7.	23	405	75	40

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Facilities & Building Services	Printing, Scanning, Post & Couriers Cleaning, Waste & Security Premises & Helpdesk Building M&E Services	4,319	3,590	39.5	Post & Courier: stop manual post service. Introduce e-post to improve value for money and generate income. Also undertake service re-design. Print & Scan: Service redesign to consolidate all corporate print services and generate income. Facilities & Premises: Value for money assured through economies of scale of the 'Corporate Landlord' model and regular reprourement of outsourced services. Maintenance: careful prioritisation and monitoring of reactive maintenance requests.	Continue Corporate Landlord (CL) trading approach with further restructure following on from the imminent service redesign incorporating proposed changes to the Customer Service Centre (CSC) delivery model. Explore future service options through Orbis shared service partnership. Extend CL model to non-CL corporate clients.	Delivery Risk: Understanding of our exact support service overhead costs to trade competitively. Risk is that the customer service delivery model changes are not implemented affecting the significant amount of this saving Impact on Outcomes: Reduction in maintenance spend & deterioration or closure of premises unless aligned to a comprehensive and agreed disposal plan. See Staffing EIA S7.	214	192	-	-
Building Surveying & Maintenance	Building Surveying Services	2,091	1,131	19.2	Value for Money (VfM) Benchmarking is proposed - reputational and political risks associated with not correctly prioritising available funding. Continue Corporate Landlord commercial trading approach and service redesign. Retain in-house and extend traded service through Orbis and/or the Greater Brighton region to increase external fee income.	Reduction in building maintenance expenditure by prioritising work in accordance with the Building Maintenance Strategy and Asset Management Plan. Capitalisation of £0.500m of maintenance elements deemed as capital expenditure, from being funded from revenue to funded from borrowing. Savings allow for 3 years of borrowing to maintain the Planned Maintenance Budget (PMB) budget at current levels.	Delivery Risk: From 2020/21 there would be no budget for new borrowing leaving the Planned Maintenance Budget short by £0.500m compared to this year. This could impact on future maintenance commitments and the council would need to review corporate resources/priorities in 2020/21 to augment the planned maintenance budget if that is the priority. There is a risk that the maintenance backlog would build up to an unsustainable level impacting on the appearance and reputation of the City. Impact on Outcomes: Impact could be a reduction in maintenance spend & deterioration or closure of premises unless aligned to a comprehensive and agreed disposal plan.	10	455	25	25

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000	£'000				£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Architecture & Design	Architecture & Design Services	878	(158)	11.2	VfM Benchmarking. The team is 100% self financing through fees earned. The fee charges are benchmarked against the private sector to ensure VfM. The fees earned not only pay for the salaries of the team but contribute to the budget of Property & Design as a whole. This function supports delivery of new school places and new housing in the city which is a strategic fit with Corporate Plan priorities.	Continue Corporate Landlord commercial trading approach and service redesign. Retain in-house and extend traded services through Orbis and/or the Greater Brighton region to increase external fee income.	Delivery Risk: Failure to secure additional commissions resulting in reduced fee income. Understanding our exact support service overhead costs to trade effectively. Impact on Outcomes: No impact on outcomes is expected.	25	30	30	30
Workstyles	Workstyles Programme Management	97	(11)	8.5	Value for money assured through close monitoring of the 'Workstyles' (office rationalisation and modernisation) business case. This is a spend to save programme to ensure best use of our assets and has a political dimension.	Retain in-house until the completion of the Workstyles programme.	Delivery Risk: Programme risks are manageable and are set out in publicly available committee reports and within the Workstyles business case. Impact on Outcomes: Potential impacts are detailed in publicly available Workstyles committee reports and the business case.	330	302	163	78
Education Property Management	Education Property Management	1,981	1,930	6.0	Value for money assessed through the provision of sufficient school places in the city and management of the schools investment programme. The provision of school places within the city has a political dimension. The team perform statutory duties required for education asset management, school places, DfE returns etc. Proposals is to retain the service in-house and explore future service options through the Orbis shared service partnership.	Partial capitalisation of staff costs offset by the Capital Programme management by these staff. The DfE have awarded BHCC £4.9m per year over a 3 year period commencing in 2015/16. Increase 'Services to Schools' traded offer to include maintenance programme management.	Delivery Risk: If the DfE Capital allocation is reduced this could impact on the capitalisation costs available however the programme would be concurrently reduced requiring less potential management Impact on Outcomes: No impact on outcomes is expected.	14	34	14	14

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
ECONOMY, ENVIRONMENT & CULTURE											
Asset Management	Asset Management	835	538	7.0	VfM Benchmarking. This function has a political dimension through our corporate property strategy & asset management plan with potential impact across all directorates. Explore future service options through Orbis.	Retain in-house with service redesign to avoid duplication of admin functions. Stop some current admin functions. Re-structure the Environment property function to be divided between the Maintenance and the Estates teams.	Delivery Risk: Disposals programme is reliant on political and service department buy-in to achieve savings targets. Need assessment to consider impact upon the capacity of the team to deliver on priorities. Impact on Outcomes: Reduction in maintenance spend & deterioration or closure of premises unless aligned to a comprehensive and agreed disposal plan.	51	50	77	40
Energy & Water Management	Energy & Water Management	1,525	1,464	4.0	VfM Benchmarking. This function fulfils a statutory function in compliance with Carbon Reduction Commitment (CRC), Display Energy Certificates (DEC) & (Energy Performance Certificate (EPC) schemes.	Continue Corporate Landlord trading approach with a small in-house team and an extension of traded services potentially within Orbis and / or the Greater Brighton region. Revised focus of service on key tasks - statutory, bill validation & 'Services to Schools'.	Delivery Risk: May impact on ability to trade with other public sector partners to achieve increased income levels within existing team resources. Understanding our exact support service overhead costs to trade effectively will be essential. Impact on Outcomes: Reduction in staff posts will impact on the team's ability to provide strategic support in the future above their core tasks. Pressures may remain on the utility budget during exceptional winters in respect of heating fuel.	22	49	-	-
Estates Management	Urban Investment Portfolio Management Rural Investment Portfolio Management In-House Estates Management	3,778	(5,409)	5.5	Value for money assured through regular outsourced re-procurement of the urban and rural portfolios day to day management consultancy services. This function has an important strategic dimension and involvement in sensitive and confidential land and property commercial transactions.	Retain out-sourced services overseen by the small in-house team. Re-balance urban portfolio to derive sustainable income streams. Explore future service opportunities through Orbis / Greater Brighton. Continue CL trading approach with small in-house team. Reduction in NNDR (business rate) budgets and service charge budgets as properties are disposed of.	Delivery Risk: External economic and local market conditions may impact on anticipated rental income and our ability to rebalance the portfolio. Delivery risk for the end of the out-sourced contracts and OJEU (European procurement) lead-in period. Ability to trade with other public sector partners. Impact on Outcomes: External market conditions may impact on our ability to generate the required additional income. Need for existing services in leased-in buildings to be relocated prior to lease end.	100	110	25	175
Property Total		16,198	3,689	121.4				789	1,638	409	402

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<i>ECONOMY, ENVIRONMENT & CULTURE</i>											
Economy, Environment & Culture Total		90,729	31,227	1,063.7				3,897	4,465	2,001	1,427

Neighbourhood, Communities & Housing (NCH)

Budget Strategy 2017/18 to 2019/20

Services and Responsibilities

The NCH Directorate covers the following areas:

- Housing (Council Housing, Housing Strategy, Private Sector Housing, Temporary Accommodation and Homelessness, Travellers)
- Libraries
- Regulatory Services (Environmental Health, Licensing, Trading Standards and Emergency Planning)
- Communities, Equalities & Third Sector
- Community Safety

The directorate focuses on the issues affecting neighbourhoods, communities and housing aiming to develop closer and better relationship with communities, drive improvement in customer satisfaction and develop the council's working with public service partners. This includes delivering a step change in partnership working with the third sector and enhancements in volunteering opportunities. The directorate has responsibility for:

- Delivering services for council housing residents and maintaining the council's housing stock;
- Improving conditions in the private rented sector and delivering adaptations to help people live independently in their homes;
- Providing advice and support to prevent homelessness, and temporary accommodation for statutory homeless households;
- Developing libraries as neighbourhood hubs;
- Closer engagement with local communities in the co-production of neighbourhood focused enforcement services;
- Leading the council's 'Prevent' agenda;
- Delivering volunteering opportunities where possible across common platforms with other public service providers;
- Improving customer satisfaction, complaints resolution and neighbourhood well-being across council services;
- Deepening the understanding across all services of city demographics and the practical measures to address communities of interest and neighbourhoods in need.

Users of NCH Services

A selection of service user statistics and other service statistics are provided below for contextual information:

- 1,959 households currently in Temporary Accommodation. 1,500 of these properties are managed in-house;
- Housing Options teams review approximately 1,500 homeless cases per year. 420 were accepted as statutory homeless this year;
- Temporary Accommodation prevention work – 1,000 households prevented from becoming homeless;
- Currently license 3,352 HMOs across the city;
- Adaptations team receive at least 40 referrals per month, investing £2.2m (HRA and GF) in 388 major housing adaptations (2015/16);
- Community Safety, ASB and hate crime – 621 reports and enquiries dealt with in 2015/16. The Casework Team dealt with 1,375 witness and victim engagements, and 352 perpetrator engagements;

- Domestic violence and abuse: 1,462 referrals for domestic violence and abuse, 200 referrals for sexual violence;
- Three Year Strategic Grants programme currently supporting 69 organisations;
- 1,490,293 visits to libraries in 2015/16;
- 1,112 pest control treatments and 1,673 revisits to these jobs;
- 2,411 noise complaints including both domestic and commercial requiring investigation;
- 147 work place accidents investigated;
- 298 investigations in relation to poor working conditions;
- 1,415 food premises due for inspection this year.
- The service also manages the Council Housing stock of approximately 11,650 council homes and 2,700 leaseholders.

Strategy and Key Proposals

The Integrated Service and Financial Proposals for 2017/18 to 2019/20 support these objectives and set out savings proposals that will be achieved through a mixture of service redesigns and transformations, changes to commissioning, increasing income and other proposals. A brief summary of the main proposals is given below:

Getting basic services right and making the city an enjoyable place to live and work

- A council-wide project is underway to explore a neighbourhood approach to environmental enforcement, bringing together different services involved in these activities. This is with a view to improving services and reducing costs by having visible, multi-disciplinary staff working in the field. A cost versus benefit analysis and business case will be developed to evidence and support this strategy.
- Service redesigns in Housing will save £0.466m during 2017/18. The Housing Needs service recently completed a service redesign aimed at achieving efficiencies and improving the customer service by better integrating the Housing options and Homemove functions.
- A similar modernisation improvement for Temporary Accommodation has commenced which will also fit with the outcome of the Business Process Improvement exercises currently being undertaken.
- Where possible the housing service has also sought to combine functions that were previously delivered separately by the former Housing Strategy and Housing Management divisions in order to move towards a more aligned customer service offer, improved customer access, communication and complaints handling across the division.
- Service redesign in the Integrated Housing Adaptations Service continues to deliver savings through aligning resources to prevention through Council Housing project and commissioning work to deliver better value for money.
- Consultation on a potentially significant expansion of a self-funding discretionary licensing activity will also be undertaken to support improvement in the quality of private rented homes.
- The library service has good customer and user satisfaction and is well used and has a key role to play in supporting communities, but they cannot stand still and must be able to improve value for money in the context of the financial challenges ahead. This approach was implemented during 2016/17 changing the way the libraries network is run, increasing opening hours whilst reducing the cost base. There are also proposals around some of the buildings to minimise operational costs and generate capital resources. All of this is based on a very detailed needs analysis. In the longer term libraries will look to increase income generation through diversification of funding, further digital transformation, and increased shared services with other library authorities. Savings across the Library Services including service redesign and transformation over the 3 years total £0.501m.

- Service redesign through rationalisation of Regulatory Services management, Trading Standards establishment and the proposed modernisation of the Civil Contingencies service will achieve savings of £0.164m in 2017/18. This includes plans to review service delivery as part of neighbourhood working with tasks being taken up by generic enforcement officers. This will result in the reduction of process handling, duplication and a more efficient response. This project should reduce demand on existing services.
- Service redesigns within the Communities, Equalities and Third Sector team developing effective integration to improve engagement and policy development will achieve savings of £0.127m.

Protecting provision for vulnerable people as the city's population grows and the cost of care rises

Projected levels of homelessness referrals and the high cost of provision will require considerable service pressure funding to avoid increasing homelessness. The proposed budget includes additional funding of £2.420m which will be applied to meet new demands and growing costs.

The savings proposals below have been developed with the aim of protecting vulnerable people while identifying ways to achieve cost reductions. The main savings measures proposed are:

- The Temporary Accommodation budget has continued to experience a high use of spot purchase accommodation due to the loss of properties being decanted and handed back to owners. Without a different strategy to reduce the numbers in temporary accommodation, the number of households in temporary accommodation will continue to increase, with cost increases above inflation. Therefore, the focus is on increased prevention of homelessness with key partners and assisting homeless households to move to alternative private rented sector or other social housing in areas of low demand and lower rents rather than to remain in the city if rents are no longer affordable which is estimated to save £0.907m in 2017/18. This strategy will now be accelerated by the use of the Homelessness Prevention grant as mentioned below.
- The Council has recently been successful in bidding to become a Homelessness Prevention Trailblazer area and will receive £1.3m in Government funding. This one-off grant will enable the Council and other public bodies to work together with households before they become homeless. The plan is to embed a highly skilled homeless prevention service at the Council, thereby reducing homelessness in the City and reducing the number of households living in temporary accommodation. Some of the money will be used to assist those in temporary accommodation to find sustainable tenancies, assisting with move costs and/or damage deposits as and when necessary. The money saved on temporary accommodation is then planned to be used to fund this prevention and incentive work for the longer term, keeping the numbers of households who become homeless to a minimum.
- The directorate will work across the council and engage directly with residents and communities responding to the Fairness Commission findings, driving cross-cutting thematic agendas and leading on building new relationships with community groups, the third sector and city volunteering. Unless there is closer working with residents and communities, existing relationships will not change which is unlikely to be sustainable for public services into the future.
- The significant redesign of the council's approach to investing in communities and the third sector will result in funding being targeted to community and voluntary organisations and groups working at both grass roots and citywide level on key council priorities; placing the relationship on a more business footing with improved performance management. This will support the council's initial proposed saving of £0.100m in 2017/18 (and a further £0.135m for both 2018/19 and 2019/20). It will also play a key role in providing improved infrastructure and capacity building support to communities and the community & voluntary sector (CVS) to help them become more sustainable and meet demand that the council doesn't or, in the near

future, cannot meet. Many other budget saving approaches across the council are reliant on the CVS and the foundation funding provided through the Third Sector Investment Programme. A further potential saving of £0.370m is also possible but carries greater risk. Options are still being explored to try to reduce this saving.

Supporting economic growth and regeneration that benefits everyone

- Reducing the unit cost of tenancy management and maintenance services within the Housing Revenue Account (HRA) and re-investing the efficiency savings to improve the housing stock and develop new council homes under the New Homes for Neighbourhoods Programme. The HRA has identified savings of £0.932m for 2017/18 mainly from the newly procured gas servicing and other repairs contracts, delivery of business process reviews and efficiency savings within supplies and services.
- The potential development of new Temporary Accommodation through commissioning a council housing stock review to deliver conversions of existing under-used or unused buildings or spaces into Temporary Accommodation. This will achieve savings against costs of procuring more expensive accommodation from the private market either through existing dynamic purchasing frameworks or spot purchase. This approach has already commenced on a pilot basis at the largely vacant Stonehurst Court and a business case is currently being developed to roll out further with savings being delivered in 2018/19.

Key Service and Financial Risks

A number of Welfare Reform measures will come into effect over the next year for which it is difficult to accurately predict the financial impact on various budgets such as temporary accommodation and other welfare support services. The welfare reforms benefit cap is reduced to £20,000 for families in November 2016 which may result in an increase in households applying as homeless and for whom temporary accommodation will also be unaffordable, hence the strategy to offer options for people to relocate. One-off discretionary resources for Welfare Reform impacts and the Council Tax Reduction Scheme will also be maintained and will accompany Discretionary Housing Payments (DHP) grant in providing short-term support for people suffering severe financial hardship.

The Homeless Reduction Bill is currently passing through Parliament and it is unknown at this stage what impact this may have for the service and the council as a whole. Also the Department for Communities and Local Government are drafting proposals to change the funding of Temporary Accommodation which may require substantial escalation of the activities set out in the current Financial Recovery Plan.

The new Housing Allocation policy has been approved by Policy Resources & Growth Committee which now allows more homes on the housing register to be let to homeless households. The proposed budget savings included in this report take account of this new policy

The service redesign proposals described above include an additional target of £0.300m in 2017/18. Plans to date have identified savings of £0.202m with further options being explored but there is a risk that the full saving may not be achievable.

The additional savings in relation to communities and third sector investment will require careful consideration as this may destabilise a considerable number of third sector organisations in the city that provide other BHCC commissions and that support outcomes for other services. This is also in the context of the recent approval of the third sector investment programme at Neighbourhood, Communities & Equalities Committee in June 2016. As noted above, options are still being explored to try to reduce this additional saving.

Links to other strategies

The budget strategy is firmly rooted in the modernisation programmes led in this directorate that have a direct impact on other directorates and external partners. The Community Collaboration and Community Hubs programme involve Property Services, Adult Social Care and Public Health,

and Children's Services, and require effective engagement of the community and voluntary sector, and local neighbourhoods.

Many aspects of the modernisation programmes are dependent on the Digital First programme, and the transformation of the council's IT and communications infrastructure.

Department				Savings Detail			
Department	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Housing General Fund	19,369	4,179	119.1	582	1,579	364	93
Libraries	5,375	4,949	67.9	309	142	205	154
Communities, Equalities & Third Sector	2,987	2,751	9.9	208	628	170	135
Regulatory Services	2,936	1,962	73.3	154	220	129	70
Community Safety	2,088	1,260	14.1	133	92	38	31
Total Neighbourhood, Communities & Housing	32,755	15,101	284.3	1,386	2,661	906	483

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
DIRECTOR											
Director	Director NCH	200	183	3.0							
HOUSING GENERAL FUND											
Housing Services	Whole of Housing General Fund service				This proposal is a target saving of £0.300m through service redesigns across housing services, potentially aligning with provision in other directorates. This reflects the need to continuously drive efficient practices and processes to protect investment in direct provision such as Temporary Accommodation.	This proposal is a target saving of £0.300m which has yet to be fully identified through service redesigns within the housing services.	Delivery Risk: Plans to date have identified £0.202m of savings. Work is underway to identify further savings options through service redesigns to meet the target. It is anticipated that the fully saving will be confirmed by February Budget Council. Impact on Outcomes: Capacity may be impacted across the service, particularly in the short term as service redesign and change are implemented and embedded.		300		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
Housing Services	Housing Options and Homemove - supporting vulnerable households	1,274	1,252	33.9	Housing Options advice is a statutory duty meeting priorities of reducing homelessness. Outsourcing has been unsuccessful elsewhere. Medium cost - benchmarked independently. Although staff costs are high there is also a very high number of assessments completed relative to the number of households in the city (3 times our comparator group) so the unit costs per assessment are below median. Any further reduction of the Housing Options service may adversely impact on our ability to prevent homelessness. This service includes the Homemove Team who administer the Housing Register.	Saving of £0.356m to increase work on prevention and reduce TA numbers by 100. Service redesigned to generate staffing efficiencies - of a further 1fte per annum over the next 3 years. Resources will be focused on homelessness prevention, integrating options and homemove to remove duplication whilst improving customer service and delivering a more holistic joined up service. Business case being refined to provide homeless reviews for other local authorities which we have piloted with Lewes DC.	Delivery Risk: Low risk as service redesign will be evaluated. However the £0.356m from more move ons and better prevention work is higher risk and will depend on the ability to incentivise households to move out the area where appropriate. Impact on Outcomes: Low impact. See EIA 25a.	349	411	46	47
Housing Strategy & Development	Housing Strategy & Development - enabling & delivering increased housing supply & quality.	452	388	8.7	Retain this statutory service: Enabling development of new housing supply, including 71 affordable homes (2015/16); Working across the City and sub-region (Greater Brighton) to accelerate delivery of new homes; Bringing over 150 long term empty homes back into use annually (156 in 2015/16); generating empty homes element of New Homes Bonus equating to £0.131m and inward investment. Improving the use of all Housing resources through integration across housing services to deliver HRA investment, asset management and stock review in support of wider Housing Strategy priorities.	Service redesign to create one Housing service is now complete and therefore savings in 2017/18 already achieved during 2016/17.	Delivery Risk: Resources not aligned to key areas of work risks failure to focus investment and service delivery on Housing Strategy priorities. Impact on Outcomes: Improved outcomes for Housing Commissioning / Client side through integration of strategy, development, HRA asset management and stock review.	48	62		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
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.	1,089	581	28.3	Retain statutory service: Council & Greater Brighton (Devolution Prospectus) priority raising standards in the Private Rented Sector and conditions in HMOs. Currently license 3,352 HMO's and respond to 100 requests for assistance per month. PSH service is largely self funding through licence fees ring-fenced to administration of the current schemes. Integrated Housing Adaptations Service: Care Act assessment and administration of mandatory Disabled Facilities Grant (DFG). Working across all tenures receiving c50 referrals per month, invested £2.2m in 388 major housing adaptations (2015/16). Commissions new adapted homes and ensures best use of existing adapted/accessible housing. Promotes independent living demonstrated to deliver significant cost benefits.	a) Adaptations Service redesign reducing 1.5 FTE's staffing to reflect focus on early intervention and preventative measures and ensure best use of existing adapted and accessible housing stock, b) maximise value for money through review of Adaptations Framework schedule of rates to reduce costs overall & maximising the volume of private sector grant assisted work through the Framework and c) where appropriate further integration with HRA programmes. Increase income from Registered Providers and HRA funding for non-statutory service for tenants.	Delivery Risk: Medium Risk: Over and above delivery of 2016-17 savings, 1 FTE staffing reduction achieved in anticipation of 2017/18 savings (currently fixed term cover until year end). Remaining staff reduction forecast through turnover / redesign as we continue to align service to early intervention, prevention and best use of pan Housing investment and resources. Main risks are: rising demand for adaptations; budget pressures as a result of not being allocated Better Care capital in line with Government allocation via DFG; managing demand and expectations whilst reinforcing a preventative approach, reducing the volume and capital expenditure on reactive adaptations in both council and private sector housing. Impact on Outcomes: Service redesign will focus on prevention and alternative investment options to reduce pressures on Better Care Budget.	104	49		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
Temporary Accommodation & Allocations	Temporary Accommodation	15,750	1,203	39.2	External benchmarking shows that the costs are low. Statutory duty except for those households where accommodation is provided for Adult Social Care (ASC) teams and children's services. The budget provides both emergency and short term temporary accommodation through private sector leases, a framework of qualified providers and nightly spot purchases. Procurement approach being sought to access accommodation outside the city and the South East in areas where costs are lower. Savings in 2018/19 include the potential development of new in-house units through commissioning a council housing stock review to deliver conversions of existing under-used or unused buildings or spaces into Temporary Accommodation.	Service redesign underway to identify efficiency improvements with the focus on more prevention of homelessness with key partners and assisting homeless households to move to alternative private rented sector or other social housing in areas of low demand and lower rents than the city where rents are no longer affordable. 2017/18 efficiencies from management and maintenance of temporary accommodation (TA) and a reduction in the budget for deposit guarantee schemes of £0.100m. New Allocations Policy should enable annual savings of £0.551m by increasing priority to those in TA.	Delivery Risk: Redesigned service will need to manage demand. The savings from the changes to the allocation policy are calculated on the basis of current costs and an estimate of 35% of social housing being allocated to homeless households. Amendments made to this policy at December PR&G Committee could therefore put this saving at risk. Impact on Outcomes: No impact on outcomes anticipated.	40	736	268	6
Travellers	Travellers	604	572	6.0	No benchmarking information available. New site and reinstatement of transit site should reduce the number of unauthorised encampments (UAEs) and associated costs, provide opportunities to increase income from the site and reduce maintenance costs on refurbish site. Savings from 2018/19 are from increased income from the sites and reductions in staff.	Efficiency savings from reducing waste removal costs and reduced legal fees from unauthorised encampments as a result of increased provision.	Delivery Risk: UAEs and movement of travellers are unpredictable and while a range of measures can be put in place to deter them there is no guarantee that they will reduce. Impact on Outcomes: If UAEs fail to reduce as predicted we could see a delay in evictions as we will not have sufficient staff to process court applications. However we would not consider the risk of this to be high.	41	21	50	40
Housing General Fund Total		19,369	4,179	119.1				582	1,579	364	93

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
LIBRARIES											
Libraries	Library PFI	2,520	2,520	-	Delivering a significant element of the statutory service, the Private Finance Initiative (PFI) contract has demonstrated value for money and is contracted to 2029. 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 expenditure on the PFI is £1.078m. The libraries modernisation programme has set out a road map for changes over 15 years. Bookfund reductions will also be made, reflecting building changes, usage changes and the move to more digital services.	A review of the PFI contracts will take place in 2016-17 to look at potential savings for implementation in 2017/18. Proposal to look for efficiencies in facilities management over three years 2017-2020, and also reduce bookfund spending in line with changing libraries use.	Delivery Risk: Government consultants have advised that there are limited savings to be found from PFI contracts of this type. If level of savings were set too high, this would have a detrimental effect on service delivery. Impact on Outcomes: Reduction in bookfund of around 26% over the 4 years will have a limited impact on the range and number of books and other resources that the service can provide. Borrowing items is highest single demand from the public, so this could have a negative impact on customer satisfaction. The move toward, and accessibility of digital services will be important to mitigate impact. Potential impact on quality of the Jubilee building maintenance as result of FM cost reduction. See EIA 26.	17	50	30	80

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
Libraries	Hove Library	incl. in other lines	incl. in other lines	incl. in other lines	Current building is expensive to run, with high staffing and running costs, and needing extensive and ongoing maintenance and repairs. Following the rejection of the proposed move of Hove Library to Hove Museum, a new strategy for Hove Library is being developed.	As a result of the PR&G Committee decision to change the agreed Libraries Plan proposals to relocate Hove Library, the anticipated savings need to be found through a reconfiguration of Hove Library spaces to increase income generation potential and reduce running costs. This includes a proposal to close Hove Library on Sundays to reduce staff and operational costs.	<p>Delivery Risk: Delivering savings in the Carnegie building location is much harder than the original Libraries Plan proposals to relocate the service. Risk that projected income targets and savings targets will not be achieved in this location. Member and public objections to Sunday closure would make implementation difficult, and might lead to a judicial review.</p> <p>Impact on Outcomes: The PR&G Committee decision to change the agreed Libraries Plan proposals to relocate Hove Library, could have an impact on the rest of the library network unless mitigating actions are taken to reduce the high costs of running library services in Hove Library.</p> <p>Reduction in size of dedicated library space in order to generate income will change the nature of library services available in this building. However, a library will remain open in this preferred location, albeit 6 days per week, with access to a fuller range of resources via Jubilee Library, which we know many Hove users already visit. Closure on Sunday potentially reduces the income generating proposals already in the existing savings plans and reduces libraries performance as Hove opening hours reduced by 12%</p> <p>See EIA 26.</p>	69	60	144	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
Libraries	Staffing and operational costs	2,855	2,855	67.9	Staffing is essential for the delivery of Library Services but there are opportunities to reduce the cost of services through modernisation and rationalisation, increasing self-service and the 'Libraries Extra' initiative.	Modernisation programme - includes redesign of service delivery to focus on increased self-service, enabling reduced staff and management costs with an opportunity for increased use of volunteers.	Delivery Risk: First stage of savings plan has been successfully achieved. Further staffing changes will be dependent on further staff consultation and community engagement activity. Impact on Outcomes: Extending public access in terms of hours available to access Library facilities is an important addition to the service while enabling a lower cost of delivery. Remodelling the network of libraries in 2019/20 will impact on areas differently. See EIA 26.	213	22	21	54
Libraries	Income Generation	<i>incl above</i>	(426)	-	Limited scope for income generation as Libraries are a statutory service with restrictions on what can be charged for. Traditional income (fines, AV hire, reservations) is reducing. Focus will be on raising additional resources for added value services to deliver improved value for money, and increased commercial activity.	Modernisation Programme- diversification of funding to include: commercial income, commissioning income, grant funding, and fundraising. Collecting charges more efficiently and increasing commercial income. Raising more through donations and attracting grant income.	Delivery Risk: Dependent on library visitor trends and market conditions. An important risk is the rapid decline in traditional income streams (£15k p.a.) and automatic inflationary increase in targets (£10k p.a.) which is creating a service pressure every year before any additional income can be generated. Impact on Outcomes: Very high level of dependency on income generation. Potentially the income generation could be in conflict with service delivery, and could also put libraries in competition with other departments. See EIA 26.	10	10	10	20
Libraries Total		5,375	4,949	67.9				309	142	205	154

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
COMMUNITIES, EQUALITIES & THIRD SECTOR											
Communities	Communities and Third Sector Development staffing and operational budget	349	349	6.8	Create a single, streamlined and integrated resource to support community and neighbourhood working and fostering collaborative and independent action by residents, building social capital and resilience, including, implementing the volunteering policy.	Proposed service redesigns within the directorate to create the single streamlined resource reducing by 3.23 FTE staffing.	Delivery Risk: Will impact on ability to support community engagement and equalities work including meeting statutory requirements. Impact on Outcomes: Effective integration should improve engagement and equalities work around some protected characteristics however will reduce the overall capacity to engage with communities and equalities groups and support other council services to do so effectively. Likely to have an impact on meeting our statutory duties re: Equalities Act See Staffing EIA S9.	200	127	35	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
Communities	Communities and Third Sector Development Commission	2,115	1,879	-	Current contracts run until 31st March 2017. Provides infrastructure support to community and voluntary sector organisations to improve their efficiency, effectiveness and reduce dependency on council funding/contracts. Supports third sector organisations to develop and transform in response to the increasing demand on their services from reduced public sector provision. Community development provision is required to be maintained to continue to grow and foster community resilience and self-help in communities. This is likely to be an area of growth again as public service provision reduces and greater reliance on self-help in communities. Key element of delivering greater resilience through new ways of working. NB deferred 165k saving from 2016-17 will automatically be removed.	New third sector investment programme agreed by NC&E Committee July 2016 included proposed reductions to the programme. Published for bids in September. Deadline 1st November and awards early January 2017. Further £0.370m reduction of investment in strategic outcomes delivered by third sector.	Delivery Risk: Potential economic risk as, if not prioritised and planned effectively, some third sector organisations may be at risk and the demand they managed could then present to the city council. Similarly, there could initially be reduced voluntary action in communities that was diverting demand from statutory services. Further reduction of £0.370m could significantly impact on considerable number of third sector organisations in the city that provide other BHCC commissions e.g. Domestic Violence and Sexual Violence, or that support outcomes for other services e.g. young people through the youth collective. Also these org's often meet demands that public services cannot and do not prioritise. The additional saving carries reputational risk as the third sector investment programme was recently approved at NC&E Committee June 2016. Impact on Outcomes: May result in less 'active citizenship' in neighbourhoods and communities. Rather than reducing demand on statutory services, if not achieved through careful planning, prioritisation and engagement, it is possible there could be an overall negative impact as there may be less overall community action, volunteering and third sector support to meet demands or needs. See EIA 27.	-	470	135	135

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
Communities	Equality & Cohesion	217	217	3.1	The service ensures that the council meets its legislative duties under the 2010 Equality Act and achieves the highest standards under the LGA peers assessment Equality Framework for Local Government, and supports the duties of the Neighbourhoods, Communities & Equalities Committee.	The service redesign across the directorate will encompass this area of the service.		8	-	-	-
Communities	Healthwatch and NHS ICAS contract	306	306	-	To meet the legislative duty for each Local Authority area to have an independent health and social care watchdog. A review of the contract will be undertaken.	Services are being recommissioned for 2017/18-2019/20; with a 10% reduction in contract value from 2017/18.	Delivery Risk: There is potential for a reduced service to investigate and scrutinise health and social care provision in the city. The re-commissioned service must avoid the risk of not meeting legislative requirements. Impact on Outcomes: No impact on outcomes expected.	-	31	-	-
Communities, Equalities & Third Sector Total		2,987	2,751	9.9				208	628	170	135

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
REGULATORY SERVICES											
Environmental Health & Licensing	Environmental Health & Licensing	2,346	1,381	59.8	The service will continue to operate at statutory level in accordance with relevant regulations.	Rationalisation of management structure across the service reducing by 1fte staff in 2017/18; realisation of animal welfare savings already achieved and continuation of plans for Pest Control to be self-financing in 3 years is ongoing.	Delivery Risk: Potential risk of not performing to meet statutory duties or meet duty to investigate all complaints. Added reputational risk. Impact on Outcomes: Rationalisation of Regulatory Services Management Structure. Possible Impact of FSA 'Regulating Our Future'. Delivery of the Neighbourhoods Enforcement and Inspection Programme will identify where duplication is occurring and where work can be delivered more effectively by the new Field Officer role. Less cruelty and enforcement work results from realigning the Animal Welfare budget. See EIA 28.	126	116	109	70
Trading Standards	Trading Standards	408	399	9.8	Operating at statutory level. A regulatory service supporting the local economy, protecting consumers and businesses through a programme of inspections, investigations and advice to ensure a fair and safe trading environment in the city.	Review staff posts as they become vacant - assumed saving of 0.8 FTE staffing in 2017/18 and 0.5 FTE staffing in 2018/19 and also savings from a review of supplies and services.	Delivery Risk: Reduction in consumer protection advice. Political support and risks to local economy. Impact on Outcomes: Will reduce service level and priority will only be given to work where the team has a statutory duty to undertake regulation. With a high number of SME businesses in the City contributing to the local economy, priority will be given to supporting these where possible but it is likely that the level of support previously provided will not be sustained. See EIA 28.	28	44	20	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
Civil Contingencies	Civil Contingencies	182	182	3.7	The Civil Contingencies Act 2004 places a statutory duty on councils to have documented and tested Business Continuity Plans (BCPs). This has been the subject of an internal audit during July 2016 and the findings of this audit need to be implemented.	Savings of 1FTE staffing resulting from the implementation of a service redesign plus a reduction in supplies and services, and utilising skills and services already based in Regulatory Services.	Delivery Risk: Failure to deliver the savings and findings of the business continuity internal audit will result in financial risk, possible injury and loss of life, and possible legal challenge, and reputational risk. Impact on Outcomes: Reduction in service required, including a review of where duplication is occurring and where the service can be delivered more effectively and efficiently. Some of this work can be delivered by existing skills in Regulatory Services, including health and safety and risk assessment and management, business continuity, and audit and performance management. The modernisation programme will help to ensure that better resilience and risk management is integrated across services. Including development of sustainable processes and procedures both in the Emergency Planning and Resilience Service but also across services. See Staffing EIA S8.	-	60	-	-
Regulatory Services Total		2,936	1,962	73.3				154	220	129	70
COMMUNITY SAFETY											
Community Safety	Reducing Violence against Women and Girls. (VAWG)	1,472	725	2.0	Incidents of violence against women and girls reported are still increasing; services have been recommissioned to be more efficient and effective.	Commissioned Services to be reviewed alongside the Living Without Violence specialist support within Families Children and Learning.	Delivery Risk: Efficiencies are expected but no further budget reductions above those included within Families Children and Learning at this stage.	-	-	-	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
Community Safety	Crime & Disorder Partnership Management	399	318	5.0	Core functions and facilities to run community safety service. Addressing community safety, preventing and reducing crime and disorder reduce the number of perpetrators and victims in the city across a range of crimes including those which cause the most harm and increase service pressure in other areas.	Reduce premises costs in 2017/18 from being workstayed in main council buildings. Reduced contribution to police drugs operation. Reduced capacity to work with LGBT community by reduction of 0.5fte. Stop communities against drug work - part time post £0.025m.	Delivery Risk: Statutory function, failure to comply would bring council in breach of law. Reduced capacity in LGBT post will potentially reduce LGBT community trust and confidence. Reduction in legal support could lead to more contested cases. Stopping communities against drugs work may risk that drug use and litter increases, communities will become less resilient to drug use in neighbourhoods. Reduced funding by 50% to police drug operation - risk is that dealers will be less disrupted. Impact and mitigation for both proposals is that the part time post only has limited capacity at the moment so there will be some effect but CityClean may take up some needle find work. Impact on Outcomes: Reducing core services for community safety will mean less robust oversight of crime and disorder for the city. This may lead to increases in crime and vulnerability to crime and disorder locally. Performance in this area is measured through the Community Safety Partnership. There will be less capacity to assess performance and take action accordingly. This will lead to greater pressure on services dealing with the consequences of crime and disorder. Impact on reduction of £0.020m in Legal Services income. See EIA 29 & EIA29a.	67	92		7

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
NEIGHBOURHOOD, COMMUNITIES & HOUSING											
Community Safety	Casework Team	217	217	7.1	Casework Team delivers direct services to victims of anti-social behaviour (ASB) and hate incidents to bring their cases to resolution. The Team also deals directly with perpetrators of ASB and hate to reduce their offending taking out enforcement action when necessary and has some capacity to deal with the impact of drugs on communities.	Reduce staff capacity from 2018/19 onwards.	Delivery Risk: A reduction in capacity means that Thresholds are raised and that fewer victims and perpetrators receive a service to address ASB and hate. Impact on Outcomes: Reducing capacity to deal effectively with ASB and hate will mean fewer victims receive a service that would resolve cases for them. This will lead to increased community tension and added pressure on services dealing with the consequences.	66		38	24
Community Safety Total		2,088	1,260	14.1				133	92	38	31
NCH Total		32,755	15,101	284.3				1,386	2,661	906	483

Finance & Resources (F&R)

Budget Strategy 2017/18 to 2019/20

Services and Responsibilities

The Directorate covers the following areas:

- Finance.
- Procurement.
- Revenues & Benefits.
- Human Resources & Organisational Development.
- ICT.
- Internal Audit.

The directorate operates at both a service and corporate level providing essential business support to front-line services while also supporting the council to meet statutory obligations, maintain strong governance, and develop effective strategies across each function.

Its key strategic objectives are as follows:

- To support the council through a period of complex change.
- To continue to provide sustainable services whilst delivering significant savings by joining the Orbis partnership.
- Leading the Digital First programme to transform front-line services as far as possible.

In addition, it supports the council's wider modernisation agenda, for example through Finance and HR business partnering, the development of an improved ICT infrastructure, and Internal Audit's proactive approach to risk management.

Strategy and Key Proposals

During the 4-year period from 2016-17 to 2019/20 the directorate will reduce its net budget by over 30%. The Integrated Service & Financial Plan sets out how this can be achieved. Key proposals are set out below:

Getting basic services right – helping to make the city an enjoyable place to live and work

The council's Digital First programme includes capital investment of £6m which will be used to support transformation of front-line services and support them in making greater efficiencies. This will support the Revenues & Benefits service modernisation within the directorate while other savings and efficiencies across the directorate are planned through:

- Establishing shared support services through the Orbis partnership with East Sussex and Surrey County Councils including ICT, Internal Audit & Corporate Fraud, Human Resources & Organisational Development, Procurement, Finance, and Revenues & Benefits.
- Using the scale that Orbis provides to achieve service resilience as well as providing significant efficiencies by eliminating duplication and reducing management costs.
- Making sure that services provided by the directorate maximise the benefits from digital technology, notably in Revenues & Benefits, in order to achieve significant channel shift (e.g. from telephone to on-line services), leading to better outcomes for residents and lower costs for the council.
- Continuing to improve collection and recovery rates in Revenues & Benefits (i.e. for taxation and benefit overpayments).

- Reduced costs in Finance, ICT, and HR through continuing service re-designs and improved automated processes. Where necessary this work is supported by the Business Process improvement (BPI) team.
- Changes to the Council Tax Reduction Scheme are proposed that will generate £0.250m per annum from 2017/18.
- Reduction in organisational and workforce development activity is planned which will save £0.175m.
- Reviewing Trade Union support including benchmarking with other authorities to ensure that costs are reasonable and affordable.
- Reducing fraud risks and losses, for example through increased use of data matching or improved understanding of fraudulent activity.
- Continuing to maximise 'category management' and contract management opportunities in order to drive through procurement savings and value for money in the circa £300m spent on services provided by third party suppliers to the whole council including contracts managed by Finance & Resources, particularly for ICT.

Key Service and Financial Risks

The directorate provides services within the context of identified strategic and directorate level risks. Strategic level Risks include:

- The financial outlook for the council.
- The transition to modern, digital IT.
- Welfare Reform (e.g. impact of the reduced Benefit cap from November 2016).
- Organisational capacity as a result of change.

These risks are managed by the Executive Leadership Team and are regularly reported on and monitored by the Audit & Standards Committee.

Directorate level risks include:

- Transition and integration into the Orbis shared service partnership.
- Capacity of the directorate to meet the council's expectations and support change and investment programmes.
- Ensuring ICT solutions support service delivery.
- Delivery of *Digital First* objectives.

These risks are managed by the Directorate Management Team.

Links to other strategies

The directorate supports and contributes to the development and delivery of all strategies across the council through its business partnering role and / or its corporate strategic responsibilities. Strategies to which the directorate makes a significant contribution and reports on progress include:

- The budget and Medium Term Financial Strategy (MTFS)
- Workforce Planning and People Plan strategies
- The 10-Year Capital Investment Programme
- Treasury Management and Annual Investment Strategy
- Digital First programme

- ICT Infrastructure programme

Support is routinely provided to other directorates' key modernisation programmes including Adult Social Care, Affordable Housing, Enforcement & Inspection, Royal Pavilion & Museums Trust development, and Workstyles (administrative offices rationalisation and modernisation).

In addition, F&R will provide important support for the requirement to integrate adult social care with health agencies, beginning with discussions over Clinical Commissioning Group (CCG) budgets and joining up commissioning.

Department				Savings Detail			
Department	Gross budget 2016-17	Net budget 2016-17	FTEs 2016/17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Finance	12,910	10,931	324	810	1,222	446	408
Finance (Tax Base Savings)	216	(333)	8	624	341	307	307
Human Resources & Organisational Development	3,806	2,957	112	335	354	207	181
ICT	8,558	7,253	131	434	657	394	288
Total Finance & Resources	25,490	20,808	575	2,203	2,574	1,354	1,184

Corporate Services	32,905	11,761	-	510	445	116	16
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Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
FINANCE & RESOURCES											
FINANCE											
Revenues & Benefits - Benefits Administration	Administration of Housing Benefits and Council Tax Reduction awards - staffing costs budget	3,300	3,286	109.1	The Benefits function is statutory but the combination of a reducing caseload and efficiencies give the opportunity for savings to be made. The most significant factor in downsizing is the planned introduction of universal credit which will transfer caseload to the DWP. The stated savings take the reduction in grant directly related to this work transfer into account. This service is being considered as part of the Support Function Review.	The service continues to review its processes to maximise its use of resources. The reduction in workload and the nature of the workload being transferred to the DWP provides opportunity to reduce cost while maintaining service standards. The proposal made in 16/17 has been amended to reflect the delay in the implementation of Universal Credit. It is now proposed that 31 posts will be deleted within the 4 year period.	Delivery Risk: The saving forecast is predicated on the introduction of Universal Credit to the DWP forecast timescales. Changes in this forecast have meant a revision of the level of achievable savings and this may change again if there are further amendments to this forecast. There is subsidy risk if performance levels drop. There is also a risk of a skills shortage which may lead to recruitment and cost issues. Impact on Outcomes: No impact on outcomes provided customer service standards can be maintained.	163	280	44	72
	Administration of Housing Benefits and Council Tax Reduction awards - supplies, service and support costs.				As above.	There will be associated reductions in some supplies & serviced and support costs as the service downsizes. This is a combination of indirect employee costs, postal costs print costs and publicity and marketing costs.	Delivery Risk: The saving forecast is predicated on the introduction of Universal Credit to the DWP forecast timescales and accuracy. Changes in this delivery may mean a reprofiling of savings. Impact on Outcomes: No impact on outcomes anticipated.	2	21	24	19

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
FINANCE & RESOURCES											
	Administration of Housing Benefits and Council Tax Reduction awards - service charges.				To support the budget position by ending unnecessary payments from the General Fund to the HRA fund.		Impact on Outcomes: No impact on outcomes anticipated.	38			
	Collection of Benefit Overpayments					Increase the rate of recovery on historic benefit overpayment arrangements so that they are in line with the current maximum recovery amounts. This is being proposed on a one-off basis due to uncertainty about the current system of Housing Benefit subsidy and the transfer to Universal Credit.	Delivery Risk: The review will have to be applied very sensitively as a blanket approach would impact vulnerable clients and their capacity to meet other financial commitments which may have ramifications to other services and budgets. Diversion of resource and management focus may impact other areas of debt collection.		120		
Revenues & Benefits - Support & Contracts	Administration of Housing Benefits, Council Tax Reduction, Council Tax and Business Rates - computer systems & document management system administration	543	543	20.3	1. Negotiated reduction in main systems contracts 2. Negotiate systems contract reductions in light of the reduced benefit caseload. 3. Negotiate reduction in on line benefit form contract 4. Reduce associated supplies and services costs.	For 2016/17 the service delivered savings in reduced contract. Further to that saving the service has identified further savings for 2017/18 in terms of reduced associated supplies and service costs.	Delivery Risk: There is risk in projected contract savings if the expected Universal credit programme is delayed or market and workload forecasts are inaccurate. Impact on Outcomes: No impact on outcomes anticipated.	72	11		-
					Reduction in support resources in light of the reduced benefit caseload.	Delete one post in 2017/18 and a further post in 2019/20 (total 2 FTE).	Delivery Risk: There is a risk that the transition generates an increase in documents per case which may mean the scanning and indexing workload does not reduce as predicted. Impact on Outcomes: No impact on outcomes anticipated.		25	-	25
					Revenues & Benefits have a programme of digital changes to the service that are being delivered within the Digital First framework. As these changes are embedded that will begin to deliver savings. The success of the savings is, in part, dependent on managing customer channel shift to self-help services on -line.	There are three aspects to the delivery of digital savings. The first is reductions in cases, mostly postage and printing as e-documents are introduced. Second are savings related to automation as data from on-line forms automatically populates database records. The third is channel shift where self help means less resource is required for face to face and telephone contact.	Delivery Risk: If the channel shift is not on timetable then there will be a resource pressure that may have a detrimental effect on income collect or benefit subsidy. Impact on Outcomes: No impact on outcomes provided customer services can be maintained and the change co-ordinated with other services. See EIA 30.		27	82	75

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
FINANCE & RESOURCES											
					Service redesign	Service redesign to compliment the delivery of digital programme.	Delivery Risk: There is a risk that the service could be significantly under resourced if the redesign is implemented before digichannel shift has an impact on workload. This could negatively impact on customer service, particular phone and face to face services, income collection and the timetable for the achievement of future savings. See EIA 30.		100		
Revenues & Benefits - Discretionary Awards	The administration of the Discretionary Housing Payments and the Council Tax Reduction Discretionary scheme	1,079	303	3.3	To reduce the permanent element of the discretionary set aside to support the local Council Tax Reduction Scheme to proportionate levels.	It is proposed to reduce the commitment to this fund over the next 3 years as it is not fully utilised. It was well funded initially as a prudent mitigation against the pressures of reducing the funding to the main scheme.	Delivery Risk: There is risk in reducing any discretionary scheme set to support the vulnerable but with revised parameters and sensitive collection strategies it is believed that this risks can be reasonably mitigated. A downturn in economic conditions may impact further. Impact on Outcomes: No impact on outcomes is expected based on current trends.	50	45	45	
Revenues & Benefits - Council Tax Administration	Administration of Council Tax collection	2,364	1,653	63.8	The collection of council tax is statutory and administration savings have to be fully considered to make sure they do not impact on collection efficiency. However some savings have been identified. This service is being considered as part of the Support Function Review.	The saving is a combination of savings due to channel shift, moving the council tax leaflet to online only, reducing postal costs because of on line and text facilities etc and some direct supplies and service savings on underspending budgets.	Delivery Risk: These savings are considered low risk in the context of collection provided the digital roll out stays on track. Impact on Outcomes: No impact on outcomes anticipated.	30	1	10	10

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
FINANCE & RESOURCES											
Procurement Services	Procurement	554	514	15.0	Assumes funding through top-slicing contract management efficiencies across all areas in accordance with the approved business case. This reflects best practice studies that indicate that effective contract management can reduce contract costs by between 2% and 5%.	Additional funding generated through top-slicing additional savings derived from improved contract management across the authority.	Delivery Risk: Non-compliance with the new contract management approach will undermine the ability to generate savings (and therefore funds). This would mean that contract management could not be fully supported and savings and efficiency opportunities lost to the authority. Impact on Outcomes: If recent investment in training and skills does not improve compliance and skills as expected across services, a reduced Corporate Team could impact on procurement compliance and savings potential. See Staffing EIA S13.	69	49	41	27
CFO	CFO	202	202	2.0	Budget for Executive Director Finance & Resources. Significant saving only possible if this post/role is changed by the Authority.	Savings on training and supplies and services.	Delivery Risk: None. Impact on Outcomes: No impact on outcomes anticipated.	5	10	-	-
Financial Services	Financial Management & Advice	4,105	3,715	94.6	Aligning costs with the reducing size of the organisation but also ensuring costs are lower quartile and compare favourably with outsourced models. Service will be part of the shared service partnership with Orbis.	Ongoing redesign and re-prioritisation of the service will be undertaken including some processing changes (BPI), changes in management in response to Management Spans & Accountability (MSA) guidelines, and moving the service to a different customer service model in tandem with the move toward an Orbis shared service operating model. New model assumes some income generation through charged for advice and support for one-off projects e.g. grant funded or modernisation projects (funded through capital flexibilities).	Delivery Risk: Provided effective financial controls can be put in place and non-compliance is minimised (through enforcement if necessary), risks may be kept to a minimum. An inability to fund support for special, efficiency, and/or modernisation projects from other sources is likely to impact on availability of advice and therefore delivery of projects. See Staffing EIA S10.	141	141	50	58

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000								
FINANCE & RESOURCES											
	Financial Accounts				Production of financial statements is statutory but the government is continually bringing forward statutory deadlines for completion. This in turn drives the need for automation and more efficient production.	Financial Statement production has the potential to be highly automated and the focus will be on continuing to drive efficiency in this area alongside reviewing Management Spans & Accountability. As an invest-to-save approach, an increased focus on identifying and recovering monies through effective reconciliation and monitoring of the balance sheet will provide a small (net) increase in funds.	Delivery Risk: Learning from best practice authorities and liaising with external auditors will be key to minimising risk to effective production and adverse auditor opinion on the accounts. See Staffing EIA S10.	57	50	20	23
	Corporate Financial Services				Transactional services (e.g. payment of suppliers, systems, and income collection) will need to benchmark at below average cost or better and compare favourably to outsourced models. The Orbis partnership offers the potential for economy of scale and investment in improved IT solutions.	Further efficiencies will be sought through automation, BPI, possible alignment with other transaction services across the council and, in later years, alignment with Orbis partners.	Delivery Risk: Risk should be low provided effective financial controls can be put in place and non-compliance is minimised (through enforcement if necessary). See Staffing EIA S10.	110	125	63	73

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
FINANCE & RESOURCES											
	Corporate Financial Services				An additional saving to that above will be targeted on the transactional (accounts payable) service to contribute to closing the council's budget gap.	Although challenging, this service can look at possible processing changes to accommodate the saving but care will be needed to avoid impacting on the speed of payments and the reputational, legal and financial risks this can create.	Delivery Risk: Significant savings have already been taken from the service in each of the last 4 years because it is a transactional area where continuous improvement and efficiency drives through process re-engineering are possible. If this further reduction in accounts payable resources is not managed successfully, this may lead to a poorer service, slower payments and a consequent impact on supplier cash flows, and therefore increased risk of reputational damage, legal challenges and late payment charges. Impact on Outcomes: A diminution in service (e.g. slower payments, slower set up of suppliers, poorer email or telephone customer service) can impact on reputation and supplier relationships. This may result in suppliers being unwilling to contract with the council in future.		25		
	Strategic, Corporate & Treasury Services				These are strategic advisory services that are important to retain and align closely with strategic planning processes (e.g. budget setting, investment strategy, MTFs production, etc). Service will be part of the shared service partnership with Orbis.	This area is not recommended for significant reduction given the financial outlook for the authority but some efficiency may be possible through either BPI or, in later years, through the Orbis partnership.	Delivery Risk: Key risk is resilience of the function as the importance of strategic financial planning and advice increases with the complexity of the financial situation.			27	
Insurance	Insurance	109	100	3.6	A small but effective unit where costs will continue to be reviewed to ensure VFM. Service will be part of the shared service partnership with Orbis.	Commission income to be received for administering the insurance account for commercial properties on behalf of the insurance company.	Delivery Risk: Low risk	9	100		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
FINANCE & RESOURCES											
Internal Audit	Internal audit	654	615	12.3	IA is a statutory service providing assurance in internal control environment and support to service managers. Corporate fraud is a non-statutory service that reduces the council's costs by preventing and detecting fraud. Service will be part of the shared service partnership with Orbis.	Reduce costs per day through shared service with Orbis (through economies of scale and winning work). Reduce number of days to deliver audit plan and corporate fraud work. Ensure HRA is charged fairly for HRA counter fraud work	Delivery Risk: Expected income levels are not realised and so costs are higher than expected. Impact on Outcomes: (1) Potential reduction in the support for services to improve internal control and prevent fraud & corruption and loss of income through loss, error and fraud. Expect to mitigate this through greater focus on risk and applying learning from other local authorities. (2) Increased cost to HRA to more accurately reflect amount of HRA counter fraud work. See Staffing EIA S12.	64	92	40	26
Finance Total		12,910	10,931	324.0				810	1,222	446	408
FINANCE (TAX BASE SAVINGS)											
Revenues & Benefits - Tax Base Savings	Council Tax base - Council Tax Reduction scheme				The central government grant for the Local Council Tax Reduction Scheme is reducing year on year and placing additional financial pressure on the council. It is proposed to introduce a revised local scheme to reduce some of this pressure and offset the expected extra expenditure that will fall onto the scheme when Government welfare reforms begin to impact from 2016.	The Service consulted on a revised proposal for 2017/18. The outcome of consultation is that a recommended revised scheme for 2017/18 will be submitted to members in December.	Delivery Risk: It is anticipated that further alterations will need to be made by the council in successive years. There is risk that the cumulative effect of the welfare reforms will impact customers propensity to pay council tax and that estimates factoring this in may prove to be inaccurate. Economic conditions will clearly be an important factor. Impact on Outcomes: Minimal impact anticipated subject to economic conditions and management of welfare reform impacts. See EIA 31.	540	250	250	250

Service Area					Service & Financial Strategy			Savings Detail				
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings	
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17	2016-17
		£'000	£'000	2016-17					£'000	£'000	£'000	£'000
FINANCE & RESOURCES												
Revenues & Benefits - Tax Base Savings	Council Tax base - collection				The service is continuing on its improvement programme and it is anticipated that this will ultimately result in improved council tax collection performance.	The service has been set a stretch target of 0.05% improvement in ultimate collection each year.	Delivery Risk: Council Tax collection may be affected by welfare reform impact or economic conditions differently than forecast. Impact on Outcomes: As the measure takes several years to fruition it is difficult to be certain of the outcome.	57	57	57	57	
Revenues & Benefits - NNDR Administration	Administration of Business Rates collection	216	(333)	7.9	The collection of Business Rates is statutory. The focus on performance improvement relates to increasing the tax base, which while financially beneficial to the authority, falls outside of the revenue budget. This service is being considered as part of the Support Function Review.	Local Authorities can award Discretionary Rate Relief (DRR) of up to 20% on properties already subject to a mandatory 80% relief because they are wholly or mainly used for charitable purposes. Registered Community Amateur Sports Clubs are similarly eligible. The council can also grant 100% discretionary relief for a property if it is occupied by an organisation that is not established or conducted for profit. The proposal is to be more stringent in these awards to minimise expenditure.	Delivery Risk: The risks associated in this proposal although not financially high are complex and need to be considered in the light of revised corporate priorities during the 4 year budget saving process. The proposal is for the second year to allow for appropriate consideration and consultation. Impact on Outcomes: No impact on outcomes anticipated.		24			
					Additional increase to the tax base outside of the Revenues Budget.	Further review the criteria for Discretionary Rate Relief with a view to reducing the amount of the overall award.	Delivery Risk: The risks are as per above but as the discretionary fund decreases the impact widens. The beneficiaries of the discretionary scheme are mostly charitable organisations		10			
Revenues & Benefits - Tax Base Savings	Business Rates base - collection				The service is continuing on its improvement programme and it is anticipated that this will ultimately result in improved NNDR collection performance.	The service has been set a stretch target of 0.05% improvement in ultimate collection each year.	Delivery Risk: NNDR Tax collection may be affected by changes to government relief schemes, the 2017 revaluation of rateable values and economic conditions.	27	-	-	-	
Finance (Tax Base Savings) Total		216	(333)	7.9					624	341	307	307
HUMAN RESOURCES & ORGANISATIONAL DEVELOPMENT												
Head of Human Resources & Organisational Development	Leadership of HR	119	100	1.0	Continue to support modernisation programme and implement optimum service delivery methods and alternative models of delivery to drive efficiency.	Linked to Support Functions review and Orbis.	Delivery Risk: Service demands do not change and reduction of resource is delayed. Impact on Outcomes: No impact on outcomes anticipated.			100		
Organisational &	Courses	1,413	1,358	23.1	The rationale is a combination of	As part of service review define	Delivery Risk: Year 2 savings	161	175	65	85	

Service Area					Service & Financial Strategy			Savings Detail				
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings	
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17	2016-17
FINANCE & RESOURCES												
Workforce Development	Qualifications				stopping funding for some qualifications, increasing income using the new learning management system and deleting current vacancies	service offer to organisation and resource required to deliver. Use of in work apprenticeship to replace qualifications where appropriate	assume that DfE grant funding is still paid to BHCC. Impact on Outcomes: The introduction of the new Learning Management System (LMS) has allowed for a planned and sustainable reduction in admin staff. The new LMS has also created some genuine new income. In addition other savings have been made with grant income and workforce planning activities in relation to SW practice educators.					
	Elearning											
	Workforce strategy											
	Courses - non attendance and fees increase				Increase target from fees for non-attendance at courses and implement new course fees.	Linked to improved functionality and scale of customers in the new LMS	Delivery Risk: This income would be reinvested to other course development and delivery so will be a direct reduction to training activity. This will be in addition to the other reductions and consequences on the current training programme as above . Impact on Outcomes: This income would be reinvested to other course development and delivery so will be a direct reduction to training activity. This will be in addition to the other reductions and consequences on the current training programme as above .		32			
HR Business Partnering	HR Business Partnering Support	131	130	6.6	As part of service review define service offer to organisation and resource required to deliver. Service is part of the Support Function review.	Minimal saving as this is a key modernisation and change support team.	Delivery Risk: None. Impact on Outcomes: None.	-		-	-	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000
FINANCE & RESOURCES											
Occupational Health & Wellbeing	OH Contract (Team Prevent)	232	(24)	0.6	Continue to operate as a contract to achieve best value. In March 2017 the current OH contract comes to an end, award of the new contract will be determined on quality of service & a pricing model that demonstrates VFM & that further savings can be made.	Remove staffing budget. Aim to make contract self funding.	Delivery Risk: Ensuring contract management of occupational health support and advice is a key dependency for effective absence management. Impact on Outcomes: Good quality and timely advice on occupational health reduces time off work through informed return to work plans and/or assessment of suitability for role. Good contract management ensures quality and performance and service improvement.		25		
	Wellbeing				Income generation opportunity.	Self financing staffing cost from income.	Impact on Outcomes: No impact on outcomes anticipated.	-		-	-
	Services to schools	76	(2)		No change proposed.		Impact on Outcomes: No impact on outcomes anticipated.				
HR Policy & Projects	HR Policy & Projects	106	80	7.5	Review policy approach to enable self-service. Rationalise and simplify policy and guidance.	Service is part of Support Function review. Deletion of Sc6 vacancy.	Impact on Outcomes: No impact on outcomes anticipated.	32		23	23
	Pay and Reward	172	172	6.0	Introduce job families over next 2/3 years to reduce requirement for lengthy Job Evaluation processes and appeals.	Service is part of Support Function review. Redesign of job evaluation support.	Delivery Risk: Potential resistance from services focussing on change management. Impact on Outcomes: No impact on outcomes anticipated.				
HR Operations	Recruitment	115	86	7.1	Reductions arising from vacancy slowdown and reducing size of organisation.	Reorganisation/redesign of service	Impact on Outcomes: No impact on outcomes anticipated.	-	12	9	7
	Establishment/Vacancy control	37	28	3.0	Potential for savings via income budgets and turnover across HROD.	Review all transactional processes.	Impact on Outcomes: Reduce service capacity as turnover impacts - managers in services will need to self service and use the HR information system and intranet.	75			7
	Payroll & Pensions	125	94	8.4	Service is part of Support Function review.	Potential for staffing efficiencies in later years through Support Function review model.	Impact on Outcomes: No impact on outcomes anticipated.				14

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
FINANCE & RESOURCES											
		£'000	£'000					£'000	£'000	£'000	£'000
HR Advisory	HR Employee Relations advice	270	200	14.8	Service review to reduce service and improve online and telephone guidance for managers to undertake workforce interventions without direct support from caseworkers.	Staffing efficiencies through service redesign.	Delivery Risk: Potential for increased tribunal costs if managers' do not follow correct actions and advice. Impact on Outcomes: No impact on outcomes anticipated.	-	45		25
HR Schools Service	HR Schools & Other External Service	289	218	15.3	Reviewing as part of 'services to schools' offer to retain buyback from schools, seek new custom and develop cost model that secures income over resourcing. Part of Support Function review.	Move towards full income generated model but this could mean a revised charging mechanism to schools.	Delivery Risk: Financial pressures on schools may impact on buy-back. Impact on Outcomes: Dependent on schools' financial health and continued quality of service.				
Health & Safety	H&S Advice, Assurance & Compliance	306	301	12.2	In-house provision reduces unnecessary cost by assisting in the management of risk by ensuring proportionate allocation of resources (ie) asbestos and fire safety management. Part of Support Function review.	Delete post currently vacant. Undertake a service redesign and create toolkits for services to operate on self service. Explore opportunities to provide more services to other public and private sector organisations Explore services that can be provided via an associate model.	Delivery Risk: Schools may not buy back service which will reduce the team and may affect service to other schools. Impact on Outcomes: Impact will be minimal as training will be provided to duty holders & H&S team to support compliance activity & refocus service priorities.	31	-	10	10
	Training (commissioned & internally delivered)	71	71		Further explore opportunities to sell more services to other public and private sector bodies.	Income generation opportunity.	Delivery Risk: Dependent on market conditions. Impact on Outcomes: No impact on outcomes anticipated.	19	10		10
	Health & Safety Services to Schools	144	-		Further explore opportunities to sell more services to other public and private sector bodies	Income generation opportunity.	Delivery Risk: Dependent on market conditions. Impact on Outcomes: No impact on outcomes anticipated.		5		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
								£'000	£'000	£'000	£'000
FINANCE & RESOURCES											
Trade Union: Note – In addition to the 6 posts funded centrally there are 2 posts that are funded within services		200	145	6.0	Proportionate reduction in the overall funded facilities time across the council.	Dependant on options for suitable posts on redeployment there maybe some call on restructure and redundancy reserve	Delivery Risk: The council is required under legislation to provide reasonable paid time off to union representatives carrying out authorised duties. Historically, block release has become standard practice rather than individual ad hoc workplace. Reducing block release could revert to an increase in workplace release. Impact on Outcomes: With the reduction of corporate facilities time, work place representatives will have to be released to attend to reasonable duties and local managers will need to plan this for backfill as necessary.	17	50		
Human Resources & Organisational Development Total		3,806	2,957	111.6				335	354	207	181

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
FINANCE & RESOURCES											
ICT											
ICT Management Team	Senior ICT Management of Department	504	504	8.0	Service is non-statutory with a mixed supply market available from commercial and public providers. Integration into Orbis Shared Service is the agreed approach, with savings only possible through early integration of services both technically and through resourcing. Integration needs to happen in 17/18 to achieve both early savings and maintain resilience of service despite significant demand pressure.	Reductions in senior managers through integration into Orbis, with early reduction in 17/18 prior to budget pooling through deleting vacant post and early management integration with some redistribution of management accountabilities to remaining heads of service.	Delivery Risk: Capability and capacity to support change and operational risk in BHCC will be weakened, reduced ability to meet demand from services for modernisation and efficiency gains. Impact on Outcomes: Loss of Senior Management posts increases pressure on middle management and remaining senior managers while Orbis integration happens. Initial slow pace of Orbis integration creates risk. See Staffing EIA S11.		83	98	63
Infrastructure Engineering	Wide Area Network (WAN), Local Area Network (LAN), Security, Server & Storage hosting, Virtualisation	410	410	10.0	As above	WAN is already shared service with ESCC, some further cost reductions in overheads through reduced client function costs and shared Data Centre (DC) connectivity costs with ESFRS and through site reductions achievable. Cost reductions through technical & contract consolidation and shared staff services. ICT service redesign has already reduced staffing costs. Savings are through vacancy management and Orbis integration. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place.	Delivery Risk: High without Shared Service as cannot achieve economies of scale and reduced staff numbers will directly reduce service levels. Impact on Outcomes: Assumes vacancy churn rate of 5% and downturn in certain project related work following Workstyles & ICT Infrastructure Programme. See risk section for further details of risk that downturn in work will not now happen. See Staffing EIA S11.	35		21	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000					£'000	£'000	£'000	£'000
FINANCE & RESOURCES											
Customer Experience	Service Desk, Customer Solutions & Problem Management (& printing)	990	990	27.0	As above	Following the ICT Service Redesign, vacancy management including holding or deleting posts and part posts, will be used to reduce costs in-year through 17/18 ahead of integrating services in 18/19. Further savings from 18/19 onwards will come through Orbis integration. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.	Delivery Risk: High without Shared Service as cannot achieve economies of scale and reduced staff numbers will directly reduce service levels. Impact on Outcomes: Assumes retirements and vacancy churn rate of 5%. See Staffing EIA S11.	93	100	70	
Business Solutions	Social Care, Education, Housing	383	383	10.0	As above	As above	Delivery Risk: As above Impact on Outcomes: Assumes vacancy churn rate of 5% including flexible retirement and removal of vacancy. See Staffing EIA S11.	18	79		30
Digital & Data	Digital, Data and Location Systems Support	654	634	18.0	As above	Cost reductions over time through technical & contract consolidation and shared services. Significant growth in demand through Digital First and other digital service requirements mean there are only limited savings in first two years. Savings from 19/20 following integration into Orbis. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.	Delivery Risk: Medium See Staffing EIA S11.		47		30

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2017-18	2018-19	2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
FINANCE & RESOURCES											
Platform Engineering	Platform Engineering	410	410	9.0	As above	Service area remains under resourced with demand increasing through both Digital First and Information Governance demands. No early scope for savings. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.	See Staffing EIA S11.				
Information Governance	Records Management, Information & Cyber Security, and Data Protection	339	339	8.0	As above	As above	Delivery Risk: High, increasing cybersecurity threats pose significant risk See Staffing EIA S11.	42			
Business Alignment	Business Engagement, Analysis	235	215	6.0	As above	Following the ICT Service Redesign, vacancy management including holding or deleting posts and part posts will be used to reduce costs in-year through 17/18 ahead of integrating services in 18/19. In addition targeting of resource to Digital First will increase income. Further savings from 18/19 onwards will come through Orbis integration. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.	Delivery Risk: Medium Impact on Outcomes: Increase in income from investment and reduction in business analysis capacity, reduced ability to assess new change work outside of investments, mitigation is through shared resource spread across Orbis and assumes vacancy churn rate of 5%. See Staffing EIA S11.	28	55	43	
Change Portfolio	ICT Consultancy & PMO	260	235	6.6	As above	As above	Delivery Risk: Medium Impact on Outcomes: Impact through reduced core ICT project management capacity, mitigation is through shared resource spread across Orbis and assumes vacancy churn rate of 5%. See Staffing EIA S11.		55		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
FINANCE & RESOURCES											
Enterprise Architecture	Architecture & Solution Design	132	132	2.8	As above	Service area remains under resourced with demand increasing through Digital First, Orbis Integration and ASC & Health integration agenda demands. No early scope for savings. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.	Delivery Risk: Medium See Staffing EIA S11.				
ICT Schools & Traded Services	ICT Schools & Traded Services	1,190	(50)	23.0	Service is cost neutral or surplus generating. Aim would be to achieve full cost recovery of support costs and year on year small income increases.	Following the ICT Service Redesign, vacancy management including holding or deleting posts and part posts will be used to reduce costs in-year through 17/18 ahead of integrating services in 18/19. Continued growth in trading income while consolidating offers through shared service. Opportunities through new markets (geographical and market sector). Potential inclusion in service redesign reducing costs and simplifying for alignment to shared service, while increasing income.	Delivery Risk: High as market is increasingly competitive and schools funding is now very challenging. Joining Orbis removes one area of competition and provides complementary skills and capacity, however schools more likely to reduce optional spend. Impact on Outcomes: More aggressive stance seeking income, risks relationships with some schools, putting overall income stream at risk. Includes significant focus on nursery and independent sector which has been slowed to date to allow for combined Services to Schools offer, also assumed vacancy churn rate of 5%. See Staffing EIA S11.	30	113	62	65

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
FINANCE & RESOURCES											
Managed On Behalf Of	Contracts & Contract/Budget Management	3,051	3,051	2.8	As above	Shared Service presents opportunities for reduction of costs through economies of scale.	Delivery Risk: High, risk that lack of commercial skills and capacity will lead to financial risks on contracts Impact on Outcomes: Contract consolidation across multiple technology areas. But demand for services may outstrip ability to drive savings within contracts, Reduction in contract management and supplier management, mitigation is through shared services within Orbis and stronger skillsets in management. Also impact on staff by reduction in desk telephony in favour of existing mobiles. Risk that resistance to change leads to problems in removing landline numbers.	188	125	100	100
ICT Total		8,558	7,253	131.2				434	657	394	288
Finance & Resources Total		25,490	20,808	574.7				2,203	2,574	1,354	1,184
CORPORATE SERVICES											
Concessionary Bus Fares	Concessionary Bus Fares Scheme	10,895	10,895		- Statutory reimbursement based on national formula and maintain discretionary elements of the scheme (9am - 9.30am and 11pm to 3.59am weekdays)	Maintain option of fixed deal where this provides Value for Money to minimise impact of growth in trips and increasing cost. Lower inflation and lower growth in trips means the planned budget can be reduced	Delivery Risk: Fixed deals can provide certainty for both parties. Without this there are significant financial risks.	240	250	100	-
Concessionary Bus Fares	Taxi Voucher scheme	38	38		- This is a discretionary service provided by the council	Maintain a level of funding to provide taxi vouchers for those entitled to concessionary travel but are unable to use a bus because of a disability.		-	-	-	-
Financing Costs	Debt and investment interest	5,110	3,446		- Service is provided through a combination of professional advisors and in house treasury management	Proactively review debt portfolio to bring down average cost	Delivery Risk: Interest rate changes.				
Financing Costs	Minimum Revenue Provision (MRP)	7,376	3,391		- Service is provided through a combination of professional advisors and in house treasury management	MRP statement and strategy amended to reprofile MRP costs in 2015/16 and these changes are reflected in the projected budgets up to 2019/20	Delivery Risk: External Audit challenge MRP assumptions although this risk is considered minimal.				
Contingency & Risk Provisions	Risk Provisions & other contingency items	3,504	3,504		- Level set annually at budget council.						

Service Area					Service & Financial Strategy			Savings Detail				
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings	
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18	2018-19
		£'000	£'000	2016-17					£'000	£'000	£'000	£'000
FINANCE & RESOURCES												
Insurance	Premiums	1,756	1,756		- Premiums are third party payments that are regularly reviewed and re-procured.	Balance the cost of premiums and levels of excess for VFM. Absorb the increase in Insurance premium tax.	Delivery Risk: Insurance market can be volatile. Claims history can change as council services change risk levels.	-	-	-	-	-
Insurance	Excesses/deductibles/self insurance	1,473	1,473		- Premiums and excesses need to be viewed together	Need to balance cost of premiums and levels of excess for VFM.		-	-	-	-	-
Corporate Pension Costs	Corporate Pension Costs	2,371	2,371		- Statutory requirement to pay for historic retirement decisions of former employees that included added years.	Review liabilities annually to take account of reducing former employees who received this benefit	Delivery Risk: Annual inflationary increases to pensions are more than the reduction in liabilities.	16	95	16	16	
Carbon Reduction Commitment (CRC)	Carbon Reduction Commitment expenditure	210	210		- Statutory requirement to purchase allowances for carbon emissions	Phase 2 of the CRC ends in 2018/19. Use pre purchased allowances over the next 3 years alongside the recurrent budget.	Delivery Risk: Allowances increase by more than inflation and carbon emissions do not reduce.	150	-	-	-	-
Levies & Precepts	Levies & Precepts including: Sussex Inshore Fisheries & Conservation Area, Environment Agency and Enclosure Committees	172	172		- Statutory requirement for external organisations to raise a levy / precept on the authority.	Set by external organisations.		-	-	-	-	-
Unringfenced Grants	Unringfenced grants including: S31 Business Rates Retention (BRR) Scheme, New Homes Bonus, Education Services, PFI and Housing Benefit Admin Grants.	-	(15,495)		- Set by government	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.		-	-	-	-	-
						Additional saving of £0.139m from senior management and related support.		104				
	CORPORATE SAVING				Complementary to the Management Spans & Accountability (MSA) principles used to challenge management costs, a similar approach to reviewing administrative and personal assistant support to management will be undertaken.	A review of executive and personal assistant support to Chief Officers, Corporate Management Team and potentially lower management tiers will be undertaken to ensure optimum use of current technologies, review working practices, pool resources and achieve staffing reductions. A target of £0.100m on estimated staffing of over £0.6m is considered achievable.	Delivery Risk: The key risk is clearly that senior managers spend time on administrative tasks rather than on higher value work. Impact on Outcomes: No impact on service expected.		100			
Corporate Services Total		32,905	11,761	-				510	445	116	16	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
FINANCE & RESOURCES											
Finance & Resources & Corporate Total		58,395	32,569	574.2				2,713	3,019	1,470	1,200

Strategy, Governance & Law

Budget Strategy 2017/18 to 2019/20

Services and Responsibilities

Strategy, Governance & Law's purpose and mission is to help the council in setting its strategy and priorities, enabling delivery of those priorities and monitoring performance. It also supports the democratic process in terms of elections and decision-making. It has a significant element of delivering front line services through Life Events (registrars, bereavement services and local land charges). The different services comprised in the directorate are:

Legal Services (net budget £1.3m) - this service provides legal advice and representation to the council as well as the Monitoring Officer function. It is a high performing service (winning Legal Team of the Year award for governance & people related services last year.) The benchmarking data has consistently shown it to be at least above average in all areas in terms of value for money. The team includes the Safeguarding Team, which supports adult and children's safeguarding functions.

Democratic and Civic Office Services (net budget £1.5m – including Members Allowances) - this service provides support to Members generally, is responsible for the co-ordination and administration of the decision-making process, Member training, administering of School Appeals and the Members' allowances scheme. It also includes responsibility for the Mayor's Office, (including the Lord Lieutenant) and the Leadership Support.

Policy & Partnerships (net budget £0.389m) - this includes the Policy, Partnerships and Scrutiny teams. The partnership service is part funded by partners in the City and supports Brighton & Hove Connected as well as a number of initiatives in co-ordination with partners in the city.

Life Events (net budget £0.027m, gross budget £3.5m) – this includes Electoral Services, Local Land Charges, Registration and Bereavement Services. As the net budget figures indicate, it is largely funded from income generated from fees and charges. The service has delivered significant savings over the last year, when it experienced significant challenges, including 3 elections, significant staffing changes and competition from alternative providers.

Performance, Improvement & Programme Management (net budget £0.809m) - the role of this team is to drive change management, risk management and performance improvement across the organisation to minimise adverse impact of financial challenges on customers. It also has responsibility for ensuring objective resolution of customer dissatisfaction and taking strategic lead in improving customer experience through effective customer insight. The performance team drives the corporate and directorate planning and monitoring processes.

A number of modernisation projects and programmes across the organisation in all directorates are managed from the Programme Management Office which is funded largely from one-off modernisation funding. The Business Process Improvement (BPI) team is also funded through this one-off resource with a focus on conducting reviews to manage customer demand and deliver efficiencies.

Corporate Communications (net Budget: £0.699m) - the service provides internal and external communications support to the council. A new Head of Service was appointed in the summer and the service is going through a review to provide greater resilience, flexibility and strategy. Skills

need to be developed so there can be capacity for the team to be much more proactive, better placed to deliver services and improve standards and working to a proper plan.

Work is also needed to embed the campaign-led approach using an account management model (with a better service offered to the directorates), as well as an increased use of digital communications. The team also includes the print and design team which generates income. A new business model is being developed.

Overall there will be a move towards a more strategic approach, less focus on responding to day-to-day enquiries and more focus on engagement and communicating the more important strategic decisions.

Strategy and Key Proposals

The overall approach is summarised below and includes protecting service provision where this would otherwise have a counter-productive impact (e.g. higher overall costs) on the council in the longer term.

Getting basic services right and making the city an enjoyable place to live and work

- We will continue to provide reliable and value for money bereavement, registration and electoral services.
- We will support enforcement action to tackle noise nuisance, vandalism and anti-social behaviour.
- Providing an effective mechanism for service users to raise complaints and resolve issues. As a support service, the directorate supports the council generally and the front line services in particular by keeping costs down and finding innovative, more effective ways of delivering services including:
- Help the council focus on getting basic services right by ensuring that support services remain efficient and effective. In particular:
 - Enabling clients to be more self-sufficient by providing training and resources in areas requiring less intensive expert input, and withdrawing from activities where the risk/reward assessment justifies it;
 - Exploring shared services and other collaborations, in particular, the Orbis Public Law partnership, to provide greater resilience, income generating ability and access to specialist expertise;
 - Reprioritisation and refocusing of resources based on risk assessment and optimum return on investment;
 - Maximising use of technology, for example, electronic agendas, report management, document e-bundling systems, and moving from traditional contact channels to online facilities supported by Digital First ;
 - Adopting a more commercial approach to the management of services, including exploring income generation opportunities, use of property assets, control of expenditure and better forecasting of income streams;

- Exploring funding and resourcing opportunities for externally funded initiatives. Work with partners, business, universities, volunteers and potential donors/funders to resource initiatives that would benefit the City and the council.

Protecting provision for vulnerable people as the city's population grows and the cost of care rises

- The proposals protect the Legal Support to the council's safeguarding function which ensures the wellbeing of vulnerable children and adults. We will continue to provide legal advice and representation as well as legal support to preventative initiatives as necessary.

Supporting economic growth and regeneration that benefits everyone

- Providing Legal and Project Management support to the major infrastructure development initiatives (such as the Waterfront, King Alfred, Circus Street, etc.).

Key Service and Financial Risks

Legal Services - the service has been working at capacity for a long time. Recently, it has seen an increase in child safeguarding referrals by as much as 70% which is in line with trends elsewhere. There has also been an increase in commercial property and procurement work. It is proposed to mitigate the risks and deliver savings by joining Orbis Public Law to provide the service with resilience, better economies of scale and the opportunity to grow/generate income as well as access to a greater pool of expertise. We will also use more electronic bundling, case management systems as well as more use of paralegal to keep costs down and generate income.

Democratic and Civic Office Services - the majority of the budget consists of Members' allowances and Political Assistants. When the support to the Mayoralty is taken into account, there is limited resource in the core Democratic Services Team which has had post reductions in the last 3 years. The opportunity has been taken to move to digitisation of services, including electronic agenda, web casting, use of apprentices and reductions in overheads.

Policy & Partnership - the scrutiny Team has been reduced to the minimum necessary to comply with legal requirements. The Policy Team achieved savings of £0.169m last year and is now operating at a basic level. The support it can offer is therefore limited. We will try to maximise the benefits of working through Better Brighton & Hove. We have established a corporate policy network with representatives from each directorate and are about to implement a "hub and spoke" model with a small core policy team. We will refocus and integrate the work of the scrutiny team to support policy development.

Life Events - this budget, especially Bereavement Services, is highly dependent on changes in the number of deaths and the number of cremations as well as other factors which make confident budget projections difficult. The proposal is to increase the fees and charges, rationalise the officer arrangements to drive out efficiencies and reduce costs wherever possible. The increase in fees and charges needs to be approved by PR&G Committee and some of these, especially those related to burials and cremations, are likely to be contentious and if agreed may impact on the ability to compete with other providers.

Performance, Improvement & Programme Management - the service is critical to the achievement of the council's objectives in terms of modernisation, delivery of savings and customer satisfaction. This is more important now at a time of budgetary challenge and when the council is having to take more challenging steps that carry greater risks. The service is at the heart of ensuring corporate governance to evidence organisational grip. The consequences of reducing

the funding include reduced governance, reduced personalised support for directorates and reduced support for customers handling their dissatisfaction.

Corporate Communications - at a time when the council is going through a period of making significant changes to services, communications with the public and the workforce are absolutely essential. The Digital First initiative, including the redesign of the council's website, My Account and other avenues will be used wherever possible and we will continue to explore better and more effective ways of communicating with the public and the workforce.

Department				Savings Detail			
Department	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Corporate Policy	919	836	12.1	167	60	40	10
Democratic & Civic Office Services	1,627	1,575	15.0	85	54	32	29
Legal Services	1,800	1,312	46.2	105	120	59	40
Life Events	3,506	27	53.6	212	151	40	60
Performance, Improvement & Programmes	1,457	809	32.7	46	113	48	26
Communications	759	669	22.1	140	76	61	46
Total Strategy, Governance & Law	10,068	5,228	181.7	755	574	280	211

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
STRATEGY, GOVERNANCE & LAW											
CORPORATE POLICY											
Chief Executive	Chief Executive	254	254	1.0	This small budget supports the salary and work of the Chief Executive Officer, his PA and the running costs of his office.			-	-	-	-
Leadership & Civic Support	Civic Mayors Office/ Mayors Allowances/ Political Admin Support	213	193	4.8	Service redesign to be undertaken.	Service review to explore how further efficiencies can be achieved through pooled working across service areas and service modernisation.	Delivery Risk: Costs may re-emerge if service continuity is not secured. Impact on Outcomes: No impact on outcomes expected.	63			
Corporate Policy (Policy development, Brighton & Hove Strategic Partnership, overview & scrutiny team)	Policy & Partnerships	452	389	6.3	Non statutory except health scrutiny. However important to have effective policy, scrutiny and partnership functions to ensure efficient and effective long term strategic planning and joint working with city partners.	Savings through restructure + reducing non-staffing budget + eliminating initiatives budget. This service has seen a significant reduction in capacity last year (£0.104m)	Delivery Risk: None anticipated. Impact on Outcomes: Medium/high impact as there will be less resources to do proactive work to improve effectiveness and efficiency of the organisation.	104	60	40	10
Corporate Policy Total		919	836	12.1				167	60	40	10

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000	£'000				£'000	£'000	£'000	£'000
STRATEGY, GOVERNANCE & LAW											
DEMOCRATIC & CIVIC OFFICE SERVICES											
Democratic Services	Democratic Services	661	609	15.0	This will focus on achieving savings that have minimum impact on the support available.	Service redesign, use of information technology, rationalising supplies and services and a reduction in the offer available to support members and officers by focusing on priority areas.	Delivery Risk: The savings, especially those relating to printing, are dependent on the necessary investment and support from ICT (eg tablets for electronic agenda access.) Support for non-decision-making meetings may have to be withdrawn, with greater pressure on staff and less support to members. Impact on Outcomes: There may be some cost-displacement to other services from reduced support to meetings. Less development support for members and a reduction in the overall support to members. See EIA 32.	41	30	32	29
Members' Allowances	Members' Allowances	966	966	-	This is designed to achieve savings but in a way that aligns with the democratic governance arrangements.	This involves taking savings from national insurance contributions which are no longer needed together with freezing Members allowances for the forthcoming year.	Delivery Risk: These changes require agreement by the Independent Review Panel and Full Council. Impact on Outcomes: Less room for flexibility if there is an increase in the allowances take up. See EIA 33.	44	24		-
Democratic & Civic Office Services Total		1,627	1,575	15.0				85	54	32	29

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
STRATEGY, GOVERNANCE & LAW											
LEGAL SERVICES											
Legal Services	Legal Services	1,527	1,039	32.0	The proposed savings are designed to protect legal support for core, high risk priority services. They involve a substantial reduction in capacity with corresponding reduction in the support available. Legal Services will maximise income where possible and introduce an element of charging for non-core services. A careful balancing act will be needed to ensure the exposure to risk is commensurate with the benefit of the savings.	The projected savings for 2017 will be achieved from a combination of a reduction of services and staffing, trading and charging. The projected savings for 2018 onwards will be achieved from within the Orbis Public Law partnership or, if the Orbis option is not agreed, a combination of trading, a reduction in services and staffing and charging for non-core services. The preferred approach is for the service to formally join Orbis Public Law. This will give greater resilience, economies of scale and an opportunity to trade, enabling the support of priority services and objectives.	Delivery Risk: Reduction in legal advice and representation at a time when demand is likely to rise (especially during the first 2-3 years where the likelihood of legal challenge is the highest and the need for legal advice is increasing) poses significant risk. For example, employment law support may be reduced for ET representation, contract support limited to high value contracts (eg >£350K), non funded areas of advice stopped (eg recovery of care home charges) and the preventative advice reduced. The proposal to join Orbis Public Law has the potential to mitigate some of the impact of this. However, the Orbis Public Law option also requires savings levels to be agreed between authorities and it is not clear if the others will accept a 30% saving. Impact on Outcomes: This will adversely impact on the service's ability to provide robust legal support. It will mean the service will increasingly focus on reactive legal input rather than enabling and preventative advice and support. For example, focus on litigation\ET cases rather than proactive support at early stages of a matter. Advice to member panels and procurement support will be limited to high value contracts. Non funded areas of work will cease or be significantly reduced (eg community safety; recovery of care home charges).	101	120	59	40

Service Area					Service & Financial Strategy			Savings Detail				
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings	
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19	2019-20
		£'000	£'000	2016-17					£'000	£'000	£'000	£'000
STRATEGY, GOVERNANCE & LAW												
Safeguarding & Advice (Children & Adults)	Safeguarding & Advice (Children & Adults)	273	273	14.2	This is a critical service funded largely directly by the clients (Children and Adults). It is therefore not proposed to reduce the budget beyond the proportion attributable to the core funding of the service and where there is less impact.	It is proposed to review the provision of the service as part of the OrbisPublic Law initiative and savings realised consistent with the need to ensure support for the safeguarding function. This will include looking at opportunities for efficiencies e.g. an in-house advocacy service. If the Orbis option is not agreed, reprioritisation will be undertaken, but it is unlikely that significant savings can be made here without a disproportionate increase in risk. A commercial approach will be taken where possible for example undertaking paid for DoLS work for the CCG and proposing a buy back offer for services to schools.	Delivery Risk: Any significant reduction in resources will impact on the council's ability to discharge its safeguarding obligations at a time where there is a national trend of significant increase in care proceedings. This risk applies to all options but may be mitigated with Orbis Public Law option as it increases resilience, in particular through considering the use of in-house advocates more widely. Impact on Outcomes: There will be some impact on the legal capacity as demand has continued to increase. The numbers of proceedings issued have significantly increased for both adults and children's.	4	-	-	-	
Legal Services Total		1,800	1,312	46.2					105	120	59	40
LIFE EVENTS												
Life Events	Crematorium	430	(874)	3.0	Regularly review cremation fees and charges using benchmarking from other Local authorities, taking account of all unit costs.	Regular fee and charge increases in line with local area and business requirements, and reviews of unit costs. For 2017/18 it is proposed to maintain cremation fees and charges at current rates, and accept a cost of living increase of around 2% for the new financial year, but not go any higher	Delivery Risk: Cremation no's need to be maintained. Can be affected by competitor activity and mortality rates. Impact on Outcomes: No impact expected. See EIA 39. Option of fee and charge increases are a risk, as this can be contentious.	50	-	-	-	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
STRATEGY, GOVERNANCE & LAW											
Life Events	Welfare Funerals	107	17	1.0	Review of provision of welfare funeral services to operate in a different way and explore reducing staff costs and operating costs. Potential use of external company for searches for next of kin may reduce need for public health funeral.	Changes to delivery of welfare services - involving outside company considerations.	Delivery Risk: Changes to service delivery are potentially high risk and need to be explored further - including reputational risk with stakeholders. Impact on Outcomes: There will be a review of Welfare Funeral services that will include options to assist those experiencing funeral poverty, by introducing affordable funeral packages / options. Customer engagement with FDS necessary. See EIA 34.	10	10	-	-
Life Events	Coroners Transfer Service	525	525	7.0	Consider review of service and tender to a Funeral Director service instead of using in-house staff team from mortuary.	Review of service to work in a different way and consider external Funeral Director service to provide CTS service. This is common practice across other local authority services.	Delivery Risk: Obtaining contract with reputable FD who meets Coroner's requirements. Impact on Outcomes: Potential for changes but short-term cost likely as there will be pay protection compensation issues to cover, prior to setting up new arrangements. Not as straightforward as simply procuring a new contract with a FD. See EIA 34.	5	5	-	-
Life Events	Memorialisation	72	(60)	1.0	Introduction of new products and development of existing products.	Increase in sales through product review to increase range of products and promote existing products.	Delivery Risk: Ineffective skills development could impact on savings. Impact on Outcomes: No impact on service expected. See EIA 34.	5	5	15	15

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
STRATEGY, GOVERNANCE & LAW											
Life Events	Bereavement Management, Cemeteries and Mortuary	943	458	12.6	To increase work / shift patterns to enable increased service delivery.	Service redesign to increase service delivery. Removal of management post and assistant through Management Spans & Accountability Review (MSA Review). Consider extending working day to enable more cremations and offer more funeral services. This will entail additional shift work patterns. Bereavement Services - 5% increase on burials only – not increasing cremation fees due to competitor and threat to levels of business. Increased income of £0.014m.	Delivery Risk: Risks are not attaining market share we aspire to attain. Unable to invest to reach aspired service levels. Dependent on the same level of business as we currently have for burials. Impact on Outcomes: Significant impact after none expected in year 1. Redesign is unlikely to deliver savings in terms of staffing reduction but provides opportunity for increased business. Review of working practices may present some opportunities, but not fully assessed.	137	19	20	40
Life Events	Registrars	633	(143)	17.9	Fees and charge review and regular increases backed up by benchmarking info' from other local authorities, taking account of all unit costs.	Registration services - Increase in fees and charges in line with local area and business requirements, and review of unit costs to generate £0.040m more income. This would be an increase in fees and charges for service for a 3 rd year running above cost of living.	Delivery Risk: Business volumes need to be maintained. Reliant on customer demand. Elements of statutory fees but opportunities exist for other fees. Requires PR&G Committee approval of fees. Impact on Outcomes: No impact on service expected. See EIA 34.	5	40	5	5
						Redesign option and closure of search room – signpost to digital certificate service. Reduction in staffing levels - potential saving of £0.022m.			22		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
STRATEGY, GOVERNANCE & LAW											
						Combination of service enhancements including birth registration packages and wedding ceremony "packages" saving £0.020m. Existing business packaged differently. Additional work to be done to quantify exactly, but opportunities are there. Deliverable if enhancements and packages are marketed appropriately. Training for staff required.			20		
Life Events	Elections and Land Charges	796	104	11.1	Fees & Charges reviewed as part of strategy presented to Policy, resources & growth Committee in January 2017.	Local Land Charges- An increase in the search fees by £5, to £120 generating £0.023m.	Delivery Risk: There is a risk that more people may switch to personal search. Impact on Outcomes: No impact on service expected.	-	23	-	-
						Electoral Services - A number of small operational changes could enable a saving on significant postal charges for a process the service are able to avoid, saving £0.007m.			7		
Life Events Total		3,506	27	53.6				212	151	40	60
PERFORMANCE, IMPROVEMENT & PROGRAMMES											
Performance, Improvement & Programmes (Permanent Budget)	Performance, Programme Management Office, Business Process Improvement, Risk, Customer Experience	809	809	18.1	Non statutory except handling customer complaints. However, important to drive continuous improvement, customer satisfaction and efficiency within the organisation.	2016-17 - Stop seeking ICT solution for project/programme management and stop development of performance management system as well as reduce non-staffing budget to an absolute minimum. 2017/18 - Reduce corporate support for modernisation across the organisation. 2018/19 and 2019/20 - reduce corporate support for driving continuous improvement. Efficiency and customer satisfaction.	Delivery Risk: This will result in significant adverse impact on corporate oversight of performance resulting in potentially missed opportunities to identify areas not performing well early on and delayed management action to address poor performance. Costs may re-emerge if need for change capacity becomes essential. Impact on Outcomes: Low impact for 2016-17, 2017/18 and 2018/19 + medium/high for 2019/20 as less resources to do proactive work to improve effectiveness and efficiency of the organisation and reduced corporate assurance and governance.	46	113	48	26

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
STRATEGY, GOVERNANCE & LAW											
Programme Management Office (Temporary funding from internal modernisation fund)	Programme Management Office - building capacity across the organisation by delivering training and developing toolkits + quality assurance on behalf of the modernisation boards	648	-	14.6	Non statutory. However, important to drive modernisation initiatives across the organisation.						
Performance, Improvement & Programmes Total		1,457	809	32.7				46	113	48	26
COMMUNICATIONS											
Communications	Communications	729	712	10.9	The Communications budget has been thoroughly reviewed and savings have been found from product and supplies codes which are no longer required or necessary.	Continuation of Business Partnering Service for the council offering multi-skilled communication team members to support services across the council.	Delivery Risk: Funding would be required on a project basis in later years for service demands that are over and above the core service offer. Impact on Outcomes: Potential for improved service to the organisation, improved customer satisfaction, and development of multi skilled staffing.	125	61	46	31
Communications	Graphic Design Team	13	(3)	3.2	In-house service currently recovers direct costs through recharges but not all overheads. The aim is to increase the proportion of external business.	Aim is to cover all costs including overheads through income generation. Consideration could also be given to moving to an external commissioning model in the longer term.	Delivery Risk: Resource capacity within team may be an issue and the market for external business is untested which may reduce income opportunities. Impact on Outcomes: No impact on service expected.	-	-	-	-
Communications	Print & Sign Unit	17	(40)	8.0	Continue to commercialise and generate greater income to contribute to overheads.	Review potential to reduce costs or increase income.	Delivery Risk: Insufficient work processed will impact on viability and therefore savings. Impact on Outcomes: No impact on service expected.	15	15	15	15
Communications Total		759	669	22.1				140	76	61	46
Strategy, Governance & Law Total		10,068	5,228	181.7				755	574	280	211

Department				Savings Detail			
Department	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Housing Revenue Account	59,169	-	272.2	1,393	932	350	250

Service Area					Service & Financial Strategy			Savings Detail			
TBM sections	Section	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
HOUSING REVENUE ACCOUNT											
Capital Financing	Capital Financing	31,948	31,916		- Capital financing costs are calculated based on existing borrowing and any new borrowing anticipated during the financial year.	Capital financing charges will be reported to Housing & New Homes Committee (Jan 2017) and Policy, Resources & Growth Committee (Feb 2017).					
AD Housing Management, Service Wide Savings from Reviews, Support Service Charges	Head of Housing HRA (includes central support services and homemove service).	3,861	3,861	17.6	The target is to aim for the cost per property for housing management services to reduce in line with the median for councils in London and the South East (ref: Housemark). Service review completed in 2016 achieved reductions of 17 FTE staffing posts in 2016-17.	A continual programme of service reviews with the aim of achieving cost savings across the HRA management and repairs and maintenance revenue budgets. Each review will follow 'lean thinking' principles. Actual savings achieved will be updated as reviews progress. 2018/19 includes a saving of £0.045m for the Homemove service to reflect future service efficiencies. Reduction in General Fund charges for support services of £0.061m and liability insurance charges £0.045m.	Delivery Risk: Efficiency savings may not be achieved at pace. Impact on Outcomes: Negligible impact if service redesigns are effective.	385	106	250	250
Estates Regeneration	Head of City Development & Regeneration	264	264	5.1	Key political priority to deliver new council homes and this team is responsible for the delivery of the new homes for neighbourhoods programme.	No savings proposed as service redesign achieved in 2016-17.	Impact on Outcomes: Improved outcomes from new homes in the city.	37			
Income Inclusion Improvement, Rents & Service Charges	Income Involvement Improvement	4,207	(49,449)	72.3	The target is to aim for the cost per property for housing management services to reduce in line with the median for councils in London and the South East (ref: Housemark). Rents are calculated in accordance with government guidance. Service charges reflect the additional services which may not be provided to every tenant and are reviewed annually to ensure full cost recovery.	Savings from supplies and services of £0.080m. Introduction of service charge for door entry systems estimated at £0.101m to ensure cost recovery for this service.	Delivery Risk: Low risk. Impact on Outcomes: Improved outcomes from efficiency and effectiveness. See EIA 36.	239	181	-	-

Service Area					Service & Financial Strategy			Savings Detail			
TBM sections	Section	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000					£'000	£'000	£'000	£'000
HOUSING REVENUE ACCOUNT											
Property & Investment Management including Repairs & Servicing Contracts	Property & Investment	12,183	11,557	41.8	To improve housing quality by continuing to improve sustainability standards, maintain decent homes and health and well being through effective management and procurement of repairs, maintenance and service contracts.	Savings in gas service contract following procurement of this contract which commenced in 2016-17 (£0.450m). A further review of savings that can be made from responsive repairs and other procurement opportunities (£0.120m).	Delivery Risk: Low risk - already achieved as reported in budget monitoring (TBM). Impact on Outcomes: Improved outcomes from efficiency and effectiveness.	348	570	100	
Tenancy Services	Tenancy Services	6,706	1,851	135.4	The target is to aim for the cost per property for housing management services to reduce in line with the median for councils in London and the South East (ref: Housemark).	Reduction in supplies and services including utilities (£0.030m), under utilised Decorations scheme (£0.020m) and reviews of small contracts and services (£0.025m)	Delivery Risk: Low risk - already achieved as reported in budget monitoring (TBM). Impact on Outcomes: Improved outcomes from efficiency and effectiveness.	384	75		
Housing Revenue Account Total		59,169	-	272.2				1,393	932	350	250

Annual Minimum Revenue Provision (MRP) Statement

Statutory guidance issued by the government in February 2008 requires the council to prepare an annual statement regarding the amount of debt that will be repaid in the following year.

The following statement is recommended for approval for 2017/18:

For 2017/18 the following provision will be made in the revenue account:

- For all debt where the government has provided revenue support (supported capital expenditure), the council will provide MRP at a rate of 2% on a straight line basis, excluding any Housing Revenue Account (HRA) debt.
- For debt where the government provides no revenue support:
 - Where the debt relates to an asset, the council will set aside a sum equivalent to repaying debt over the life of that asset either in equal annual instalments or on an annuity basis, the method determined as the most financially beneficial to the council over the life of the asset;
 - Where the debt relates to expenditure which is subject to a capitalisation direction issued by the Government the council will set aside a sum equivalent to repaying debt over a period consistent with the nature of the expenditure under the annuity basis;
 - In the case of assets under construction, MRP will be delayed until the relevant asset becomes operational;
 - Where the debt relates to capital loans to a third party, the council will make MRP payments consistent with the repayment of loan instalments from the third party.
- In the case of finance leases and on-balance sheet PFI contracts the MRP requirement will be regarded as met by a charge equal to the element of the lease payment or unitary charge that is applied to write down the balance sheet liability in the year.

Brighton & Hove City Council – Prudential Indicators 2017/18 to 2019/20

The following prudential indicators are recommended for the council.

A **Prudential indicators for Affordability**

In demonstrating the affordability of its capital investment plan the council must:

- determine the ratio of financing costs (e.g. capital repayments, interest payments, investment income, etc) to net revenue stream for both the Housing Revenue Account (HRA) and non-HRA services for a 3 year period; and
- determine the incremental impact on the council tax and housing rent (in both instances the scope for increases is governed by the Government's ability to limit council tax increases and the current restriction on council rents).

Indicator A1 sets out the ratio of financing costs to net revenue stream. The estimates of financing costs include current commitments and the proposals in this budget report.

A1 ***Prudential indicator – Estimates of the ratio of financing costs to net revenue stream 2017/18 to 2019/20***

	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£'000	£'000	£'000
Non-HRA	9.0%	9.4%	10.0%
HRA	10.4%	11.8%	11.6%

Indicators A2 and A3 set out the estimated incremental impact on both the levels of council tax (Band D equivalent) and housing rents of the recommended capital investment plans and funding proposals. The impact has been calculated using the latest projections on interest rates for both borrowing and investments. These indicators don't take into account any increased revenue income expected from capital investment plans and funding proposals.

A2 ***Prudential indicator – Estimates of the incremental impact of the new capital investment decisions on the council tax 2017/18 to 2019/20***

	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Addition in council tax requirement	£3.01	£28.85	£75.42

A3 Prudential indicator – Estimates of the incremental impact of the new capital investment decisions on the average weekly housing rents 2017/18 to 2019/20

	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Addition in average weekly housing rent	£43.89	£43.79	£35.96

B Prudential indicators for Prudence

A key indicator of prudence is that the Council's gross debt does not, except in the short term, exceed the total of the council's need to borrow. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes. Under the Code the underlying need to borrow for a capital purpose is measured by the capital financing requirement.

Indicator B1 compares the estimated gross debt (i.e. including PFIs and other long term liabilities) with the estimated capital financing requirement as at 31 March each year. Indicator B2 compares gross debt to net debt to show the extent of borrowing in advance of need (where applicable).

B1 Prudential indicator – Gross debt (including PFI liabilities) and the capital financing requirement 2017/18 to 2019/20

	31-Mar-18 Estimate	31-Mar-19 Estimate	31-Mar-20 Estimate
	£'000	£'000	£'000
External Debt	285,052	317,625	357,218
PFI Liabilities	49,458	47,005	44,376
Gross debt (incl PFI liabilities)	334,510	364,630	401,594
Capital financing requirement	389,052	410,994	442,867

B2 Prudential indicator – Gross debt (including PFI liabilities) and Net debt 2017/18 to 2019/20

	31-Mar-18 Estimate	31-Mar-19 Estimate	31-Mar-20 Estimate
	£'000	£'000	£'000
External Debt	285,052	317,625	357,218
PFI Liabilities	49,458	47,005	44,376
Gross debt (incl PFI liabilities)	334,510	364,630	401,594
Net debt (incl PFI liabilities)	290,509	316,510	341,240

C Prudential indicator for Capital Expenditure

Elsewhere on this agenda is a report recommending the capital investment plans for the council over the next three years. Indicator C1 summarises the recommendations within that report. Indicator C2 sets out the estimates of the capital financing requirement over the same period.

C1 *Prudential indicator – Estimates of total capital expenditure 2017/18 to 2019/20*

	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£'000	£'000	£'000
Total non-HRA	94,469	154,142	149,818
Total HRA	54,419	26,873	21,254
Total programme	148,888	181,015	171,072

In considering the capital investment plan the council has had regard to a number of key issues, namely:

- affordability, e.g. implications for council tax/housing rents;
- prudence and sustainability, e.g. implications for external borrowing;
- value for money, e.g. option appraisal;
- stewardship of assets, e.g. asset management planning;
- service objectives, e.g. strategic planning for the authority;
- practicality, e.g. achievability of the forward plan.

C2 *Prudential indicator – Estimates of capital financing requirement 2017/18 to 2019/20*

	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£'000	£'000	£'000
Non-HRA	244,578	265,412	298,006
HRA	144,474	145,582	144,861
Total	389,052	410,994	442,867

The estimates are based on the financing options included in the capital investment report. The estimates will not commit the council to particular methods of funding – the actual funding of capital expenditure will be determined after the end of the relevant financial year.

The council has a number of daily cash-flows, both positive and negative, and manages its treasury position in terms of its borrowings

and investments in accordance with the approved treasury management strategy and practices. In day to day cash management no distinction can be made between revenue cash and capital cash. External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. It is possible therefore, that external debt could exceed the capital financing requirement in the short term.

D Prudential indicators for External Debt

A number of prudential indicators are required in relation to external debt.

D1 Prudential indicator – Authorised limit 2017/18 to 2019/20

	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£'000	£'000	£'000
Borrowing	367,000	408,000	472,000
Other long term liabilities	52,000	50,000	48,000
Total	419,000	458,000	520,000

The authorised limit is the aggregate of gross borrowing (i.e. before investment) and other long term liabilities such as finance leases. **In taking its decisions on the budget report the council is asked to note that the authorised limit determined for 2017/18 in the above table is a statutory limit required to be determined by full Council under section 3(1) of the Local Government Act 2003.**

The authorised limits are consistent with the council's current commitments, existing plans and the proposals in the budget report for capital expenditure and financing, and with its approved treasury management policy statement and practices. The Executive Director of Finance & Resources confirms that they are based on the estimate of most likely, prudent but not worst case scenario, with in addition sufficient headroom over and above this to allow for operational management, for example unusual cash movements. Risk analysis and risk management strategies have been taken into account, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes.

D2 Prudential indicator – Operational boundary 2017/18 to 2019/20

	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£'000	£'000	£'000
Borrowing	354,000	395,000	458,000
Other long term liabilities	52,000	50,000	48,000
Total	406,000	445,000	506,000

The operational boundary is based on the authorised limit but without the additional headroom. The operational boundary represents a key management tool for in-year monitoring by the Executive Director of Finance & Resources. As with the authorised limit figures for borrowing (gross) and other long term liabilities are separately identified.

The authorised limit and operational boundary separately identify borrowing from other long-term liabilities. The council is recommended to delegate authority to the Executive Director of Finance & Resources, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long term liabilities, in accordance with option appraisal and best value for money for the authority. Any such changes made will be reported to the council at its next meeting following the change.

D3 HRA limit on indebtedness 2017/18 to 2019/20

	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£'000	£'000	£'000
HRA limit on indebtedness	156,840	156,840	156,840
HRA capital financing requirement (C2)	144,474	145,582	144,861

Under the reform of housing finance implemented from 1st April 2012 the Government has published the *Limits on Indebtedness Determination 2012* which sets out the maximum amount of housing debt that the council may have outstanding at any one time. For the purposes of D3 housing debt is deemed to equal the HRA capital financing requirement.

E Prudential indicators for Treasury Management

A number of prudential indicators are required in respect of treasury management. The indicators are based on the council's treasury management strategy and take into account the pre-existing structure of the council's borrowing and investment portfolios.

E1 *Prudential indicator – Brighton & Hove City Council has adopted the “CIPFA Code of Practice for Treasury Management in the Public Services” within Financial Standing Orders.*

E2 Prudential indicators – Upper limits on interest rate exposure 2017/18 to 2019/20

	2017/18	2018/19	2019/20
Upper limit on fixed interest rate exposure	115%	115%	118%
Upper limit on variable interest rate exposure	46%	46%	47%

The above percentages are calculated on the net outstanding principal sums (i.e. net of investments). The upper limit of 115% is a consequence of the council maintaining a limited investment portfolio.

Indicator E2a exemplifies the indicator over borrowing and investment.

E2a Prudential indicators (supplemental) – Upper limits on interest rate exposure 2017/18 to 2019/20

	2017/18	2018/19	2019/20
Upper limit on borrowing – fixed rate exposure	100%	100%	100%
Upper limit on borrowing – variable rate exposure	40%	40%	40%
Upper limit on investments – fixed rate exposure	100%	100%	100%
Upper limit on investments – variable rate exposure	100%	100%	100%

Indicator E2a is supplemental to Indicator E2 and shows separately the maximum limits for both borrowing and investments. The indicator is not a requirement of the prudential code but it does show more clearly the interest rate exposure limits within which borrowing and investments will be managed. The effect of the limits is that the Executive Director of Finance & Resources will manage fixed interest rate exposure within the range 60% to 100% for borrowing and within the range 0% to 100% for investments.

E3 Prudential indicator – Upper and lower limits on the maturity structure of borrowing 2017/18

	Upper limit	Lower limit
Under 12 months	40%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	75%	0%
10 years and above	100%	40%

The limits in Indicator E3 represent the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate at the start of the period.

E4 Prudential indicator – Principle sums invested for periods longer than 364 days

	2017/18	2018/19	2019/20
	£000	£000	£000
Limit	27,000	27,000	27,000

Budget 2017/18 Equality Impact Assessments (EIAs) for impacts on Service-Users and Staff: Process, Assessment and Planned Actions

Summary

The council is legally required under s149 of the Equality Act 2010 to evidence how it has considered its equality duty in its budget-setting process. Evidence can be provided in different forms but the most effective method is the completion of Equality Impact Assessments (EIAs) which have been undertaken on all budget proposals where there may be a potential impact on service-users and on staff related to their legally protected characteristics.

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 a decision on the matters set out in this report.

Impacts are identified and mitigating actions proposed, where possible. All EIAs are available in Appendix 10 and should be considered alongside the relevant proposal.

This document explains the EIA process and identifies the cumulative impacts, across all the proposals, and overall mitigating actions which are planned. Within the framework of significant budget reductions there will inevitably be impacts on specific individuals and groups, but proposed mitigating actions are intended to reduce these as far as possible, with monitoring of actual impact to enable appropriate interventions as proposals are implemented.

Service-Users

At this stage, significant impacts across multiple proposals have been identified on the following groups of service-users:

- Disability
- Age: older and younger people
- Gender: women
- Ethnicity
- Child Poverty

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

- **Changed or reduced provision:** changes can be disruptive for service-users and their carers, especially the most vulnerable. However, they can also enable more tailored and asset-based approaches. Statutory provision will always be maintained.
- **Communicating changes and engaging with stakeholders:** to enable people to give views on and influence changes, and/or prepare for them, engagement must be accessible and fair.
- **Using individual assessments and wider data to target support:** robust information must inform any changes, so specific needs can be addressed and efficient and effective services provided.

- **Priority groups:** increasing targeted interventions and services can draw on robust data and support focused interventions. However, outreach work to some groups may reduce as a result of less funding.
- **Commissioning:** while improving the value gained from commissioned services, equalities requirements must be built into commissioning processes and contracts to ensure diverse needs are appropriately identified, addressed and monitored.
- **Role of Third Sector (VCS) and pressures:** partnerships with the VCS, commissioning of their services, and support of their development are key council policies. However, the VCS is under significant pressure, with reducing funding and increasing demand.
- **Fees and charges:** assessing the cumulative impact of increases across fees and charges may be necessary if the cumulative effect is significant, especially in a context of rising prices, high housing costs and welfare reforms.
- **Collaboration:** more efficient and closer partnerships within the council and across the city can fill gaps and to increase efficiency. However, financial pressures can restrict capacity and resource to become more integrated.
- **Volunteering:** improving and increasing volunteering opportunities has benefits for individuals, the council and the city. However, not all communities have equal assets or the ability to mobilise them; and all opportunities must be open and accessible.
- **Welfare Reform:** changes to council services are taking place in the context of the national 'welfare reform' agenda, which has already had significant impacts locally, affecting some groups more severely than others.
- **'Channel Shift' and digital inclusion:** use of new technologies can reduce costs, increase convenience and provide tailored support. However, accessibility and availability of other forms of contact must be considered and embedded.

Staff

Potential impacts have been identified for individuals with the following protected characteristics, based on the fact that there is a higher representation in staff groups affected, or that proposals could further erode the representation of an already under-represented group. Further detail is below and specific decisions on how to implement budget decisions with impacts on staff will be made after further exploring the equality issues through staff consultation processes:

- Disability
- Age (specifically in the 50-59 and 20-24 age ranges)
- Gender (higher proportion of men affected by the proposals)
- Ethnicity (higher proportion of White British people affected)
- Sexual Orientation (higher proportion of heterosexual people affected)

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

- Involve staff in discussions about service redesign and follow the principles and governance arrangements in the [service redesign toolkit](#).
- When developing any further detailed proposals take account of the staffing equalities data to inform decision making and/or continue assessing staff equality impacts.
- Ensure the council's relevant policies and procedures are equitably and appropriately applied (management of change protocol, redeployment, job

evaluation processes etc.) to ensure that no adverse impact is created for employees related to their protected characteristics.

- Review vacant posts, use of agency employees etc. to minimise the impact on current substantive post holders.
- Manage redeployment on a corporate level and ensure that all vacant posts are considered for redeployment.
- Where proposals may result in a reduction of posts consider the offer of voluntary severance (subject to robust business case) to mitigate the impact of potential compulsory redundancy processes.
- Where a reduction in posts will mean compulsory redundancy ensure that selection processes are clear and free from bias, and that processes take into account any individual needs.
- Ensure processes and criteria related to selection for voluntary redundancy are clear and transparent and use the compensation panel appropriately.
- Ensure managers involved in selection have completed corporate recruitment and selection training and are signposted to the Equality & Diversity e-learning module.
- Ensure that managers delivering service changes are appropriately supported and advised by HR in relation to all employee equalities issues.
- Ensure all employees are offered one to one meetings to discuss their circumstances and any concerns they may have, and are offered interview skills and CV writing training, including signposting to the HAYS career transition portal.
- Attach the summary EIA to each consultation document, and continue to assess equality impacts through the consultation process.

Full details of all impacts and actions are below.

1. Introduction

1.1 This report describes the process of Equality Impact Assessment (EIA) made on the budget proposals for 2017/18 and analyses the findings. The council has legal duties under s149 of the Equality Act 2010 to consider the needs of diverse people in our budget-setting processes and address negative impacts where possible.

1.2 Budget EIAs are an effective way, but not the only form, to evidence how the council is meeting this duty and should be considered by members in decision-making. Budget EIAs are available in Appendix 10.

1.3 This report describes:

- the council's legal duties in the budget-setting process (section 2)
- the overall assessment from the EIAs (section 3)
- council-wide cumulative impacts on service-users identified at this stage and the over-arching actions which will be needed to mitigate negative impacts and maximise positive impacts (section 4)

- impacts identified from known data on staff across all proposals, across the council and in specific directorates (section 5)
- council-wide mitigating actions, to reduce/remove negative impacts on staff (section 6)
- the national and local context (sections 7 and 8)
- the council's approach to and aims in EIA as part of decision-making (section 9).

2. Our legal duties

- 2.2** Under the equality duty set out in s149 of the Equality Act 2010 (attached below at Appendix A), public authorities must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a protected characteristic and those who do not.
- 2.3** The protected groups covered by the equality duty are: age, disability, gender reassignment, pregnancy and maternity, race/ethnicity, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnerships (only in respect of eliminating unlawful discrimination). Assessment has also been included of impacts and actions in relation to child poverty.
- 2.4** The law requires that public authorities demonstrate that they have paid conscious and rigorous attention to the equality duty aims in their decision-making.
- 2.5** By law, our assessments of impact on equality must:
- Contain enough information to enable a public authority to demonstrate it has had 'due regard' to the aims of the equality duty in its decision-making
 - Consider ways of mitigating or avoiding any adverse impacts.
- 2.6** The Public Sector Equality Duty (PSED) does not prevent councils from making difficult decisions such as reorganisations and relocations, redundancies, and service reductions, nor does it prevent decisions which may affect one group more than another group.
- 2.7** The duty does enable public bodies to demonstrate that they are making financial decisions in a fair, transparent and accountable way. This involves considering the needs and the rights of different members of the community, how impacts will affect them and mitigating negative impacts as fully as possible.
- 2.8** Nationally, there have been a number of successful legal challenges to funding decisions because public authorities have failed to meet the requirements of S149. In such cases, the public authority may have to start the decision-making process again, with improved consultation and evidence-gathering to identify the impact on particular groups.

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

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

- 2.9 Members are referred to the full text of s149 of the Equality Act 2010 (attached below at Appendix A) which must be considered when making a decision on the matters set out in this report.

3. Service-Users: Impacts identified across all proposals

- 3.1 The EIA process and consultation have identified whether or not impacts are likely to be different for a person because of their protected characteristic (with a focus on where impacts may be worse) and if so, list the proposed mitigating actions.

- 3.2 There has also been an overall assessment of:
- the impact of funding changes from one service on another across the council (cumulative impacts);
 - consideration of what mitigating actions can be taken, and how we can monitor, evaluate and take action on impacts which may occur.

- 3.3 The overall assessment is that the proposals put forward have all been considered within the framework of the council’s legal duties under the Equality Act 2010 and due regard has been given to the potential impacts on people arising from their legally protected characteristics. Within the framework of significant budget reductions there will inevitably be impacts on specific individuals and groups. However, proposed mitigating actions will reduce these as far as possible, and monitoring of actual impact will enable appropriate interventions as proposals are implemented.

- 3.4 However, the EIAs do highlight concerns about the council’s ability to achieve our Corporate Plan objective of ‘tackling inequality’ in service delivery. Therefore we have identified key activities to ensure continued progress against this aim. More details are below.

4. Service-Users: Identified Cumulative Impacts and Proposed Mitigating Actions

- 4.1 The EIA template highlights where officers identify a cumulative impact linked to other services or the wider local/national context. The Communities, Equality & Third Sector team has also considered all the EIAs to assess where groups may be impacted by more than one change across the council.

- 4.2** Impacts are identified across a number of budget proposals for the following protected characteristics:
- Disability
 - Age: older and younger people
 - Gender: women
 - Ethnicity
 - Child Poverty
- 4.3** These are the result of proposed changes to a number of services targeted towards these groups. Specific actions to mitigate as far as possible impacts arising from each proposal are defined within the relevant EIAs. In addition council-wide mitigating actions are detailed below.
- 4.4 Cumulative impacts and proposed mitigating actions identified from EIAs:**
- 4.4.1 Changed or reduced provision:** Some services will be delivered in different ways, by different providers or in different venues. Changes can cause concern or disruption for service-users and also for their carers. Impacts can be particularly negative for people with learning disabilities, mental health issues or other complex needs with negative impacts on their mental health and well-being. Carers can find their financial, social and other pressures worsened at times of change and uncertainty. Conversely, changes can provide opportunities to deliver services in new and better ways: increasing independence, enabling support to be better tailored to specific needs, and drawing on people's strengths and assets. Statutory provision will always be maintained to protect the most vulnerable and meet our legal obligations.
- 4.4.2 Communicating changes and engaging with stakeholders:** Services making changes have committed to informing people of any changes as soon as possible, and are engaging with people to discuss how changes can be made. All groups must receive information in ways which are appropriate and accessible, and as early as possible to enable safe and effective transitions. Further consultation on how proposals are implemented must ensure that the views of all affected groups are taken into account and opportunities are created in the consultation process for diverse communities to participate. Results of the consultations and agreed changes must be widely advertised.
- 4.4.3 Using individual assessments and wider data to target support:** In relation to individuals, services that undertake assessments will use these assessments to inform any changes, so specific needs can be targeted and efficient and effective services provided. On a larger scale, needs assessments and actions from them will enable better understanding of communities and their access to and outcomes from services, helping redesign services to identify and respond to needs more effectively. It also helps to develop and target interventions that better meet diverse needs.
- 4.4.4 Priority groups:** Strong work has been done in recent years to widen mainstream activities to make them more accessible and inclusive for everyone. However, in times of reducing funding, resources for universal or open access activities are being reduced and there is an increased focus on

targeted priority groups and earlier interventions. As above (4.4.3), this approach requires that equalities monitoring and knowledge of communities is extremely robust and well-used so that priority groups are accurately identified and changes in the city and/or need are recognised and addressed. However, where funding is reduced, it is possible that outreach work to specific communities may be reduced or take a lower priority, potentially undermining gains and/or failing to reduce exclusion and disadvantage.

4.4.5 Commissioning: Services are ensuring that they get best value from commissioning wherever possible. Cost effectiveness must always be balanced against the quality of services, specifically where service-users are vulnerable. In order to ensure compliance with the legal equality duty, equalities requirements must be built into commissioning processes and contracts to ensure that diverse needs are appropriately identified, addressed and monitored. Using data and engagement to inform what is commissioned means that equality principles and fair access are built in from the start and can be implemented and monitored effectively.

4.4.6 Role of Third Sector (VCS) and pressures: Partnerships with the Third Sector, commissioning of their services, and support of the Sector's development are key policies of the council. However, with reduced central government funding, the Third Sector is under significant pressure, with a number of changes to expectations and approaches in commissioned services, a proposed reduction in the Third Sector Investment Programme, and a wider city and national context of reducing funding. At the same time there is increasing demand from residents for VCS services. This will inevitably have a cumulative impact on the sector which could be considerable. In addition external non-statutory funders are often more inclined to fund VCS organisations that are Council-funded, so the loss of BHCC funding to some organisations may result in fewer opportunities for them to gain other inward investment. Some EIAs note the availability of other (often national) sources of funding and while this can often be a helpful source of income, these priorities may not always mesh with local city needs, limiting its value and relevance. Additionally, many of the national funds are not prioritising the B&H areas. Reduction of the Sector's provision of early intervention and preventative work, if not carefully planned and managed, may lead to increased demand for council services and more people reaching crisis point.

4.4.7 Fees and charges: A few proposals involve increasing fees/charges and/or charging for previously free services. Where multiple services increase fees and charges this can potentially accumulate for some individuals and families, generating additional financial pressures, even where each increase may only be small. This can have a specific impact on people who are already struggling financially. It also affects the legally protected characteristics of gender (95% of lone parents are women and women are more likely to be in part-time or lower paid work), disability (though some services offer protections for disabled people, their carers may still experience additional costs), and ethnicity (some BME communities are more likely to experience poverty). Services are planning to use exemptions and concessions to reduce

impacts on people who may experience most disadvantage/exclusion. Note also that many fees and charges affecting vulnerable groups are already subject to financial assessment of ability to pay e.g. social care, adaptations, rents.

4.4.9 Collaboration: More efficient and closer partnerships internally between council services and also with VCS and local / regional statutory partners are proposed to fill gaps and to increase efficiency. For many services, this approach will build on existing strong working relationships. It will require creative approaches to joint working, and sharing information and practices, and possibly funding. Specifically within Health & Adult Social Care, integration with health services enables better links, avoids duplication, and increases consistency. However, other statutory sector services are under financial pressure in the city, as elsewhere, which can restrict capacity and resource to become more integrated.

4.4.10 Volunteering: The council aims to improve and increase opportunities for volunteering. This supports a community empowerment and demand management approach and recognises the value of community assets (physical resources and skills/time). However, not all communities have equal assets or the ability to mobilise them without (at least initial) support. Equally, groups which take on the role of providing community services must ensure that they remain open, accessible and inclusive to all the diverse communities eligible to use them – or risk excluding people and damaging community cohesion.

4.4.10 Welfare Reform: Changes to council services continue to happen within a context of ongoing implementation of the national ‘welfare reform’ agenda, which has already had significant impacts locally. Many claimants have experienced reductions in benefits received or no inflationary increases, within a context of rising living costs (utilities and food prices) and very high local housing costs relative to income. Some groups experience these pressures more severely than others. The council is continuing its research into the potential and actual impact of the government's welfare reform changes in Brighton and Hove, in order to support individuals and families to make informed choices, to target the support and advice that is given, and identify what specific projects and activities will be most beneficial. Discretionary funds and the Social Fund also continue to be provided to help those experiencing short term hardship.

4.4.10 ‘Channel Shift’ and digital inclusion: Technology has the potential to significantly help to both reduce costs and provide tailored support that increases independence and improves convenience for service-users. However, some groups of people are less likely to have access to online and digital technologies or the skills or confidence to use them. Where services are working towards ‘channel shift’ and/or increasing reliance on digital media, this must be matched by an ongoing commitment to provide face-to-face contact for people who still require it, and to use some of the resource savings to fund this. Equally, ensuring that online information is accessible and meets

web accessibility standards so that it doesn't create a barrier for disabled people

4.5 Other mitigating actions

4.5.1 Ongoing council approaches, such as Equality Impact Assessment and the aims in the council's new Equality and Inclusion Policy Statement and Strategy are a critical part of minimising or avoiding negative impacts on specific groups protected in law.

4.5.2 Equality monitoring and analysis to evaluate trends and identify actions, and robust equality impact assessments which actively engage stakeholders are fundamental to meeting our legal duties and corporate commitments. Senior managers will continue to have responsibility for overseeing these processes as decisions are made and service changes take place.

5. Staff: Impacts identified across all proposals

5.1 The Human Resources team has assessed the equalities impacts on staff that are known at this stage and EIA templates have been completed for all proposals affecting staff. This process will continue through staff consultation processes to enable staff to raise specific and additional issues.

5.2 Information which might identify individuals has been withheld from this document to protect confidentiality, but all information has been provided to managers and will be used to inform the implementation of agreed proposals.

5.3 For groups of over 20 staff equalities data has been used to assist the identification of potential impacts. Where there are fewer than 20 staff affected data has not been produced to protect the confidential sensitive equalities information provided by staff. EIAs have been completed in these instances with regard to known information about the staff group and proposals made

5.4 The EIA template highlights where officers identify a cumulative impact linked to the make-up of the workforce across the Council in terms of protected groups as compared to the make-up of groups affected by the budget proposals. HR has considered all the EIAs both individually and cumulatively, although consideration of potential impacts will need to be kept under review as the detail of some proposals become clearer.

5.5 Potential impacts have been identified for individuals with the following protected characteristics, based on the fact that there is a higher representation in staff groups affected. These are the impacts identified from known data at this stage. Specific decisions on how to implement budget decisions with impacts on staff will be made after further exploring the equality issues through staff consultation processes:

- Disability
- Age (specifically in the 50-59 and 20-24 age ranges)
- Gender (higher proportion of men affected by the proposals)
- Ethnicity (higher proportion of White British people affected)

- Sexual orientation (higher proportion of heterosexual people affected)

5.6 Impacts identified, by protected characteristic for staff groups affected across the Council as a whole:

5.6.1 Overall the groups affected by budget proposals are broadly in line with the make up of the Council's workforce in terms of age, with over 51% of those at risk between the ages of 45 and 59. There is a higher proportion of staff between 50 and 59 at risk when compared to their representation in the workforce (34% of those affected compared to 30% representation in the workforce). There is also a higher proportion of younger staff in the 20-24 age range affected (2% of those at risk compared to 1.71% representation in the workforce). Whilst this is a small difference it further erodes the representation of younger staff who are already under represented.

5.6.2 There is a higher proportion of males who are subject to formal consultation when compared to their profile in the workforce.

5.6.3 The proportion of BME and White Other staff at risk is marginally lower than representation across the council from these groups, although services will need to consider the potential that there will be further reductions of groups that are already under-represented. Longer term strategies to encourage recruitment of under represented groups will need to continue across the council and within directorates.

5.6.4 The proportion of disabled staff affected by proposals is in line with the representation across the council. However it has become apparent in certain proposals that individual disabled members of staff need particular support, and this has been discussed through 121 meetings.

5.6.5 There are fewer LGBT staff affected when compared to the make up of the workforce (10.26% of those affected by proposals compared to 12.02% representation in the workforce).

5.7 Across Families, Children's and Learning Directorate there are some significant changes in Early Help services and the Youth service which could have disproportionate impacts on female staff. The design of posts and structure will need to take into account impacts for groups of staff. Caring and parenting responsibilities will need to be considered by recruiting managers in relation to redeployment opportunities.

5.8 Within Economy, Environment and Culture Directorate there are some significant changes to the security and reception teams. The changing nature of the roles could adversely impact women currently employed in the team and this will need to be considered in identifying suitable alternative employment.

6 Staff: Council-wide Mitigating Actions:

- 6.1 Involve staff in discussions about service redesign and follow the principles and governance arrangements in the [service redesign toolkit](#).
- 6.2 When developing any further detailed proposals take account of the staffing equalities data to inform decision making and/or continue assessing staff equality impacts.
- 6.3 Ensure the council's relevant policies and procedures are equitably and appropriately applied (management of change protocol, redeployment, job evaluation processes etc.) to ensure that no adverse impact is created for employees related to their protected characteristics.
- 6.4 Review vacant posts, use of agency employees etc. to minimise the impact on current substantive post holders.
- 6.5 Manage redeployment on a corporate level and ensure that all vacant posts are considered for redeployment.
- 6.6 Where proposals may result in a reduction of posts consider the offer of voluntary severance (subject to robust business case) to mitigate the impact of potential compulsory redundancy processes.
- 6.7 Where a reduction in posts will mean compulsory redundancy ensure that selection processes are clear and free from bias, and that processes take into account any individual needs.
- 6.8 Ensure processes and criteria related to selection for voluntary redundancy are clear and transparent and use the compensation panel appropriately.
- 6.9 Ensure managers involved in selection have completed corporate recruitment and selection training and are signposted to the Equality & Diversity e-learning module.
- 6.11 Ensure that managers delivering service changes are appropriately supported and advised by HR in relation to all employee equalities issues.
- 6.12 Ensure all employees are offered one to one meetings to discuss their circumstances and any concerns they may have, and are offered interview skills and CV writing training, including signposting to the HAYS career transition portal.
- 6.13 Attach the summary EIA to each consultation document, and continue to assess equality impacts through the consultation process.

7. National context

- 7.1 The budget proposals are being developed within ongoing national changes which may have an equalities impact, including (not exclusively):
 - Deficit reduction measures which are resulting in reductions in public expenditure across most of public services;

- the national welfare reforms; and
- reforms to adult social care and health.

8. Local context

- 8.1** The council's priorities for 2015 to 2019 as contained in the Corporate Plan agreed by Policy & Resources Committee in December 2014 are:
- Economy, jobs & homes
 - Children & young people
 - Health & wellbeing
 - Community safety & resilience
 - Environmental sustainability

These match with the Brighton & Hove Connected priorities for the whole city, as contained in the Sustainable Community Strategy: 'Brighton & Hove: the Connected City'.

- 8.2** Relevant local priorities and context includes:
- Substantial proactive work to support financial inclusion;
 - A collaborative approach across the council to help mitigate the impacts of welfare reform where possible;
 - Close partnership working across social care and health both for children's services and adults, particularly through the 'Caring Together' integration initiative;
 - A strong focus on improving educational attainment and opportunities for access to employment for our young people;
 - A joint approach to public services as a whole for the city through the City Management Board;
 - Greater alignment between the development of the medium term financial strategy and Corporate Plan 2015-2019
 - Using Modernisation Boards across the council to drive service redesign that will lead to greater collaboration with partners and communities to provide better, more joined up outcomes for everyone.

9. Brighton & Hove City Council Approach and Process

- 9.1** The council most commonly uses a Budget EIA process to screen and identify the main potential disproportionate impacts arising because of people's protected characteristics and, for service-users, on child poverty. Where relevant they draw on existing service EIAs.
- 9.2** The aims of an Equality Impact Assessment become especially important at times of straitened budgets, enabling us to:
- think about what the council is trying to achieve;
 - consider what potential impact the decision will have on different groups;
 - target resources to those who are most vulnerable;
 - fund services which respond to people's diverse needs
 - save money by getting it right first time.

- 9.3** Service leads completed EIAs on budget proposals where the proposed changes potentially impact on service provision and/or on staff. The document presented to Members lists all the disproportionate impacts on groups because of their protected characteristic. It also identifies the planned actions to mitigate negative impacts.
- 9.4** All the EIAs have been reviewed by the Communities, Equality and Third Sector Team and/or Human Resources. The Executive Leadership Team has agreed and supported the process, as well as considering the impacts of specific funding decisions.
- 9.5** The Human Resources team has assessed equalities impacts on staff arising from the proposals. Information from staff consultation processes was incorporated into these EIAs, where available.
- 9.6** Since the equality duty is a continuing duty which must be complied with when implementing and reviewing a decision, assessment of equality impacts and responses to them will continue after budget decisions are agreed. Data from these EIAs will also be shared with relevant managers, to enable them to identify the best ways to implement the decisions to minimise negative or disproportionate impacts on legally protected and socially excluded groups.
- 9.7** All political groups are able to present alternative budget proposals and/or budget amendments. Where substantial alternative proposals or amendments are submitted these will have been screened by officers and advice given as to whether there is any new or additional cumulative equality impact requiring either a revised Budget EIA or a new EIA. Where proposals are not substantial (most amendments), officers will screen the amendment and will normally advise that either an EIA is not required or that an existing Budget EIA remains valid.

Appendix A

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.

Budget 2017-18: Equality Impact Assessments – Service-Users and Staff

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. 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 Appendix 9.

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 decision on budget proposals.

Service-user impact assessment		
Directorate	Service	EIA number
Families, Children & Learning	Disability and mental health contracted services	1
	Residential and short breaks provision	2
	Community Care – learning disabilities	2a
	Adult Learning Disability community support service	3
	PROPOSAL DELETED	4
	Learning Disabilities Accommodation Services – Supported Living	5
	Music and Arts	6
	Youth Service	7
	Children’s Centres - universal groups and income	8
	Early Years and Childcare qualification bursary, database, sustainability funding	9
	Early Help, Integrated Team for Families and Parenting Services (ITFPS), and Early Help Hub	10
Living Without Violence Programme	11	
Health & Adult Social	Physical Disability and sensory loss and Mental Health services: Community	12

Care	Care Budget	
	PROPOSAL DELETED	13
	Ireland Lodge Residential Unit	14a
	Wayfield Avenue Residential Unit	14b
	Easylink Service for shopping trips operated by Community Transport	15
	Re-procurement of the Self-Directed Support Service	16
	Community Meals	17
	Community substance misuse services (Pavilions)	18
	Sexual Health	19
	Public Health nursing contracts for Healthy Child Programme 0-19	20
	Public Health improvement budget	20a
Economy, Environment, and Culture	Parking & Network Operations	21
	Supported Bus Services	22
	Subsidy for provision of sport and leisure activities within city parks	23
	Public conveniences	24
	Royal Pavilion & Museums	25
Neighbourhoods, Communities and Housing	Housing options and housing needs	25a
	Libraries	26
	Third sector investment programme	27
	Regulatory Services	28
	LGBT Community Safety Officer	29
	Communities against drugs work	29a
Finance & Resources	Revenues and Benefits: roll-out of Digital First	30
	Revenues and Benefits: Council Tax Reduction	31
Strategy, Legal & Governance	Democratic Services: print and services	32
	Democratic Services: Members' Allowances	33
	Life events: Bereavement and Registration Services	34
	EIA NOT REQUIRED: NO IMPACT ON SERVICE-USERS	35

Housing Revenue Account	Housing: service charge for door entry systems	36
Staffing impact assessment		
Directorate	Service	EIA number
Families, Children & Learning	City Early Years & Childcare Workforce Development Team	S1
	Disability Services Management	S2
	Early Help	S3
	Youth Service	S4
Economy, Environment & Culture	City Regeneration	S5
	Transport	S6
	Premises, Facilities and Building Services	S7
Neighbourhoods, Communities & Housing	Civil Contingencies Team	S8
	Communities, Equality & Third Sector	S9
Finance & Resources	Financial Services	S10
	ICT	S11
	Internal Audit	S12
	Procurement	S13

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Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Health, SEN & Disability	2. Proposal No. 1
3. Head of Service	Regan Delf, Assistant Director, Health, SEN & Disability	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	Review of contracted services to ensure value for money and effective service delivery in the areas of disability and mental health. Proposed reduction of £86,000 in 2017/18	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: Age, Disability and Carers</p> <p>Disability: These savings have already been negotiated with contracted services with minimal impact to date. One larger contract with AMAZE has been retendered and a further large contract will be retendered in 2017/18 (Barnardo's).</p> <p>Savings have been planned to have minimal impact on any group.</p>	
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?	
	<p>Disability: Some services, particularly training for parents, are being brought in-house for LA specialist staff to deliver and therefore the service will not be lost. Funding for support to families to make applications for Disability Living Allowance via AMAZE will be continued for a further year.</p>	

	<p>Age: this proposal affects children and young people with disabilities we will work collaboratively with community and voluntary sector groups to minimise any negative impacts :</p> <p>Other: Carers of children and young people with disabilities will continue to be supported.</p>
8. Full EIA?	No
9. Monitoring and Evaluation	<p>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)?</p> <p>Working together with the CCG and Public Health, data will be gathered from JSNAs and service user feedback to enable the most effective joint commissioning of services with funding from across agencies.</p> <p>Data collated monthly on numbers of disabled children in need, on the Child Protection Register and in care are collected to ensure there is no unanticipated rise in numbers.</p> <p>Additionally work with AMAZE and the Parent and Carers Council will ensure parents and carers are able to give feedback on the impact of proposals so these can be kept under review and action taken as needed.</p>
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>Benefit caps and reductions in welfare payments are likely to impact on families of disabled children as these families may not be able to work for as long hours or at all on account of extra caring responsibilities and are thus more often in poverty.</p>

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Health, SEN & Disability	2. Proposal No. 2
3. Head of Service	Regan Delf, Assistant Director, Health, SEN & Disability	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>Reduction in short breaks and respite care for disabled children - budget saving of £510,000 through enhancing local provision options and thus reducing further the need for independent and non-maintained placements</p> <p>The current provision of in-city residential and short breaks provision to be re-structured to provide increased resource for long term full-time residential support thus preventing the need for agency out of city placements for children in care or needing residential provision - better and more flexible use of direct payments will support families needing short breaks.</p> <p>A reduction in agency placement costs will be achieved by creating a further small number of additional full time beds within Drove Road/Tudor House residential homes - this will reduce the need for external agency places and will increase the opportunity for disabled children and young people to stay in the local area.</p> <p>This may require some further internal building work within Drove Road to accommodate more young people and is likely to require the use of some current office accommodation on the top floor.</p> <p>A reduction in the need for four-five independent and non-maintained residential placements is likely to enable this savings to be made.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: Age (young people), Disability and Carers</p> <p>Age & Disability : This proposal impacts on children and young disabled people. There will be some positive impacts from this proposal, particularly enabling more disabled children and young people needing full time residential and care provision being able to receive this in the city closer to home, families and community, rather than in out of city independent placements</p>	

	<p>However increasing full time beds at Drove Road and Tudor House will have an impact on availability of overnight short breaks (ie one or two nights a week) – steps will be taken to mitigate this as far as possible.</p> <p>Other impacts: Family Carers of disabled children may have reduced ability to work and can be financially disadvantaged. This is particularly the case for single parent families where the additional care needs of children may not be shared to the same extent. Although proposals are designed to avoid reduction in front line services and support for families with disabled children it may not be possible to mitigate this entirely</p>
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?
	<p>To mitigate the impact of a reduction in short break residential options at Drove Road and Tudor House, plans are in place to offer an extension of other short break options, to increased extended day provision from the new special school integrated hubs, and better use of direct payments will be put in place with improved recruitment and training of personal assistants.</p> <p>The Children’s Disability Service has adopted the FACE resource allocation system which provides a transparent and equitable system for allocating short break and respite provision. Particular stresses and burdens on families are picked up through this assessment system and will allocate differential resource for eligible families accordingly.</p>
8. Full EIA?	Not needed at this stage – will be produced before the beginning of the new financial year.
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 on all service users will be monitored via single assessments and annual care plan reviews. Additionally monthly data and performance reports will check that there is no negative impact on children on child protection register or needing to come into care.
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.

	No direct connection to other savings areas at present though it is expected there will be increased demand on the Direct Payments Budget.
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Budget Equality Impact Assessment 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Health, SEN & Disability	2. Proposal No. 2a
3. Head of Service	Regan Delf	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	The Financial Recovery Plan proposes a saving of £0.65m by reducing the spend on the Learning Disabilities Community Care Budget.	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: Disability, Ethnicity, Gender Reassignment, Sexual Orientation, Carers</p> <p>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.</p> <p>850 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.</p> <p>Any reduction in the community care budget will have a direct effect on the amount or the way support and care is offered.</p> <p>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.</p> <p>Disability: How to manage new 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, however these are not appropriate for a large majority of</p>	

	<p>Service Users with higher support needs.</p> <p>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.</p> <p>Gender reassignment: As we are trying to increase engagement with this group, and recent research shows that despite the city being 'trans-friendly' for people identifying as trans discrimination, abuse and isolation is still a problem, thus any reduction in funding may impact negatively on any extra initiatives in this area.</p> <p>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.</p> <p>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.</p> <p>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.</p>
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>2 – 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</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>The Care Act asks for more than just Adult Social Care to look to offer support to people, instead recognising that a city-wide approach much be embraced encompassing all services from housing through to leisure to enhance the lives of vulnerable people.</p> <p>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</p>

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.

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.

A new reviewing framework across Adult Social Care of our Independent Sector Providers, which includes integrating a digital platform for Performance, Activity and Quality information, will invite our partners to join us in ensuring we only gather and report on information that is needed in a timely way, and help us to ensure support is outcome focused, and resources are directed to those that are most in need.

	<p>An enhanced crisis provision service within CLDT 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.</p> <p>The Service will comply with the new Accessible Information Standards (S.250) of Health and Social Care Act 2012.</p> <p>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.</p>
8. Full EIA?	Not needed
9. Monitoring and Evaluation	<p>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)?</p> <ul style="list-style-type: none"> • Service users will have their statutory individual Care Reviews • Contracts will be monitored via the Commissioning and Performance Team
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>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 CCB</p> <p>Public health as a partner is key in promoting wellbeing and healthy lives this is critical to stem any future and immediate demand.</p> <p>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.</p>

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Learning Disability – Adults Provider – Community Support Service	2. Proposal No. 3
3. Head of Service	Regan Delf – Assistant Director Health, SEN & Disabilities	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>Savings £30,000 from a budget of £196,000 – 15.3%</p> <p>This service provides support & advice to adults with learning disabilities who may also have additional needs relating to mental health and/or substance misuse who are living independently in the community.</p> <p>The proposal is to restructure the management of the team.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: none specifically</p> <p>All service users are disabled – however, there is no reduction to front line service provision so there will be a minimal impact to users of the service.</p>	
6. Assess level of impact (1= low; 5= high)	1	
7. Key actions to reduce negative impacts	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>All service users who have a statutory entitlement to ASC and who need Community Support provided to meet their needs, will continue to receive this service</p>	

8. Full EIA?	Not needed
9. Monitoring and Evaluation	<p>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)?</p> <hr/> <p>Review of changes after 6 months will highlight any unanticipated adverse impact which can then be minimised.</p>
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <hr/> <ul style="list-style-type: none"> • None envisaged

EIA 4 – PROPOSAL DELETED

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Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Learning Disabilities Accommodation Services – Supported Living	2. Proposal No. 5
3. Head of Service	Regan Delf - Assistant Director Health, SEN & Disabilities	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p>	
	<p>Learning Disability directly provided supported living services £223,000 from a budget of £2,013,000 – 11.1%</p> <p>Learning Disabilities Accommodation services is the Council’s directly provided residential care and supported living service for people with a learning disability. The proposal is that the Council will no longer directly provide 8 of its Supported Living services and these services will be re-provided through the independent sector. Following consultation to implement outcomes/model to deliver the savings required. The re-procurement of this service is currently in progress with contract start dates for new providers being 1/4/17 and 22/6/17</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p>	
	<p>Disproportionate impacts identified: Age (older people), Disability (Learning Disability), Carers</p> <ul style="list-style-type: none"> • In future service users will not be able to choose accommodation provided directly by the Council • Some people may have their care and support provided by the independent sector rather than the Council’s directly provided service. <p>Specific impacts</p> <p>Age: Some service users are older and may have a dementia diagnosis</p> <p>Disability: All service users affected have learning disabilities some also have physical disabilities and some may be on the autistic spectrum. Support required to cope with change which will be kept to a minimum as care staff will be transferring to new care provider.</p> <p>Carers: Family Carers may be anxious about change of care provider</p>	

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?
	<ul style="list-style-type: none"> • All service users with a learning disability who have a statutory entitlement to ASC and who need accommodation provided to meet their needs will continue to receive services. • There has been a three month consultation with service users to ensure that their service can continue to meet their needs. • The three month consultation included Carers advocates and their families • It will also look at needs on an individual basis • Ensure good handovers to new care providers. • Plan transition to new accommodation where there is a relocation of the service planned (one service)
8. Full EIA?	Completed in 16/17 as part of the consultation process
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)?
	<ul style="list-style-type: none"> • Service users will have their statutory individual Care Reviews • Contracts will be monitored via the Professional Standards, Safeguarding and Quality Monitoring Team
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.
	<ul style="list-style-type: none"> • There could be further delays to the re-procurement processes • The costs of the re-procured services will be met via the Learning Disability Community Care Budget and budgets for the transferred In House Provision will be transferred to this budget minus required savings. • There are pressures on the Community Learning Disability Team which could potentially impact upon monitoring of new providers for individual service users.

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Music & Arts	2. Proposal No. 6
3. Head of Service	Peter Chivers	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	<p>The majority of council funding to Brighton & Hove Music & Arts ceased from April 2016. The service is currently part of a Tender Process aimed at making the service sustainable if proposed plans to leave the council are implemented.</p> <p>Funding reduction is £7,000.</p>	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: none specifically</p> <ul style="list-style-type: none"> • A potential reduction in funding should not impact on any one group more than another. The overall ability of the service to provide such a broad range of music opportunities could be affected depending on the amount of funding reduction • The ability of the service to provide such a range of subsidies for families on low incomes could be affected with a reduction in funding • The ability of the service to provide good quality instruments for loan and hire could also be affected by a reduction in funding and these are prioritised for families on low incomes 	
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?	

	<ul style="list-style-type: none"> • Whilst ensuring that opportunities provided by the service are sustainable the fee structure will be set so that any increases in charges will kept to an absolute minimum • The service will retain subsidies for families on low incomes of 80%, 50% and 20% to support access to music opportunities in the city • The service will continue to offer a first access programme to every Primary school of a minimum of one term's instrumental tuition for each child in a specified year group, free at the point of delivery • The service has developed a service level agreement with the Virtual School for Children in Care that prioritises opportunities for Looked After Children and ensures that tuition is provided free of charge • The service will continue to signpost families to organisations that can support with grant funding such as the Brighton & Hove Music Trust, Encore and the Pebble Trust • The service will be continuing to prioritise opportunities for children with Special Educational Needs and Disability through a programme of free workshops and the inclusive ensemble o360. Funding has been allocated to provide opportunities for children with SEN/D and individual tuition is also offered where this better meets individual needs. • Targeted programmes will be offered to schools identified as having the lowest numbers of pupils engaging in music • The service will explore other potential sources of funding such as working with schools to use Pupil Premium as a means of supporting access to tuition.
8. Full EIA?	The last service EIA was completed in December 2013 and a further EIA will be undertaken once the outcome of the tender process is known.
9. Monitoring and Evaluation	<p>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)?</p> <ul style="list-style-type: none"> • Service data on the uptake of activities by different protected groups • Service data on the number of families accessing subsidised tuitions schemes • Evaluation of service activities by different stakeholders including parents/carers, children and young people, Parents and Friends Association
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.

- | | |
|--|--|
| | <ul style="list-style-type: none">• The shared use of the current building has contributed towards some of the operational costs |
|--|--|

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Youth Service	2. Proposal No. 7
3. Head of Service	Rachel Carter	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>The 2015 Youth Review proposed a youth work model of in-house provision of targeted youth work, youth engagement and central support/coordination, and for commissioning of open access provision for targeted neighbourhoods/communities from CVS providers. There was a reduction to the in-house budget by £400,000 in 2015/16 and a service redesign took place. The intention was to develop a wider trust arrangement. It is now proposed that more significant savings are made which would lead to the overall budget being just over £200,000. The reduced budget will need to pay for a service that the Council must provide under the law - advocacy services to all looked after children in the care of the council. If the cut proposed were made the current in house provision will need to be significantly re-designed and, youth work provided by CVS currently funded by this budget will be impacted as described below.</p> <p>This is a reduction of £700,000 on a net budget that is currently £1,004,000</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: Age (young people), Disability, Ethnicity, Gender (boys and girls), Gender Reassignment, Child Poverty</p> <p>The in-house council youth services that are likely to be cut are targeted youth work including the youth information bus; 1-1 and group work around resilience on issues such as risk taking, mental health and self-esteem, anger management and risk taking; Duke of Edinburgh for those outside mainstream school and young people with SEND; Youth Arts Award. The provision of confidential advice, signposting to other services, harm reduction work, social education provision, one to one support and identification of young people at risk will no longer be available in their current form by a dedicated in-house service.</p> <p>The cuts will affect the work of community based organisations which receive funding from this budget. There is</p>	

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likely to be a reduction in the delivery offered by the Crew Club, the Deans Youth Project, Brighton Youth Centre, the Turner Community Project, the Trust for Developing Communities, the Hangleton and Knoll Project, the YMCA and the Young People's Centre. Some of those services may not be able to continue in their current form or at all unless they can find alternative sources of funding.

Youth work takes place in different areas across the city, including areas of high deprivation and poverty such as Whitehawk, Moulsecoomb, Hangleton and Knoll, Turner and areas of the city centre. Economically disadvantaged people / young people and the most vulnerable people in our communities will be affected.

Cuts to youth services will specifically impact on young people and their families. By stopping the in-house and commissioned youth work this will reduce the numbers of young people able to access this support.

Disability: Young disabled people, or with a learning disability, mental health condition or a long-term illness may face additional physical and social barriers to accessing services and may be disproportionately affected the reduction in some of the services likely to be impacted by the proposed cuts

Ethnicity: Reduction in support may impact on accessibility. BME young people report their main issues are education, employment, racism and racial discrimination and mental health and well-being.

Gender: The closure or reduction in open-access youth services may disproportionately impact on boys since they tend to use youth services the most. There is a higher need for girls around support with bullying, smoking and alcohol whereas for boys more support is needed with discouraging the misuse of prescription drugs

Gender reassignment: The Trans Needs Assessment states that 55 young trans people are in contact with local specialist youth provision. Transgender young people leave school earlier than any other group and are more likely to report bullying and harassment at school. Trans young people are more likely to suffer from social isolation, exclusion and bullying, so a reduction in youth support services may exacerbate this.

Child poverty: 3,333 young people aged 13-18 years were identified as living in one of the 20% most deprived Lower Super Output Areas in England. Schools in East Brighton report more bullying than the rest of the city – possibly linked to higher levels of deprivation. Carers in vulnerable communities or families with low income will have reduced options for their children to be involved in positive activities.

Increased vulnerability of young people, including those with protected characteristics following the closure or reduction of youth work provision where they can access confidential support and guidance from an adult with respect to exploring their identity, finding acceptance or finding out about other services.

Decisions on funding have not been made regarding targeted work for disabled, LGBT and BME young people.

6. Assess level of impact (1= low; 5= high)	5
7. Key actions to reduce negative impacts	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <p>A consultation with young people is underway and will inform an understanding of the impact and inform any service redesign. The outcome of the consultation will be made available to inform the decision on the budget, and be utilised to update the EIA as needed.</p> <p>Identify funding that we believe is going to be available locally to ensure that it meets the needs of the most vulnerable young people and protected groups. Influence and shape funding and other activities to ensure that they meet the needs of diverse young people, especially those who are most vulnerable. Specifically as part of the City Employment and Skills Plan a Services Action Group has been established which has as one of its core aims to identify current funding regimes and explaining emerging ones with specific reference to the projects funded through the Building Better Opportunities Programme which is European Social Fund match funded by the Big Lottery, which are starting to roll out in the Coast to Capital area. There are six projects which cover the Brighton & Hove area and the primary project delivering to young people is being run by Barnardo's and aimed at 16-24. There is a further call out via the Local Enterprise Partnership (LEP) for applications to support young people in the area, who are not in education employment or training, with specific reference to Special Educational Needs and care leavers.</p> <p>There is an opportunity to work with Sussex Learning Network who have been granted significant funding to support young people in the most deprived areas of Sussex including Brighton and Hove, into higher education. This is part of the National Collaborative Outreach Programme funded by HEFCE. There is scope to deliver this in ways to support re-engagement, resilience and keeping young people in an educational setting.</p> <p>Support from organisations such as Community Works will continue to be available to CVS to explore alternative funding strategies which are less / non reliant on LA funding. Council will communicate opportunities for alternative funding where available. Information and links will continue to be available for young people friendly activities provided by other BHCC departments, and organisations in the city such as uniformed and faith based groups, the music and arts service</p>

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	<p>The Outdoor Education Advisory support service has moved into a traded service for schools and other centres.</p> <p>The Duke of Edinburgh award scheme will continue to be delivered by schools in Brighton & Hove Schools. The in-house support to vulnerable young people who can't access the award through schools, e.g. those attending the PRU or special needs schools, will be cut.</p> <p>Where possible the intention is to protect funding for work with young people with specific protected characteristics. From the available budget priority will be given to the funding of targeted work relating to disabled, BME and LGBT young people, informed by consultation with providers.</p> <p>This budget is not the only budget which funds services for young people. Specialist services for vulnerable young people in the city will remain notwithstanding the current budget cuts. These include the Extended Adolescent service, the Youth Offending Service (YOS), RU-OK?, the social work Adolescent Pod, the Youth Employability Service (YES), the youth advocacy service for looked after children, Cherish, Extratime Ltd, CAMHs.</p>
8. Full EIA?	The EIA will be updated and refreshed following a decision about the budget for youth services.
9. Monitoring and Evaluation	<p>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)?</p> <p>The impacts on the wellbeing of young people, envisaged as a result of the cuts will be monitored via the remaining youth services such as RuOK, Youth Offending Service, and specialist services in schools, such as drug and alcohol programmes.</p> <p>Assurances will be sought from the Coast to Capital LEP to be fully briefed on impact of Building Better Opportunities (BBO) Big Lottery Fund bids in the region with attendance at the Steering Group for these bids.</p> <p>Working in partnership with local CVS organisations to be fully briefed on impact of their activities with protected groups.</p> <p>Participation in steering groups where appropriate to ensure organisations are meeting the local requirements and supporting vulnerable young people in the city.</p>

<p>10. Cumulative impacts</p>	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p>
	<p>There will be other proposed reductions to services to families from other departments that may impact on families and therefore indirectly to young people in those families. Further cuts to preventative work will impact on those specialist services who are under most pressure.</p> <p>Impact of budget proposals for sports development and the reduction overall therefore of non-educational development opportunities for young peoples (non-youth work) in the city may impact on their physical and mental well-being, general development, socialising skills.</p> <p>The proposed additional reduction in funding for the Third Sector Commission would impact on the ability of CVS groups to address impacts outlined above.</p>

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Children's Centres - universal groups and income	2. Proposal No. 8
3. Head of Service	Caroline Parker	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	<ul style="list-style-type: none"> Income from midwifery for clinics and running cost savings (£40,000) Review of universal groups run in children's centres and play and learn groups in libraries, reducing funding for the Brighton & Hove Unemployed Centre and reduction in administration (£60,000). 	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: Age (young people), Ethnicity, Gender, Religion/Belief, Child Poverty</p> <p>The additional income from midwifery, running cost savings and reduction in administration will not have an impact.</p> <p>The other services are aimed at children under 5 so there would be an impact on this group, women and families living in poverty if the funding reduction leads to the closure of the Brighton Unemployed Centre Crèche or a reduction in the number of open access groups.</p> <p>Age: children under 5 years</p> <p>Disability: Children's Centres offer specific groups for disabled children and their parents which will not change.</p> <p>Ethnicity: The majority of children using the Brighton Unemployed Centre Crèche are from BME groups so there would be an impact if the crèche closed. Monitoring of universal groups shows that across the city a third of children are BME. The largest group is White Other (13%) followed by Other Mixed (4%). There is a variation in attendance across the city with the Tarner children's centre having the largest attendance.</p> <p>Gender: The vast majority of parents using the services are women. Any changes to the service will impact disproportionately on women who have young children.</p>	

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	<p>Religion/Belief: Monitoring shows that around 40% of all children’s centre users have no religion, around 25% are Christian and 10% Atheist. There could be a disproportionate an impact if the Brighton Unemployed Centre Crèche closed.</p> <p>Sexual orientation: There are no proposals to change the children’s centre LGBT Rainbow Families Group.</p> <p>Child poverty: The reduction in funding for the Brighton Unemployed Centre will impact on families living in poverty whose children are not eligible for free childcare places for 2, 3 or 4 year olds. For example younger children or where children are already receiving funding with another childcare provider. Any reduction in open access groups may impact on families living in poverty as they are less able to travel to attend other groups</p> <p>Other groups: The reduction in funding for the Brighton Unemployed Centre could impact on families living in poverty whose children are not eligible for free childcare places for 2, 3 or 4 year olds. For example younger children or where children are already receiving funding with another childcare provider.</p>
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>2: Overall the funding reduction is small so will have a minimal impact on a small number of people. There could be a more significant impact on vulnerable people if the Brighton Unemployed Centre Crèche closes.</p> <p>In that circumstance we anticipate that the impact would be at level 3.</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>The Brighton Unemployed Centre Crèche is registered to receive funding for free childcare places for two year olds and will be encouraged to increase the use of this funding in the future.</p> <p>Reviewing universal groups will take account of the number and level of disadvantage of children and families attending the groups, whether more groups can be supported by volunteers and what other groups are available locally.</p> <p>All disabled two year olds eligible for the Disabled Living Allowance are entitled to free childcare places.</p> <p>From September 2016 3 and 4 year olds with working parents can access 30 hours of free childcare a week – helping families living in poverty to access work.</p>

8. Full EIA?	Not needed at present. This will be kept under review.
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)?
	Future monitoring of the use of universal groups and Brighton Unemployed Centre Crèche.
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.
	Other changes to early help services may impact on women, BME families and families living in poverty.

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Early Years and Childcare: qualification bursary, database and sustainability funding	2. Proposal No. 9
3. Head of Service	Caroline Parker	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <ul style="list-style-type: none"> • Reduction of qualification bursary scheme for private, voluntary and independent early years and childcare providers – saving £30,000 • Reduce administration by introducing a self-service database for childcare providers – saving £20,000 • No longer offer sustainability funding for voluntary childcare groups – saving £10,000 <p>Saving of £60,000 in total.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: Age (young people), Gender (women)</p> <p>The early years and childcare workforce is predominantly female so a reduction on spend on bursaries may have a disproportionate impact on women if apprenticeship funding is insufficient.</p> <p>There is also a (slight) risk that children attending early years and childcare settings in the city may be affected if quality is reduced through lack of qualified staff.</p> <p>There is a slight risk that no longer offering sustainability funding could reduce the number childcare places available to young children and their parents.</p> <p>It is unlikely that any other groups will be disproportionately affected by these proposals.</p>	
6. Assess level of impact (1= low; 5= high)	1	

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<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>New apprenticeship funding mechanisms should provide suitable alternative funding for childcare qualifications. There is, however, current uncertainty about how this will affect childcare providers and whether the funding will be enough. The Government is expected to publish a workforce strategy for the sector which may clarify the funding situation. The local authority will lose any influence on the quality of the provision of early years qualifications in the city but will seek to work with training providers to keep courses affordable and will actively promote apprenticeship funding to childcare providers in the city.</p> <p>Early Years and Childcare team will work with providers to ensure apprenticeship funding is accessible for all people and quality is maintained</p> <p>The Early Years and Childcare Team provides training and sign posting to business support for childcare providers to increase their sustainability.</p>
<p>8. Full EIA?</p>	<p>No</p>
<p>9. Monitoring and Evaluation</p>	<p>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)?</p> <hr/> <p>As we are completely removing the bursary funding it will be difficult to monitor the impact as we will have no role in qualification provision. However, we will try to engage with training providers to encourage good take up of apprenticeship funding and ensure childcare providers can contact us regarding funding issues. We will continue to monitor the number and location of childcare places in the city,</p>
<p>10. Cumulative impacts</p>	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <hr/> <p>The proposals will result in greater numbers of apprentices in the city.</p>

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Families Children & Learning Directorate - Early Help, Integrated Team for Families and Parenting Services (ITFPS), Early Help Hub,	2. Proposal No. 10
3. Head of Service	Emma Cockerell and Caroline Parker.	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>Integrated Team for Families and Parenting Service (ITFPS) & Early Help Hub:</p> <p>There are three proposals in the Budget:</p> <ul style="list-style-type: none"> • Integrated Team for Families and Parenting Service - To restructure the staffing of the service and reduce running costs. (£80,000) • Early Help Hub and the Family Information Service - to restructure the service (£100,000) • Redesign of early help services across Families, Children & Learning (£300,000) to include the Early Help Hub, Parenting, Family coaching and the repercussions of the ending of the Troubled Families programme by 2020. Currently available resources by 2020 will reduce by two thirds. Services will focus on those children at risk of escalating need to meet social work thresholds by delivering family support through community provision as part of the as part of the neighbourhood strategy based in children's centres. <p>If all savings were accepted then the total reduction in council funding would be £480,000.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: Age (young people), Disability, Gender (women), Child Poverty, Carers</p> <p>The proposal is to reduce funding by restructuring and redesigning early help services including the Integrated Team for Families and Parenting Service, the Early Help Hub and the Family Information Service. These services deliver the Government's 'Troubled Families' programme which supports families facing multiple disadvantage. While there are some efficiencies that can be made from different ways of working the reduction in funding will lead to an overall reduction in services which will impact on protected groups. The greatest</p>	

disproportionate impact is likely to be on:

- Children and young people
- Women
- Disabled children, young people and adults
- Families living in poverty
- Other groups - Children aged 0-17 & Parents and carers of all ages

ITFPS and the Early Help Hub work with families who have multiple complex needs that generally fall just below the social work threshold. The Family Coaches, Early Help co-ordinators and Parenting Practitioners work with individuals within families of all ages as well as all other protected groups. A reduction in the ITFPS and overall Early Help budget will result in a reduced number of workers. Consequently the current service offer will need to reduce which will impact on all protected groups.

There is currently a high demand for the service (all referrals to ITFPS are screened to identify level of need at the Early Help weekly allocation meeting) with waiting times of between 4-6 weeks. Increased waiting times or rejecting referrals with this level of need due to lack of resource is likely to result in increased pressure on social work teams i.e. families referred to MASH as situation escalates and social workers not being able to step down to Early Help due to ITFPS or the Early Help Hub not being able to pick up this work. The increase in referrals to social work is likely to lead to an increase in children subject to a child protection plan and to becoming Looked After as the lack of prevention services results in family problems worsening and increasingly expensive resources required to address.

The Early Help Hub and ITFPS will have to reduce the number of staff it employs, and as a result there will be a reduction in the number of people they can support, and the areas of support they cover.

There may be increased waiting times to access services, which will lead to an increase in re-referral rates to the MASH (Key Performance Indicator). This is as a result of remaining staff being required to support greater numbers of service users and professional groups to effectively co-ordinate planning and in such circumstances they could feasibly struggle to adequately meet and stem needs. This in turn will increase pressure upon Children's Social Work, Health, Education partners and Police colleagues.

Age: Both the ITFPS and Early Help Hub work with children and young people 0-19 and their families. Children are entirely dependent upon others to have their needs met and in many cases are dependent upon a professional network for those needs to be identified and acted upon by others. A reduction in staff identifying need, assisting other professionals in managing needs and providing early help is likely to lead to an increase in the numbers of children referred for higher levels of intervention.

Age potential impact – significant – Level 5.

Disability: The majority of families worked within ITFPS and the Early Help Hub are affected by a substantial and long term health issue (both physical or mental impairment). A large number of secondary school age children/young people worked with have mental health issues that are disrupting their social life, emotional wellbeing and education that will impact on them in the long term. Engaging and supporting them and their parents, including accessing specialist services is crucial in minimising future adverse outcomes. In addition many of the parents/carers that we are working with have health conditions that are severely impacting on their and their children's lives. A reduction in funding will impact on the ability to deliver this service and is likely to increase pressure on adult social care as well as children's social work

Disability potential impact – significant – Level 5.

Ethnicity: The service works with families and individuals within families from a range of ethnic backgrounds therefore a reduction in funding will impact on the ability to deliver this service. The extent to which this is a disproportionate will depend on the outcome of the redesign.

There is evidence that children subject to a BME background are proportionately more likely to become subject to Child Protection Plans. ITFPS and the Early Help Hub are currently engaged in tackling inequality of provision within preventative services to BME groups.

The school preference advisor has a particular role in navigating and supporting children to access education across the city. The advisor works predominantly with BME and travelling families (only 13% of his caseload is White British). This role is cited as particularly helpful for families who are new to the city. If the service redesign concluded that this role should end then there would be a disproportionate impact on BME families.

Ethnicity potential impact – Level 4

Gender: There are a disproportionate number of women accessing ITFPS and Early Help interventions and specific provision has been put in place to engage more men onto programmes and work with fathers not living in the family home to positively engage with their children. A reduction in funding will impact on the ability to deliver this service. The recent welfare reforms brought into being through government policy have been demonstrated to disproportionately fall upon single households, which are in the main predominantly headed up by single mothers. A key aspect of the work of the Early Help Hub is assist families in navigating the complex world of welfare reform through the provision of support to access education, training and employment and in preventing crisis in respect of a family's housing.

Gender potential Impact – Level - 5

Gender reassignment: The service works with individuals within families who are intending, started or completed the process to change gender. Workers have been trained in gender reassignment and have knowledge of specialist services that are able to offer further support. A reduction in funding will impact on the ability to deliver this service.

Gender reassignment potential impact – Level 4.

Religion/belief: The service works with families and individuals within families from a range of religions and belief systems therefore a reduction in funding will impact on the ability to deliver this service. Due to the work of Prevent and Channel, early identification of people at risk of radicalisation requires early intervention in order to prevent harm.

Religion/belief potential impact – Level 4.

Sexual orientation: The service works with individuals within families within this protected group therefore a reduction in funding will impact on the ability to deliver this service.

Sexual orientation potential impact – Level 4.

Child poverty: Currently 63% of the families being worked with within ITFPS are regarded as being ‘financially excluded’, the majority living on benefits. Family Coaches are working hard to support and seek specialist services that will progress them into to work, reduce their debt and sustain their tenancies in order to avoid homelessness. A reduction in funding will impact on the ability to deliver this service.

Much of the work of the Early Help Hub is aimed at alleviating the impact of poverty upon children and their families in the city. A lack of access to resources can create additional stresses that can lead a parent to struggle in providing a safe and consistent home life as the impact of multiple stressors take hold upon family life. Additionally the impact of ever increasing rents and welfare reform is creating a high level of inequality between those children in the city that have and those that do not. This has potential significant implications for children’s sense of themselves as they grow.

Child poverty potential Impact level – 5

Other groups: domestic violence, Children aged 0-17 & Parents and carers of all ages: A large number of families and children worked with are affected by domestic violence and we provide direct support and support to access specialist agencies to reduce the risk to both the victim and their children. Direct support is provided to perpetrators of domestic violence and young people and their parents where child to parent abuse is present. The service (via individual parenting support and specific interventions) also provides support to families that

	<p>have children that are on a Child Protection Plan and at risk of becoming looked after. A reduction in funding will impact on the ability to deliver this service</p> <p>The Early Help Hub currently offers targeted phone and direct work support to parents and professionals to divert a family from going into crisis. They support families who are being stepped out of social work, they pick up on cases that need to be escalated back to social work. They work to support families who are disadvantaged as a result of their circumstances where there are young carers in the household, there has been domestic violence, previous substance misuse problems, problems related to parenting and attachment (particularly with adolescents) and related to preventing homelessness/mitigating the impact of multiple house moves caused by instable and insecure housing market.</p> <p>Other groups potential Impact level - 5</p>
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>Overall level of potential impact is assessed to be significant - 5</p> <p>In any reduction to the Early Help Hub and ITFPS it is important to remain mindful that 88% of child deaths that result in a Serious Case Review taking place i.e. unexpected and caused by harm, were children defined as being in need/open to Early Help or closed to SW, having previously been open. (Triennial Review of SCRs). The impact of a reduction in services currently known as Early Help could therefore have significant implications for the safety and wellbeing of children who are currently just below the threshold for social work intervention, as there will be a reduction in the service that identifies need and responds to it at an early point in time – reducing both the financial and human costs of harm reaching a significant level.</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <ol style="list-style-type: none"> 1. To redesign early help services to deliver the most effective interventions.. 2. To take account of the impact on protected groups as part of the re-design process. 3. To introduce one front door bringing together the Multi-Agency Safeguarding Hub and the Early Help Hub to enhance and simplify a family’s journey through services. 4. Reducing systems and processes to a minimum and introducing one assessment framework across social work and early help services 5. To promote a council and citywide whole family approach. 6. Making the most of digital platforms to provide information to families and practitioners 7. To ensure that children and young people can access the new Emotional and Mental Health well-being service including single point of access for referrals and on-line counselling being developed.

8. Full EIA?	Yes: this will be completed as part of the redesign process.
9. Monitoring and Evaluation	<p>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)?</p> <p>The redesign of the early help service including a review of IT systems will include equalities monitoring for protected groups. The impact will be reported as part of quarterly reporting on equalities actions as part of the business planning process on interplan.</p>
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>The proposal to end funding for a council run youth service will have a significant impact on young people and their families.</p> <p>Impact of government policy in respect of a family's access to benefits and welfare reforms including the benefit cap. The population of Brighton & Hove are reported to be the second hardest hit, outside of London as a result of the benefit cap, the full impact of which will not be fully comprehended until 2017/18 as the year progresses.</p> <p>Impact of council social housing allocations policy could worsen or mitigate circumstances for some families.</p> <p>Increasing caseloads within children's social work are likely to impact on the quality of assessment and planning to address concerns via step-downs to reduced capacity within the Early Help service.</p> <p>Impact of growing levels of inequality within Brighton & Hove alongside decreasing access to services to mitigate levels of inequality, is likely to lead to challenges and greater levels of demand upon statutory services.</p>

1. Service Area	Families Children & Learning Directorate - Living Without Violence Programme	2. Proposal No. 11
3. Head of Service	Tom Stibbs	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	<p>The following savings are proposed for 2017/8:</p> <ol style="list-style-type: none"> 1. The ending of the Living Without Violence programme – budget saving of £50,000 identified 2. A transition plan to be put in place – consideration of costs to be met from within existing Clermont Centre budget 3. A new aligned delivery model for services to address violence and abusive behaviour to be developed 	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: Age (young people), Ethnicity, Gender (women and men)</p> <p>The loss of a domestic violence and abuse perpetrator programme will have a specific impact on men since there will be 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.</p> <p>Specific impacts:</p> <p>Age: A more flexible delivery will allow interventions to support perpetrators of all ages, for example boys and young men who are perpetrators. However, the loss of the service could also lead to a disproportionately increased risk of exposure of children (girls and boys) to violence and abuse.</p> <p>Ethnicity: Our services have ongoing challenges in engaging those from a BME background and more flexible delivery of service should allow greater opportunity for engagement</p> <p>Gender: The proposed loss of a service specifically working to address the violent behaviour of men will need to be addressed in the development of alternative services. The loss of the service, including any reductions in</p>	

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	<p>partner support functions, could also lead to a disproportionately increased risk of violence towards women and girls.</p> <p>Other impacts: The loss of a perpetrator programme could increase the risk of violence towards victims of domestic violence and abuse</p>
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?
	Commissioners to work with providers 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. Commissioners to ensure that partner support functions are sustained, to prioritise victim safety. More flexible delivery of interventions should also provide increased opportunities to engage with those with additional needs
8. Full EIA?	A full EIA was completed for the service redesign in October 2015 and this is subject to ongoing review.
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 project plan will be developed for March 2017 and this will be subject to ongoing review during 2017-8, including via the VAWG Commissioning Group.
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.
	Loss of support for the victims of domestic violence and abuse via RISE could exacerbate the risk to these victims if appropriate alternative models are not implemented

Budget Equality Impact Assessment Template 2017/18 – People known to Adult Social Care

1. Service Area	Health & Adult Social Care - Physical Disability and sensory loss Mental Health services	2. Proposal No. 12
3. Head of Service	Brian Doughty	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	A proposal of a saving of £1.425m is planned by reducing the spend on the Community Care Budget for adults, including physical disability and sensory loss, and a further £0.293 for mental health.	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: Age (older people), Disability, Ethnicity, Gender (women), Gender Reassignment, Religion/Belief, Sexual Orientation, Carers</p> <p>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.</p> <p>Presently over 3000 people receive care and support in some way paid for via the Community Care Budget in the City. A proportion of these are older people and people with physical disabilities or mental health problems, who receive care and support both at home and in residential settings. Any reduction in the community care budget will have a direct effect on the amount or the way support and care is offered, and there is a risk that unmet need may rise. We will continue to provide statutory services and to target those in greatest need and those at risk but there is likely to be reduced universal provision.</p> <p>Care costs are steadily increasing with a provider market which is under pressure nationally.</p> <p>The Equality Act 2010 (s129) states that a public authority, in the exercise of its functions, must have due regard to eliminating discrimination, harassment and victimisation, advancing equality of opportunity and fostering good relations. People experiencing mental health problems are often subject to stigma, and when this is coupled with other protected characteristics, can lead to multiple levels of discrimination. By reducing the Community Care Budget, there is a risk that people experience greater levels of social isolation which may increase the risk of mental health problems.</p>	

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Specific impacts:

Age: There is a significant proportion of older people in the City, and people are living longer with a growing population who are 90+. Demographic trends also indicate an increase in people presenting with dementia. Budget savings will impact on the level of service provision to this group.

Disability: Many people who are known to Adult Social Care are disabled given the eligibility criteria under the Care Act 2014. Mental health problems impact negatively on physical co-morbidity and mortality rates. Budget savings will impact on the level of service provision to this group.

Gender: Women tend to live longer than men and thus may experience the need for longer funded care. Women overall have lower incomes and a generally form a larger proportion of people known to Adult Social Care and carers, and there will therefore be an indirect impact from changes in Adult Social Care.

Gender reassignment: Trans people, already one of the most marginalised groups, may be further marginalised. There is a need for non-core activity such as tackling transphobia, awareness raising, building self esteem etc and we are trying to increase engagement with this group, but any reduction in funding may impact on extra initiatives to do this.

Ethnicity: Brighton & Hove is a diverse city and we need to ensure that people living in the City from all ethnicities are able to access assessment and support from Adult Social Care. There is a risk that with reduced resource this lessens our ability to engage with, and outreach into, different community groups.

Religion/belief: There is some evidence that some specialist faith homes are more costly than “mainstream” and this could be a risk in meeting individuals’ faith or religious needs.

Sexual orientation: Some LGBTQ people still remain silent or hidden. At time of resource realignment there is a risk that these groups become more distant or marginalised.

Other groups: Carers have a significant role in caring for people in the City. Any funding restrictions could have a direct effect on whether carers are able to continue in their caring role.

Brighton has significant people who are street homeless (no fixed abode) and a reduction in resources may

	<p>mean that initiatives to engage with and outreach to rough sleepers are reduced.</p>
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>Level of impact: 4</p> <p>The impact on individuals is potentially high as there is a large number of people currently supported by the community care budget. Mitigating factors will be working alongside health partners to successfully implement the wellbeing and prevention approach in order to reduce demand. Additionally an asset based approach to our support and care offer which embraces an integrated approach to assessment and support with our partners – see below.</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>Commissioners will work with providers to prioritise assignment of resources, to ensure that the additional focus on identified groups can continue. There will be an increased focus on joint commissioning with Health.</p> <p>A new asset based approach will be implemented to help develop a new conversation with the public. This is fundamental to a radical rethink about how people, friends and families as well as communities can help people to remain independent. The Care Act asks that Adult Social Care do not only look to offer support to people but embraces the offer from housing through to leisure to enhance the lives of vulnerable people.</p> <p>We will work closely with internal and external partners to ensure high quality efficient services which are evidence based, for instance working with Sussex Partnership Foundation Trust and the CCG around dementia pathways.</p> <p>The ongoing 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, and help people to live life and have a good death.</p>

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.

We continue to work towards making our organisational structures more effective whilst aiming to minimise the impact on frontline services.

New and value for money commissioning for people with head injuries will add to the savings and increase the quality of life for a small but significant cohort of people.

Extra care housing has been made available to be a real alternative to residential care.

The Council has an ongoing commitment to tackling inequality as evidenced by the Fairness Commission whose report was released in June 2016.

Specific actions:

Age: The City has made a commitment to becoming an Age Friendly City. The local authority have funded a new dementia friendly Extra Care housing facility which is targeted at people with mild to moderate dementia. This is aimed at enabling people to live independently in the community for longer and reducing admissions to residential care.

Disability: New conversations will need some careful handling and expectations will need to also be managed. Direct payments must be promoted (Care Act 2014) as a way to deliver more creative and sustainable modes of support and care. The above proposals above are key in maximising recovery and social inclusion.

Gender: Adult Social Care will continue to work closely with its partners to maintain a focus on supporting carers.

Gender reassignment: Adult Social Care will continue to engage with people who they come into contact with to ensure that we are trans friendly in our approach and work with people to address discrimination and stigma, along with maximising people's opportunities and life chances.

	<p>Ethnicity: We will continue our commitment to an assessment process which is anti-oppressive and which tackles discrimination and inequality as we encounter it.</p> <p>Religion/belief: We will continue to work with faith groups where possible to ensure we meet the needs of people with different religions/belief systems.</p> <p>Sexual orientation: Adult Social Care will ensure that we enable a safe space for people who identify as LGBTQ to engage with us and we will challenge discriminatory practice along with stigma.</p>
<p>8. Full EIA?</p>	<p>As the year progresses and redesign takes shape a full EIA will be required to measure the impact of budget reductions.</p>
<p>9. Monitoring and Evaluation</p>	<p>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)?</p> <p>Ongoing monitoring and evaluation will need to take place via the General Manager and Assistant Director meetings</p>
<p>10. Cumulative impacts</p>	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>Housing is a key player to deliver good support and care. Given that there is already a critical shortage of affordable housing in Brighton and Hove, any significant reduction in access to suitable housing will have a direct effect on the Community Care Budget.</p> <p>Public health as a partner is key in promoting wellbeing and healthy lives, and this is critical to stem future and immediate demand.</p> <p>Resource pressures within the NHS on primary and secondary health services has an impact on people known to Adult Social Care.</p> <p>There is intense pressure nationally on the provider market which has a direct impact on the Community Care Budget.</p> <p>Brighton & Hove has a strong and vibrant voluntary sector but funding pressures on the third sector will</p>

	potentially result in an impact on people known to Adult Social Care as building community resilience is a critical factor in preventing the growing health, social and economic inequalities in our City.
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EIA 13 – PROPOSAL DELETED

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Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Health and Adult Social Care - Ireland Lodge Residential Unit	2. Proposal No. 14a
3. Head of Service	Brian Doughty	
4. Budget Proposal	<p>What is the proposal?</p> <hr/> <p>Reduce overall budget to our in house mental health units by £121,000, average savings of £61,500 for Ireland Lodge</p> <p>Physical Support – CQC registered Residential Unit. Ireland Lodge is a residential care facility supporting individuals who have a diagnosis of Dementia. There are 23 beds within the unit which is located in the Woodingdean area of Brighton and Hove. The proposal is for the service to work with the CCG and SPT to review and commission services to meet the changing demands in mental health service across the City. Average saving of £60,500 (total of £121,000 across both Wayfield Avenue and Ireland Lodge) is aligned to the successful review and commissioning of services.</p> <p>Saving opportunities on this budget include: CCG and potential for other investment opportunities supporting with an increase in funding for Ireland Lodge to support direct care staffing levels. CCG and SPT supporting with an increase in funding for specialist clinical staff to support complex cases and decision making. A review of the number of beds to ensure safe levels of care if additional funding is not available. Consideration of outsourcing provision to an Independent provider if savings cannot be identified by keeping the service in house.</p>	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	

	<p>Disproportionate impacts identified: Age (older people)</p> <p>The Council has a statutory duty to meet the needs of people who are assessed as requiring adult social care, and this includes providing 24hr support where appropriate within a residential setting.</p> <p>The people who will be affected are people with a diagnosed condition of Dementia.</p> <p>If services were to reduce, the most significant impact would be a reduction of beds available within Ireland Lodge, leading to an inevitable increase in stay for patients in hospital. This would affect patients requiring specialist support via a transitional period of support, monitoring and review between hospital and home.</p> <p>Reduction in support for people living in the community who are experiencing a deterioration in their mental health and require a period of support, monitoring and review within a residential facility.</p> <p>Possible detrimental impact on wellbeing of family carer / informal carer, who without support, would be unable to continue to provide care within the community. Possible increase in Long Term Care placements.</p> <p>Currently limited 24hr resources available across the City for people requiring support within a residential placement.</p> <p>Due to decreases in beds available, it may be necessary for BHCC residents to receive care outside of the City, which may impact on their support networks, family visiting and general wellbeing due to possible isolation.</p> <p>The impact of outsourcing Ireland Lodge, is the instability of the market and an alternative provider not having the flexibility required to “flex” the criteria to meet changing demands.</p> <p>Outsourcing would impact on the whole staff team with TUPE implications.</p> <p>The impact includes a personalised assessment and the opportunity to consider other options that meet individual needs.</p>
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>4: Reduction in beds has significant impact due to the vulnerability of individuals with dementia.</p>

<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <ul style="list-style-type: none"> • Work with the CCG & SPFT to review the requirements of specialist beds across the City and actively engage in a commissioning process to include Ireland Lodge. • Review staffing levels within the unit to ensure safe levels of staffing remain. • Review referrals into the unit to better screen dependency level requirements. • Engage and as required complete a staff consultation to determine staffing levels for reduced level of service. • Service users will have a review to ensure that their needs can be met if a change of facility is required. • Any consultation process will include Carers, advocates and their families.
<p>8. Full EIA?</p>	<p>Full EIA to commence following confirmation of planned future of services.</p>
<p>9. Monitoring and Evaluation</p>	<p>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)?</p> <ul style="list-style-type: none"> • Completion of full EIA following the review of this service to consider the impact of any proposed changes. • Monitor demand and capacity against referrals received and declined, to evaluate loss of bed days. • Monitor quality of direct care to ensure compliance with CQC. To include mediation, accident and incident reports, safeguarding, comments and complaints. • Monitor levels of front line management to ensure supervision, professional development, employee relations tasks are completed within time scales agreed to meet quality standards. • Monitor levels of staffing and input by health partners to support wellbeing of users of the service. • Service User Questionnaires will be used to capture service user's views on services and individual needs- This will include equality monitoring information. Improve questionnaire return rates and encourage completion of equalities information. • Ensure that information from referring agency/professional includes appropriate information on how to best meet individual needs including ethnicity, faith religious needs, communication issues, specific individual health needs etc. Follow-up Equalities related actions identified in QA work.

<p>10. Cumulative impacts</p>	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p>
	<ul style="list-style-type: none"> • People with a diagnosis of Dementia will have limited In-House service in the future and the vast majority of people will receive services from the Health provider, Private companies or from the Voluntary sector. • Provision of beds for people with a Dementia are limited and some reduction of services has been seen due to home closures over the last few years. This could have a cumulative impact on what resources are available across the City. • Joint working with CCG and SPT to reduce the impact of any saving proposals. • Consider development of the building to increase bed capacity by using the vacant day centre space and the community space on the lower group level.

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Health and Adult Social Care - Wayfield Avenue Residential Unit	2. Proposal No. 14b
3. Head of Service	Brian Doughty	
4. Budget Proposal	<p>What is the proposal?</p> <hr/> <p>Reduce overall budget to our in house mental health units by £121,000, average savings of £61,500 for Wayfield Avenue.</p> <p>Physical Support – CQC registered Residential Unit. Wayfield Avenue is a residential care facility supporting individuals who have mental health needs. There are 24 beds within the unit which is located in the Hove area of Brighton.</p> <p>The proposal is for the service to work with the CCG and SPT to review and commission services to meet the changing demands in mental health service across the City. Saving of £60,500 (total of £121,000 across both Wayfield Avenue and Ireland Lodge) are aligned to the successful review and commissioning of services.</p> <p>Saving opportunities on this budget include: CCG and SPT supporting with an increase in funding for Wayfield Avenue to support direct care staffing levels. CCG and SPT supporting with an increase in funding for specialist clinical staff to support complex cases and decision making. Review the number of beds to ensure safe levels of care if additional funding is not available. Consider outsourcing of the service to an Independent provider if savings cannot be secured by keeping the service in house. Consider the closure of the Day Centre as part of the service review.</p>	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	

	<p>Disproportionate impacts identified: Disability</p> <p>The Council has a statutory duty to meet the needs of people who are assessed as requiring adult social care, and this includes providing 24hr support where appropriate within a residential setting.</p> <p>The people who will be affected are people with a mental health condition.</p> <p>If services were to reduce, the most significant impact would be a reduction of beds available within Wayfield Avenue, leading to an increased stay for patients in hospital. This would affect patients requiring specialist support via a transitional period of support, monitoring and review between hospital and home.</p> <p>Currently limited 24hr resources available across the City for people requiring support within a residential placement.</p> <p>Due to decreases in beds available, it may be necessary for BHCC residents to receive care outside of the City, which may impact on their support networks, family visiting and general wellbeing due to possible isolation.</p> <p>The impact of outsourcing Wayfield Avenue, is the instability of the market and an alternative provider not having the flexibility required to “flex” the criteria to meet changing demands.</p> <p>Outsourcing would impact on the whole staff team with TUPE implications.</p> <p>The impact includes a personalised assessment and the opportunity to consider other options that meet individual needs.</p>
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>4: Reduction in beds significant impact due to the vulnerability of individuals with a mental health condition.</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <ul style="list-style-type: none"> • Work with the CCG & SPT to review the requirements of specialist beds across the City and actively engage in a commissioning process to include Wayfield Avenue. • Review staffing levels within the unit to ensure safe levels of staffing remain. • Review referrals into the unit to better screen dependency level requirements.

	<ul style="list-style-type: none"> • Engage and as required complete a staff consultation to determine staffing levels for reduced level of service. • Service users will have a review to ensure that their needs can be met if a change of facility is required. • Any consultation process will include Carers, advocates and their families.
8. Full EIA?	Full EIA to commence following confirmation of planned future of services.
9. Monitoring and Evaluation	<p>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)?</p> <ul style="list-style-type: none"> • Completion of full EIA following the review of this service to consider the impact of any proposed changes. • Monitor demand and capacity against referrals received and declined, to evaluate loss of bed days. • Monitor quality of direct care to ensure compliance with CQC. To include mediation, accident and incident reports, safeguarding, comments and complaints. • Monitor levels of front line management to ensure supervision, professional development, employee relations tasks are completed within time scales agreed to meet quality standards. • Monitor levels of staffing and input by health partners to support wellbeing of users of the service. • Service User Questionnaires will be used to capture service user's views on services and individual needs- This will include equality monitoring information. Improve questionnaire return rates and encourage completion of equalities information. • Ensure that information from referring agency/professional includes appropriate information on how to best meet individual needs including ethnicity, faith religious needs, communication issues, specific individual health needs etc. Follow-up Equalities related actions identified in QA work.
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>People with mental health needs will have limited In-House service in the future and the vast majority of people will receive services from the Health provider, Private companies or from the Voluntary sector.</p> <p>Over the last 2 years, 24hr specialist residential care has reduced and this has a cumulative impact on what resources are available across the City.</p> <p>Joint working with CCG and SPT to reduce the impact of any saving proposals.</p>

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1. Service Area	Health & Adult Social Care - Commissioning & Performance	2. Proposal No. 15
3. Head of Service	Andrew Witham	
4. Budget Proposal	<p>What is the proposal?</p> <p>The Easylink Service for shopping trips operated by Community Transport (Brighton, Hove & Area) Ltd - a reduction of funding to ensure that services commissioned link with commissioning plans in Health & Adult Social Care and Brighton & Hove CCG (joint funding) in delivering good health and social care outcomes for people.</p> <p>Until September 2015, this contract in conjunction with one commissioned by the CCG was overseen by the council Public Transport team. With effect from 1 September 2015 a new contract was negotiated with Community Transport combining the council and CCG funding and including savings absorbed by Community Transport. The new combined contract is valued at £125,596 in a full year, of which £107,000 is funded by the City Council and £18,596 is funded by the CCG. The council funding is a subsidy for the Easylink passenger shopping service and a contribution towards the costs of Community Transport running the brokerage/booking service that enables users to get access to individual journeys. The CCG funding is a contribution to Community Transport's Core Costs for the group hiring of minibuses.</p> <p>In early 2016 ASC and the CCG asked Community Transport to come up with proposals to reduce the number of shopping trips as part of the process of responding to the changing transport needs of the city and potential redirection of the funding. Examples were to identify the least popular days or routes but Community Transport did not feel that they could do this. Community Transport Ltd did not traditionally provide data on the clients using the minibus service (other than number of people using each bus route). The provision of data was an absolute requirement in the new contract despite concerns expressed by Community Transport that it would discourage people from using the service. The first data arrived in June 2016 based on a survey undertaken by Community Transport in May 2016 sent to the 382 residents of Brighton & Hove who had registered as individual members of the organisation and who were believed to be currently active as passengers or potential passengers of the Easylink services. 107 responses were received for analysis by 01/06/16, a return of 28%.</p> <p>The proposal is for savings of £82,000 of the council's funding (65% of the total funding), saving only £25,000 in the 2017/18 financial year. At this time the contract runs to 30 June 2017 so it is necessary to retain £10,466 per</p>	

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	<p>month for 3 months. Split between the council and CCG the council's proportion is £8,916 per month or £26,748. The proposed savings thus create a pressure on the contracted sum.</p> <p>A reduction in funding of this size is likely to lead to the end of the Easylink contracted shopping routes unless significant changes are made such as reducing the routes, reducing the days it runs and increasing the charge to users (currently set at no more than £3.50 for over 15 years).</p>
<p>5. Summary of impacts</p>	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: Age (older people), Disability</p> <p>Based on the 107 responses gathered by Community Transport Ltd in June 2016 (figures below are based on where people answered the question):</p> <ul style="list-style-type: none"> • All people who used the service were aged over 55 • 6 were between the ages of 60-69 • 24 were between the ages of 70-79 • 56 were between the ages of 80-89 • 14 were over the age of 90 • 92 responses were from women, 12 from men • 102 identified as English/Welsh/Scottish/Northern Irish/British, 2 as Other White, 3 chose not to answer. • 81 people identified as heterosexual (remainder chose not to say). • When asked if day-to-day activities were limited because of a health problem/disability which has lasted, or is expected to last, at least 12 months 88 people said yes, of which 57 said they were impacted a lot. • 61 people identified as having a Physical Impairment, 8 a sensory impairment, 33 a long standing illness and 1 a mental health condition. • 61 people used a walking aid, 5 used a wheelchair, 37 people used neither. 97 people did not need a carer to help them use the service. • 3 people identified as carers of a partner or spouse. • 58 people use the service once a week, 24 more than once a week, the rest less than once a week. <p>As can be seen the biggest impact is on older people and those with a physical disability/health problem which is as expected. Very few people have other protected characteristics that would impact on the use of the Easylink service.</p>

<p>6. Assess level of impact (1= low; 5= high)</p>	<p>Impact is 2 and for some people 3.</p> <p>It is difficult to assess the impact on people who use the Easylink service as we don't know if they have alternative options regarding shopping and options to engage socially. The survey undertaken by Community Transport clearly identified that the key reasons for using the service were (in order of importance):</p> <ol style="list-style-type: none"> 1. Door-to-Door Travel 2. Friendly Service 3. Quality of Driver 4. Reliability 5. Reasonable Fare 6. Easy Access to Shops 7. Vehicle is Accessible 8. Assistance with Journey 9. Meeting Other People <p>It is unknown how many of the regular users of the service have assessed social care needs and are in receipt of packages of care. Although Easylink refer to people qualifying to use the service this is self-identified and is not based on an assessment.</p> <p>Neither, is it clear as to the real numbers who currently use the service – the questionnaire organised by Community Transport had a final return of 137 of the 382 sent out but it is unknown whether this reflects the number of current service users (35% of those who received the survey) or is only a proportion.</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p>

It is believed that many people have used the service for a substantial number of years – pre-dating the introduction of free bus passes in 2008 and pre-dating current requirements for buses with more than 22 seats to be accessible to people using wheelchairs. Shopmobility services have also expanded significantly over the past few years offering much more than shopping access. However, it is recognised that people will be affected by the loss/reduction of the Easylink service as it has been in place since 1997 with little change; there is no reason why people who have used it for many years would stop using it despite alternatives being available.

Although people’s access to shopping opportunities may reduce if the Easylink service ends/is reduced there are now many alternatives as regards food/other shopping including delivery options from supermarkets, local shops and hot and frozen meal delivery. A recent survey into the impact of ending another long term contract for Community Meals (31/03/2016) revealed positive outcomes in that people have begun to do more cooking, are going out more to eat, are supported by carers, family and friends etc.

Work was already underway to re-direct the work of the Easylink contract which had been due to expire on 31 August 2016 but was extended until 30 June 2017 with a redirection (since September 2016) of £20,000 of the council funding into a pilot scheme for the following as the first stage of redistributing the funding away from shopping trips into aspects more aligned with social care and health commissioning plans and funding:

- i. support for residents in areas where GP practices are closing where there are identified transport needs;
- ii. transport for socially isolated individuals for area based work, aligned to older people’s locality hub areas;
- iii. creating links with other local service providers to better fulfil the aims of i. and ii. above.

This work is ongoing.

To find out more about potential impacts on service users Healthwatch have agreed to undertake a piece of work with service users, either on the minibus journeys or at the cafés situated at most of the shopping venues. A questionnaire is being drawn up to find out the impact on service users should the service be withdrawn. This would also be an opportunity to provide information or signposting in a face-to-face environment.

It is also hoped to do a mailout of information about activities, lunch clubs etc. available in the city to all Easylink members should Community Transport agree.

If people are already in receipt of an ASC package then they would need to contact their support worker to have their needs reviewed. If people are not already known to ASC and identify that they needed additional support they would need to contact ASC individually via Access Point. Again this information would be shared.

Where people identify that their main reason for using Easylink is largely social (friendly service, meeting other people) then they can be signposted into the Older People’s commissioned services which cover all areas of the city.

	<p>It is suggested that the loss of the Easylink service will lead to social isolation and impact on the health of service users. However, this is an issue that has been taken up by the Citywide Connect commission which aims to reduce social isolation for older people in the city. The Autumn 2016 Locality Hub events had a focus on travel and included the distribution of a 'To and From' questionnaire to identify barriers and solutions to older people engaging in activities. 200 questionnaires have been returned, the first findings being made available at the end of December 2016; a key finding is that 40% of respondents don't attend activities because it is too difficult to get there. This is now being progressed by the Transport Group set up by Health and ASC (operating as a sub-group of the Citywide Connect work) and Community Works have recently applied for external funding to tackle social isolation at a neighbourhood level using a partnership approach of Health, ASC and the voluntary sector. Also in support of this approach is the re-direction of funds since September 2016 as mentioned above (pilot schemes to improve health and reduce social isolation). It should also be mentioned that 94 people answering the 'To and From' questionnaire wanted to talk further about the issues, providing names and phone numbers for follow-up.</p> <p>Supporting people to get to local activities by operating at a neighbourhood/ local level would also reduce potential impact on the environment and improve community cohesion and integration. This was also identified in the 'To and From' questionnaire findings: "Generally people wanted a wider choice of activities which are closer to home with someone to support them to get there. They would also like to know that they will be welcomed at the activity".</p> <p>There is also work being undertaken with bus operators on increasing access to the commercial and supported bus network with accessible bus stops, talking bus stops, the Helping Hands scheme and discounts for carers travelling with and without those they care for. There is also good access to accessible licensed taxis within the city and when evidencing how the council meets its statutory duties under the Transport Act 1985 it is important that all the different services provided/available are considered and not just the provision of one specific service.</p>
<p>8. Full EIA?</p>	<p>At this time, no.</p>
<p>9. Monitoring and Evaluation</p>	<p>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)?</p> <p>The contract will continue until the end of June 2017, which gives more time to monitor impact and develop the mitigating actions as in 7 above.</p>

10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.
	<p>It is possible that the 10% reductions being made in Public Health funding for the Older People’s Commission to reduce social isolation could have a potential impact. However, it is not known if any of the people who use the Easylink shopping service are engaged in any of the activities/services funded via this. Where people identify that their main reason for using Easylink is largely social (friendly service, meeting other people) then they can be signposted into the Older People’s commissioned services. It is not known if there are any other transport implications for the service users – at this time the ASC funding commitment to Shopmobility remains the same.</p>

1. Service Area	Health & Adult Social Care - Commissioning & Performance	2. Proposal No. 16
3. Head of Service	Andrew Witham	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p>	
	<p>To re-procure the Self-Directed Support Service with the Children’s Service and East Sussex County Council in a more efficient and value for money way, and ensuring that the services commissioned link with commissioning plans & deliver good outcomes for people.</p> <p>The service is subject to a budget EIA due to the reduction by £19,000 on the total approximate budget of £390,000 to achieve value for money; the service itself is not under threat in any way.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p>	
	<p>Disproportionate impacts identified: Age (older people)< Disability, Carers</p> <ul style="list-style-type: none"> • Self-directed support is about people being in control of the support they need to live the life they choose. Any changes to funding may impact on individuals and their support plans. • By re-procuring the service it is planned to make budget savings of £19,000. The current block contract is for £153,000 in 2016/17, plus additional spend via the Community Care budget and Children’s Services budget giving a total expenditure of £390,000. A reduction of £19,000 represents 4.9% of the total. • It is believed that by commissioning all services at costed rates rather than a mix of block contract plus costed elements savings will be made at little impact to the service users. • Further economies of scale should be achievable by jointly commissioning the service with East Sussex County Council. • People affected will be mainly those with Adult Social Care assessed needs who receive funding from the council to buy services or employ people to support them – known as Direct Payments. There are currently over 560 Adults in receipt of Direct Payments and increasing this figure is a key target for Adult Social Care, necessitating more referrals from Assessment Teams 	

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	<ul style="list-style-type: none"> All people in receipt of Direct Payments are older people, people with a learning or physical disability or people with a mental health need. Most people will have physical health and mobility needs, including children. The current provider has provided the service since the council began funding SDS as a pilot scheme in 1999 so potential changes may be a challenge. However, any changes in the way services are procured will enable individuals to have their needs met in a way that ensures that the outcomes they want to achieve. Proposed plans include the option for two providers of the service which would also increase the opportunity for client choice. Parent Carers are significantly involved as the holders of Direct Payments for their disabled children. Many may be concerned about the impact of any change to services, and also what it may mean for them in terms of the support they receive as carers.
6. Assess level of impact (1= low; 5= high)	1: Ideally there should be no impact on the client group who should receive a continuous service. By re-procuring the service the intention is to gain better value for money not reduce the level of service.
7. Key actions to reduce negative impacts	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <ul style="list-style-type: none"> Commissioners from Adult Social Care, Children's Services and East Sussex CC commissioners will be working together to commission services that meet outcomes & achieve more efficient use of resources Service users and carers & the community & voluntary sector would be involved in decision making; any changes to services would be fully communicated. Adult Social Care will continue to commission services with an emphasis on meeting the outcomes of individuals. Services will be commissioned based on any relevant commissioning plans & reviews for services. Parent Carers will be fully involved assessment & review processes for individuals. The needs of carers are fully considered in any assessment of an individual.
8. Full EIA?	No, as the service is being recommissioned; the only impact is the budget reduction
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)?

	<p>The recommissioning will lead to a full contract and all contracts are subject to rigorous performance monitoring which would include the impact on all client groups</p>
<p>10. Cumulative impacts</p>	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>Commissioners are working together to consider mitigating factors. However, at this time there is no other identified impact on other departments/service areas.</p> <p>The current provider has a high profile and variety of services in the BHCC area working with many vulnerable people.</p> <p>As regards the current provider organisation a financial analysis suggests that it has the resources to both expand and take on more business. In terms of losing the contract the organisation appears to be trying to improve their ability to protect against fluctuations in grants by increasing their trading activities, however cost structures may need to be reviewed to ensure sustainability.</p>

1. Service Area	Health & Adult Social Care – Community Meals	2. Proposal No. 17
3. Head of Service	Andrew Witham	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>Community Meals – reduction of budget</p> <p>At the end of 2015/16 the contract for the Community Meals Service (provision of a meals service at home for vulnerable people) came to an end, being replaced by a Menu of Providers who had satisfied a series of criteria covering nutritional quality of food and the promise of providing a ‘Safe & Well check’ to ensure people receiving a meal are adequately cared for. The B&H Food Partnership was involved in this process and an EIA was completed at this time.</p> <p>The budget in 2015/16 was £105,000 and a saving of over £30,000 was made leaving a budget of £73,540. The rationale for retaining a budget relates to the historical position of paying the bad debts of customers where it was deemed important that highly vulnerable individuals receive a hot meal. The total cost of bad debts in 2016/17 (final invoices submitted by RVS up to July 2016) is just over £9,000. The current providers of meals do not submit bad debt invoices but will report any issues to relevant professionals via AccessPoint. To date (September 2016) the issue of bad debts has not risen.</p> <p>Total Budget 2016/17: £73,000 Total saving proposed: £63,000 (proposed retaining of £10,000 to make response to the survey results in 5 below)</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: none specifically</p> <ul style="list-style-type: none"> As the council no longer has a contract for a community meals service, there is no impact on client groups. However, the council recognises its responsibility for vulnerable people and has commissioned the Lay 	

	<p>Assessors who work for Impact Initiatives to undertake a phone survey in October 2016. It is hoped that 100 people will be contacted (there were 171 customers at the end of March 2016 when the contract ended of which 80 were in receipt of Adult Social Care services) and a report is due in mid-November 2016; findings will be added to this EIA in January 2017.</p> <ul style="list-style-type: none"> • Conclusions from this would be actioned as necessary although it is believed that any social care problems would have already been raised via AccessPoint. • The positive impact is that people will have more options to have their nutritional needs met.
6. Assess level of impact (1= low; 5= high)	1
7. Key actions to reduce negative impacts	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <ul style="list-style-type: none"> • Last year's EIA had the action to work with Public Health and the B&H Food Partnership to ensure a wider range of options available for people to access healthy food alternatives. Both Adult Social Care and Public Health attend the Food Partnership and engage in this. An example of work undertaken in 2016/17 is the development of 'to-go' food bags for people leaving hospital to return home. • Assessment teams in ASC will continue to work with the most vulnerable people to ensure their needs are met.
8. Full EIA?	No – there is no contract in place and thus there are no service users. The planned retention of £10k is to ensure funding to follow-through any identified issues via the phone survey taking place in October 2016.
9. Monitoring and Evaluation	<p>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)?</p> <p>Report to the Older People's Council in May 2016, commissioning of lay assessors to undertake phone survey in October 2016.</p>
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.

	<p>Health & Adult Social Care are proactive partners in the B&H Food Partnership which leads on reducing food inequalities across the city. The Food Partnership were a participant in the earlier work on Community Meals that changed the process to a menu of providers to mitigate impacts. In 2016/17 the funding proposed to be savings has not been used.</p>
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Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Health & Adult Social Care - Substance Misuse, Public Health	2. Proposal No. 18
3. Head of Service	Peter Wilkinson	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p>	
	<p>Community substance misuse services - £600,000 against overall budget of £4.7m</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p>	
	<p>Disproportionate impacts identified: Disability, Child Poverty</p> <p>All substance misuse services should be available equitably across the spectrum of individuals protected in law. A reduction in spend on substance misuse services should not impact on any one group of people more than another but there could be an overall reduction in service availability for any individual requiring support for their drug or alcohol addiction. All providers are required to ensure that their services are accessible to communities of interest, and some providers have targets on increasing the number of BME and LGBT individuals accessing services. This work will continue regardless of budget reductions.</p> <p>The services will have to reduce the number of staff they employ. However, the initial planned savings have been made from management and administration costs rather than from frontline delivery. Future savings will impact on frontline costs.</p> <p>In recent years commissioners and providers have been trying to encourage individuals from specific groups into services. E.g. older people with alcohol issues, younger people using ‘legal highs’, BME people, women, trans people, people of diverse religions/beliefs, and LGB people. With a reduction in funding, continuing the innovative ways of interacting with these individuals will be more challenging in the future.</p> <p>Specific impacts: Disability: One of the key focal points of the re-tendered substance misuse service was the development of an integrated dual diagnosis service (for people with a dual substance misuse and mental health need). Resources</p>	

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	<p>were identified to ensure adequate staffing capacity is in place to meet the demand for services</p> <p>Child poverty: Children with a parent/parents that abuse substances may live in poverty as a result. Community substance misuse services are required to identify service users with children and ensure the right support is in place.</p> <p>Other groups: Individuals with substance misuse issues often have associated issues e.g. are victims or perpetrators of domestic/sexual violence, be inadequately housed or sleeping rough, have children who are considered to be at risk, etc.</p>
6. Assess level of impact (1= low; 5= high)	2
7. Key actions to reduce negative impacts	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <p>Commissioners will work with providers to prioritise areas for service delivery e.g. improved access generally, and for all protected groups. Innovative ways of working will be explored including group based programmes or work, or online recovery tools.</p>
8. Full EIA?	Full EIAs are taken when a service is being re-tendered
9. Monitoring and Evaluation	<p>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)?</p> <p>Quarterly contract reviews are held with all service providers. Performance reports (both national and local) will be discussed at these meetings and the impact will be monitored there.</p>
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>Reductions to housing related services may impact on this client group, who will often be vulnerably housed.</p>

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Health & Adult Social Care - Sexual Health	2. Proposal No. 19
3. Head of Service	Stephen Nicholson	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p>	
	<p>Savings of £112,434 will be realised from HIV prevention, sexual health promotion and HIV social care services through:</p> <ul style="list-style-type: none"> • Re-designing sexual health promotion and HIV prevention for men who have sex with men and black African communities; • Achieving efficiency savings through a re-procurement of HIV prevention and social care services; • Stopping HIV prevention funding for generic lesbian, gay, bisexual and transgender (LGBT) counselling. 	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p>	
	<p>Disproportionate impacts identified: Age (older people), Disability, Ethnicity, Gender (men), Sexual Orientation</p> <p>Men who have sex with men (MSM) and black African communities are disproportionately affected by poor sexual health including HIV. A reduction in access to information, advice and resources to promote good sexual health and safer sex could result in increased incidence of STIs and HIV.</p> <p>Other specific impacts:</p> <p>Age: Older people living with HIV often have greater social care needs. Reducing social care services could impact on this group.</p> <p>Disability: For some people, living with HIV long-term can result in the development of significant disability.</p> <p>Ethnicity: Black Africans are disproportionately affected by HIV infection and high rates of sexually transmitted infections are observed in those with a black ethnicity.</p>	

	<p>Gender: In relation to men who have sex with men being at increased risk of sexually transmitted infections (STI) and HIV.</p> <p>Sexual orientation: Men who have sex with men are at the highest risk of STIs and HIV</p>
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?
	<p>Service re-design to ensure the most efficient and cost effective services that are targeted towards those most at risk of sexual ill health, or have the greatest HIV-related need, are delivered within available budget.</p> <p>Commissioners will work with providers to prioritise assignment of resources to those at greatest need</p>
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)?
	<ul style="list-style-type: none"> • Contract monitoring data • Sexual health service activity • HIV and STI diagnosis rates • Chlamydia screening coverage and detection rates
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

1. Service Area	Health & Adult Social Care - Public Health nursing contracts for Healthy Child Programme 0-19	2. Proposal No. 20
3. Head of Service	Peter Wilkinson, Director of Public Health Kerry Clarke, Children, Young People and PH Schools Commissioner.	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>During 2016/17, Public Health re-commissioned a new Public Health Community Nursing Services, Children and Young People aged 0-19 Service which was previously spent across the following separate contracts:</p> <ul style="list-style-type: none"> • Health visiting service with the Family Nurse Partnership (FNP being a targeted service for first time pregnant mothers under the age of 19) that was agreed to be de-commissioned by March 2017 • Breastfeeding support service (Peer Support Programme; targeted work in areas of inequalities); • School nursing service. <p>The savings made from the recommissioning of these services is £798,000 in 2017-18.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: Age (young people)</p> <p>Age: The balance of delivery across the four levels of need will be influenced by the projected changes to the population figures. In 2012 there were almost 59,000 children and young people aged 0-19 years in the city. This number is expected to rise to 60,500 by 2020. Plus, at present there is no service from 16 – 19.</p> <p>Disability: The balance of delivery will be influenced by health impact of disability on children and young people. Applying national estimates to Brighton & Hove suggests between 3% and 5.4% of children in the city are disabled. People with physical and learning disabilities are more likely to suffer discrimination, poor access to some health services and worse employment prospects as a result of their disabilities, and these factors all impact negatively on their health.<i>[Brighton and Hove JSNA 2013]</i>. We will require the service provider to undertake an audit of service users regarding disability and any impacts on access to the service</p>	

Ethnicity: The balance of delivery across the four levels of need will be influenced by the population % and level of health needs identified by ethnicity /race for children and young people in the full EIA for the Healthy Child Commissioning process. 25% of the city's school and pre-school pupils are from a black or minority ethnic (BME) background. Around a third of the city's under 5 population are BME. We will need to work with the provider to recognise and respond appropriately across the ages so that BME children and young people's needs are recognised and supported.

Gender: The balance of delivery across the four levels of need will be influenced by the population % and level of health needs identified by gender for children and young people in the full EIA for the Healthy Child Commissioning process.

Religion/belief: The level of need for this population group is less understood. We will ensure that the service provider audits service use and performance by protected characteristic groups including religion or religious belief.

Sexual orientation: The balance of delivery across the four levels of need will be influenced by the population % and level of health needs identified by sexual orientation for children and young people in the full EIA for the Healthy Child Commissioning process. There is an estimated 3,200 (16%) LGBT young people aged 13 to 24 in Brighton & Hove. Note that this data is not recorded on the census or collected in a systematic way. However, young people are more likely to identify as LGB and regard their sexuality as fluid.

Child poverty: The balance of delivery across level of need is influenced by poverty. Around 20% (8,600) children live in poverty (lower than across England). Child poverty varies widely; East Brighton has 47% and Withdean just 7%. [*Brighton & Hove City Council. Joint Strategic Needs Assessment 2013. Brighton & Hove: Brighton & Hove City Council; 2013.*]

Other groups:

The rate of family **homelessness** is worse than England, with 302 statutory homeless households with dependent children/pregnant women (2012/13). [*Public Health England. Child Health Profiles. London: Public Health England; 2014.*]

We have higher rates of **children in care** than the national average. For every ten thousand children in the city, 95.2 are in care compared with 60 in every ten thousand children across England.

Compared to the England average, we have a higher rate of children in need (361 versus 332 per 10,000 children), and a higher rate of children who are the subject of child protection plans (66 versus 46 per 10,000 children). In 2013, 52% of children who were subject to a Child Protection Plan had domestic violence/abuse recorded as a contributory factor.

There are significantly higher rates of **hospital admissions for both self-harm and alcohol** for young people in Brighton & Hove. [*Public Health England. Child Health Profiles. London: Public Health England; 2014.*]

6. Assess level of impact (1= low; 5= high)	2
7. Key actions to reduce negative impacts	<p data-bbox="474 220 1839 253">What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p data-bbox="474 333 2069 480">The performance framework and KPI measures recently set for the service through the commissioning process have taken into account level of need and whilst the savings direct impact will remain unknown, this is now being finalised through the mobilisation negotiations. We will ensure that resources are based on levels of need whilst retaining a balance in universal provision.</p> <p data-bbox="474 517 2047 624">PH Commissioner will work with the provider during mobilisation to ensure the learning from the EIA is included in the agreed targets attached to the KPIs. This will ensure the balance of resources is not disproportionality allocated across the four levels of need.</p> <p data-bbox="474 667 2078 735">PH Commissioner will also formalise the agreement of KPIs that will address the level of need identified in the full EIA, to ensure that the additional focus on these groups can continue.</p>
8. Full EIA?	Completed: Re-commissioning of Public Health Community Nursing Services 2016
9. Monitoring and Evaluation	<p data-bbox="474 882 2013 951">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)?</p> <hr/> <p data-bbox="474 987 1525 1021">Through quarterly performance and evaluation meetings with the provider.</p>
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.

There may be a cumulative impact with:

- 1) the review of Children Centres as health visiting team are based within children centres and the service delivered in an integrated way with children services, for example: if there are fewer Children Centres, does this mean some of the health visiting teams will have to re located? If this is the case there will be financial implications in terms of premises and overheads for the providers which will impact on the commissioning budget.
- 2) The recommissioning of youth services does mean there may be a risk through a reduction in early help support, resulting in an increase need for specialist support potentially transferring the pressure to the move the key universal support provided from the Public Health Community Nursing Children and Young People Services 0 – 19 to a higher level.

1. Service Area	Health & Adult Social Care - Health Improvement	2. Proposal No. 20a
3. Head of Service	Peter Wilkinson	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>Savings of £190,023 will be realised from the public health improvement budget through:</p> <ol style="list-style-type: none"> 1. Retendering the Oral Health Promotion service with a 20% reduction in budget - £26,000 saving 2. A 10% reduction in the public health contribution towards funding older people's activities provision within day centres - £32,000 saving 3. Ending the public health contribution to the Community Health Fund - £50,000 saving 4. Not renewing the NHS Health Checks Community Service contract set up as a short term initiative to increase uptake within primary care - £30,000 saving 5. A reduction in funding the Weight Management Programme by 10% - saving £50,000 (partially mitigated by an underspend of £30,000) 6. A 25% reduction in funding of TAKEPART leading to an overall reduction in both publicity materials and the number of events and activities delivered through the festival directly by the Council – saving £2,500. 7. Not renewing the contracts with Albion in the Community to deliver the Make A Change and Community Youth Champions initiatives saving £48,000. 8. Not renewing the contract to provide Citizens Advice Bureau sessions within 5 GP practices – saving £30,000. 9. The remaining savings will be found by not filling vacancies, a reduction in office running costs and bringing forward planned reductions in programme budgets from 2018/19 and 19/20. 	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <ol style="list-style-type: none"> 1. Oral Health Promotion should continue to be delivered equitably across vulnerable groups but with a possible reduction in overall activity in terms of number of training sessions delivered to other professionals or visits to schools or nurseries for the delivery of oral health promotion. 2. The reduction in the contribution made by public health towards the joint funded (Adult social care, CCG 	

	<p>and public health) older people's activities in Day Centres may have an impact on older people using day centres.</p> <ol style="list-style-type: none"> 3. Small community groups will have to find alternative sources of funding for health initiatives 4. The community outreach service supports GP practices following up with patients in the most deprived/harder to reach areas and ensures that the NHS Health Checks are targeted and delivered to those that are not currently accessing the service and living in deprived areas. Men are already less likely to attend NHS Health checks 5. A reduction in spend on weight management services should not impact on any one group of people or organisation e.g. school more than another but there could be an overall reduction in service availability for any individuals/organisations requiring support for their weight management/nutritional needs. Brighton and Hove residents living in the most deprived areas are 1.7 times more likely to be obese than those in the most affluent. As we are trying to increase engagement with this group, any reduction in funding may impact on extra initiatives to do this. 6. The TAKEPART Festival predominantly engages residents experiencing the highest levels of inequality. Those who currently experience barriers to participation and living in the least active communities are likely to be most affected. 7. Not renewing the contracts with Albion in the Community will result in teachers having to deliver all the physical activity and nutrition curriculum sessions which had previously been supported by external coaches (Make a Change) and reduction in children football sessions in the community (Little Kicks Projects) that are supported and co-delivered by young people who gain Youth Sports Awards (Youth Champions). 8. CAB advice sessions are run in some of the more deprived/harder to reach areas of the city and residents will have to travel further to access the service.
6. Assess level of impact	2
7. Key actions to reduce negative impacts	What actions are planned to reduce/avoid negative impacts and increase positive impacts?

1. Service re-design to ensure the most efficient and cost effective Oral Health Promotion (OHP) services that are targeted towards those most in need, e.g. early years / children under 5, Gypsies and Travellers.
2. The older people's programme will be recommissioned over 2017/8, with new contracts in place for April 2018. There will be consultation with providers and older people to inform the new commission, which will provide an opportunity to revise approaches to ensure that learning from this phase is integrated into the new programme, ensuring that it is effective and cost effective. Locality hubs are working to minimise gaps in service, engage a wide range of providers and integrate services to broaden the offer to older people needing day care support.
3. The Council Communities and Third Sector Commissioning Prospectus 2017-2020 includes a focus on supporting people living in the city's areas of highest deprivation.
4. All GP practices in the City are signed up to provide NHS health checks as a mandatory delivery outcome within the 6 clusters; Allocation of 2 days per month of health improvement nurse time to deliver outreach community Health checks in targeted areas to patients who are not able to access their GPs for their NHS health check.
5. The providers have planned to spread the changes over an 18 month period rather than 12 month period to minimize overall impact to the weight management service delivery.
6. TAKEPART will try to mitigate the impact of the budget reduction by sourcing external funding. Using alternative approaches (such as increased digital marketing) and effective collaboration with partners to disseminate information about the TAKEPART festival and inclusive opportunities to take part.
7. The procuring of the tier 2 weight management contract and working alongside schools under the Public Health Schools umbrella to achieving the outcomes required under the schools PE and sports premium may provide new opportunities in the future.
8. Patients at the affected surgeries will be signposted to the CAB services run within the city.

8. Full EIA?	No
9. Monitoring and Evaluation	<p data-bbox="472 205 2018 279">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)?</p> <ul data-bbox="524 309 1973 416" style="list-style-type: none"> • Monitoring and evaluation is built into interventions with vulnerable groups as part of the service re-procurement specification where these are being reprocured. • Through monitoring contract data and service activity
10. Cumulative impacts	<p data-bbox="472 481 2018 555">Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p data-bbox="472 596 2056 735">Possibly – but we work closely with the providers to ensure that resources are shared and impacts of any funding reductions are minimised. The improved partnership working which has developed via the locality hub and citywide connect programmes is bringing in additional resources for older people, which will help to mitigate any reduction.</p>

1. Service Area	Economy, Environment and Culture - Parking & Network Operations	2. Proposal No. 21
3. Head of Service	Charles Field / Paul Nicholls	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <ul style="list-style-type: none"> • The saving achieved per year in parking income by having one current blue badge fraud investigator. This is due to blue badges being confiscated by the investigator and additional income has been received from spaces where the blue badges may have been used. • Increase tariffs further and consider current income. Any increase in fees & charges would be above 2% inflationary increase of £463,840 to meet traffic management objectives, including achieving a higher turnover of spaces and supporting economic growth in the city. Any increase in price allows for a decrease in demand from users. <p>Some areas will be affected and not others, as areas with specific issues will be targeted – eg. Area M. There will not be an increase across the board which will require changes to Conditions of Use signage and more negative impacts on certain groups.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: Age (older people), disability</p> <p>In regard to the potential increase of parking fees this may have an impact on all groups within society as the amount they pay to park on street would increase. This is necessary to support the Council’s traffic management objectives, including those of supporting sustainable transport options, reducing vehicle emissions, achieving a higher turnover of spaces and supporting economic growth in the city.</p> <p>Age: Members of the public may choose not to pay to park on street due to price increase. This could lead to inclusion issues for older people.</p>	

	<p>Disability: Identifying blue badge fraud frees up parking spaces for eligible blue badge holders.</p> <p>In terms of blue badge fraud then the impact is positive as identifying blue badge fraud frees up parking spaces for eligible blue badge holders who would otherwise not be able to access services</p>
6. Assess level of impact (1= low; 5= high)	2
7. Key actions to reduce negative impacts	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <p>Officers will work to ensure any increase in fees will avoid negative impacts as much as possible. Fee increases are being targeted at areas where parking is at capacity to help provide drivers with better access to currently congested areas. Surplus parking income is mainly spent on providing free bus passes for elderly and disabled people. If we remove the 50% discount for suspensions which applies after 8 weeks as proposed in the fees and charges report, the saving generated could be used to introduce a 50% discount for community organised events of an estimated attendance of less than 15,000.</p> <p>Continue with Blue Badge fraud investigation work to protect disabled/accessible bays from misuse.</p>
8. Full EIA?	Not needed.
9. Monitoring and Evaluation	<p>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)?</p> <p>Regular review meetings are held to review on-street and off-street parking usage. We have recently applied for and been awarded People's Parking accreditation. This scheme was set up by Helen Dolphin MBE, 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.</p>
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.

	Impacts of other proposals should not worsen the impacts identified above.
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Budget Screening Equality Impact Assessment Template 2016/17 – Service-Users

1. Service Area	Economy, Environment and Culture - Transport – Supported Bus Routes	2. Proposal No. 22
3. Head of Service	Mark Prior	
4. Budget Proposal	What is the proposal?	
	Reduction of Revenue expenditure by decreasing Supported Bus Services budget by £170,000	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: Age (older and young people), Disability, Ethnicity, Gender (women), Religion/Belief, Child Poverty</p> <p>Supported Bus routes are provided for areas of the city that are geographically isolated from the commercial bus network. They provide sustainable travel options in areas of high car use and provide access to education training and employment to those without access to private vehicles.</p> <p>Groups affected: Age, Gender, Disability, Race/ethnicity, Religion/Belief</p> <p>Cuts to services will particularly impact negatively on those with fewer transport choices e.g. without access to or finances for private vehicles and travelling to locations they have little control over such as schools and hospitals. Evidence for this EIA is based on:</p> <ul style="list-style-type: none"> • 2014 Supported Bus route passenger survey¹ • Background research used to compile the latest Local Transport Plan (LTP4) • The National Highways and Transportation Public Satisfaction Survey² • Passenger and operator surveys undertaken by DfT related to the introduction of Multioperator Ticketing 	

¹ Passenger survey carried out on commercial routes only, for BHCC.

² A statistically robust national survey <http://nhtsurvey.econtrack.co.uk/>

Cuts to the supported bus route services will affect a number of groups in relation to their protected characteristic because they are more reliant on good local bus services than the general population².

Specific impacts:

Age: Older People: A higher than average percentage of older people use supported bus services and would be at particular risk from social isolation and being cut off from independent access to a wide range of services

Younger People show the highest levels of importance for good local bus services³. Cuts to services will create barriers to accessing education, training and employment as well as social and leisure activities particularly for those young people living in geographically isolated communities.

The council could provide pre-paid key cards for pupils with a long home-to-school distance but operators have advised that there is not the capacity on the commercial network during peak hours to accommodate this increase in passengers. This would result in young people not being able to board buses, left at stops and late for school or unable to get home in the evenings.

Disabled people: People with certain impairments can be more reliant on buses than the general population and, for many the supported bus network will be their only method of travel. Reductions in services would become a barrier to access education training and employment, as well as shopping and leisure and other aspects of independent living. Levels of mental health illness in the wider region, are generally higher than national levels³. Any reduction in bus services will reduce opportunities for getting out and about for people with disabilities, leading to social isolation. These issues could result in increased demand of care provision across the city.

Race/ethnicity: A higher percentage of people from ethnic minorities have been recorded as users of supported bus network (20%). The geographical areas served by the supported network have high percentages of residents identifying a part of an ethnic minority group and as such reduction in these services would be greatest felt in these groups.

Gender: Women are over-represented as users of the Supported Network. In cutting these they would be disproportionately affected which would have a knock on effect for other services in the city as over 15% of women travellers reported travelling for the purpose of care responsibilities. Reducing their access to travel could have negative impacts on the Care provision for the city as a whole.

Religion/belief: There are a limited number of faith schools and religious buildings and sites such as cemeteries in the city which may warrant longer travel distances to attend these or them being located in locations not easily accessible from the commercial bus network. A reduction in bus services, particularly those that stop near faith

³ LTP4,p 26

	<p>schools or religious buildings/sites, may have a disproportionate effect on faith groups.</p> <p>Child poverty: The loss of the supported network in particular areas of the city may disproportionately impact children from family units where the family is living on less than 60% of NMI. The reduction in services would see a decrease in access to education, training and employment as the commercial network does not have peak hour capacity to accommodate the additional passenger volume at this time.</p> <p>Other impacts:</p> <ul style="list-style-type: none"> • Changes in the ratio of car ownership levels and bus patronage. The city has lower than average car ownership levels and a corresponding higher than average levels of bus patronage. Any cuts to bus services are likely to result in increasing levels of car use. • Health and well-being: cuts to bus services may lead to social isolation and in turn impact in additional pressure on NHS and public health and local Care services for adults and young people. • Education, Training and Employment: Peak hour capacity does not exist on the commercial network to absorb the displacement of large volumes of passengers. This would lead to longer journeys and potentially Safeguarding issues. Where trips are then replaced by car there may be more congestion on roads and less independence for children and other vulnerable users. • Economic: Cuts would create barriers to Education Training and Employment for those with limited transport choices (Older people, younger people, disabled people, women) and have impacts of the demand for Care services across the city.
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>4: The numbers are small in comparison with the wider population, but the loss of the services could cause significant impact and complicate travel for vulnerable groups and could have significantly negative impacts on the wider commercial bus network and levels of peak traffic congestion which would impact on the wider population.</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>Due to the geography of the city and the outlying areas that are served by these services there would be little the council could do to offset the impacts of cuts to these. The council has a statutory obligation to provide home-to-school-transport where the distance is over three miles. However this can be in the form of a key card enabling the use of commercial services where available.</p> <p>A full EIA on the impacts relating to all protected characteristics would be required if the termination of these services is agreed as part of the budget saving</p>

8. Full EIA?	If the budget saving is agreed then a full EIA would be 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)?
	It would be anticipated that residents would contact both their ward councillors and the council direct to express concerns and this information would be monitored. No mitigating actions have been suggested.
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.
	Currently unknown

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Economy, Environment and Culture - Cityclean and City Parks – sport and leisure facilities	2. Proposal No. 23
3. Head of Service	Richard Bradley	
4. Budget Proposal	<p>What budget changes are proposed? (Use the savings proposal wording and more detail if needed)</p> <hr/> <p>Currently the council subsidises provision of sport and leisure activities within city parks. The income generated does not cover the cost of maintaining the facilities. The budget proposal is to reduce subsidies. The detail for each service/ type of facility needs to be worked out and the exact impacts are unknown at this stage (e.g. if a facility is taken over by a community group there may be no impact but if it is closed there will be a significant impact)</p>	
5. Summary of impacts	<p>Highlight the main / most significant potential impacts which will need to be mitigated or avoided</p> <hr/> <p>Disproportionate impacts identified: Age (older people), Disability, Child Poverty</p> <p>Impacts will vary for different groups.</p> <ul style="list-style-type: none"> • Some facilities and organisations will be able to become autonomous from the council as has already happened with a number of cricket clubs and continue to operate. • Change of management to alternative providers may make them less accessible (with a potential specific impact on disabled people) and more costly for service users (with a potential specific impact on people on lower incomes). • Closure of facilities will reduce availability for all service users. However, the benefits of this provision to older people, disabled people (with physical and mental impairments) and people on low incomes are particularly significant. 	
6. Assess level of impact (1= low; 5=	2	

high)	
7. Key actions to reduce negative impacts	<p>What actions will you take to reduce / avoid potential negative impacts and increase positive impacts?</p> <p>-----</p> <p>Opportunities for alternative service delivery will be explored with stakeholders and will vary depending on the service or facility.</p> <p>Alternative methods of service provision will be explored with stakeholders to try to prevent closure of facilities and where possible improve access. For example sports groups can take over certain facilities and have done so successfully in a number of cases including a number of bowls clubs.</p> <p>In relation to allotments subsidies are in place for people in receipt of disability benefit and these should be retained to minimise impacts.</p> <p>Phasing of proposals over a number of years will maximise opportunities for transition rather than closure.</p> <p>Some of the traditionally male dominated sports clubs that have gone for greater autonomy have made major progress in getting women involved in the sports since they have had greater control, this is particularly evident in rugby and cricket. Other clubs will be encouraged to follow this example.</p>
8. Full EIA?	Specific EIAs will be required for individual proposals as the impacts will vary.
9. Monitoring and Evaluation	<p>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)?</p> <p>-----</p> <p>To be confirmed</p>
10. Cumulative impacts	<p>Are any cumulative impacts identified across your service area from proposals in other departments OR from other service areas? Please explain what these might be</p> <p>-----</p> <p>Reducing outdoor sports facilities and reducing subsidies for allotments can have a cumulative impact on public health as these facilities help people engage in healthier life styles and can reduce healthcare costs and anti-social behaviour.</p>

Budget Screening Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Economy, Environment & Culture – public conveniences	2. Proposal No. 24
3. Head of Service	Richard Bradley	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>Public conveniences</p> <p>£100,000 reduction in 2017/18 The savings will be identified through procurement of a new contract to be awarded prior to the end of the current contract in February 2017.</p> <p>The new contract will include retaining the current level of toilets in the city. There are no proposed closures, reduction in opening times, or service provision. The new contract is expected through procurement to identify significant savings and maintain the existing level of service.</p> <p>We therefore envisage that for 2017/18, no sites will be affected.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: none identified</p> <p>The impacts are reduced and minimal with savings created by new contract which will protect the current provisions and also maintain the level of service.</p>	
6. Assess level of impact (1= low; 5= high)	1	

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7. Key actions to reduce negative impacts	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>no mitigating actions are needed as impacts will not be felt by service-users</p>
8. Full EIA?	<p>Not needed</p>
9. Monitoring and Evaluation	<p>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)?</p> <hr/> <p>This will be monitored by ensuring the contractor will provide a high level of service, be proactive in driving improvements to the 37 sites and providing regular reporting of their success.</p>
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <hr/> <p>None</p>

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Economy, Environment and Culture - Royal Pavilion & Museums	2. Proposal No. 25
3. Head of Service	Janita Bagshawe	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	New income through hiring of spaces to language schools, CCTV monitoring, functions, guiding. Reduce audio contract.	
5. Summary of that impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: Disability, Ethnicity</p> <p>Hiring our rooms to increase income impacts negatively on work with community groups, as it might reduce opportunities for activities with community groups. However, there are no plans to charge community groups coming to work with collections.</p> <p>Reducing audio contract impacts negatively on those with certain impairments eg: people with learning difficulties (easy English guide) and the deaf community (the BSL guide), also those from different ethnic backgrounds who are speakers of other languages eg: Mandarin, Hindi guides.</p>	
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?	

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	<p>Continue to ensure that rooms used for work with community groups are primarily used for this purpose and hirings to other groups (eg: language schools) are at times when community work doesn't take place (school holidays etc) - monitor impact of this.</p> <p>The guide for visually impaired people is a different unit from standard audio guide stock so levels on site of these units will not be reduced. There will be fewer audio guides available to hire. Explore book ahead options for audio guides publicised via the website to ensure units reserved and monitor impact. Mobile app use is being explored and extended, providing another option to download the audio guide.</p>
8. Full EIA?	Not needed with existing mitigating actions. Impacts will be monitored.
9. Monitoring and Evaluation	<p>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)?</p> <p>Monitoring of community work with community Engagement Officer who will alert if there is an impact on room usage Complaint monitoring from visitors regarding audio guide Visitor Services staff feedback at meetings</p>
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>NA</p>

Budget Screening Equality Impact Assessment Template 2016/17 – Service-Users

1. Service Area	Neighbourhoods, Communities & Housing - Housing – housing options and housing needs	2. Proposal No. 25a
3. Head of Service	Tracy John	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	Reduce staffing by a Housing Options Officer and Housing Needs officer	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: Disability, Child Poverty</p> <p>Reduction of front line officers providing advice and assessment of homeless households. This will impact as it may take longer to undertake casework to achieve prevention and /or statutory assessments as to the homelessness duty owed. Homeless households who are owed a housing duty are vulnerable by definition and so a reduction in staff may impact on groups such as families with dependent children or pregnant – or vulnerable due to mental or physical problems that make them less able to manage than the average person; people leaving care; institutions or armed forces.</p>	
6. Assess level of impact (1= low; 5= high)	5 - impacts on very vulnerable people	
7. Key actions to reduce negative impacts	What actions are planned to reduce/avoid negative impacts and increase positive impacts?	
	We are upstreaming prevention working with Adult Social Care, Children’s Service and Health to identify early indicators that someone will become homeless in order to try and prevent it. Also to better manage and move work away from reactive responses and are channel shifting where possible to assist more people through more efficient methods. We have delivered a service redesign to remove duplication and handoffs amongst the service.	

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8. Full EIA?	Not required as actions to manage reduced staffing are in place
9. Monitoring and Evaluation	<p data-bbox="472 183 2089 263">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)?</p> <p data-bbox="472 263 2089 378">Monitoring performance indicators relating to time taken to make decisions; impact on ability to prevent homelessness.</p>
10. Cumulative impacts	<p data-bbox="472 391 2089 470">Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p data-bbox="472 470 2089 644">We have cumulative impacts from the loss of multiple staff in Housing Needs at a time when we are anticipating an increased need for the service due to the impact of welfare reforms taking place in a very high housing cost economy, which reduces the potential prevention solutions for people.</p>

Budget Screening Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Neighbourhoods, Communities & Housing - Libraries	2. Proposal No. 26
3. Head of Service	Sally McMahon	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p><u>Budget proposals for Libraries for 2017-18 are:</u></p> <ul style="list-style-type: none"> • Reduce bookfund spending in Hove Library by £30,000 • Seek better deal on utilities for Jubilee Library saving an estimated £20,000 • Part year saving on staffing – as a result of the restructure in August 2016 (£45,000) • Further staff savings as a result of closing Hove Library on Sundays (£37,000) • Increase in income of £10,000 <p><u>Key background information</u></p> <ul style="list-style-type: none"> • These savings proposals are in keeping with the Libraries Plan 2016-20, approved by Council in March 2016. • The detail of the restructure and the service changes were covered in two EIAs earlier this year: Libraries Redesign/Restructure (ref: NCH 03) and Libraries Extra EIA (ref: ACE 18) • Income generation is largely an increase in commercial activity, so there are no equalities implications • Reduction in Hove bookfund was also covered in the Libraries Plan as the Service Review and Needs Analysis which preceded it identified an excess of bookfund spending in Hove in relative terms, and given the reducing use of this library. • The proposal to close Hove Library on Sundays is a new proposal, and is covered in this EIA. Hove Library only opened on Sundays for the first time in August 2016, so this use is relatively new. 	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	

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	<p>Disproportionate impacts identified: Disability, Child Poverty</p> <p><u>Reduction in Bookfund in Hove Library:</u> The reduction in spend will be focused on the adult non-fiction stock (though all areas of stock will be affected). This will be reducing those areas of stock least used. Much of this stock is a duplicate of stock available in Jubilee Library, and we know that many (40%) of library users already use Jubilee Library as well as Hove Library. Potentially, those who are adults, or those who are disabled and find it hard or expensive to travel to another library, may be affected by this change.</p> <p><u>Close Hove Library on Sundays</u> This proposal does not disproportionately impact on specific people as it affects all users. All Hove Library users on Sundays can visit another library and there is evidence to show that 47% of them already do use another library (40% use Jubilee). Already, Sundays have less than half the visits than any other day of the week with an average of 318 people using the library each Sunday. This represents only 6.5% of the total Hove Library usage over the week. However, there could be more impact on those who find it hard or expensive to travel to another library.</p>
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>1</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <p>For both of the proposed changes above (Reduction in Bookfund in Hove Library) and (Close Hove Library on Sundays) the mitigating actions are the same:</p> <ul style="list-style-type: none"> • Those who are disabled and find it hard or expensive to travel to another library can request the stock to be delivered to Hove for them. There is a charge for this but those who are in receipt of benefits can obtain reduced or waived charges, by registering for a concessionary or exemption membership. • Hove Library will remain open six days a week, and there will be a re-invigoration of the service there for instance by the introduction of a café (under consideration)
<p>8. Full EIA?</p>	<p>Not needed.</p>
<p>9. Monitoring and Evaluation</p>	<p>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)?</p> <ul style="list-style-type: none"> • Monitoring customer feedback and complaints

	<ul style="list-style-type: none"> Monitoring level of stock reservations to see if these go up
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

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Neighbourhoods, Communities & Housing - Communities, Equality and Third Sector Team	2. Proposal No. 27
3. Head of Service	Emma McDermott	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>Increase the reduction in the third sector investment programme budget from £100,000 saving to £470,000 in 2017/18. The programme consists of the Communities and Third sector Prospectus 2017 -2020 and an annual Communities Fund. The prospectus invests strategically in the third sector to delivery against priority outcomes for the council as well infrastructure support to CVS, community development in priority neighbourhoods and citywide and a community banking partnership to deliver the outcomes of the council’s financial inclusion strategy. The Communities Fund provides an annual fund for grassroots activity, growing third sector resilience, and pump priming collaborations to respond to gaps in and improve service provision.</p> <p>The target groups of the prospectus are predominantly equality groups – they are as follows:</p> <ul style="list-style-type: none"> • People who experience additional vulnerability or risk of exclusion linked to their protected characteristics: age, sex, gender identity, sexual orientation, disability, learning disabilities, marital status, ethnicity, faith; • People in poverty or on low income; • Carers and young carers; • Children in care and/or leaving care; • People struggling with addictions; • Individuals in insecure housing or at risk of homelessness or homeless; • Survivors and/or perpetrators of domestic violence & sexual violence; • Ex-offenders; • Individuals not in work or at risk of unemployment. • Refugees and asylum seekers; • IMD top ranking neighbourhoods; • Pockets of deprivation; <p>Note that this budget is scheduled to be reduced by £165,000 in April 2017 as a result of the 2015/16 savings which Members deferred for 1 year.</p>	

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<p>5. Summary of impacts</p>	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: across all protected characteristics</p> <p>The Third Sector Programme is designed to target the council’s corporate priorities which focus on the most vulnerable individuals and communities, increasing fairness and promoting social capital and resilience. The organisations funded through the programme are groups/organisations that work with and support communities with legally protected characteristics, and those who are marginalised and vulnerable, including those experiencing poverty/financial exclusion.</p> <p>The proposed reduction in the programme’s funding will directly result in:</p> <ul style="list-style-type: none"> • decreased capacity to meet some corporate priorities with specific impacts on characteristics protected in law • reduced capacity for CVS groups which support community resilience and reduce reliance on statutory services: reducing the budget could result in increased demand for council services especially relating to young people and older people • potential wider impact on ability to attract additional match funding
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>4</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>The commission has now completed and announcements on awards have been made subject to budget decision. The application of the additional saving has been modelled. Assuming the preferred option of applying the saving equally across the prospectus, the reduction does not unfairly affect one protected characteristic more than another, but will affect the VCS’s support for people with all protected characteristics. In addition, the unsuccessful applicants have been offered support from council and/ or the commissioned infrastructure service.</p>
<p>8. Full EIA?</p>	<p>An EIA was undertaken as part of developing the prospectus.</p>

<p>9. Monitoring and Evaluation</p>	<p>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)?</p> <hr/> <p>Feedback will be sought from the infrastructure organisations in the city on the impact of the reduction on VCS organisations at all levels – grassroots through to large organisations as well as on themselves.</p> <p>Feedback will be sought from commissioners across the council and other public bodies especially the CCG as the strategic investment underpins organisations delivery of other contracts in the city.</p> <p>Feedback will be sought from unsuccessful applicants to the commission.</p>
<p>10. Cumulative impacts</p>	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <hr/> <p>Reduction in the third sector investment programme will likely impact on other budget proposals that may be looking to the VCS to help mitigate the impact. It may also jeopardise the delivery of other commissions, especially if those budgets are being reduced.</p> <p>Other proposals that impact on this proposal for example the deletion of the youth services budget, will influence what VCS organisations are able to deliver through the third sector investment programme.</p>

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Neighbourhoods, Communities & Housing - Regulatory Services	2. Proposal No. 28
3. Head of Service	Jo Player, Annie Sparks and Nick Wilmot, Joint Acting Heads of Regulatory Services	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	£60,000 management saving following management restructure £36,000 realigning animal welfare service budget following budget saving from 2016/17 £20,000 increased income from pest control service £44,000 trading standards deletion of vacant post and reduction in supplies budget £60,000 civil contingencies potential restructure following modernisation programme	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	Disproportionate impacts identified: Child Poverty Reduction in investigation resource and increase in charges for pest control service	
6. Assess level of impact (1= low; 5= high)	1: Minimal but may impact on lower income families requiring pest control services resulting in health issues if unable to pay for pest removal.	
7. Key actions to reduce negative impacts	What actions are planned to reduce/avoid negative impacts and increase positive impacts?	
	Targeted enforcement and advice at those independent small and medium sized enterprises Modernisation programme to explore field officers undertaking some parts of regulatory services role to avoid duplication so that officers are able to concentrate on undertaking statutory work Work with partners to deliver animal welfare service	

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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)?
	Will monitor impacts via Interplan
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.
	Modernisation programme for neighbourhoods communities and housing directorate may mitigate impacts from proposals as mentioned above with the creation of field officer posts.

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Neighbourhoods, Communities & Housing - Community Safety	2. Proposal No. 29
3. Head of Service	Peter Castleton	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	Reduced capacity to work with LGBT community reducing LGBT Community Safety Officer from full time to part time (50% cut)	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: Sexual Orientation</p> <p>Trust and confidence with the LGBT community and particularly the LGBT Community Safety Forum may fall. This may lead to fewer reports if victims have less confidence in the council.</p> <p>Victims of LGBT incidents and the wider LGBT community may lose trust and confidence in the council.</p>	
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?	
	<p>Other community safety staff have a positive relationship with key members of the LGBT community and the LGBT Community Safety Forum, other teams will need to establish their own relationships with key LGBT stakeholders.</p> <p>Head of Community Safety will develop relationship with key LGBT community stakeholders and monitor trust and confidence.</p>	

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)?
	Head of Community Safety will maintain relationship with key LGBT community stakeholders and monitor trust and confidence.
10. Cumulative impacts	Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.
	NA

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Neighbourhoods, Communities and Housing - Partnership Community Safety Team	2. Proposal No. 29a
3. Head of Service	Peter Castleton	
4. Budget Proposal	What is the proposal?	
	Stop communities against drugs work currently a 0.6 part-time post.	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	Risk is that drugs litter and use is on the rise, communities will become more vulnerable to drugs litter and less resilient to drug use in neighbourhoods. Drugs litter may not be removed as quickly.	
6. Assess level of impact	1	
7. Key actions to reduce negative impacts	What actions are planned to reduce/avoid negative impacts and increase positive impacts?	
	Cityclean will continue to collect needles when incidents are reported to them, where incidents are not resolved swiftly the associated ASB will be reported to the Community Safety Casework Team	
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)?	
	Monitoring will be by analysis of the associated ASB that is reported to the Community Safety Casework Team	

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

Budget Screening Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Finance & Resources - Revenues & Benefits – digital programme	2. Proposal No. 30
3. Head of Service	Graham Bourne	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>The Revenues & Benefits function is moving towards an on-line service as part of the Digital First programme. The proposed savings reflect the reduction in supplies and services costs and administrative resources as the programme is rolled out over the next three years. Over the three years there will be a channel shift that will mean an incremental reduction in face to face opening hours and eventually a reduction in telephone capacity. However if the digital programme is introduced effectively these changes should reflect the change in customer demand.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: Age (older people), Disability, Ethnicity, Child Poverty</p> <p>Any reduction in Benefit Administration capacity has the potential to impact on the speed and quality of the service and therefore must be delivered with improved efficiency in place. The savings are designed around the implementation of digital services providing this efficiency. The Benefit customer base naturally encompasses those on low incomes and a high proportion of vulnerable customers. The programme to 2020 does not advocate that the service will be 100% digital and there will still be a telephone service and a limited face to face one. The service change needs to be supported and the Digital First programme recognises this. As explained below some groups may be less able to engage with a digital service. Mitigation and support is being designed to address the digital inclusion issues and to be effective this will include a requirement to build in equalities monitoring into the provision.</p> <p>Citizens online research identified the following: The key figure that our baseline analysis came up with was 16% of the Brighton & Hove population at risk of digital exclusion i.e. lacking internet access at home or not possessing all of the five key digital skills: Communicating, Transacting, Managing information, Problem-solving, and Creating.</p>	

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	<p>The groups most affected are: Low income households, Retired people, and Older workers (50+) These people are more likely than average to be frequent users of public services such as HB or adult social care. So the active customer base for Council services will have higher levels of digital exclusion than the average for the population.</p> <p>The areas where these people are most concentrated are: Hangleton, Moulsecoomb, Whitehawk, North Portslade, Woodingdean, Hollingbury and Central Brighton (parts of Regency, St. Peter's & North Laine and Queens Park wards)</p> <p>There is no equality data on footfall in the customer service centre to identify any differentials in the use of service but it's not believed that any age group would be disproportionately impacted by reduced opening hours. Current statistics also show that with the proposed change in 2017/18 the service would still have the capacity to meet current footfall.</p> <p>Specific impacts: Disability: The Citizens Online research does not identify disabled people as one of the most impacted groups. However some of the factors identified in their research in relation to the correlation with social inclusion and low income would suggest that there would be an impact. There is also the position regarding the type of impairment and the suitability of digital as a communication channel. Race/ethnicity: The Citizens Online research does not identify ethnicity/race as one of the most impacted groups. However some of the factors identified in their research in relation to the correlation with social inclusion and low income would suggest that there would be an impact. It has been reported from Benefit Officers that face to face is a preferred option for many citizens for whom English is not their primary language. Child poverty: there is a correlation between low income and digital exclusion.</p>
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>2</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>The service has direct awareness through its benefit and welfare reform work and the capacity to recognise cases of potential digital exclusion and adapt its individual or collective service accordingly.</p> <p>As with any change in the benefits service there has been careful consideration in the proposals to the impact on service capacity. Not only are there customer implications in under resourcing the service or not having resilience to deal with increases in demand, but significant financial repercussions that could be counter productive to the</p>

saving intent and impact on other council services.

The service has a continual programme that focuses on the rationalisation of existing resources to maximise the value of first contact with the customer and minimise double handling, error and cost. This work encompasses the intelligent use of technology in terms of automated communication with other benefit agencies and online claiming.

In terms of the transformation careful consideration has to be given to how this is supported in terms of the operational and cultural changes for staff and in terms of the service provision change for customers and their behavioural change to adapt to it.

The service is being supported in delivering its digital programme by Digital First (it is effectively one of the pioneer services for the corporate programme) and Customer Insight who are supporting the transformation. Lessons learnt are being compiled from other authorities who are further ahead on their digital transformation. The progression is iterative and incorporates learning and adaptation as it progresses. In June 2016 Digital First produced an Equalities Audit Report with an action plan based on recommendations to improve data collection and reporting on protected characteristics.

The key service for the support of digital delivery is the Library Service. The Library Service has been redesigned to an enabling with the strategic intent of working with the voluntary sector across the cities libraries to support citizens in becoming confident to self help using services and accessing information on the internet. This network provides the platform for the digital transformation of revenues & Benefits and the services that follow it. It is designed to be inclusive and tackle the identified groups of digital exclusion.

The transition to a full digital offer will take 3+ years and it is only in 2019/20 that other options for customer contact are sizeably reduced. Consequently the impact on those who are currently digitally excluded will be minimal.

Specific actions:

Disability: The corporate approach to digital support through the libraries reaches out into communities and is designed to improve customer digital confidence and competence. The service is often aware of individual disabilities, normally because of benefit entitlement, and provides and has access to specialist support around vulnerabilities. The digital rollout will use this information to ensure suitable sensitivity and support.

Child poverty: For low income families the corporate approach to digital support may extend to identification of digital exclusions in Families, Children and Learning and specific actions as a result. The service has direct awareness through its benefit and welfare reform work and the capacity to recognise cases of potential digital exclusion and adapt its individual or collective service accordingly. Managing this group as part of the

	transformation is important to the success of the programme.
8. Full EIA?	Not needed at this stage
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 Digital First Team and the Service are discussing how to monitor rollout impact with a view to setting a template for future digital rollouts across other services.
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 Digital Delivery coincides with a downsizing of the service to reflect reduced caseload because of the introduction of Universal Credit, and to make budget savings. This may increase pressure on the capacity to support the transformation particularly if workloads do not decrease at the predicted speed. The realisation of a programme of national welfare reforms will also put further pressure on the service.

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Finance & Resources - Revenues and Benefits – council tax reduction	2. Proposal No. 31
3. Head of Service	Graham Bourne	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p>Council Tax Reduction (CTR) – This EIA is in relation to changes to the CTR scheme for 2017/18 which were agreed at Full Council on 15th December 2016. The changes are:</p> <ul style="list-style-type: none"> • To increase the amount that CTR goes down by for every extra £1 increase in the income a household receives (known as ‘the taper’) from 20p to 25p • To set the maximum rate CTR to the amount payable for a Council Tax Band D property with no one paying more than £10 as a result of this change in 17/18. • To set the minimum amount of CTR to £5 per week, meaning that households entitled to CTR of less than £5 a week will pay the full amount of Council Tax 	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p> <hr/> <p>Disproportionate impacts identified: Gender (women), Child Poverty</p> <p>The main findings from the EIA are:</p> <ul style="list-style-type: none"> • That, as a proportion of the caseload, households with a disabled member are less likely to have to pay more Council Tax as a result of these changes than households without a disabled member • As a proportion of the caseload households where the claimant is female are more likely to have to pay more Council Tax as a result of these changes than households where the claimant is male • As a proportion of the caseload people in different sex relationships are more likely to have to pay more Council Tax as a result of these changes than people in same sex relationships. • As a proportion of the caseload households where the claim is from a couple are more likely to have to 	

	<p>pay more Council Tax than households where the claim is made by a single person.</p> <ul style="list-style-type: none"> • Case level data on the number of trans recipients of CTR is requested but the recorded numbers of replies does not allow us to draw a firm conclusion as to whether this group is disproportionately impacted.
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>3:</p> <p>Households affected by the possible change to the taper would have to pay approximately £1.60 per week more in Council Tax</p> <p>Households affected by the possible change to restrict CTR to the amount payable for a Band D property would have to pay between £2.08 and £10.00 per week more in Council Tax.</p> <p>Households affected by the possible change to set a minimum amount of CTR at £5 would have to pay between £0.01 and £4.99 per week more in Council Tax.</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>If these possible changes are adopted into the CTR scheme the Revenues and Benefits service will:</p> <ul style="list-style-type: none"> • Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing specifically targeted and tailored information for specific groups to organisations which support people with protected characteristics. • Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. • Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work services throughout the city. • Ensure staff and advice services are skilled to advise people on the other statutory council tax discounts customers may be entitled to which would help mitigate some of the impacts reduction of funding for CTR These include the discounts of 25% available for single occupants and the 100% discount which is referred to in legislation as being for people who are severely mentally impaired.
<p>8. Full EIA?</p>	<p>A full EIA was published with the CTR report which went to P,R&G on 8th December and Council on 15th December</p>

9. Monitoring and Evaluation	<p>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)?</p> <hr/> <p>They will be reviewed quarterly during 17/18</p>
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <hr/> <p>There are no known other proposals from service areas which might worsen or mitigate the impacts of these proposals. However there are a number other welfare changes are due to start in late 2016/early 2017. They include:</p> <p>The decrease of the household Benefit Cap from November from £500 per week to £385 per week for families and from £350 per week to £258 per week for single people.</p> <p>The restriction of Benefits to the levels for two children from April 2017.</p> <p>The reduction in the amount people on Employment and Support Allowance Work Related Activity group will receive from April 2017.</p>

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Strategy, Legal & Governance - Democratic Services – print budget	2. Proposal No. 32
3. Head of Service	Abraham Ghebre-Ghiorghis / Mark Wall	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	A saving of £30,000 against an overall budget of £609,030 is proposed for 2017/18 from the Democratic Services team. This includes a 33.5% saving against the print budget and the remainder of the saving from vacancy management and supplies & services budgets.	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: none identified</p> <p>The savings, especially the ones relating to printing, are dependent on the necessary investment and support from ICT (eg tablets for electronic agenda access.) Support for non-decision-making meetings may have to be withdrawn, greater pressure on staff and less support to members. Additional training will be given to Members to enable them to use their devices and where extra features are required as reasonable adjustments these have been included for those Members who have been identified.</p>	
6. Assess level of impact (1= low; 5= high)	2	
7. Key actions to	What actions are planned to reduce/avoid negative impacts and increase positive impacts?	

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reduce negative impacts	<p>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.</p> <p>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.</p>
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8. Full EIA?	<p>An EIA for the team will be undertaken once the move to HTH has taken place and the rollout of mobile devices to Members has been completed.</p>
9. Monitoring and Evaluation	<p>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)?</p> <hr/> <p>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.</p>
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <hr/> <p>The use of mobile devices will depend on sufficient wifi connections being available in council buildings and alternative provision may need to be available if it was to fail.</p>

Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Strategy, Legal & Governance - Democratic Services – members’ allowances	2. Proposal No. 33
3. Head of Service	Abraham Ghebre-Ghiorghis / Mark Wall	
4. Budget Proposal	What is the proposal? Use the savings proposal wording and more detail if needed	
	A saving of £24,000 against an overall budget of £965,450 is proposed for 2017/18 from the Members Allowances budget.	
5. Summary of impacts	Highlight the most significant disproportionate impacts on groups	
	<p>Disproportionate impacts identified: none identified</p> <p>The savings directly affected current Members and could have impact on anyone considering whether to stand as a councillor in the future.</p> <p>The savings are subject to Member approval and may therefore be amended or not accepted. There is currently a £15,000 underspend that could be taken forward, whilst the proposal not to implement an inflationary increase amounting to £9,000 will be subject to the recommendations of the Independent Remuneration Panel; and the acceptance of Members at full Council. Any changes to the democratic structure of the council are not anticipated to come into effect until May 2019, which may then impact on the level and number of allowances being paid. An independent review of the structure is being investigated with a view to its findings be reported to council in due course.</p>	
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?	

	The proposed savings will need to be taken to the Independent Remuneration Panel for consideration as there is a direct impact to the Members Allowances Scheme, as well as being discussed with Members who will need to support the proposed changes.
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)?
	The Independent Remuneration Panel is required to review the Members Allowances Scheme on a yearly basis and report its findings to the full Council.
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

1. Service Area	Strategy, Legal & Governance - Life Events – bereavement and registration services	2. Proposal No. 34
3. Head of Service	Paul Holloway	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p> <hr/> <p><u>Bereavement Services</u></p> <ul style="list-style-type: none"> <p>• Welfare Funerals in the Bereavement Services area Review of provision of welfare funeral services to operate in a different way and explore reducing staff costs and operating costs. Potential use of external company for searches for next of kin may reduce need for public health funeral. This may involve changes to delivery of welfare services - involving outside company considerations The consideration will aim to reduce impacts on current staffing levels and continue to provide services to specific criteria working in a different way. Changes to service delivery are potentially high risk and need to be explored further - including reputational risk with stakeholders.</p> <p>• Coroners Transfer Service (CTS) in the Bereavement Services area Consider review of service and tender to a Funeral Director service instead of using in-house staff team from mortuary. This will involve a review of service to work in a different way and consider external Funeral Director service to provide Coroners Transfer Service Funeral Directors have contracts with other Local Authorities and therefore there is common practice across other local authority services that we can explore. We will look at working with procurement to agree a contract with reputable Funeral Directors who meets Coroner's requirements.</p> <p>• Memorialisation in the Bereavement Services area Introduction of new products and development of existing products The aim is to generate an increase in sales through product review to promote a wider range of products and continue to promote existing products This will require research and an awareness of bereavement market. The service must also develop and build</p> 	

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sales and promotion skills - essential to promote products and services.
There is a risk that ineffective skills development could impact on savings.

Registration Services

- **Review of fees and charges in the Registration Services area**

Fees and charge review and regular increases backed up by benchmarking info' from other local authorities, taking account of all unit costs.

This requires a regular fee and charge increases in line with local area and business requirements, and review of unit costs. Options need to weighed up with a view to seeking member support on fee and charge increases. Business levels needs to be maintained. The service is reliant on customer demand. There are elements of statutory fees but opportunities exist for other fees.

Highlight the most significant disproportionate impacts on groups

Disproportionate impacts identified: Child Poverty

Bereavement Services

- **Welfare Funerals in the Bereavement Services area**

No impact on groups. Whilst this service is for people who do not have the means to arrange a funeral from within their estate, or amongst their relatives / friends, provision of a welfare funeral is a statutory requirement an therefore the service will remain unchanged to customers / service users.

- **Coroners Transfer Service in the Bereavement Services area**

No impact on groups. A Coroners Transfer Service would look to be procured and contracted out to a local Funeral Director, so the service would continue as is for customers / service users.

- **Memorialisation in the Bereavement Services area**

This is an area where staff training and commitment can ensure an inclusive service, which will be available to all budgets, depending on the product. Those with less financial means may be unable to purchase top of the range memorial products, but every attempt will be made to accommodate smaller budgets as well as ones where there are more financial means.

Registration Services

- **Review of fees and charges in the Registration Services area**

Work is always undertaken to ensure a statutory registration service enables ceremonies in a register office at statutory rate. This will not change. As in previous years, benchmarking will be undertaken to provide the basis for members to decide whether increasing fees and charges for non-statutory services should increase in line with the

5. Summary of impacts

	market for similar services provided by local and similar service providers. (other Registration Services.)
6. Assess level of impact (1= low; 5= high)	<p>1: Minimal impact for Welfare Funerals and Coroners Transfer Service as proposals are to do with service delivery – not service provision.</p> <p>Potential for impact in Memorialisation proposals but training in sensitivity and inclusive approach to product availability.</p> <p>Potential impact for those in financial hardship in Registration fees and charges proposal, but mitigated by statutory fee remaining.</p>
7. Key actions to reduce negative impacts	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>Some of the proposals are around marketing of products in sensitive service areas. Training needs to reflect the need for inclusive services that do not disproportionately affect customers.</p> <p>Bereavement Services continues to provide free burials and cremations for children up to 16 years of age – this is not affected by any of the proposals.</p> <p>All customers need to be made aware for the statutory fees and have the opportunity to consider this as an option. Training need to make sure staff are committed to ensuring customers can afford the services they purchase from us.</p> <p>Religion/belief: Whilst the first option for a Welfare Funeral will always be to offer a cremation, the service would look to do its best to take account of other religious beliefs or faith requirements. Where there is evidence or a specific request that a burial is more appropriate, the service would accommodate this under existing arrangements and in any proposed new working arrangements.</p>
8. Full EIA?	To be considered as part of regular review on affects of proposals after monitoring – in particular of results on service provision following fee increases.
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)?

	<p>Service provision will continue to be monitored and reported on. No's of Welfare Funerals and body collections through Coroners Transfer work are always recorded / reviewed.</p> <p>No's of memorial products and Registration fees and charges also monitored and recorded. These will have close scrutiny due to income targets – if services become less in demand, a review of the fee structure may be necessary.</p> <p>Statutory Register Office ceremonies reported up to the General Register Office, so reported on to Central Government.</p>
<p>10. Cumulative impacts</p>	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>Bereavement customers and Registration Service customers along with other LA customers are faced with paying more for services, or perhaps not receiving services they have been used to receiving.</p> <p>The sensitive areas of the service require thought and special consideration when reviewing how much a service costs. Proposals are therefore always based on benchmarking information from other service providers, and or are aligned to how much it costs the LA to provide the service. (unit costs)</p> <p>Statutory services remain available at lower rates but there are options for the higher end of budgets both in the memorials and the Registration Service fee increase proposals.</p> <p>Ongoing Welfare Reforms are likely to add to the possibility of increases in service charges having a cumulative affect on our customers.</p>

EIA 35 – EIA NOT REQUIRED: NO IMPACT ON SERVICE-USERS

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Budget Equality Impact Assessment Template 2017/18 – Service-Users

1. Service Area	Neighbourhoods, Communities & Housing - Housing (HRA) – door entry systems	2. Proposal No. 36
3. Head of Service	Tracy John	
4. Budget Proposal	<p>What is the proposal? Use the savings proposal wording and more detail if needed</p>	
	<p>Income of approximately £50,000 from the introduction of a service charge for the servicing and maintenance of door entry systems to blocks of HRA flats.</p> <p>This reflects services provided that benefit some tenants, and aren't provided to all tenants, and simply recovers the costs of the service.</p>	
5. Summary of impacts	<p>Highlight the most significant disproportionate impacts on groups</p>	
	<p>Disproportionate impacts identified: Child Poverty</p> <p>The positive impacts of door entry systems on all tenants irrespective of their protected characteristic, are their blocks of flats being more secure, residents being able to exercise control of who enters the internal communal area of their block, and a likely reduction in anti-social behaviour.</p> <p>There is the negative impact of tenants who are not in receipt of Housing Benefit needing to pay this charge – although this does not significantly impact one group disproportionately to another.</p> <p>The HRA aims to deliver high quality services to meet the needs and aspirations of council tenants, many of whom are over-represented amongst elderly, female and disabled tenants, and/or vulnerable groups, or come from disadvantaged groups. In that comparative context to the general population in the city, any changes that require additional payments from them are arguably disadvantageous. However also in that wider community comparative context, the alternative perspective is that the aforementioned groups of people are arguably in a better position to some of their peers outside of council housing by virtue of their tenancy status.</p> <p>86% of respondents to the 2016 STAR (survey of tenants and residents) customer satisfaction survey thought their rent offered value for money (up from 84% in 2014).</p>	

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	<p>74% were satisfied with their service charge in terms of value for money (up from 71% in 2014). 81% were satisfied with their housing service overall.</p> <p>Specific impacts: Disability: There are higher proportions of disabled people living in flats rather than in houses where the charge will not apply (54% compared to 38%). However the majority of our disabled tenants are on Housing Benefit.</p>
<p>6. Assess level of impact (1= low; 5= high)</p>	<p>2 - There are minimal impacts on the majority of tenants impacted as they will be covered by Housing Benefit, however of those who aren't there will be some impact on those who are just above the thresholds to claim Housing Benefit.</p>
<p>7. Key actions to reduce negative impacts</p>	<p>What actions are planned to reduce/avoid negative impacts and increase positive impacts?</p> <hr/> <p>Communications sent to tenants about the proposed new charge will advise people about making welfare benefit claims and give contact details for sources of support. Continued communication with residents through Homing In, housing pages on the council's website, City Assembly, Tenant Associations, Tenant Disability Network and direct contact with affected tenants.</p> <p>Ensure information is available in a range of formats, and is communicated early to give people time to prepare. Translation and interpreting services available via Sussex Interpreting Service</p> <p>Officers are aware of the local Money Works service, and are able to direct people to the website, or advise on other ways they can access the service if they are not on the internet. They also have access to the contracted Money Advice Plus service for help with budgeting and other money matters.</p> <p>We will conduct further analysis of the people not on Housing Benefit to look at their likely eligibility to claim benefits. Contacts are made with tenants who we know are vulnerable, and they would be prioritised for action.</p> <p>Housing Benefit is payable on services charges apart from heating and water charges.</p>
<p>8. Full EIA?</p>	<p>For the introduction of a new service charge, a full EIA will be carried out early next year if the proposal is to be implemented.</p>

9. Monitoring and Evaluation	<p>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)?</p> <p>This will be through our overall analysis of rent accounts, through tenancy visits, and through our focussed work on supporting vulnerable households.</p>
10. Cumulative impacts	<p>Might related proposals from other service areas (or other changes) worsen or mitigate impacts from your proposal? Please explain these impacts.</p> <p>There will be the cumulative impacts of welfare reforms as they impact on various groups of tenants, however there are lots of mitigations for those, and this additional charge of approximately £0.65 per household per week is covered by Housing Benefit.</p>

Budget Staffing Equality Impact Assessments 2017-18 – Staff: identified impacts and actions

Overview

Individual equality impact assessments have been completed at this stage with the known data for all proposals that include a direct staffing impact and potential reduction in posts. The equality duty (in the Equality Act 2010) is an ongoing duty, therefore assessment of equality needs and impacts will continue through the consultation processes and in the implementation of any changes.

For any group over 20 staff affected an analysis of equalities data has taken place. This document identifies where the profile of the potentially affected staff varies from the Directorate and/or council profile. This has informed consideration of mitigating actions to address impacts.

Where there are fewer than 20 staff affected data has not been produced to protect the confidential sensitive equalities information provided by staff. EIAs have been completed in these instances with regard to known information about the staff group and proposals made.

The outcome of EIAs will guide the consultation process and inform the implementation of changes. Broadly across all groups affected the following observations can be made:

- Overall the groups affected by budget proposals are broadly in line with the make up of the Council's workforce in terms of age, with over 51% of those at risk between the ages of 45 and 59. There is a higher proportion of staff between 50 and 59 at risk when compared to their representation in the workforce (34% of those affected compared to 30% representation in the workforce). There is also a higher proportion of younger staff in the 20-24 age range affected (2% of those at risk compared to 1.71% representation in the workforce). Whilst this is a small difference it further erodes the representation of younger staff who are already under represented.
- There is a higher proportion of males who are subject to formal consultation when compared to their profile in the workforce (52.68% of those at risk compared to 40.84% representation in the workforce).
- The proportion of BME and White Other staff at risk is marginally lower than representation across the council from these groups, although services will need to consider the potential that there will be further reductions of groups that are already under-represented. Longer term strategies to encourage recruitment of under represented groups will need to continue across the council and within directorates.
- The proportion of disabled staff affected by proposals is in line with the representation across the council. However it has become apparent in certain proposals that individual members of staff with disabilities need particular support, and this has been discussed through 121 meetings.
- There are fewer LGBT staff affected when compared to the make up of the workforce (10.26% of those affected by proposals compared to 12.02% representation in the workforce).

Whilst this describes groups affected in total, the individual EIA's consider impacts on those affected in the individual proposals.

In addition to the specific mitigations identified in each service area the Council has guidance, procedures and approaches for managing change that are designed to ensure change is managed fairly and groups with protected characteristics are not negatively impacted:

- Involve staff in discussions about service redesign and follow the principles and governance arrangements in the [service redesign toolkit](#).

- When developing any further detailed proposals take account of the staffing equalities data to inform decision making and/or continue assessing staff equality impacts.
- Ensure the council's relevant policies and procedures are equitably and appropriately applied (management of change protocol, redeployment, job evaluation processes etc.) to ensure that no adverse impact is created for employees related to their protected characteristics.
- Review vacant posts, use of agency employees etc. to minimise the impact on current substantive post holders.
- Manage redeployment on a corporate level and ensure that all vacant posts are considered for redeployment.
- Where proposals may result in a reduction of posts consider the offer of voluntary severance (subject to robust business case) to mitigate the impact of potential compulsory redundancy processes.
- Where a reduction in posts will mean compulsory redundancy ensure that selection processes are clear and free from bias, and that processes take into account any individual needs.
- Ensure processes and criteria related to selection for voluntary redundancy are clear and transparent and use the compensation panel appropriately.
- Ensure managers involved in selection have completed corporate recruitment and selection training and are signposted to the Equality & Diversity e-learning module.
- Ensure that managers delivering service changes are appropriately supported and advised by HR in relation to all employee equalities issues.
- Ensure all employees are offered one to one meetings to discuss their circumstances and any concerns they may have, and are offered interview skills and CV writing training, including signposting to the HAYS career transition portal.
- Attach the summary EIA to each consultation document, and continue to assess equality impacts through the consultation process.

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EIA No.	EIA Proposal	
S1	Families, Children and Learning - City Early Years & Childcare Workforce Development Team - The Council's budget proposals for 2017/18 include a proposal to reduce funding for Early Years and Childcare Workforce Development by £50,000. Part of this saving will be delivered by a reduction staffing. There will be a significant reduction in manual administration requirements due to the implementation of the new self-service Early Years channel of the Learning Gateway. Consequently two posts will be consolidated into one.	
Groups potentially impacted	Impacts identified	Specific Mitigating Actions (in addition to the generic actions identified above)
As not more than 20 employees affected to preserve employee confidentiality, no employee equalities data has been gathered or analysed from the council's employee database. We know that	It is not known at this point precisely which posts might be affected and therefore it is difficult to determine what impact is going to be. It is difficult to be specific about the impact on each group.	No specific actions: relevant processes and procedures to be undertaken in an equitable manner.

the council as a whole and in the directorate that most protected characteristics are under represented.		
EIA No.	EIA Proposal	
S2	Families, Children and Learning, Disability Services Management - The Council's budget proposals for 2017/18 include proposals to achieve savings in management across services for disabled children and adults with learning disabilities including considering the efficiencies that can be achieved through the bringing together of services for children and adults. The precise proposals for and therefore what savings can be achieved have not yet been developed.	
Groups potentially impacted	Impacts identified	Specific Mitigating Actions (in addition to the generic actions identified above)
As not more than 20 employees affected to preserve employee confidentiality, no employee equalities data has been gathered or analysed from the council's employee database. We know that the council as a whole and in the directorate that most protected characteristics are under represented. There is generally significant over representation of women in the council and particularly so in the Families directorate.	No specific mitigation.	Council policies and support processes to be equitably applied.
EIA No.	EIA Proposal	
S3	Families, Children and Learning, Early Help - Financial savings to be achieved through a re-design of early help activity across Families, Children & Learning to include the Early Help Hub, Parenting, Family coaching and the repercussions of reducing income from the Troubled Families Programme. The total saving expected in 2017/18 is expected to be £640,000, around a third of the total budget. Services will focus on those children at risk of escalating need to meet social work thresholds by delivering family support through community provision as part of the neighbourhood strategy based in children's centres. These proposals affect circa 70 staff.	

Groups potentially impacted	Impacts identified	Specific Mitigating Actions (in addition to the generic actions identified above)
<p>In broad terms the proposal to redesign the structure has the potential to have a disproportionately negative impact on the following protected characteristics:</p> <ul style="list-style-type: none"> • Age • Ethnicity • Gender • Sexual Orientation • Religion/Belief 	<p>The age of the workforce affected is generally slightly older than the age profile across the council and Families directorate with no staff aged under 30 in this area however there are also less staff affected in this area in the age brackets of 60+ than the council and directorate suggesting that staff in the age bracket 35-59 may be disproportionately affected.</p> <p>The service area employs a below average number of BME employees and employees identifying as White Other compared to the council and Families directorate as a whole.</p> <p>The service area employs significantly more female employees compared to the council and a higher proportion than the directorate as a whole with 83.33% of the affected workforce being female.</p> <p>Therefore the proposals are most likely to have a disproportionate impact on women employees because they are over significantly over represented.</p> <p>The service area employs a significantly lower average number of LGBT employees compared to both the council and Families directorate.</p> <p>A number of staff in affected posts maybe on maternity leave or other long term leave.</p>	<p>Offer all employees job application and interview support where selection processes might be required.</p> <p>Consider the need for appropriate support and training to re-skill employees in new working methods if necessary.</p> <p>Ensure that all appropriate reasonable adjustments are made for disabled employees.</p> <p>Utilise the support of the council's Supported Employment Team and appropriate non council agencies to support employees where appropriate and necessary.</p> <p>Positive action including skills interview training and internal coaching as well as signposting to Disability Workers Forum and Womens network.</p> <p>Review communications approach options (plain English etc.) and monitor understanding.</p> <p>Positive action to include training on interview skills, coaching and signposting to relevant forums e.g. BME workers forum.</p> <p>Review communications approach options (plain English etc) and monitor understanding.</p> <p>Positive action including skills interview training and internal coaching as well as signposting to LGBT Forum.</p> <p>Managers will ensure that staff on maternity leave or other long term leave are actively engaged to ensure they have equal opportunity to participate in the consultation process.</p>
EIA No.	EIA Proposal	

S4

Families, Children and Learning – Youth Service - It is proposed that the council no longer provides or funds a youth service and so the 17/18 budget proposals include a reduction of funding of £695,000. A management post has been deleted (and there will need to be further consultation on the remainder of the youth service and consideration of commissioning provision with a particular focus on groups with protected characteristics. This will impact on staff within the in house Youth Service.

Groups potentially impacted

Impacts identified

Specific Mitigating Actions (in addition to the generic actions identified above)

As not more than 20 employees affected to preserve employee confidentiality, no employee equalities data has been gathered or analysed from the council's employee database. We know that the council as a whole and in the directorate that most protected characteristics are under represented. There is generally significant over representation of women in the council and particularly so in the Families directorate.

The nature of the service means that younger employees may be over represented compared to the Council average, and there are a number of part-time staff.

Consider suitability of staff for apprenticeships, and consider part-time opportunities via redeployment.

EIA No.

EIA Proposal

S5

Economy, Environment and Culture - City Regeneration – The proposals for change within Regeneration is to merge Economic Development with the International & Sustainability Team to create a new Economic Growth Unit resulting in a reduction of 1 to 2 FTEs. Integration of work on economy and sustainability to provide efficiencies. There are no detailed proposals at present.

Groups potentially impacted

Impacts identified

Specific Mitigating Actions (in addition to the generic actions identified above)

<p>Since there are less than 20 employees impacted full equalities data was not run for this group of employees, it is difficult to be specific about the impact on each group other than gender where this is already known, generic measures will be followed to minimise any impact across all groups.</p>	<p>There are BME staff and men who are affected by this restructure. Both of these groups are under represented in the Council and therefore any negative impact could further erode representation.</p>	<p>In addition to the generic actions described above: Ensure the council's relevant policies and procedures are equitably and appropriately applied (e.g. development of new post details, selection interviews, flexible working arrangements etc. to ensure that no adverse impact is created for BME employees. Ensure managers involved in selection have completed Corporate recruitment and selection training and signposted to the Equality & Diversity e-learning module. Ensure that managers delivering service changes are appropriately supported and advised in relation to all employee equalities. Where employees are impacted offer one to one meetings to discuss their circumstances and any concerns they may have. Positive action to include training on interview skills, coaching and signposting to the BME Workers' Forum. A longer term issue for the service is to consider how to widen representation of ethnic groups and females.</p>
<p>EIA No.</p>	<p>EIA Proposal</p>	
<p>S6</p>	<p>Economy, Environment and Culture - Transport - Budget savings of £150k have been identified in Transport that will be found through the reduction in posts. The Service is undertaking a full Service Redesign.</p>	
<p>Groups potentially impacted</p>	<p>Impacts identified</p>	<p>Specific Mitigating Actions (in addition to the generic actions identified above)</p>
<p>The Transport Division is above the Council disability target however the data shows that there are few disabled staff in the middle grades and no disabled staff in the upper grades. If staff are impacted who have a disability it will impact on disabled employee representation in Transport and EDH. The Transport Division are</p>	<p>Disabled employees are more likely to Experience barriers to accessing information and getting their views heard. Suffer from a lack of employer awareness and information regarding disability. There are new posts in the structure at grade M9 and M8. The proposals offer priority interviews for those staff at risk of redundancy. The staff who are impacted in this way are males and therefore it restricts</p>	<p>A further EIA will be carried out if necessary/required. Consider and take account of any disability, gender or BME issues. Ensure that all appropriate reasonable adjustments are made for disabled employees. Ensure the council's relevant policies and procedures are equitably and appropriately applied (e.g. development of new post details, selection interviews, flexible working arrangements etc. to ensure that no adverse impact is</p>

<p>significantly below the BME target and below 'White Other' target. Proposals may further impact on BME employee representation in Transport and EDH. White Other employees are also below target. It is worth noting that 14.56% is unknown in relation to ethnicity. Transport is above the male employee target. Females are under represented in the Upper grades. Compared to the Council the number of LGBT employees is lower. The proposals could further erode the representation of LGBT staff.</p> <p>It is worth noting that 16.46% is unknown and 9.49% of staff preferred not to say.</p>	<p>opportunity for females for these higher graded jobs.</p>	<p>created for Disabled, female and BME employees. Ensure managers involved in selection have completed Corporate recruitment and selection training and signposted to the Equality & Diversity e-learning module. Ensure that managers delivering service changes are appropriately supported and advised in relation to all employee equalities. Where employees are impacted offer one to one meetings to discuss their circumstances and any concerns they may have. Positive action to include training on interview skills, coaching and signposting to the Disabled Workers' Forum. Longer term review strategies to increase disabled staff at the more senior grades within Transport. Positive action to include training on interview skills, coaching and signposting to the Women's Network and the LGBT forums. A longer term issue for the service is to consider how to widen representation of females in senior posts. Change ring-fence proposals to ensure that there are opportunities for the wider team to go for promotion opportunities available in the structure.</p>
EIA No.	EIA Proposal	
S7	<p>Economy, Environment and Culture - Premises, Facilities and Building Services - The council has set out a four year savings plan to address a large shortfall in its overall budget due to a significant reduction in government grants. For Property & Design this has meant identifying savings of £2.75m between 2016 and 2020. The Facilities & Building Services team has reviewed all of the services provided in collaboration with the Business Process Improvement (BPI) team resulting in the proposals to rationalise and change the way that the services are delivered whilst ensuring, wherever possible, that all teams remain efficient and cost effective. The proposal is for a number of posts to be deleted across Facilities & Building Services and the introduction of new posts including a Concierge Officer role.</p>	
Groups potentially impacted	Impacts identified	Specific Mitigating Actions (in addition to the generic actions identified above)

<p>The data shows that there no staff that have declared a disability across Facilities & Building Services. However 20.51% is unknown which means staff have not completed a declaration. This could mean that staff have a disability but have not declared it.</p>	<p>The concierge role includes some security elements relating to regular patrols, locking/unlocking, closing windows and doors and access control. Assessment of whether the roles would be suitable for new staff who are disabled or staff who become disabled while in the Council's employment would need to be made, in addition to staff who may not be able to do the physical elements of the role for other reasons aside from a disability.</p> <p>The physical restraint requirement is in a separate concierge job description. Assessment of whether the roles would be suitable for new staff who are disabled or staff who become disabled while in the Council's employment would need to be made.</p> <p>Facilities & Building Services is slightly below the BME target. Proposals may impact on BME employee representation in Facilities and Building Services. White Other employees are also below target. It is worth noting that 10.26% is unknown and 2.56% prefer not to say. LGBT staff are underrepresented in the upper grades.</p> <p>It is worth noting that 17.95% is unknown and 7.69% of staff preferred not to say.</p>	<p>If a member of staff informs management of a disability then consider and take account of any disability issues. Ensure that all appropriate reasonable adjustments are made for disabled employees.</p> <p>Ensure the council's relevant policies and procedures are equitably and appropriately applied (e.g. development of new post details, selection interviews, flexible working arrangements etc. to ensure that no adverse impact is created for Disabled and BME employees.</p> <p>Explore suitable alternative employment where it is not possible to make reasonable adjustments.</p> <p>Ensure managers involved in selection have completed Corporate recruitment and selection training and signposted to the Equality & Diversity e-learning module.</p> <p>Ensure that managers delivering service changes are appropriately supported and advised in relation to all employee equalities.</p> <p>Where employees are impacted offer one to one meetings to discuss their circumstances and any concerns they may have particularly regarding the security elements of the roles.</p> <p>Positive action to include training on interview skills, coaching and signposting to the Disabled Workers' and Carers network, women's network, LGBT and BME forum.</p> <p>Longer term review strategies to increase disabled staff within Facilities & Building Services and increase declaration rates and to consider wider representation of ethnic groups and women / LGBT staff in senior roles.</p>
EIA No.	EIA Proposal	

S8

Neighbourhoods, Communities and Housing - Civil Contingencies Team - In the Integrated Service and Financial Plans for 2016/17 – 2019/20 a 60K budget saving in the Civil Contingencies/Emergency Planning and Resilience Service was identified, and this was agreed at Budget Council in February 2016. To deliver the 60K saving it is proposed to delete the post of Emergency Planning and Resilience Team Manager from the existing structure.

Groups potentially impacted

Impacts identified

Specific Mitigating Actions (in addition to the generic actions identified above)

As not more than 20 employees affected to preserve employee confidentiality, no employee equalities data has been gathered or analysed from the council's employee database. We know that the council as a whole and in the directorate that most protected characteristics are under represented.

Potential impact in relation to age.

Generic actions will ensure process managed effectively and potential redeployment opportunities are explored.

EIA No.

EIA Proposal

S9

Neighbourhoods, Communities and Housing, Communities, Equalities and Third Sector Team - Budget savings are being proposed within the overall team budget which will impact on staffing levels within this team. It is proposed that savings of approximately £127K (including on costs) are made.

Groups potentially impacted

Impacts identified

Specific Mitigating Actions (in addition to the generic actions identified above)

As not more than 20 employees affected to preserve employee confidentiality, no employee equalities data has been gathered or analysed from the council's employee database. We know that the council as a whole and in the directorate that most protected characteristics are under

There will be a higher proportion of female workers affected, and part time staff.

Follow generic actions. All affected members of staff will be sought redeployment across the Council in accordance with the Council's Redeployment Policy. This will include seeking part time opportunities as necessary.

represented.		
EIA No.	EIA Proposal	
S10	<p>Finance and Resources, Financial Services - The proposals for change within Financial Services are designed to ensure continued support to the different internal and external customers and wherever possible maintain the quality and standard of service, with changes to the model of provision in some areas. This includes: - automated and streamlined processes reducing the need for advice and support;</p> <ul style="list-style-type: none"> - reprioritisation and reallocation of work; - MSA related savings and changes to reporting lines; - aligning support to organisational structure and combined management; - deletion of vacant posts; and - minimising compulsory redundancy through voluntary severance. <p>There are 6 full time equivalent (FTE) posts at risk of redundancy as a result of the 2017/18 budget proposals.</p>	
Groups potentially impacted	Impacts identified	Specific Mitigating Actions (in addition to the generic actions identified above)
<p>The age profile for the workforce of the Finance Service is the same as the Council, with the highest proportion of employees between 45-54 years of age. Finance is above the Council target for disabled employees. The council and Finance Service are both below the BME and White Other group targets. The White Irish group is overrepresented within the council and Finance Service. Finance Service employs a balanced female / male employee profile compared to the council (less than 1% difference in gender breakdown). The service area employs a lower than average number of LGBT employees compared to the council.</p>	<p>Potential impact on younger workers who are already under-represented across finance and the wider Local Authority. it is likely disabled employees would be impacted by the proposals for change as this group is overrepresented in the service area.</p> <p>Disabled employees are more likely to</p> <ul style="list-style-type: none"> • Experience barriers to accessing information and getting their views heard. • Suffer from a lack of employer awareness and information regarding disability. <p>if BME or White Other staff are either redeployed or made redundant as this would further erode this under represented group within the service area.</p> <p>If LGBT staff are made redundant or redeployed outside of the service this</p>	<p>Offer all employees job application and interview support and highlight training opportunities for apprenticeships for younger staff.</p> <p>Consider the need for appropriate support and training to re-skill employees in new working methods.</p> <p>Ensure that all appropriate reasonable adjustments are made for disabled employees.</p> <p>Utilise the support of the council's Supported Employment Team and appropriate non council agencies to support employees where appropriate and necessary.</p> <p>Positive action including skills interview training and internal coaching as well as signposting to Disability Workers Forum.</p> <p>Review communications approach options (plain English etc) and monitor understanding. Particular issues have arisen that has highlighted the importance of 121 meetings in fully exploring individual circumstances.</p> <p>Positive action to include training on interview skills, coaching and signposting to relevant forums e.g. BME</p>

	would further erode this under represented group within Finance.	workers forum. Review communications approach options (plain English etc.) and monitor understanding. Support to part-time staff in identifying opportunities and consideration of other roles as job share roles.
EIA No.	EIA Proposal	
S11	<p>Finance and Resources, ICT - The proposals for change within ICT are designed to ensure continued support to the customers and wherever possible maintain the quality and standard of service, with changes to the model of provision in some areas. This includes:</p> <ul style="list-style-type: none"> - MSA related savings and changes to reporting lines; - aligning support to organisational structure and combined management; - deletion of vacant posts; and - minimising compulsory redundancy through voluntary severance. <p>There are 2 full time equivalent (FTE) posts at risk of redundancy as a result of the 2017/18 budget proposals.</p>	
Groups potentially impacted	Impacts identified	Specific Mitigating Actions (in addition to the generic actions identified above)
<p>The age profile for the workforce of the ICT Service is the same as the Council, with the highest proportion of employees between 45-54 years of age.</p> <p>The service area employs a lower than average number of disabled employees compared to the council. If disabled staff are made redundant or redeployed outside of the service this would further erode this under represented group within ICT.</p> <p>The council and ICT Service are both below the BME and White Other group targets. The White Irish group is overrepresented within the council and ICT Service. The service employs more males than females.</p>	<p>If disabled staff are made redundant or redeployed outside of the service this would further erode this under represented group within ICT.</p> <p>if BME or White Other staff are either redeployed or made redundant as this would further erode this under represented group within the service area.</p> <p>Potential disproportionate impact on female staff in part time roles.</p>	<p>Offer all employees job application and interview support and highlight training opportunities for apprenticeships for younger staff.</p> <p>Consider the need for appropriate support and training to re-skill employees in new working methods.</p> <p>Ensure that all appropriate reasonable adjustments are made for disabled employees.</p> <p>Utilise the support of the council's Supported Employment Team and appropriate non council agencies to support employees where appropriate and necessary.</p> <p>Positive action including skills interview training and internal coaching as well as signposting to Disability Workers Forum, BME forum. .</p> <p>Review communications approach options (plain English etc.) and monitor understanding.</p> <p>Support par-time staff in identifying opportunities and consideration of job share opportunities.</p>

Unlike the council and ICT Service are above the LGBT employee target.		
EIA No.	EIA Proposal	
S12	<p>Finance and Resources – Internal Audit - The proposals for change within Internal Audit are designed to ensure continued support to the different internal and external customers and wherever possible maintain the quality and standard of service, with changes to the model of provision in some areas. This includes: - automated and streamlined processes reducing the need for advice and support;</p> <ul style="list-style-type: none"> - reprioritisation and reallocation of work; - MSA related savings and changes to reporting lines; - aligning support to organisational structure and combined management; - deletion of vacant posts; and - minimising compulsory redundancy through voluntary severance. <p>There is 0.3 full time equivalent (FTE) posts at risk of redundancy as a result of the 2017/18 budget proposals. This will likely impact one member of staff.</p>	
Groups potentially impacted	Impacts identified	Specific Mitigating Actions (in addition to the generic actions identified above)
As not more than 20 employees affected to preserve employee confidentiality, no employee equalities data has been gathered or analysed from the council's employee database. We know that the council as a whole and in the directorate that most protected characteristics are under represented.	The member of staff impacted is male, and no disability issues have been identified. As there is no data no other impacts have been identified.	Implementation of the generic actions will ensure the change is managed appropriately.
EIA No.	EIA Proposal	

S13

Finance and Resources, Procurement - The proposals for change within Procurement Services are designed to ensure continued support to the different internal and external customers and wherever possible maintain the quality and standard of service, with changes to the model of provision in some areas. This includes: - automated and streamlined processes reducing the need for advice and support;
 - reprioritisation and reallocation of work;
 - MSA related savings and changes to reporting lines;
 - aligning support to organisational structure and combined management;
 - deletion of vacant posts; and
 - minimising compulsory redundancy through voluntary severance.

There is 1 full time equivalent (FTE) posts at risk of redundancy as a result of the 2017/18 budget proposals.

Groups potentially impacted	Impacts identified	Specific Mitigating Actions (in addition to the generic actions identified above)
As not more than 20 employees affected to preserve employee confidentiality, no employee equalities data has been gathered or analysed from the council's employee database. We know that the council as a whole and in the directorate that most protected characteristics are under represented.	It is difficult to be specific about the impact on each group.	Generic measures will be followed to minimise any impact across all groups.

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149 Public sector equality duty

- (1) A public authority must, in the exercise of its functions, have due regard to the need to—
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - 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—
- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - 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;
 - 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—
- tackle prejudice, and
 - 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.

Council Carbon Budgets for 2017/18

Carbon Budget	Budget Lead	2014/15 Carbon Footprint (tonnes CO ₂) *	2015/16 Carbon Footprint (tonnes CO ₂) *	2015/16 Spend (net £) *	2016/17 Carbon Footprint Budget Target (tonnes CO ₂) **	2017/18 Carbon Footprint Budget Target (tonnes CO ₂) ***
1) Total corporate emissions (gas, electricity & oil)*	Angela Dymott	9,486	8,242	£1,828,467	7,912	7,596
2) Landlord housing emissions (incl. gas & electricity)*	Tracy John	5,834	5,464	£1,083,269	5,245	5,035
3) Total school emissions (incl. gas, electricity & oil)*	Angela Dymott	9,913	9,508	£1,980,560	9,128	8,763
4) Fleet fuel emissions	Richard Bradley	2,251	2,318	£792,022	2,225	2,136
5) Street lighting emissions (electricity)	Mark Prior	5,108	4,459	£1,073,531	4,281	4,110

Caveats

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

** Based on a 4% reduction on our 2015/16 performance. Performance against the 2016/17 budget will be calculated in July 2017.

*** Based on a 4% reduction on our 2016/17 target (2017/18 actual data will be available in July 2018).

Context to performance:

Corporate: The Automatic Meter Reading installation programme for corporate property has now drawn to a close and we are currently utilising the profile data to identify any potential electricity & gas waste. Building has been completed on Hove Town Hall as part of the Phase 3 Workstyles programme. The refurbishment included; energy efficient lighting, the removal of inefficient oil boilers, installation of new gas boilers, and a building management system to allow management of heating and cooling equipment. As part of the refurb an additional 15 Kw solar panel array was installed at Hove Town Hall, giving the building a solar Capacity of 43 Kw, and an overall total capacity of 80Kw across the entire corporate portfolio. An insulation programme was completed in late 2015 across several care homes and we expect a reduction in heating emissions in winter 2016/17. From April 2015 onwards, responsibility for utility billing at some of our commercial premises has reverted to the managing agent. Going forward, the council are also in the very early stages of developing an energy plan, including looking at potential approaches for community energy generation on school buildings and looking at a Special Purpose Vehicle to deliver energy efficiency, renewables and decentralised energy across the corporate asset portfolio.

Schools: Demand for electricity, has again increased slightly due to the introduction of more electrical equipment, kitchens, heat pumps, whiteboards etc. Annual planned maintenance for school buildings aims to address energy emissions with improvements to insulation and further Oil-to-Gas Boiler conversions planned for the summer. There are over 300 Automatic Meter Reading devices installed across the school portfolio. The Energy & Water team liaise with school premises managers with the aim of eradicating waste heating emissions due to boiler timer/controls issues. Resource Futures have continued to supply environmental education support to schools with the aim of encouraging environmental behaviour change and also promote the usage of AMR data. Several schools took part in the Ashden 'Less CO²' programme, which gives them access to free energy audits as well as support for teachers to incorporate energy saving into the curriculum.

Housing: 2016 saw the development of the HRA Energy Strategy and the Affordable Warmth & Fuel Poverty Strategy (the latter in partnership with Public Health). Solar photovoltaic arrays have been installed on common way services for a number of flat blocks. Solar Thermal has been used where feasible on communal boiler replacements at older people's accommodation. The upgrade to LED lighting on all common ways is nearly complete. Long term cyclical programmes & major works for communal boilers, elevators and insulation/cladding improvements continue and will help us to meet carbon reduction targets. New housing developments adhere to the code for sustainable homes and all major refurbishments include thermal upgrades in compliance with Building Regulations. Feasibility studies commissioned by planning and housing services continue to investigate the potential for district energy networks covering several housing developments.

Fleet Fuel: Total fleet emissions have risen slightly, mainly due to an increase in diesel (Biofuel) consumption.

Street Lighting: More than 1,000 energy efficient LED street lights have been successfully trialled in the city. There are plans to upgrade a further 20,000 lamp posts and install a new central management system as part of an Invest to Save project over the next three years.

Subject:	Capital Resources and Capital Investment Programme 2017/18		
Date of Meeting:	23 February 2017 9 February 2017, Policy Resources & Growth Committee		
Report of:	Executive Director for Finance & Resources		
Contact Officer:	Name:	James Hengeveld	Tel: 01273 291242
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT:**

- 1.1 The purpose of the report is to inform Policy, Resources & Growth Committee of the level of available capital resources in 2017/18 to enable the committee to propose a Capital Investment Programme for 2017/18 to Budget Council. The capital programme is set in the context of the Medium Term Financial Strategy included alongside the General Fund Revenue Budget and Council Tax report elsewhere on this agenda. The proposed programme results in £148.9m investment in council services next year.
- 1.2 In December 2015 and March 2016, the Government confirmed a number of capital allocations within the Local Government Capital Finance Settlement for 2017/18 and there have been no changes announced to these allocations. Some indicative allocations for the following years 2018/19 to 2020/21 were also announced. All capital allocations from the Government now come in the form of capital grants.
- 1.3 This report includes the use of revenue contributions and general reserves to support capital investment and should be read in conjunction with the General Fund Revenue Budget and Council Tax 2017/18 and the Housing Revenue Account Budget and Investment Programme 2017/18 reports elsewhere on the agenda.

2. RECOMMENDATIONS:

That the Policy, Resources & Growth Committee recommend to Council the following:

- 2.1 The Capital Investment Programme for 2017/18 in appendix 1.
- 2.2 To note the estimated capital resources in future years as detailed in appendix 1.

- 2.3 To allocate £0.25m resources in 2017/18 for the Strategic Investment Fund for the purposes set out in paragraph 3.23.
- 2.4 To note the £2.0m allocation for the Digital First Scheme.
- 2.5 To allocate £1.0m for the Asset Management Fund.
- 2.6 The proposed use of council borrowing as set out in paragraph 3.40 and appendix 3.
- 2.7 To note the use of capital receipts to fund investment in change as part of the governments Flexible Use of Capital Receipts strategy set out in paragraphs 3.26 and recommended in the General Fund Revenue Budget and Council Tax 2017/18 report.

3. CONTEXT/ BACKGROUND INFORMATION

Context

- 3.1 The capital programme is funded through a combination of government grants, borrowing, capital receipts and reserves, external contributions and revenue contributions. Over the last four years the level of other capital receipts received by the council has risen as a result of an upturn in the property market and a concerted effort to review the surplus and non core assets within the council including those associated with the Workstyles modernisation programme. A number of sites have been identified and approved for disposal which will support the delivery of new investment such as the Workstyles Phase 3 and any further modernisation phases plus support for investment to deliver the 4-year Integrated Service & Financial Plans.
- 3.2 Sites recently sold include 251-253 Preston Road, 11 Little East Street, Lions Court and land at Park Wall, Falmer, 76-80 Buckingham Road and other vacant corporate properties. Projected disposals include Kings House and Patcham Court Farm. Over the past 4 years the number of council house sales has risen and are estimated to continue at similar levels for the next 3 years.
- 3.3 The council has been successful in attracting new grants and working with partners to generate other resources to enable a programme of £148.9m to be proposed. Grants have been awarded from the Heritage Lottery Grants (HLF) and Arts England Council to support the Royal Pavilion Estates Regeneration project plus funding from the Heritage Lottery Fund to support the Stanmer Estate Restoration Project and the Volks Railway. Successful bids were made in previous years to the Highways Infrastructure Fund for much needed investment at the Shelter Hall. A number of bids have been made throughout the region as part of the Greater Brighton City Region and funding has been agreed through the Local Growth Fund to support investment directly within the city including funding for Valley Gardens phases 1, 2 and 3, the Brighton and Hove Bike Share scheme, Intelligent Transport System, Digital Catapult at New England House, Preston Barracks Central Research Laboratory and the Circus Street Development.
- 3.4 The agreed policy of the council is to set a fully funded Capital Investment Programme for 2017/18 dependent upon the achievement of certain capital

receipts. Forecast levels of capital receipts for the next few years are sufficient to cover proposed allocations in the capital strategy assuming receipts from the sales of properties mentioned in paragraph 3.2 are achieved.

Capital Investment Programme

- 3.5 A proposed Capital Investment Programme for 2017/18 together with the impact in future years, by project, is shown at appendix 1 to this report. The latest capital re-profiling arising from the 2016/17 capital programme detailed in the Targeted Budget Management (TBM) month 9 report elsewhere on the agenda is incorporated into the 2017/18 programme and will be finalised when the capital accounts are closed in April 2017. The re-profiling is funded from resources carried forward from earlier years.
- 3.6 The financial implications of individual projects are included in the detailed reports that are submitted by services for each project to allow the relevant committees to give their full consideration to the capital and revenue costs prior to approval. Full provision for the revenue implications arising from the proposed Capital Investment Programme has been made in the General Fund and Housing Revenue Account revenue budgets.
- 3.7 The 2017/18 capital programme includes additional investment in the following areas:-
- £16.890m will be spent on new investment in schools.
 - £39.854m new investment in the housing stock including the New Homes for Neighbourhoods programme.
 - £13.683m in new and approved transport related schemes.
- 3.8 The capital programme will support the delivery of the 4 year service and financial plans and in 2017/18 £5.0m has been set aside to support the investment requirements set out in the General Fund Revenue Budget and Council Tax report elsewhere on this agenda. In addition, £2.0m of the £6.0m allocated to the Customer First in a Digital Age programme is also included.
- 3.9 The capital programme also includes allocations for investment in Public Conveniences over the next 3 years and additional funding to supplement the Planned Maintenance Budget (PMB) for investment in the Prince Regent and civic buildings in 2017/18.
- 3.10 As well as significant capital investment in the short term, the council is facing some major longer term capital investment challenges including the delivery of additional secondary school places, the major works needed to the seafront structures / infrastructure, pressure in identifying affordable housing across the city and investment in street lighting infrastructure. The 10-year Capital Investment Programme in appendix 1 details some of those challenges for which funding is being explored.

Major Capital Investment Areas

- 3.11 The council is facing demands for new pupil places in particular parts of the city, and previously the government's allocation of Education Basic Need funding was not keeping pace with these demands. The current government policy indicates that extra capital resources for Free Schools and Academies would not be provided where these are being developed to meet Basic Need. The government announced three year allocations up to 2017/18 for new pupil Basic Need of £12.039m for 2015/16, £12.641m for 2016/17 and £11.445m for 2017/18. Previous years' allocations were around £3.9m per annum.
- 3.12 The government has announced Basic Need for 2018/19 and the council will receive a nil funding allocation for that year. This will be the first time that no Basic Need funding has been allocated to Brighton & Hove City Council. The future allocations are based upon revised calculations of costs and the need to cope with pupils moving from primary to secondary schools. No further indicative announcements have been made beyond 2018/19. A detailed Education Capital Resources and Capital Investment Programme report will be presented to Policy, Resources & Growth Committee in March 2017.
- 3.13 The Housing Revenue Account (HRA) Capital Programme 2017/18 - 2019/20, also being presented to this Committee, includes investment proposals that aim to create a long-term sustainable asset base that best meets the needs of residents and the City as a whole. The HRA capital strategy focuses on meeting Corporate Plan priorities through building new homes and improving the quality and sustainability of the existing housing stock. The HRA capital strategy aims to ensure that every pound invested reaches beyond the housing service and contributes to regeneration, tackling inequality, creating training and employment opportunities and improving sustainability.
- 3.14 The council secures capital funding for transport schemes through the government's Local Transport Plan (LTP) process. The LTP consists of a long-term strategy and a short term delivery plan that identifies the principles that help deliver the council's strategic transport objectives and the city's Sustainable Community Strategy. Funding for the LTP has been announced for 2017/18 at £5.391m. Further indicative allocations have been announced for the 3 years 2018/19 to 2020/21 for £5.169m per annum; the announced allocations are lower than previous years of £5.463m in 2016/17 and £5.682m in 2015/16.
- 3.15 Funding for the Highways Maintenance grant which forms an element of the government transport funding has been reduced nationally and diverted toward a new Local Highways Maintenance Challenge Fund. Local authorities will be able to bid from this fund for major maintenance projects that are sometimes difficult to fund through the normal needs element allocations they receive. The council has already been successful in obtaining £8.915m of funding from the Local Highways Maintenance fund for the West Street Shelter Hall structure. A detailed Local Transport Plan report will be presented to Policy, Resources & Growth Committee in March whilst the LTP4 Delivery Plan report will also be presented in due course. Additional transport related grants announced for 2017/18 includes Pothole Action Fund of £0.135m, National Productivity Investment Fund of £0.978m to assist with reducing congestion, and Incentive Funding that assists with transport asset management.

- 3.16 The Council has agreed, subject to negotiation of the final terms, to enter into a Living Wage Joint Venture with Hyde Housing to deliver up to 1,000 new lower cost rental and sale homes. The outline proposal is for up to £105.470m investment with the council providing half (£52.7m) of that funding potentially through borrowing with no net cost to the council and all net costs being met through the Joint Venture business plan.
- 3.17 The Capital Investment Programme includes proposals for investment in the Madeira Terraces seafront highways infrastructure for up £23.6m investment over a number of years through a bid to the Coastal Communities Fund and borrowing met from increased commercial and business rates income. The LTP will make contributions toward the grant funding relating to the West Street Shelter Hall. The Street Lighting Invest- to-Save proposals have been included within the Capital Investment Programme and include £7.956m of investment over the next 3 years from a combination of borrowing and LTP contributions.
- 3.18 The council has developed ways of providing major capital investment in the city by working in partnership with the private sector and public bodies, for example, the Heritage Lottery Fund (HLF), Arts Council England (ACE) and the Coast to Capital Local Enterprise Partnership (C2C LEP) whereby most of the capital investment is undertaken and accounted for by the private sector. Recent bids include Arts Council and HLF funding totalling £9.922m towards the £20.749m phase 1 capital works for the Royal Pavilion Estates Regeneration project. Work will continue to secure funding for Phase 1 through external fundraising and match funding from the council and Brighton Dome & Festival Ltd. Further bids to HLF will be prepared and submitted for subsequent phases of the works.
- 3.19 A development grant from the HLF of £3.79m (Parks for People grant) has also been identified to develop detailed plans to support the Stanmer Estate Restoration Project bid. The council has also received £1.647m HLF funding toward the repairs, workshops and station at the Volks Railway.
- 3.20 Local Growth Fund has been awarded from the Coast to Capital Local Enterprise Partnership (LEP) to support total investment for Valley Gardens Phases 1 & 2 at £8.0m, Intelligent Transport System at £1.83m, Brighton & Hove Bike Share Scheme at £1.160m, Digital Catapult at New England House at £0.135m, Preston Barracks Central Research Laboratory at £7.7m and the Circus Street Development at £2.7m. Further bids are being considered for submission to the next round of funding through the Greater Brighton Economic Board of which Brighton & Hove City Council is a principal member.
- 3.21 Funding has also been secured as part of the Greater Brighton City Deal to develop New England House into a Growth Hub. Grant of £4.9m has been awarded to the council toward the development. A list of further major projects under construction or yet to commence is shown in Appendix 2.

Corporate Funds

- 3.22 Revised projections for future capital receipts should enable sufficient resources to cover allocations to corporate funds as detailed below.

TABLE 1: Corporate Funds	2017/18 £ million	2018/19 £ million	2019/20 £ million	2020/21 to 2026/27 £ million pa
Strategic Investment Fund (SIF)	0.250	0.250	0.250	0.250
Asset Management Fund (AMF)	1.000	1.000	1.000	1.000
Digital First	2.000	2.000	0.500	0.500

Strategic Investment Fund

- 3.23 It is proposed to allocate £0.250m to the Strategic Investment Fund (SIF) in 2017/18. The council has ongoing commitments to major projects that require financial support to enable their progression. The financial support takes the form of legal fees and specialist advisors for finance, design, architectural, transport, engineering and other external specialists. This will be reported at a later date to Policy, Resources & Growth Committee.

ICT Fund – Digital First

- 3.24 This committee approved the Customer First in a Digital Age programme on the 15th October 2015 which included the allocation of £2.0m per annum over the next 3 years to support the programme. The programme has now been renamed 'Digital First' and will enable the delivery of council wide revenue savings, improve customer experience, help to manage demand for services and develop new capabilities to ensure the council is fit for the future.

Asset Management Fund

- 3.25 It is proposed to allocate £1.0m resources per annum to the Asset Management Fund (AMF). The AMF includes expenditure on a range of properties covering, fire safety, health & safety, Equalities Act 2010 responsibilities and general improvements. The AMF will also support contribution towards future Workstyles projects. Bids to the remaining balance of the fund are currently being finalised and proposals for allocations of resources to schemes will be subject to a further report to this committee.

Supporting the 4 Year Integrated Service & Financial Plans

- 3.26 The General Fund Revenue Budget and Council Tax report elsewhere on this agenda identifies significant investment requirements to support achievement of over £60m savings identified in the 4 year service and financial plans, and, as mentioned in paragraph 3.8, capital resources are identified in supporting this investment in 2017/18. The capital investment programme includes allocations in 2017/18 to 2019/20 to fund all remaining investment requirements from capital receipts subject to the capital receipts being realised as planned. These investment requirements will be reviewed and confirmed each year to ensure the levels are appropriate.

- 3.27 In the Provisional Settlement, the Government outlined flexibility for the use of capital receipts enabling councils to use asset sales to help pay for upfront revenue investment in service transformation where this supports revenue savings. The planned use of capital receipts in 2017/18 to support transformation does not however require use of this flexibility as it can be applied to capital expenditure. In order to use this flexibility in future years, an 'Efficiency Strategy' will need to be approved by Council in advance of the financial year.

Capital Resources

- 3.28 A fully financed Capital Investment Programme is proposed for 2017/18 assuming that existing approved capital projects spend in-line with their budget and certain net usable receipts of just under £27.1m in total are achieved next year. Table 2 below shows how the programme will be financed in 2017/18. The position for the years 2018/19 onwards is less clear until future Government allocations are confirmed. All Government support is now allocated through capital grants and all grants are unringfenced with the exception of Devolved Schools Capital Grant which must be allocated to schools.

TABLE 2: Capital Resources	2017/18 £ million
Capital Grants:	
- Capital grant announcements in previous years and profiled for spend in 2017/18	32.442
- New capital grants	25.204
Total Government Support	57.646
Capital Receipts Reserve	19.291
Capital Reserves	2.514
Specific Reserves	1.231
External Contributions	5.095
Direct Revenue Funding – Housing Revenue Account	27.538
Direct Revenue Funding – Service Departments	0.410
Council Borrowing	35.163
Total Capital Resources	148.888

Capital Grants

- 3.29 The Government distributes capital grants towards the financing of certain capital expenditure. In 2017/18, it is anticipated that the council will receive new capital grants of £25.204m as summarised in table 3 below, and £32.442m from grants already announced where the spending of these grants is now profiled in 2017/18.

3.30 It is possible that other capital grants may be received during the year and these will be reported through TBM monitoring reports to Policy & Resources Committee as and when they are announced.

3.31 The new capital grants are in three main areas.

- Education Basic Need funding of £11.445m is included for new pupil places
- Education funding of £4.909m for investment in the maintenance of educational buildings and children’s centres in the city.
- Transport funding of £5.391m to include the transport related schemes and highways maintenance

TABLE 3: New Grants announced for 2016/17	£ million
Education Basic Need	11.445
Education Capital Maintenance	4.909
Schools Devolved Capital*	0.535
Transport and Maintenance (LTP)	5.391
Pothole Action Fund	0.135
National Productivity Investment Fund - transport	0.978
Incentive Funding – transport	0.131
Better Care Funding*	1.500
HCA Empty Homes Grant	0.180
Total	25.204

*Funding to be confirmed from government

3.32 The grant funding is provided to the council as a “Single Capital Pot” and with the exception of Schools Devolved Capital can be reprioritised as the council sees fit. It is proposed that all capital grants will be allocated in full to the relevant service.

3.33 The proposed new Local Transport Plan (LTP) programme for 2017/18 of £5.391m represents a slight decrease over 2016/17 which was allocated at £5.463m. The LTP is made up of Integrated Transport funding and Highways Maintenance funding from the government. The allocations for Highways Maintenance were reduced nationally from 2015/16 with funding allocated to a separate Local Highways Maintenance Challenge Fund and authorities able to bid to this fund for major maintenance projects. The LTP grant will be fully allocated to the service for 2017/18. The funding will be prioritised to invest in street lighting as well as maintain roads and pavements alongside other sustainable transport initiatives such as match funding toward Valley Gardens, the Intelligent Transport System, Brighton and Hove Bike Share Scheme and the

West Street Shelter Hall. A separate detailed report will be presented to Policy, Resources & Growth Committee in March.

Capital Receipts

- 3.34 The funding of the 2017/18 capital programme is dependent upon the achievement of £27.1m net capital receipts for investment into the General Fund during the year. This includes receipts associated with the disposal of surplus buildings identified under the Workstyles project which are required for investment into this project and receipts ringfenced for reinvestment into the Stanmer regeneration project. Progress will be closely monitored throughout the year for all receipts and reported through the regular TBM reports. Within 2017/18 the generation of the large capital receipt from the disposal of Kings House (Workstyles Phase 3) is included in the forecast. In future years receipts associated with the Brighton Waterfront and Preston Barracks will be required to be ringfenced back into the Waterfront scheme and corporate regeneration projects. Failure to achieve some of these receipts will require the capital allocations for future years to be reviewed.
- 3.35 The net receipts from 'right to buy' sales are split between funding for corporate strategic projects delivering regeneration including affordable housing opportunities, and investment directly in housing. The forecast receipts for Brighton & Hove City Council are set at an assumed level of £0.500m per annum. Any surplus above £0.500m will be set aside to reinvest in replacement homes.

Capital Reserves

- 3.36 The level of reserves relates purely to unspent resources carried forward from previous years and has already been earmarked for specific schemes. The council monitors these resources over a rolling period by continually updating projections and comparing these against the level of commitments within the approved Capital Investment Programme.

Specific Reserves

- 3.37 Specific reserves will be used to support schemes directly related to the purpose of the reserve or to support corporate priorities. Specific reserves relate to the refurbishment and maintenance of properties managed by the Brighton and Hove Seaside Community Homes with the costs being met as per the housing agreement. A contribution from the Brighton Centre Redevelopment Reserve will also support bringing forward the Waterfront project and the sports facilities reserve will support maintenance requirements at Prince Regent.

External Contributions

- 3.38 The council will receive new external contributions totalling £5.095m in 2017/18 associated with transport initiatives, section 106 contributions and private developers and partners contributions and donations.

Direct Revenue Funding

- 3.39 The General Fund and Housing Revenue Account budget reports elsewhere on the agenda include direct revenue funding of £27.948m. A summary of the allocations by service is shown in the table below.

TABLE 4: Direct Revenue Funding	£ million
Property & Design – planned maintenance	0.100
Sports & Leisure for Prince Regent	0.310
Total General Fund Services	0.410
Housing Revenue Account	27.538
Grand Total	27.948

Council Borrowing under the Prudential Code

- 3.40 Council borrowing under the Prudential Code can be undertaken only when it can be demonstrated that it is affordable for example where the investment leads to greater efficiency in future service provision and generates revenue savings or reductions in budgeted spend. For 2017/18 it is proposed that the council will undertake borrowing of £35.163m to finance capital expenditure plans as detailed in appendix 3.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The budget process allows all parties to put forward viable alternative capital investment proposals to Budget Council on 23 February 2017. Budget Council has the opportunity to debate both the proposals put forward by Committee at the same time as any viable alternative proposals. All budget amendments must have been “signed off” by finance officers no later than 12.00 noon on Thursday 16 February.

5. COMMUNITY ENGAGEMENT AND CONSULTATION

- 5.1 The level of consultation undertaken on individual schemes will be reported to Members when the detailed report is submitted for approval. The overall programme and appropriate levels of capital investment are subject to the same consultation processes as the revenue budget, which are described in the revenue budget report elsewhere on the agenda.

6. CONCLUSION

- 6.1 The council is under a statutory duty to set its council tax and budget before 11 March each year. The recommendations to Budget Council contained within this report together with the recommendations in the revenue budget report, will enable the council to meet its statutory duty.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

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

Finance Officer Consulted: Rob Allen

Date: 30/01/2017

Legal Implications:

- 7.2 Policy, Resources & Growth Committee has delegated power to formulate the council's capital investment programme, and to recommend its adoption by full Council as part of the overall budget setting process.

Lawyer Consulted: Elizabeth Culbert

Date: 01/02/17

Equalities Implications:

- 7.3 The equality implications of individual schemes included within the Capital Investment Programme are reported to Members when the detailed report is submitted to the relevant committees for final approval along with any appropriate Equality Impact Assessments. The programme includes resources to finance adaptations to the homes of disabled people and capital projects that are designed to improve living conditions of all sections of the community, through direct investment by the council or through capital grants to the private sector. The Asset Management Fund will address access improvements to council services and buildings.

Sustainability Implications

- 7.4 The environmental implications of individual schemes included within the Capital Investment Programme are separately reported to Members when the detailed report is submitted to the relevant committee for final approval. All projects are required to give due consideration to sustainability issues including energy conservation and the procurement of materials from managed and sustainable sources. The investment in sustainable transport initiatives and in street lighting will have a positive impact on the council's One Planet Living programme and on carbon reduction targets for the council and city as a whole.

Any Other Significant Implications:

Risk and Opportunity Management Implications:

- 7.5 The risk implications of individual schemes included within the Capital Investment Programme are reported to Members when the detailed report is submitted for approval. The Risk Matrix in appendix 5 of the General Fund Revenue Budget and Council Tax report elsewhere on the agenda highlights some of the general risks to the Capital Investment Programme.

SUPPORTING DOCUMENTATION

Appendices:

1. Capital Investment Programme 2017/18 to 2026/27
2. Other Capital Investment
3. Council Capital Borrowing 2017/18

Documents in Members' Rooms

1. None

Background Documents

1. Letter from the Department for Transport dated 11 December 2015.
2. Notifications from the Department for Education dated 31 March 2016.
3. Various files, budgets and accounting files held within the Corporate Finances & Resources Team, Financial Services.

Capital Scheme	Profiled Payments 2017/18 £000	Profiled Payments 2018/19 £000	Profiled Payments 2019/20 £000	Profiled Payments 2020/21 £000	Profiled Payments 2021/22 £000	Profiled Payments 2022/23 £000	Profiled Payments 2023/24 £000	Profiled Payments 2024/25 £000	Profiled Payments 2025/26 £000	Profiled Payments 2026/27 £000
SUMMARY										
Approved Schemes										
Families, Children & Learning	10,208	0	0	0	0	0	0	0	0	0
Health & Adult Social Care	0	0	0	0	0	0	0	0	0	0
Economy, Environment & Culture	34,942	15,120	4,214	835	0	0	0	0	0	0
Neighbourhood,Communities Housing GF	633	658	685	712	741	770	801	833	866	800
Neighbourhood Communities Housing HRA	14,565	0	0	0	0	0	0	0	0	0
Strategy, Governance & Law	0	0	0	0	0	0	0	0	0	0
Finance & Resources	3,185	2,000	0	0	0	0	0	0	0	0
New Schemes										
Families, Children & Learning	16,889	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Health & Adult Social Care	500	500	500	500	500	500	500	500	500	500
Economy, Environment & Culture	13,262	117,114	124,269	33,286	13,000	7,000	7,000	7,000	7,000	7,000
Neighbourhood,Communities Housing GF	9,600	9,000	15,300	16,700	7,200	1,000	1,000	1,000	1,000	1,000
Neighbourhood Communities Housing HRA	39,854	26,873	21,254	22,450	22,750	21,100	19,300	19,100	18,750	11,000
Strategy, Governance & Law	0	0	0	0	0	0	0	0	0	0
Finance & Resources	5,250	4,150	3,450	750	750	750	750	750	750	750
Total	148,888	178,915	173,172	78,733	48,441	34,620	32,851	32,683	32,366	24,550
Funded by:										
Government Grants - Single Pot	31,488	8,169	8,169	8,169	8,000	8,000	8,000	8,000	8,000	8,000
Government Grants - Ringfenced	26,158	21,111	4,600	5,100	2,100	2,100	2,100	2,100	2,100	2,100
Capital Receipts	12,625	57,793	46,600	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Capital Receipts HRA	6,666	978	0	1,400	2,100	2,100	2,100	2,100	2,100	2,100
Capital Reserves	1,214	248	33	0	0	0	0	0	0	0
HRA Capital Reserves	1,300	700	500	0	0	0	0	0	0	0
Specific Reserves	1,231	5,758	885	712	741	770	801	833	866	800
External Contributions	5,095	8,120	18,854	7,500	6,000	0	0	0	0	0
Direct Revenue Funding	410	435	0	0	0	0	0	0	0	0
Revenue Contribution to capital HRA	27,538	25,095	20,654	20,950	20,550	18,900	17,100	16,900	16,550	8,800
Council Borrowing	35,163	50,508	72,877	33,152	7,200	1,000	1,000	1,000	1,000	1,000
Total	148,888	178,915	173,172	78,733	48,441	34,620	32,851	32,683	32,366	24,550

Capital Scheme	Profiled Payments 2017/18 £000	Profiled Payments 2018/19 £000	Profiled Payments 2019/20 £000	Profiled Payments 2020/21 £000	Profiled Payments 2021/22 £000	Profiled Payments 2022/23 £000	Profiled Payments 2023/24 £000	Profiled Payments 2024/25 £000	Profiled Payments 2025/26 £000	Profiled Payments 2026/27 £000
<u>FAMILIES, CHILDREN & LEARNING</u>										
<u>Approved Schemes</u>										
<u>Education & Skills</u>										
Basic Need - New Pupil Places 2016/17	9,405									
Capital Maintenance 2016/17	338									
Universal Free School Meals	400									
<u>Schools</u>										
Carlton Hill Improvement Works	65									
<u>New Schemes</u>										
Basic Need - New Pupil Places	11,445									
Education Capital Maintenance*	4,909	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Devolved Formula Capital*	535	500	500	500	500	500	500	500	500	500
Total Families, Children & Learning	27,097	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500

*Estimated funding to be confirmed for years 2018/19 onwards.

Capital Scheme	Profiled Payments 2017/18 £000	Profiled Payments 2018/19 £000	Profiled Payments 2019/20 £000	Profiled Payments 2020/21 £000	Profiled Payments 2021/22 £000	Profiled Payments 2022/23 £000	Profiled Payments 2023/24 £000	Profiled Payments 2024/25 £000	Profiled Payments 2025/26 £000	Profiled Payments 2026/27 £000
<u>HEALTH & ADULT SOCIAL CARE</u>										
<u>Approved Schemes</u>										
NONE										
<u>New Schemes</u>										
Better Care funding to be allocated*	500	500	500	500	500	500	500	500	500	500
Total Health & Adult Social Care	500	500	500	500	500	500	500	500	500	500

*Estimated funding to be confirmed

Capital Scheme	Profiled Payments 2017/18 £000	Profiled Payments 2018/19 £000	Profiled Payments 2019/20 £000	Profiled Payments 2020/21 £000	Profiled Payments 2021/22 £000	Profiled Payments 2022/23 £000	Profiled Payments 2023/24 £000	Profiled Payments 2024/25 £000	Profiled Payments 2025/26 £000	Profiled Payments 2026/27 £000
<u>ECONOMY, ENVIRONMENT & CULTURE</u>										
<u>Approved Schemes</u>										
<u>City Environment Management</u>										
Procurement of vehicles	2,758	692	1,160	835						
Prince Regent glazing	728									
Prince Regent mechanical equipment	360	20								
Volks Railway HLF Delivery Stage	1,274									
Saltdean Lido		700								
<u>Transport</u>										
Valley Gardens Phase 1 & 2	6,851	1,890								
Bike Share Scheme	974									
Intelligent Transport System	598									
West Street Shelter Hall	3,121									
Street Lighting	2,652	2,652	2,652							
<u>City Development & Regeneration</u>										
Waterfront Development	200	200	200							
Preston Barracks Central Research Lab	4,593	2,438								
Digital Catapult	100									
<u>Culture</u>										
Royal Pavilion Estate	10,167	6,528	202							
Ready to Borrow Arts Council	210									
<u>Property Services</u>										
Property maintenance	356									
Continued										

Capital Scheme	Profiled Payments 2017/18 £000	Profiled Payments 2018/19 £000	Profiled Payments 2019/20 £000	Profiled Payments 2020/21 £000	Profiled Payments 2021/22 £000	Profiled Payments 2022/23 £000	Profiled Payments 2023/24 £000	Profiled Payments 2024/25 £000	Profiled Payments 2025/26 £000	Profiled Payments 2026/27 £000
<u>ECONOMY, ENVIRONMENT & CULTURE</u>										
Continued										
<u>New Schemes</u>										
<u>City Environment Management</u>										
Stanmer Park Development	3,684	7,049								
Public Conveniences	50	400	50							
<u>Transport</u>										
Local Transport Plan	4,532	4,869	4,869	5,169	5,000	5,000	5,000	5,000	5,000	5,000
Pothole Action Fund	135									
National productivity Investment Fund	978									
Incentive Funding - Transport	131	196								
Valley Gardens Phase 3		500	2,500	3,000						
<u>City Development & Regeneration</u>										
Regeneration project Preston Barracks receipt		2,100	2,100							
Seafront infrastructure Madeira Terrace		3,750	4,000	15,617						
Brighton Waterfront		80,000	85,000							
King Alfred Development		4,000	4,000							
<u>Culture</u>										
Royal Pavilion Estate (phases 2 to 3)			7,500	7,500	6,000					
<u>Property Services</u>										
Planned maintenance of operational buildings	1,000	500	500	500	500	500	500	500	500	500
Planned maintenance of social care buildings	500	500	500	500	500	500	500	500	500	500
Asset Management Fund	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Commercial building reinvestment	1,252									
New England House development		12,250	12,250							
Total Economy, Environment & Culture	48,204	132,234	128,483	34,121	13,000	7,000	7,000	7,000	7,000	7,000

Capital Scheme	Profiled Payments 2017/18 £000	Profiled Payments 2018/19 £000	Profiled Payments 2019/20 £000	Profiled Payments 2020/21 £000	Profiled Payments 2021/22 £000	Profiled Payments 2022/23 £000	Profiled Payments 2023/24 £000	Profiled Payments 2024/25 £000	Profiled Payments 2025/26 £000	Profiled Payments 2026/27 £000
<u>NEIGHBOURHOOD, COMMUNITIES & HOUSING (GF)</u>										
<u>Approved Schemes</u>										
Housing General Fund Brighton & Hove Seaside Community Homes maintenance & refurbishment	633	658	685	712	741	770	801	833	866	800
<u>Identified Schemes Not Yet Approved</u>										
Disabled Facilities Grant (Better Care Funding)*	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Housing Delivery Option – Joint Venture	8,600	8,000	14,300	15,700	6,200					
Total Neighbourhood, Communities & Housing (GF)	10,233	9,658	15,985	17,412	7,941	1,770	1,801	1,833	1,866	1,800

*Estimated funding to be confirmed

Capital Scheme	Profiled Payments 2017/18 £000	Profiled Payments 2018/19 £000	Profiled Payments 2019/20 £000	Profiled Payments 2020/21 £000	Profiled Payments 2021/22 £000	Profiled Payments 2022/23 £000	Profiled Payments 2023/24 £000	Profiled Payments 2024/25 £000	Profiled Payments 2025/26 £000	Profiled Payments 2026/27 £000
<u>NEIGHBOURHOOD, COMMUNITIES & HOUSING (HRA)</u>										
<u>Approved Schemes</u>										
Buildings (Improving Housing Quality)	3,927									
Brighton & Hove Standard Works	131									
Sustainability & Carbon Reduction	600									
Tackling Inequality	975									
Building New Council Homes	8,932									
<u>Identified Schemes Not Yet Approved</u>										
Buildings (Improving Housing Quality)	12,689	11,174	9,299	9,600	9,900	10,000	9,000	9,000	9,000	11,000
Brighton & Hove Standard Works	5,504	5,523	4,635	4,700	4,800	4,000	4,000	4,000	4,000	Tbc
Sustainability & Carbon Reductions	2,201	4,007	4,638	4,600	4,500	3,550	3,250	3,200	3,200	Tbc
Tackling Inequality	5,267	2,911	2,682	3,550	3,550	3,550	3,050	2,900	2,550	Tbc
Building New Council Homes *	14,193	3,258								
Total Neighbourhood, Communities & Housing (HRA)	54,419	26,873	21,254	22,450	22,750	21,100	19,300	19,100	18,750	11,000

* New Build Homes capital programme budget will be updates as schemes are approved by Housing Committee, with funding of the New Homes from a mixture of grant, borrowing and the use of surplus receipts.

Capital Scheme	Profiled Payments 2017/18 £000	Profiled Payments 2018/19 £000	Profiled Payments 2019/20 £000	Profiled Payments 2020/21 £000	Profiled Payments 2021/22 £000	Profiled Payments 2022/23 £000	Profiled Payments 2023/24 £000	Profiled Payments 2024/25 £000	Profiled Payments 2025/26 £000	Profiled Payments 2026/27 £000
<u>FINANCE & RESOURCES</u>										
<u>Approved Schemes</u>										
<u>ICT</u>										
ICT Compliance	150									
Digital First	3,035	2,000								
<u>New Schemes</u>										
Strategic Investment Fund	250	250	250	250	250	250	250	250	250	250
ICT Fund			500	500	500	500	500	500	500	500
Investment in 4 Year Savings Plans	5,000	3,900	2,700							
Total Finance & Resources	8,435	6,150	3,450	750	750	750	750	750	750	750

The table below identifies major capital investment projects and proposed funding arrangements.

Project	Procurement Route	Investment
Brighton Waterfront includes Black Rock, Churchill Square shopping centre & Brighton Centre site	In conjunction with Standard Life Investment and Venue Ventures	Estimated £540m. £154m for the eastern site and £375m to the central site.
Circus St Development	Joint development with the University of Brighton	Circa £105m development
Stanmer Park Estate Restoration Project	Heritage Lottery Fund and SDNPA partners	Circa £10m regeneration
Royal Pavilion Estate Regeneration	Heritage Lottery Funding, Arts Council England, other grant funding and private sector partners	£41m regeneration
Preston Barracks / University of Brighton land	Regeneration development with Brighton University & private sector partners	To be determined.
New England House Growth Hub	City Deal and private partners	Circa £25m investment
King Alfred Development	In conjunction with private developers / partners	To be determined
Housing Delivery Options	Joint ventures being explored.	Circa £105m investment

The table below identifies council borrowing during 2017/18 for capital investment.

Council Borrowing in 2017/18	£ million
Housing Revenue Account – 17/18 new borrowing	7.073
Housing Revenue Account – 16/17 reprofiled schemes	11.357
Replacement programme vehicles & plant	2.758
Street Lighting invest to save	2.352
Social Care buildings maintenance	0.500
Planned Maintenance – corporate buildings	0.500
Housing Initiative Joint Venture	8.600
Royal Pavilion Estate regeneration	1.678
Stanmer Park redevelopment	0.280
Carlton Hill School improvement works	0.065
Total for Capital Programme	35.163

- As part of the HRA business plan borrowing will be used to support the delivery of Decent Homes and funding of £7.073m was reprofiled from 2016/17 for investment in new build, conversions and cladding at various sites. A total sum of £11.357m is also profiled for investment in improving housing quality, sustainability and carbon reduction schemes, tackling inequality, standard works and building new homes. The financing costs have been identified to be met from the HRA capital financing revenue budget.
- The provision of £2.758m is for replacement of vehicles during the year. This includes replacement refuse collection street cleansing vehicles for Cityclean, potential replacement of miscellaneous waste and parks vehicles during the year and parking equipment if this proves to be the most cost-effective way of procurement. These assets may be currently provided through operational leases and paid for through the relevant service revenue budget.
- The Street Lighting invest to save proposal was presented to Policy, Resources & Growth Committee on 8 December 2016 and plans to use borrowing to implement the application of new energy efficient LED lighting technologies as well as the application of the latest British and European Road Lighting Standards and control systems. This will generate energy and carbon reduction savings. Net revenue savings from the street lighting and electricity budget will contribute to the cost of borrowing.
- As a result of condition surveys on Social Care operational buildings an annual programme of planned works has been incorporated into the capital programme to ensure the buildings meet current standards and are fit for purpose.
- Borrowing to support the Planned Maintenance Budget has been introduced to support the ongoing maintenance pressures for corporate and

civic buildings. The revenue costs for the borrowing have been addressed within the Integrated Service and Financial Plans.

- The Housing Delivery Options were presented to Policy, Resources & Growth Committee in November 2016. The initial proposal is for £105.47m of investment alongside Hyde with the council to contribute up to £52.7m through borrowing. The estimated amount from that borrowing in 2017/18 is £8.6m with no net cost to the council and all costs being met through the Joint Venture business plan.
- Royal Pavilion Estate regeneration projected was reported to Policy, Resources & Growth Committee in October 2016 and recommended council borrowing to be financed from the Brighton Dome & Festival Limited to support the project.
- The redevelopment of the traditional agricultural buildings at Stanmer Park is proposed to be funded from a combination of capital receipts and borrowing with income generated from rentals set aside to meet borrowing costs.
- Carlton Hill school requires refurbishment of the ICT suite and the costs of borrowing will be met from the schools revenue budget.

Subject: Housing Revenue Account Budget and Investment Programme 2017/18 and Medium Term Financial Strategy – Extract from the Proceedings of the Housing & New Homes Committee meeting held on 18 January 2017

Date of Meeting: 9 February 2017

Report of: Executive Director for Finance & Resources, and Executive Director Neighbourhoods, Communities & Housing

Contact Officer: Name: **Caroline De Marco** Tel: **29-1063**
E-mail: Caroline.demarco@brighton-hove.gov.uk

Wards Affected: All

FOR GENERAL RELEASE

Action Required of the Committee:

To receive the item referred from the Housing & New Homes Committee for approval:

Recommendation: That the following be referred to the Committee for decision:

- (1) That the Committee:
 - (a) approves and recommends to Council the updated HRA revenue budget for 2017/18 as shown in Appendix 1;
 - (b) approves a rent reduction of 1% in line with government legislation as detailed in paragraph 3.7;
 - (c) approves service charges and fees as detailed in Appendix 2.
 - (d) approves the capital programme expenditure and financing budget of £39.854 million for 2017/18 and notes the 4 year programme as set out in Appendix 3;
 - (e) notes the Medium Term Financial Strategy and 30 year financial projections shown in Appendix 4.
- (2) That the Committee review the capital programme, once the extent of the levy is known;

BRIGHTON & HOVE CITY COUNCIL**HOUSING & NEW HOMES COMMITTEE****16 NOVEMBER 2016****COUNCIL CHAMBER, HOVE TOWN HALL**

Present: Councillor Meadows (Chair) Councillor Hill (Deputy Chair), Councillor Mears (Opposition Spokesperson), Councillor Gibson (Group Spokesperson), Councillors Atkinson, Barnett, Bell, Druitt, Lewry and Moonan.

DRAFT MINUTE**PART ONE**

- 55.1 The Committee considered a report of the Executive Director of Finance & Resources and the Executive Director, Neighbourhoods, Communities & Housing which presented the proposed Housing Revenue Account (HRA) revenue and capital budget for 2017/18 as required by the Local Government and Housing Act 1989. Members were required to consider the revenue budget proposals including savings and service pressures as well as changes to rents, fees and charges and also the capital programme. The report also set out the Medium Term Financial Strategy and 30 year financial forecast. The report was presented by the Assistant Director – Finance, accompanied by the Principal Accountant, the Housing Asset Strategy Manager and the Head of Housing Strategy, Property & Investment.
- 55.2 Councillor Atkinson thanked officers for the report. He raised issues on the following:
- Page 48 – paragraph 3.1 – priority 1, in relation to Right to Buy receipts. How much did the council receive back?
 - Page 53 – paragraph 3.20 second bullet point mentioned the reduction of the benefit cap and roll out to universal credit. Was there an early warning system to find out which people were getting into difficulties?
 - Page 49 – Renovation of Seniors Housing schemes to convert studios into one bed flats – Residents at a block in Portslade were very happy with the conversion of their block.
 - Page 66 – Appendix 3 - in relation to lightening protection. One block had been hit twice. Was this block on the list for protection?
 - Page 72 - Appendix 4 – An explanation of alternative delivery models was requested.
- 55.3 The Principal Accountant referred to the question about Right to Buy. She explained that when the council received the capital receipt it was allowed to use 30% of the total. The capital receipt could be allocated for use towards projects and the project could be funded up to 30%. The Executive Director Neighbourhoods, Communities and Housing

stated that with every receipt received, only 30% could be used on each home. This was causing problems for some councils. The council sometimes worked with a partner and gave them the 30% funding. There were strict rules on how Right to Buy receipts were used.

- 55.4 The Assistant Director – Finance referred to the question about Universal Credit. This would be phased in the city during 2017. There was a need to learn from the experience around the country on the impact of arrears.
- 55.5 Head of Housing Strategy, Property & Investment referred to the reference to studio conversion. This was part of the council's 'in homes' programme. The council made sure it made best use of its assets to improve supply and it was a popular way of making some of the council's formally hard to let properties more popular. That programme was being kept under review because it was necessary to ensure that the council continued to meet the needs of residents. On universal credit the council were working hard to identify households at risk of loss of benefit and who may need assistance. With regard to alternative delivery mechanisms the council had been working with Hyde on the joint venture and the wholly owned housing company.
- 55.6 The Housing Asset Strategy Manager reported that he was aware that some blocks were not protected adequately in terms of lightning protection. Generally speaking the council install or reinstall lightning protection when major works are carried out. He would find out what was happening with Downland Court and reply to Councillor Atkinson.
- 55.7 Councillor Mears raised issues on the following:
- In the past Right to Buy receipts were used for budgetary purposes in the general budget. Had this process stopped or was it continuing?
 - Page 50 – Capital Programme – Concerns had been raised at council around leaseholders and housing management contracts. Councillor Mears was concerned about the way this paragraph was worded. The council needed to ensure that when nearly £40m of tenant's money was being spent that best value was being achieved.
 - Page 51 – paragraph 3.14, modernisation of passenger lists - concern was raised about the wording of this paragraph.
 - Page 53 – Paragraph 5.2 - Councillor Mears had not received the letter sent to the Area Panel's.
 - Page 54 - Budget consultation - Councillor Mears reported that there had been a budget consultation process at East Area Housing Management Panel in less than 10 minutes.
 - Page 59 – Appendix 1 – Councillor Mears had asked questions on agency staff and had received some information. 17 posts needed to be recruited.
 - Page 60 – Appendix 1 – Saving of £450,000 for gas contract. Councillor Mears assumed this was a one off saving. How was the contract set? Did it impact on the savings put forward?
 - Page 60 – Appendix 1 – Service Pressures/ service re-design – Confirmation was requested that these were not items moved over from the general fund.
 - Councillor Mears asked for the number of apprenticeships which were originally 200.
 - Page 61 – Clarification was requested regarding the increase in employees costs in property and investment.

- 55.8 The Assistant Director – Finance explained that an element of the Right to Buy receipts still went to the General Fund. This was between £4m and £5m and was built into the General Fund Capital Programme. The Capital programme schemes were set out in order of priority and was a choice for members.
- 55.9 The Head of Housing Strategy, Property & Investment reported that officers checked prices and value for money in relation to major works. The programme was kept under review and considered on a scheme by scheme basis. Officers would ensure value for money in relation to lift modernisation. The gas servicing contract had resulted in city wide ongoing savings. Service redesign around the adaptation service reflected work the team was already carrying out. This was proactive preventative work.
- 55.10 The Executive Director, Neighbourhoods, Communities and Housing was sorry that Councillor Mears had not received information sent to the Area Panels. This would be reviewed and officers would try and send out the information electronically. With regard to the question about agency staff, the council was reviewing the use of agency staff but there were cases where the service to the customer would be detrimental if there were not experienced skilled staff. If there was a necessity, agency staff would have to be used in the short term. However, it was accepted that agency staff was not a direction that the council wanted to continue in the longer term.
- 55.11 The Executive Director, Economy, Environment & Culture referred to the HRA share of the apprenticeship levy. From April 2017 the Government were introducing a levy in businesses or employers that have a certain number of employees. Therefore this is the HRA's contribution towards that levy and that levy then funds the training element of apprenticeships. He could arrange for information about numbers of apprenticeships to date to be sent to Councillor Mears.
- 55.12 Councillor Mears raised further issues on the following:
- Page 61 – Appendix 1 - Redundancy reserves – How much had already been paid out of this reserve?
 - Page 62 – Appendix 1 - Head of Housing HRA. An explanation of this figure was requested.
 - Page 63 – ICT - £646,000 – Appendix 1 - What was the overall cost the HRA was going to contribute to this and when would the work be completed?
 - Page 63 – Director - £16,000 – what did this relate to?
 - Page 67 – Appendix 2 - conversion and extensions – It was important that the budget should be extended to enable families to remain in a properties.
 - Page 68 – Appendix 3 – Housing ICT budget - £80,000. Clarification was sought on the figure.
 - Page 70 – Appendix 4 – Other costs should be itemised.
- 55.13 The Assistant Director – Finance stated that he would have to check the figure for the costs incurred under the restructuring redundancy this year and provide this information to Councillor Mears after the meeting. He believed that the reference to Head of Housing HRA (Page 62 – Appendix 1) related to a sustainability post, an Energy Project Manager. With regard to Page 63 – Director - £16,000 – That is an apportionment on

what was effectively a cost centre which captures some of the costs related to the Director's budget. There would be an apportionment from that to the HRA.

- 55.14 The Principal Accountant referred to the question relating to Page 63 – ICT - £646,000 – Appendix 1- This represented the charge to the HRA for all the support services received from ICT. The £80,000 in the capital programme was for capital ICT costs such as new hardware.
- 55.15 The Assistant Director – Finance stated that support services charges had been reviewed over the last couple of years and the ICT charges had been reviewed and were based on reasonable apportionment.
- 55.16 The Executive Director, Neighbourhoods, Communities & Housing explained that with regard to ICT there were two elements being considered. One element was the renewal of the housing management system, which had not yet commenced. The housing management system currently in use was old and coming to the end of its life. There had also been another project which was part of corporate modernisation and that was ongoing.
- 55.17 The Head of Housing Strategy, Property & Investment referred to the question relating to Page 67 – Appendix 2 - conversion and extensions. He explained that the service supported as much as it could the conversion and extension of existing homes. That programme was kept under review. The programme was focusing on empty homes that become vacant. The Housing Asset Strategy Manager explained that the service did take some homes from major adaptations where there were families in situ and officers worked with the adaptations team to ensure the adaptations were integrated with the new build element of the property.
- 55.18 The Assistant Director – Finance referred to the question about other costs. This would include other supplies and services. The Principal Accountant could supply a breakdown to members.
- 55.19 Councillor Moonan referred to page 48 –Paragraph 3 – Priority 2, which referred to promoting the highest possible building, space and environmental standards. She understood that the council were exploring new modular builds. Would they comply to the same standard? The Head of Housing Strategy, Property & Investment explained that the intention would be to build to the same standard. The council were looking at modular build pilots. Sometimes they would be used on sites that the council struggled to develop to its usual space standards. Compromise may be seen in difficult sites such as Eastergate Road. The government was providing funding for modular build at scale. The council would discuss these issues with partners and bring back a report to committee. The Housing Asset Strategy Manager reported that insulation was built into modular build properties.
- 55.20 Councillor Bell raised issues on the following:
- Page 48 – Paragraph 3 – Priority 1 – When the council adapt HRA properties why were they not identified as adapted properties? Adaptations were often taken out when new tenants moved in.

- Page 49 – Paragraph 3.4. Councillor Bell noted this referred to budget savings of £0.932 million to mitigate the impact of service pressures.
- Page 59 – Appendix 1 showed an increase in staff costs of £104,000. It also showed savings against major works of £300,000. Why were the council spending less money on major works.
- Councillor Bell noted increased costs on Page 60 – Appendix 1 – Service pressures – Strengthening BHCC client side for re-procurement of the repairs and improvement contract - £150,000. 147,000 for Senior housing scheme manager increased costs. Further resource required – review of tenancy agreements - £35,000.
- Page 61 – Appendix 1 – increase in employee costs of £147,000. Councillor Bell was concerned that the council was mounting up increased costs in staffing. Savings from the HRA would mean fewer services for tenants because costs were being increased for staff.
- Page 63 – Appendix 1 – Support Service Charge of £646,000 for ICT. Councillor Bell noted that with a further £80,000 this was over £700,000 from the HCA for ICT. He wanted assurances that that was not supporting anything that should be coming out of the general fund. A breakdown of those costs was requested.
- Page 70 – Appendix 4 – borrowing costs of £6m. More details were required. Councillor Bell wanted to know why and for what purpose the council were borrowing, who the council would borrow from and what the interest rates would be.

55.21 The Executive Director, Neighbourhoods, Communities & Housing explained that with regard to adaptations, all properties that were adapted were advertised and priority was given to people who required those adaptations. However, sometimes an adaptation was so specialist to a particular need that it was difficult to find someone with housing need and the adaptations were removed. In other cases, ill advised adaptations may have taken place in the past and in those cases steps were taken to remove those adaptations where they were not appropriate. Although the amount of support service charge might seem high the systems supported a very large housing service. There were asset management systems, rent account systems and general systems. The Executive Director confirmed that the HRA element only paid for the HRA.

55.22 The Principal Accountant referred to the question relating to page 59 – Appendix 1 which showed an increase in staff costs of £104,000. This looked at the forecast this financial year at month 7. At that point of time there was a £104,000 projected overspend on staff costs as a result of the service redesign being slightly delayed. Officers were now working on the forecast for month 9 and it looked as if employees costs would not be overspent. The £300,000 for major works was extra income the council had received, because the timings of capital projects had led to more major works being billed than expected.

55.23 The Assistant Director – Finance referred to the question about Page 70 – Appendix 4 – borrowing costs of £6m. He explained that this was the cost of servicing the debt. The council borrowed in order to fund the Housing Capital Programme.

55.24 Councillor Gibson raised issues on the following:

- The current borrowing rates were 2.1% and it was a favourable time to borrow.

- It was a good budget and achieved a great deal. Nevertheless it reduced reserves that were available (page 61 – Appendix 1 - Projected Reserves at 31 March 2017). What did officers anticipate to be the known risk from the high value levy?
- The budget was made easier by having extra income for the New Homes for Neighbourhood Programme. £877,000 additional rental income would be coming in next year. He hoped the programme would be stretched as far as possible.
- Feedback from tenants – Consultation had improved this year but could have been better. Voting was sometimes confused.
- Tenants felt that a priority should be fixing things that could cost more if delayed such as problems with guttering and roof repairs.
- Estate development budget – The report stated on page 67 that the Estate Development proposed budget is £243,000 but he was led to understand that the budget expenditure is £540,000. It was important that that was corrected.
- Service costs are supposed to be charged at the actual cost and the perception from the tenants' meetings was that hardly anything ever happens to TV aerials. A query was raised as to whether the 76p service charge for TV aerials reflected 76p worth of expenditure on TV aerial maintenance in the last year.
- Concern was expressed from tenants who felt that they might be paying for services that are for the general community i.e. lighting on housing estates on housing land. This was paid out of the HRA but was external to the blocks.
- ICT Service Charge – The charge had increased from approximately £559,000 last year to £646,000. This was a big increase. Which elements had increased and why had they increased?
- Why was there was a 9% increase in Human Resources Support Service charge?
- Estate development budget – At a tenants' meeting it was asked if there was any scope for greater efficiency through more competitive tendering?

55.25 The Assistant Director – Finance explained that the average pool borrowing rate was around 4.5% to 4.6%. Current rates were very good but were not so good in the past, so that is an average rate over time. In terms of reserves the council and the HRA ring fenced accounts should only hold the reserves for specific purposes, on the basis that it needs to hold them and has commitments against them. There was a minimum working balance requirement of £3m. At the moment there was not much detail available on the levy and at this stage it was not possible to include any reasonable assessment within the budget. This would have to be considered within the 2018/19 budget process. In terms of the Estate Development Budget, page 61 showed that reserves were reducing and therefore it could be seen that the EDB is being used to support the core budget. It was the core budget that was only £243,000, but the expenditure in 2017/18 would be around £540,000, by topping up that budget by use of the reserve.

55.26 Councillor Gibson replied that councillors needed to be presented with what was intended to be expended. The Assistant Director – Finance agreed that there could be added clarity around that issue. He stated that detail around support service charges would have to be sent to Councillor Gibson. There were added costs around ICT for example.

55.27 The Head of Housing Strategy, Property & Investment stated that the council were proposing to spend £1.2m on roofing because it protected the asset. Guttering was a day

to day repair. Mears had talked to the Home Group residents about guttering. If there were guttering issues councillors should let him know.

- 55.28 The Executive Director Neighbourhoods, Communities and Housing referred to the high value void levy. Up to the referendum it was unclear on how it could work as it needed to be an ongoing form of income for government in a similar way to subsidy. A Working Group tried to work with DCLG to come up with a more sustainable solution but the DCLG stopped the working group meetings and said it needed a complete re-think. Therefore the Executive Director could not estimate how much needed to be set aside for the high value levy.
- 55.29 The Principal Accountant stated that TV aerial charge of 76p was made up of 2 separate elements. One was the installation costs that were being spread over 7 years. Another element was for servicing and maintenance which was around 25p. After the 7 years that installation part of the charge will be reviewed. Aerials are serviced once a year.
- 55.30 Councillor Druitt raised issues on the following:
- He congratulated officers on savings £450,000 on the gas bill. Were there other things the council could save money on?
 - More detail was requested on Page 60 - Appendix 1 – £120,000 saving on responsive repairs and other procurement opportunities.
 - Page 63 – Appendix 1 – Support service charges. £25,000 for energy efficiency did not seem very much money. Was there data on energy efficiency support?
 - Page 67 – Appendix 3 – Home energy efficiency & renewables had seen a massive drop in budget. Were there figures for some of the benefits that the council had seen as a result of previous energy efficiency and renewable energy schemes and how did the council measure in financial terms how effective those schemes were, and what the council might gain in the future from further investment in those areas.
- 55.31 The Head of Housing Strategy, Property & Investment stated that it had been decided to have joint housing approach to energy efficiency. The £25,000 service charge for energy efficiency covered part of a management post that dealt with that issue across the general fund and the HRA. There was a sustainability team and an affordable warmth team that worked across both tenures. The council invested significantly in energy efficiency and paragraph 3.15 in the report outlined some of this work. With regard to the question on responsive repairs, the council did make a saving last year. This was partly due to proactively investing in the stock which reduced responsive repairs. Secondly, there had been a reduction in stock through Right to Buy.
- 55.32 Councillor Druitt asked for answers to financial questions to be collated and sent to all members of the committee. This was agreed by the Chair.
- 55.33 Members voted on the following amendment moved by Councillor Gibson and seconded by Councillor Druitt.

“That where the recommendations are listed in the policy, under point 2, that the following be added:

2.2 That the Housing & New Homes Committee:

- (a) Notes that the proposed payments to Government to fund the Housing Association Right to Buy scheme could severely constrain the HRA;
- (b) Requests that Policy, Resources and Growth Committee review the capital programme, once the extent of the levy is known;
- (c) Produces a report setting out options for mitigating the high value levy without resort to the sale, and therefore loss, of social housing. This report should explore housing management efficiencies, reductions in the capital expenditure and review the apportionment of expenditure between the HRA and the General Fund to ensure adherence to the Local Government and Housing Act 1989 (schedule 4, para 3-1, p194);
- (d) Set up a task and finish working group and use the existing consultation process with tenants representatives, (including Area Panels), members of all parties and officers, in order to review transfers between HRA and General Fund, in line with 1989 Local Government Housing Act requirements as in c)”

55.34 Amendment 2.2 (a) was agreed by 6 votes. There were 4 abstentions. Amendment 2.2 (b) was agreed by 6 votes. There were 4 abstentions. Amendment 2.2 (c) was unanimously agreed. Amendment 2.2 (d) was unanimously agreed.

55.35 Members voted on the recommendations set out in paragraph 2.1 of the report. 2.1 (a) was agreed by 6 votes. There were 4 abstentions. 2.1 (b) was agreed unanimously. 2.1 (c) was agreed unanimously and 2.1 (d) was agreed by 4 votes. 2.1 (e) was agreed unanimously.

55.36 **RESOLVED:-**

- 1) That Housing & New Homes Committee recommend that Policy, Resources & Growth Committee:
 - (a) approves and recommends to Council the updated HRA revenue budget for 2017/18 as shown in Appendix 1;
 - (b) approves a rent reduction of 1% in line with government legislation as detailed in paragraph 3.7;
 - (c) approves service charges and fees as detailed in Appendix 2.
 - (d) approves the capital programme expenditure and financing budget of £39.854 million for 2017/18 and notes the 4 year programme as set out in Appendix 3;
 - (e) notes the Medium Term Financial Strategy and 30 year financial projections shown in Appendix 4.
- 2) That the Housing & New Homes Committee:

- (a) Notes that the proposed payments to Government to fund the Housing Association Right to Buy scheme could severely constrain the HRA;
- (b) Requests that Policy, Resources and Growth Committee review the capital programme, once the extent of the levy is known;
- (c) Produces a report setting out options for mitigating the high value levy without resort to the sale, and therefore loss, of social housing. This report should explore housing management efficiencies, reductions in the capital expenditure and review the apportionment of expenditure between the HRA and the General Fund to ensure adherence to the Local Government and Housing Act 1989 (schedule 4, para 3-1, p194);
- (d) Set up a task and finish working group and use the existing consultation process with tenants representatives, (including Area Panels), members of all parties and officers, in order to review transfers between HRA and General Fund, in line with 1989 Local Government Housing Act requirements as in c);

Subject:	Housing Revenue Account Budget and Investment Programme 2017/18 and Medium Term Financial Strategy		
Date of Meeting:	23 February 2017 9 February 2017 – Policy, Resources & Growth Committee 18 January 2017 – Housing & New Homes Committee		
Report of:	Executive Director for Finance & Resources Executive Director for Neighbourhoods, Communities & Housing		
Contact Officer:	Name:	Susie Allen Martin Reid	Tel: 29-5113 29-3321
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report presents the proposed Housing Revenue Account (HRA) revenue and capital budget for 2017/18 as required by the Local Government and Housing Act 1989. Members are required to consider the revenue budget proposals including savings and service pressures as well as changes to rents, fees and charges and also the capital programme. This report also sets out the Medium Term Financial Strategy and 30 year financial forecast.
- 1.2 The HRA contains the income and expenditure relating to the council's social landlord duties of approximately 11,520 properties and 2,849 leasehold properties. The income and expenditure relating to these properties is accounted for separately from the council's other services/activities which form part of the council's General Fund.

2. RECOMMENDATIONS:

2.1. That the Committee:

- (a) approves and recommends to Council the updated HRA revenue budget for 2017/18 as shown in Appendix 1;
- (b) approves a rent reduction of 1% in line with government legislation as detailed in paragraph 3.7;
- (c) approves service charges and fees as detailed in Appendix 2.
- (d) approves the capital programme expenditure and financing budget of £39.854 million for 2017/18 and notes the 3 year programme as set out in Appendix 3;

(e) notes the Medium Term Financial Strategy and 30 year financial projections shown in Appendix 4.

2.2. That the Committee note that Appendix 1 'HRA Forecast Outturn 2017/18 & Revenue Budget 2017/18' has been updated since being reported to Housing and New Homes Committee to include an up to date month 9 forecast for 2016/17 (updated from month 7). Also, a further service pressure of £0.045m has been added as explained in paragraph 3.4.

3. HRA BUDGET STRATEGY

3.1 The HRA Budget aims to balance the priorities of both the council and council housing residents within the context of the Housing Strategy 2015, and the Corporate Plan 2015-2019 which sets out the overall direction for the council over the 4 year period. The council's purpose and ambition as a local authority for the city is strong civic leadership, value for money, quality public services and to protect the vulnerable. The Housing Strategy priorities included in developing the HRA revenue budget and capital programme are:

Priority 1: Improving Housing Supply

- Provide more council housing, through the New Homes for Neighbourhoods programme, and use Right To Buy (RTB) receipts to fund new housing.
- Support the Housing and Budget Strategies through ongoing council housing stock reviews to deliver conversions of existing under-used or unused buildings or spaces into Temporary Accommodation.
- Commission new adapted homes and ensure best use of existing adapted / accessible housing in order to promote independent living demonstrated to deliver significant cost benefits.
- Support households wanting to downsize to increase supply of available family housing.
- Early intervention for families struggling with accommodation including money advice and tenancy support.

Priority 2: Improving Housing Quality

- Continue to promote the highest possible building, space and environmental standards in all new council homes being built to high sustainability levels.
- Continue to improve council housing sustainability standards and maintain 100% achievement of the council's housing stock meeting the Decent Homes Standard and invest in other priorities that promote the health and wellbeing of our residents.
- Continue the annual Warm Homes Healthy People Programme to support vulnerable households.

Priority 3: Improving Housing Support

- Ensure that as services are reviewed, they are accessible and safe for all.
- Improve front facing customer services at Council Housing Offices.
- Continued investment in specialist tenancy management and support services to support vulnerable council housing residents and work with Community Safety to resolve housing issues and harassment in a timely manner.
- Re-model seniors housing to ensure that it supports the right people and improves social networks and well-being.

- Ensure that adaptations are done at the right time to support people to stay in their homes when they want to.
- Support people to 'downsize' when they choose and provide a range of options for them, including accessible tools to support decision making.
- Continue to renovate seniors housing schemes to convert studios into one bed homes.
- Better links between seniors housing schemes and surrounding communities.
- Ensure new housing development includes community spaces.

HRA Asset Management Strategy

Our HRA Asset Management Strategy acts as a link between our Housing Strategy priorities and investment programmes. In 2016 the HRA Asset Management Strategy was agreed following extensive consultation and work with residents.

The key priority objectives of the strategy are to:

- Invest in homes and neighbourhoods to provide safe, good quality housing and support services;
- Support new housing supply;
- Ensure financial viability within the Tenancy Strategy.

The proposed Capital Investment Programme supports all 3 of these objectives. For example, one of the key aims of the provisional investment programme is to continue to achieve full compliance with the Brighton & Hove Standard, as agreed with residents. This standard, developed with residents, helps to ensure that homes are safe, fit for use, have reasonably modern facilities, and supports occupiers to keep warm.

HRA REVENUE BUDGET PROPOSALS 2017/18

- 3.2 The 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.
- 3.3 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 drive out inefficiencies 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.
- 3.4 The HRA budget for 2017/18 is shown in Appendix 1 with the main budget variations, proposed savings, service pressures and other changes. Savings of £0.932 million have been identified to mitigate the impact of service pressures and include a number of efficiencies, savings from the procurement of the gas servicing contract, a reduction in responsive repairs expenditure and additional income as detailed in Appendix 1 (note 3). Service pressures of £0.431 million are mainly from a requirement to increase resources to form a project team in respect of the preparation for the re-procurement of the repairs and improvement contract, aligning resources for prevention work and a reduction in rental income, detailed in Appendix 1 (note 4). Since this report was presented to Housing and New Homes

Committee, Appendix 1 has been updated to reflect the up to date forecast at month 9 for 2016/17. Also, an additional service pressure of £0.045m has been added to the 2017/18 budget. This relates to an increase in pension costs as a result of a recent triennial review, increasing the proposed level of service pressures from £0.386m to £0.431m. This has been offset by a reduction in capital financing costs as a result of an up to date forecast at month 9. The net revenue budget results in a surplus of £25.579 million which is shown as 'Direct Revenue Funding' (within expenditure) which will be used to support the capital programme.

- 3.5 Rents are calculated in accordance with government guidelines. Rent restructuring rules still apply and Target Rents for each property are calculated based on the relative property values, bedroom size and local earnings. Target Rents will be set at the grant of all new tenancies.
- 3.6 For a number of years government guidance in relation to annual rent increases was that increases should be limited to Retail Prices Index (RPI) + ½% + £2 per week in order to provide some protection to tenants whose actual rents were increasing to reach the calculated Target Rent. From April 2015 government guidance revised annual increases to Consumer Price Index (CPI) + 1%. This change removed the flexibility of social landlords to increase social rents each year by an additional £2 where rents are below target, resulting in lower annual rental increases over the long term.
- 3.7 In addition, from April 2016, the Welfare Reform and Work Act 2016 requires rents to be reduced by 1% per annum for 4 years, commencing from 2016/17. For 2017/18 this represents an average reduction of £0.85 per week, reducing the average weekly rent to £84.27 per week.
- 3.8 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 services 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. The proposed fees and service charges for 2017/18 are set out in Appendix 2 and include the introduction of a new service charge for door entry servicing and maintenance.
- 3.9 The projected level of HRA reserves at 31 March 2017 is also shown in Appendix 1.

HRA CAPITAL PROGRAMME 2017/18

- 3.10 The Housing Capital Programme seeks to provide substantial investment in the council's housing stock and improve the quality of residents' homes. The implementation of the proposed programme will take account of all relevant best practice guidelines and has been informed by the priorities agreed in the HRA Asset Management Strategy. The proposed programme for 2017/18 and the funding arrangements totalling £39.854 million are shown in Appendix 3. This programme does not include any re-profiling identified from the 2016/17 targeted budget monitoring.

- 3.11 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 repair 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.
- 3.12 The council is committed to having robust arrangements in place to help ensure the health and safety of all of those using and visiting the council's assets to a reasonable level. 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. This includes good practice procedures and resources to support the management of asbestos, fire risk, legionella, gas and electrical equipment, amongst others. As a result of proactive work with partners including the East Sussex Fire and Rescue Service, the Capital Programme includes increased funding for works to reduce fire risk. This budget will also help support the proposed projects to install sprinklers, as set out in previous committee reports.
- 3.13 The Capital Programme targets investments that will ensure that the HRA maintains, and improves, where possible, the quality of housing. The programme will support the delivery of the following commitments:
- To maintain 100% achievement of properties meeting the government's Decent Homes Standard and the local Brighton & Hove Standard over the medium term.
 - To ensure that all homes are as suitable as practicable for the needs of their occupants, in line with council policy. For example, there is a substantial investment commitment to providing adaptations, and to reducing overcrowding in the programme.
 - Following resident feedback, and analysis of responsive repairs, an increase in funding for both replacement door entry systems and entrance doors to blocks of flats has taken place. The programmes help ensure secure and reliable entry for residents.
 - To continue working closely with residents to help increase levels of resident satisfaction with the quality of their home and to support the ongoing reduction in the level of responsive repair need
- 3.14 Additionally, based on feedback from residents on their priorities, the programme continues the commitment to invest in the modernisation of passenger lifts serving blocks of flats, where it makes sense to do so. This programme has been very effective in helping many residents to be able to rely on their lift to be safe, comfortable, and reliable. All lift project proposals are continually evaluated on a case-by-case basis to ensure value for money continues to be delivered through this programme.
- 3.15 The proposed capital programme for 2017/18 includes a budget of £0.243m for estates and environmental improvement also known as the Estates Development Budget (EDB). The current budget strategy uses EDB capital reserves to support this further, augmenting this budget to a total of £0.540m for 2017/18. A reserves table is shown in Appendix 1.

3.16 Helping residents to live in well-insulated, efficiently heated, healthy homes remains a key long-term commitment, which is supported through the capital programme. Past progress on achieving this has been consistently good, with national Standard Assessment Procedure (SAP) energy rating performance monitoring being used to benchmark these. Key investments that contribute to these include installing high efficiency boilers, heating controls, efficient doors, windows, insulation and renewable or community energy schemes, where appropriate.

As outlined above, the Housing Asset Management Strategy acts as a link between the Housing Strategy and investment programmes including a priority of supporting new housing supply. We will continue to focus on the key Housing Strategy priority to increase the numbers / make best use of affordable homes, including the following HRA Budget related measures:

- Housing Allocation Policy framework ensuring best use of existing council and Registered Provider resources through nomination of affordable housing to priority households.
- Our 'New Homes for Neighbourhoods' estate regeneration programme to deliver new affordable homes in the city. Overall 22 projects with c 288 homes at various stages of development. Currently we have 34 homes completed with 130 on site.
- Improving supply through best use of existing HRA assets including conversions / hidden homes programme. 8 projects delivering 27 new homes.
- Housing Market Intervention / direct delivery and other housing delivery options through a wholly owned Special Purpose Vehicle.
- Ongoing work of Greater Brighton Housing & Growth Working Group to accelerate delivery of new homes, including seeking freedoms and flexibilities around the HRA borrowing cap and use of RTB receipts

HRA MEDIUM TERM & 30 YEAR FINANCIAL FORECASTS

3.17 The introduction of self-financing in 2012 provided additional resources from the retention of all rental income and, through greater control locally, enabled longer term planning to improve the management and maintenance of council homes.

3.18 The medium term and 30 year financial forecasts are provided in Appendix 4 along with the business planning assumptions used for income and expenditure.

3.19 Essentially although the financial plan shows that the HRA has healthy financial indicators to borrow to source funding for regeneration and development, it is restricted by the self-financing cap (or limit) on the amount of HRA borrowing permissible for capital investment by each local authority. This limit is currently set at £156.8m for Brighton & Hove and the outstanding debt reaches its peak in 2020/21 where the borrowing level is £144.1m leaving headroom of only £12.7m.

3.20 In addition to the debt cap, the reduction in rental income of 1% per annum (as detailed further in Appendix 4) will also restrict resources available for new build and regeneration so alternative options and delivery mechanisms for funding outside the HRA are being developed in the form of a wholly owned company and Joint Venture Model with Hyde Housing Association (as recommended at 8 December Policy, Resources & Growth Committee), alongside a review of priorities included in the financial plan.

3.21 As a result of the review carried out by government a decision was reached to not proceed with the Pay to Stay policy included in the Housing and Planning Act 2016. However, there are still some uncertainties due to other government legislation which may have a significant impact on the long term health of the financial plan, such as:

- The Housing & Planning Act 2016 included a requirement for local authorities with social housing to pay a levy to the government which is directly linked to the high value voids within the HRA. This levy would then be redistributed to Housing Associations. Consultation is still required on the specific regulations before implementation so the financial implications are currently unknown, however, the levy will be introduced after 2017/18.
- The Welfare Reform and Work Act 2016 continues to be implemented with the reduction of the benefit cap to £20,000 per annum during the current financial year, the single room rates extended to people under 35 and the roll out of universal credit in 2017, and reduction in tax credits expected to be implemented from October 2017. All these reforms are expected to impact on tenants' ability to pay their rent but it is difficult at this stage to accurately predict to what extent this will impact.
- Uncertainty of future rent policy after 2019/20. The Government has advised of 1% rent reductions up to 2019/20 but there is no information available to determine their future policies in this area.

3.22 The 30 year financial plan will continue to be updated in 2017 to reflect the 2017/18 budget proposals. This will enable a review of future opportunities for additional investment in existing housing stock and building new homes and also how the housing debt could be structured to accommodate these plans or possibilities.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The budget process allows all parties to engage in the scrutiny of budget proposals and put forward viable alternative budget proposals to Budget Council on 23 February 2017. Budget Council has the opportunity to debate both the proposals recommended by Policy, Resources & Growth Committee at the same time as any viable alternative proposals.

4.2 The Welfare Reform and Work Act 2016 details a statutory requirement to set the rents at 1% less than the previous year for 2017/18. There are financial restrictions placed upon local authorities who do not follow this statutory requirement. The government annually sets a limit rent, set to include the 1% reduction, which is used to determine how much housing benefit subsidy is received from the Department for Work and Pensions. Rises above the limit rent would reduce the amount of subsidy receivable by the council.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Involvement of our residents in service delivery and priorities is a key focus for Housing. Ongoing consultation with tenants and leaseholders takes place throughout the year in a number of forums and settings.

5.2 All Area Panel representatives and chairs have been sent a letter explaining the budget proposals. This summarised the various components including the details of the proposed savings and how the savings would be reinvested back into the

service. It also included information on the 1% rent reduction and advice on contact details if further information or clarification was sought.

- 5.3 Residents and leaseholders helped develop and shape the Asset Management Strategy through a series of discussion events and the strategy was taken to Area Panels. As such, tenant views form a key part of the strategic direction of future services and investment.
- 5.4 Generally, feedback from the consultation sessions with residents included wanting to prioritise investment in the exterior repair of buildings and common parts, such as decorations in stairwells and lighting, with the aim of achieving a more consistent standard across the city. This is now being reflected and supported through the capital programme proposals. Additionally, at a more strategic level, feedback was that generally the focus for investment should be mainly on improving the quality of the existing housing stock, and ensuring that all housing should be of a good standard, and well insulated, to help with fuel costs.
- 5.5 At the Housing & New Homes Committee held on 13 January 2016, these additional recommendations were agreed:
 - (3) That a full consultation and engagement exercise be undertaken with residents, which is based on a programme agreed at an initial meeting with tenant only chairs, panel chairs and officers to be held in September 2016.
 - (4) That the results and recommendations from the consultation exercise in (3) above be reported to the Committee with recommendations for the 2017/18 HRA revenue and capital budgets.

A meeting was held with councillors from the Housing & New Homes Committee, a number of tenant association chairs and Housing staff on 22 September 2016 to consider what a consultation exercise might look like. There were a variety of suggestions regarding what to consult on, with whom and how. Some of the suggestions can be used in future years, but for this year the focus has been on checking whether tenants agree with current proposals based on the outcomes of other consultations.

As a result of the September meeting, HRA budget consultation took place in November 2016 at the Citywide Conference. The conference focused on the HRA budget position 2016/17, feedback from consultation through the year, savings achieved over the last year, challenges and proposed areas of saving for 2017/18; it also sought views of the council's tenants and leaseholders. This information was also presented to Housing Area Panels in November and December, where their vote was taken and the voting results of the Citywide Assembly were shared. The outcome of the votes can be seen in the table below, where tenants agreed overall with the proposed increase or decrease in spend on the broad headings for capital programme expenditure.

	Yes	Not sure	No	Number voting
Citywide conference 17.11.06	48% (19)	23% (9)	30% (12)	40
North Area Panel 24.11.16	64% (9)	9% (1)	27% (3)	13
East Area Panel 28.11.16	83% (5)	-	17% (1)	6
Central Area Panel 30.11.16	57% (4)	14% (1)	29% (2)	7
West Area Panel 6.12.16	83% (5)	17% (1)	-	6
Total number of votes	(58%) 42	(17%) 12	(25%) 18	72

- 5.6 A tenant satisfaction survey called STAR (Survey of Tenants and Residents) was undertaken in June 2016. A report, also being presented to this Committee, provides feedback from this. 828 tenants responded (i.e. 28%) which is an increase from 724 people (or 24%) the last time the survey was undertaken in 2014.

While overall satisfaction with Housing rose from 78% to 81% on this survey, the two areas that showed lower satisfaction were with the quality of the home, and with the neighbourhood as a place to live (see table in Appendix 5).

People living in properties built before 1945 were less satisfied than the average. The investment programme work continues across the city and work is planned in areas with lower satisfaction. For example, window replacement programmes are scheduled to take place in both Woodingdean and Hangleton. The council has published a four-year provisional capital investment programme to enable this longer term information to be readily available to residents. Tenants have told the council that we need to improve our communications on the planned work programme, and we are taking steps to enhance the quality and timeliness of this information.

- 5.7 All leaseholders have been, or will be, consulted about individual contracts carried out as part of the programme in full compliance with the Commonhold and Leasehold Reform Act 2002.

6. CONCLUSION

- 6.1 The Local Government and Housing Act 1989 requires each local authority to formulate proposals relating to income from rent and charges, expenditure on repairs, maintenance, supervision and management, capital expenditure and any other prescribed matters in respect of the HRA. In formulating these proposals using best estimates and assumptions, the Authority must set a balanced account. This budget report provides a capital programme, breakeven revenue budget and recommends rent proposals in line with current government guidance.

- 6.2 This report also provides the latest medium and long term forecasts for the HRA. However there are a number of uncertainties due to impending government legislation which mean that the current forecasts should be treated with caution.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The financial implications are contained within the main body of the report.

Finance Officer Consulted: Susie Allen

Date: 10/01/17

Legal Implications:

- 7.2 Paragraphs 3.2 and 6 of the report set out the legal requirements for the Housing Revenue Account under the Local Government and Housing Act 1989. In its role as landlord, the Council has statutory and contractual obligations to maintain the structure of, and installations in, its housing stock. The HRA Capital Programme and Funding measures outlined in Appendices 1 and 3 will assist the council in fulfilling those obligations. The Council must take the Human Rights Act into account when making decisions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in the report.

Lawyer Consulted: Liz Woodley

Date: 10/01/2017

Equalities Implications:

- 7.3 The HRA budget funds services to people with special needs resulting from age, vulnerability or health. All capital programme projects undertaken include full consideration of various equality issues and specifically the implications of the Equality Act. To ensure that the equality impact of budget proposals are fully considered as part of the decision making process, equality impact assessments have been developed on specific areas where required.

Sustainability Implications:

- 7.4 The HRA budget will fund a range of measures that will benefit and sustain the local environment. This capital programme supports the affordable warmth and fuel poverty strategy brought forward from Public Health. Housing is a key contributor to the Carbon Emissions reduction commitment and will help to reduce the number of residents affected by fuel poverty and rising energy costs.
- 7.5 Project briefs are issued on all capital projects and require due consideration of sustainability issues, including energy conservation and procurement of materials from managed and sustainable sources.

Any other Significant Implications:

- 7.6 Financial risks have been assessed throughout the development of the council's HRA annual budget and 30 year financial model. A number of key sensitivities and scenarios are modelled to ensure that the service understands the business impact of decision making and include areas such as:

- Impacts of the government's Housing & Planning Act and Welfare Reform legislation;
- Inflationary risk where expenditure inflation is greater than income, particularly with the current reduction in rental income over the four years;
- Managing interest rate fluctuations and the debt portfolio;
- Long term capital and maintenance responsibilities compared with available resources;
- Balancing regeneration and redevelopment needs with tenants' priorities.

SUPPORTING DOCUMENTATION

Appendices:

1. Appendix 1: HRA Revenue Forecast Outturn 2016/17 and Budget 2017/18
2. Appendix 2: Fees and Service Charges 2017/18
3. Appendix 3: Capital Programme and Funding 2017/18 – 2019/20
4. Appendix 4: HRA Medium Term Financial Strategy & 30 Year Financial Forecast
5. Appendix 5: STAR tenants satisfaction survey table

Documents in Members' Rooms

None

Background Documents

None

HRA Forecast Outturn 2016/17 & Revenue Budget 2017/18

Appendix 1

	2016/17	2016/17	Budget Changes				2017/18
	Forecast Outturn (1)	Adjusted Budget	Inflation (2)	Savings (3)	Service Pressures (4)	Other Changes (5)	Original Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
SUBJECTIVE ANALYSIS							
Expenditure							
Employee (data a)	8,041	8,144	79	0	349	177	8,749
Premises - Repairs	9,373	10,594	105	(570)	0	(32)	10,097
Premises – Other	2,698	2,815	16	(48)	0	(212)	2,571
Transport	130	135	0	0	0	0	135
Contribution to Bad Debt Provision	191	474	0	0	0	0	474
Supplies & Services	2,374	2,521	18	(135)	0	(21)	2,383
Third Party Payments	146	157	3	0	0	(26)	134
Support Services (data b)	2,263	2,280	5	(78)	31	0	2,238
Direct Revenue Funding	23,585	23,585	0	0	0	1,994	25,579
Capital Financing Costs	8,238	8,363	0	0	0	(2,325)	6,038
Total Expenditure	57,039	59,068	226	(831)	380	(445)	58,398
Income							
Rents Dwellings *	(50,457)	(50,392)	0	0	43	0	(50,349)
Rents Car Parking / Garages	(842)	(892)	0	0	8	0	(884)
Commercial Rents	(554)	(548)	(11)	0	0	0	(559)
Service Charges	(7,128)	(6,886)	(20)	(101)	0	757	(6,250)
Other Recharges & Interest	(294)	(350)	(6)	0	0	0	(356)
Total Income	(59,275)	(59,068)	(37)	(101)	51	757	(58,398)
DEFICIT / (SURPLUS)	(2,236)	0	189	(932)	431	312	0
OBJECTIVE ANALYSIS							
Capital Financing	31,791	31,916	0	0	0	(331)	31,585
Head of Housing	3,875	3,861	9	(106)	300	50	4,114
Head of Regeneration	235	264	3	0	(4)	17	280
Housing Support	278	269	3	0	(4)	44	312
Income, Inclusion & Improvement	(46,877)	(46,311)	28	(181)	(14)	128	(46,350)
Property & Investment	6,947	8,369	108	(570)	125	505	8,537
Tenancy Services	1,515	1,632	38	(75)	28	(101)	1,522
DEFICIT / (SURPLUS)	(2,236)	0	189	(932)	431	312	0

*Dwellings rents were reduced due to 1% rent reduction (£0.502m) and an assumed level of disposals (£0.193m) in year. This has largely been mitigated by the rents from new build schemes (£0.652m) completed over the last year.

Notes:

(1) Significant variances in the Targeted Budget Management Forecast Outturn as at Month 9 for 2016/17 are shown in the table below:

HRA Forecast Outturn as at Month 9	£'000
A reduction in forecast of staff costs (£0.190 million) due to vacancies currently being recruited to following the implementation of service redesign in October 2017. This is partly offset by (£0.085 million) for agency cover for vacancies and an additional post to monitor the gas service & maintenance contract in Property & Investment	(103)
Estimated contract efficiency savings relating to new gas service contract which commenced on 1 April 2016.	(500)
This underspend relates to a reduction in responsive repairs and empty property works expenditure due to the increased capital investment in council dwellings.	(688)
Mainly Tenancy Management property costs forecast underspends of approximately £0.107 million relating to a reduction in utility costs offset by minor variations across the service.	(71)
Tenancy Management Office costs across housing service	(66)
The contribution to the HRA debt provision is forecast to be underspent by £0.208 million. The HRA contribution of £0.075 million to the Discretionary Housing Pot is unlikely to be called upon in 2016/17 as there is sufficient government allocation to cover council tenant's claims. The spend forecast is also lower than anticipated due to the delay in rollout of the reduced benefit cap levels.	(283)
Lower interest charges incurred during 2016/17 compared to the original budget forecast, as a result of re-profiling capital programme expenditure from 2015/16 to 2016/17.	(125)
Income from service charges to leaseholders for Major Works is forecast to overachieve by £0.300 million compared to the original budget forecast, as a result of works completed due for billing in 2016/17.	(300)
Forecast underspend for decorating voucher scheme	(56)
A combination of other small overspends and underspends across the HRA.	(44)
TBM Month 9 Forecast Variance (addition to reserves)	(2,236)

(2) Inflation of 1% has been applied to Direct Employees, Premises, Transport and Supplies & Services. All income budgets are zero-based (that is they are recalculated each year rather than changing incrementally) and therefore charges are estimated based on known increases in costs or inflation.

(3) Savings include:

Savings	£'000
Savings in gas service contract following procurement of this contract which commenced in 2016/17.	(450)
A further review of savings that can be made from responsive repairs and other procurement opportunities.	(120)
Reduction in Premises Other costs within Tenancy services (utility costs).	(30)
Reduction in Premises Other costs due to the under-utilisation of the redecoration scheme.	(20)
Reduction in supplies and services costs, within Income, Involvement, Improvement.	(80)
Savings as a result of a review of small contracts and services within tenancy services.	(25)
Reduction in liability insurance costs.	(45)
Reduction in General Fund Support Services charges.	(61)
Introduction of a service charge for door entry systems.	(101)
Total Savings	(932)

(4) Service Pressures include:

Service Pressures	£'000
Strengthen BHCC Client Side for re-procurement of the Repairs and Improvement Contract.	150
Senior Housing Scheme Manager increased costs as a result of grade evaluation.	47
Triennial Pensions review net cost to the HRA in 2017/18	45
Service redesign in the integrated Housing Adaptations Service through aligning resources to prevention through Council Housing project and commissioning work.	72
Further resource required for the review of all tenancy agreements.	35
Support Services - HRA Share of Apprenticeship Levy.	31
Net reduction in rental income for Dwellings.	43
Garages and Car parks reduction in rental income from disposals, voids and a change in mix of private and council tenancies.	8
Total Service Pressures	431

(5) Other Significant Changes include:

Other Changes	£'000
Increase in Employee costs for annual increments and increase employers payroll contributions (pensions & NI).	147
Increase in Employee costs for Property & Investment relating to contract monitoring of new Gas Servicing & maintenance contract, funded from contract efficiencies.	32
Premises Repairs – contract efficiencies reducing gas servicing costs. Transfer budget to fund contract monitoring post.	(32)
Forecast reduction in utility budget (electricity & gas) to reflect reduction in unit prices and consumption.	(212)
Additional Direct Revenue Funding – increase in revenue surpluses to fund the capital programme.	1,994
Reduction in Capital Financing costs for the year reflecting repayment of debt in 2016/17.	(2,325)
Estimated reduction in Leaseholder Major works income reflecting major works programme.	500
Service Charge reductions for electricity communal ways and heating to reflect changes in unit prices and consumption.	212
Other changes.	(4)
Total Other Changes	312

PROJECTED RESERVES AT 31 MARCH 2017

Description	Balance at 1 Apr 2016 £'000	Projected Balance at 31 Mar 2017 £'000	Projected Balance at 31 Mar 2018 £'000	Use
Revenue Reserves - Working Balance	3,000	3,000	3,000	Minimum working balance requirement
Useable revenue reserves	3,166	5,131	4,631	Available for use.
Capital Reserves	952	1,002	202	Capital Programme funding.
EDB Reserves	599	510	161	Earmarked allocation carried forward
Restructure Redundancy Reserve	388	388	388	Earmarked reserve
HRA - Renewable Energy Projects	329	269	89	Capital Programme funding.
HRA Auto Meter Reads Reserve	45	45	45	Available to fund costs of AMR's

Data – A - Employee Full Time Equivalent (FTE) Reconciliation

Staffing budgets have increased in 2017/18 (note 5 – other changes) by £0.179 million as a result of annual increments, increases in employers pay contributions and 1 FTE in Property Services. The table below shows the actual movements in FTE's in 2016/17. There are no proposals to make further savings to the HRA establishment during 2017/18.

	FTE
Original FTE 2016/17 pre savings	290.16
Savings 2016/17	
Head of City Development & Regeneration	(0.50)
Income Involvement Improvement	(5.00)
Property & Investment	(0.50)
Tenancy Services	(2.35)
Original FTE 2016/17 with 16/17 savings	281.81
Service Redesign changes in year 2016/17	
Head of Housing HRA	2.60
Income Involvement Improvement	(8.38)
Property & Investment	(0.43)
Tenancy Services	(3.37)
Adjusted budget 2016/17 FTEs in 3 year savings pro-former	272.23
Savings 2017/18	-
Other changes in 2017/18 budget	
Property & Investment (note 5)	1.00
2017/18 FTEs after savings/changes	273.23

Data – B - Support Service Charge Analysis

The table below provides a breakdown of the support service charges for 2017/18 as per the budget figures within appendix 1.

Charging Service	Budget 2017/18 £'000
Communications	30
Finance	365
Human Resources	216
ICT	646
Property	130
Legal	280
Democratic	234
Director	16
Disabled Adaptations	41
Discretionary Community	148
Grants	31
Apprenticeship levy	
Tenancy Fraud	29
Homing in and Area Panels	28
Energy Efficiency Support	25
Other charges	19
Total	2,238

All fees and service charges are reviewed annually to ensure full cost recovery and also to identify any service efficiencies that can be offset against inflationary increases to keep increases to a minimum. Proposed fees and service charges for 2017/18 are detailed below.

Service Charges Eligible for Housing Benefit:

Eligible for Housing Benefit	Number of Tenants Affected	Approx. Number not Eligible for HB	2016/17 Average Weekly Charge	2017/18 Average Charge £	2017/18 Average increase/ (decrease) per week £ / %	Comments
Grounds Maintenance	5,567	1,592	£0.67	£0.68	£0.01 1.5%	Contractual increase from City Parks.
Communal cleaning	5,264	1,759	£2.78	£2.80	£0.02 0.7%	Full cost recovery of service results in slight increase.
TV Aerials	5,618	1,645	£0.76	£0.76	£0.00	No change.
Seniors Housing – common ways	803	105	£9.46	£9.46	£0.00	No change. Full review carried out for 2016/17 weekly charges
Seniors Housing - laundry	803	101	£2.00	£1.65	(£0.35) (17.5%)	Reduction to reflect new contract prices.
Video Entry	15	1	£0.96	£0.96	£0.00	No change. To be reviewed during 2017/18.
Seniors Intensive Housing Management	826	102	£19.92	£20.12	£0.20 1%	1% inflationary increase, to cover costs which is mainly staffing related.
Electricity – communal ways	5,442	1,680	£1.08	£0.75	(£0.33) (30.5%)	Reduction in service charge to reflect unit prices and updated estimates for consumption. Tenants will see variable decreases, depending on consumption in their block.
Lift Servicing and maintenance	2,414	596	£0.77	£0.80	£0.03 (2.5%)	Increase reflects contract inflation of 2.5%.

New Service Charge Eligible for Housing Benefit:

Eligible for Housing Benefit	Number of Tenants Affected	Approx. Number not Eligible for HB	2016/17 Average Weekly Charge	2017/18 Average Charge £	2017/18 Average increase/ (decrease) per week £ / %	Comments
Door entry servicing and maintenance	4,170	1,809	0	£0.48	-	New charge for servicing, maintenance and repairs of Door entry systems to recover costs

Service Charges & Fees Not Eligible for Housing Benefit:

Not Eligible for Housing Benefit	Number of Tenants Affected	2016/17 Average Weekly Charge	2017/18 Average Charge £	2017/18 Average increase/ (decrease) per week £ / %	Comments
Communal heating – gas	1,185	£8.75	£6.02	(£2.73) (31%)	Based on estimated consumption for 17/18 and the new unit price for gas.
Communal heating – electric	78	£11.23	£10.32	(£0.91) (8%)	Based on estimated consumption for 17/18 and the new unit price for electricity.
Water	134	£3.86	£3.95	£0.09 (2%)	Based on recovery of costs and estimated increases by Southern Water of 2%.
Guest rooms	n/a	£15.00 per night	£15.00 per night	Nil	No increase.
Garages & Car Parking Residents Non Residents	2,409	£8.68	£8.85	£0.17 (2%)	Inflationary increase of 2%. Further review of car parks and garages charges due in 2017/18.
Mobility Scooter / cycle storage Storage	23	£2.50	£2.50	0.00	Same charge for mobility scooter and bicycle storage.

EXPENDITURE	Original Budget 2016/17	Proposed Budget 2017/18	Provisional Budget 2018/19	Provisional Budget 2019/20	Description
	£'000	£'000	£'000		
Improving Housing Quality					
Door Entry Systems & CCTV	677	939	810	683	A number of door entry systems across the city are now at the end of their serviceable life, and spare parts are difficult to source aligned to AMS priority to provide safe, good quality housing.
Water Tanks, Ventilation, Lighting & Lightening Protection & Fire Alarms	848	730	659	637	Projects help ensure safety and welfare for residents through a replacement and improvement programme.
Lifts	943	1,077	1,381	1,079	The lift replacement and upgrade programme is a long-term commitment to BHCC residents. Upgrades or replacements are subject to individual value for money assessments.
Fire Safety & Asbestos Management	400	696	450	389	Effectively managing the risks of both fire and asbestos materials is an ongoing need. Includes a budget for sprinklers of £0.250m, Funding for proposed sprinkler schemes is 50% funded by ESFRS.
Minor Capital Works	221	402	407	389	Investment in smaller capital repairs across the HRA stock as well as car parks and garages.
Roofing	1,232	1,245	1,378	1,232	Helps to extend the life of assets, improves insulation and reduces responsive repairs.
Condensation & Damp Works	677	498	501	390	Health and welfare of our residents is assisted by tackling the causes of mould growth in properties
Major Structural works	3,181	3,590	3,018	2,229	To maintain the structural and general external integrity of properties to ensure longevity of our asset, meet our landlord obligations and assist in reduction of responsive repairs.
Major Empty Property works	258	124	125	129	Extensive refurbishment of empty homes prior to re-letting where significant works are required to return vacant homes back into use. .
Cyclical Decorations	3,923	3,314	2,379	2,076	External and common way repairs and decorations across the city help reduce ongoing costs and meet our landlord obligations.
Future Capital Projects	50	74	66	66	Specialist and other surveys to support future

EXPENDITURE	Original Budget 2016/17	Proposed Budget 2017/18	Provisional Budget 2018/19	Provisional Budget 2019/20	Description
					programmes.
Brighton & Hove Standard Works					
Dwelling Doors	431	373	325	260	Replacing doors to properties with secure and efficient design helps residents feel safer.
Kitchens & Bathrooms	1,725	1,930	1,941	1,623	This budget helps to ensure homes comply with the Brighton & Hove Standard.
Rewiring - Domestic/Communal	1,786	1,831	1,816	1,583	Safe and reliable electrical installations and efficient lighting are supported from this budget.
Windows	1,355	1,370	1,441	1,169	Window replacement programmes improve energy efficiency, warmth and reduce ongoing repair costs.
Sustainability & Carbon Reduction					
Home Energy Efficiency & Renewables	521	51	51	51	The installation of solar panels was completed in 2016/17. This programme budget allows the progression of home energy efficiency and renewable projects. (note that £0.400m approved in 2016/17 has been re-profiled to continue projects in 2017/18)
Domestic/Communal Heating Improvements	2,022	2,087	2,137	2,967	Efficient and modern replacement heating systems reduce carbon emissions and residents fuel costs
Insulation improvements (incl overcladding)	50	63	1,819	1,620	Includes over-cladding major works in 2018-2020. Improving insulation levels in buildings reduces mould growth and heating costs.
Tackling Inequality					
Estate and Environmental Improvement	500	243	244	252	Residents are able to prioritise smaller projects through this continuing and well supported budget. Also utilising EDB earmarked reserves.
Disabled Aids & Adaptations	1,150	1,150	1,150	1,150	By supporting required adaptations to homes, residents can continue to live independently and enjoy their home for longer.
Conversions & Extensions	739	560	626	520	Tackling overcrowding across the city is of key importance to ensure good quality housing.
Conversions of existing bed-sits	1,216	460	405	273	Improving dwellings' layout in several seniors housing schemes will meet modern standards.

EXPENDITURE	Original Budget 2016/17	Proposed Budget 2017/18	Provisional Budget 2018/19	Provisional Budget 2019/20	Description
Converting Spaces in Existing Buildings		609	406	407	Hidden homes - A programme to deliver new homes by converting existing redundant spaces. The programme has delivered 3 new homes to date from budgets approved and carried forward from 2015/16 financial year. This new allocation of budget would enable a further 5- 6 to be built a year.
Stonehurst Court conversion		1,045	-	-	Recommendations for refurbishment included in separate report at H&NH Committee January 2017
Oxford Street conversion		1,120	-	-	Recommendations for refurbishment included in separate report at H&NH Committee January 2017
Housing ICT Budget	50	80	80	80	Supports Housing IT projects
Total Investment in existing Housing Stock	23,955	25,661	23,615	21,254	
Building New Council Homes					
Brooke Mead extra care	4,355	-	-	-	Started on site in 2015/16, total scheme budget is £12.0m, due for completion 2017/18 within existing budgets re-profiled from 2016/17.
Infill sites - Manor Place	1,292	-	-	-	Scheme completed 2016/17.
Garage Sites - Guinness	1,095	-	-	-	The majority of Garage Site schemes started on site in 2015/16, schemes due for completion in 2017/18 funded from re-profiled 2016/17 budgets.
Findon Road (Former Library)	8,100	5,000	-	-	Scheme approved in 2015/16, total scheme budget £14.1m, due for completion in 2017/18
Design competition	1,000	500	1,000	-	Competition complete, contracts being finalised, with further report to H&NH Committee in March.
Feasibility & Design - Housing Investment	250	-	-	-	Allows progression of future development projects. Re-profiling of some 2016/17 budget to support NHFN programme in 2017/18.
Selsfield Drive	2,000	2,617	2,258	-	Re-design underway, estimated due for completion June 2018.
Wellsbourne	1,000	6,076	-	-	On-site and estimated due for completion April 2018.
Total Building New	19,092	14,193	3,258	-	

EXPENDITURE	Original Budget 2016/17	Proposed Budget 2017/18	Provisional Budget 2018/19	Provisional Budget 2019/20	Description
Council Homes					
Total Programme	<i>43,047</i>	39,854	26,873	21,254	
Programme Funding					
Revenue Contribution to Capital	<i>23,585</i>	25,579	25,300	24,914	Funding from revenue surpluses.
Borrowing	<i>12,962</i>	7,073	-	-	Borrowing required mainly for new build development.
HRA reserves	<i>771</i>	1,300	700	500	Useable revenue and capital reserves.
Capital Receipts	<i>4,349</i>	5,597	978	-	Retained RTB receipts for New Build.(£4.258m) and Capital receipt from Seaside Homes final batch (£1.339m)
HCA Grant (Brooke Mead)	<i>1,200</i>	-	-	-	HCA Grant for Brooke Mead.
ESFRS Contribution	<i>0</i>	125	-	-	Funding due from East Sussex Fire and Rescue Service, 50% contribution towards sprinklers budget
Energy Grants/FITs	<i>180</i>	180	100	100	Funding received to support sustainability and carbon projects.
Total Funding	<i>43,047</i>	39,854	27,078	25,514	
	<i>0</i>	0	(205)	(4,260)	Forecast balance available to support future programmes.

Medium Term

The Medium Term Financial revenue position provides a cumulative surplus of £75.793 million that can be used to support the delivery of the capital programme during this period. When compared to last year's MTFs the surpluses are broadly similar over the same period. The 1% reduction in rents results in a total reduction of £7.6m over a 3 year period from 2017/18 to 2019/20. However, this has been partly mitigated by accumulated efficiency savings identified over the same period totalling of £1.532 million (which are £0.932m in 2017/18, £0.350m in 2018/19 and £0.250m in 2019/20) as well as the additional rent from the completed new build schemes over the same period of time.

	2017/18	2018/19	2019/20
	£'000	£'000	£'000
Expenditure			
Management & Service Costs	15,487	15,114	15,015
Repairs and Maintenance	10,097	10,198	10,300
Other Costs	1,197	1,209	1,221
Borrowing costs	6,038	6,852	6,636
Total Expenditure	32,819	33,373	33,172
Income			
Rental Income	(50,349)	(50,544)	(49,875)
Service Charges (Tenants)	(3,282)	(3,315)	(3,348)
Other Income	(4,767)	(4,814)	(4,863)
Total Income	(58,398)	(58,673)	(58,086)
Net (Surplus) / Deficit	(25,579)	(25,300)	(24,914)

30 YEAR FINANCIAL FORECAST

Introduction

The introduction of self-financing provided local authorities with the opportunity to develop longer term planning to improve the management and maintenance of council homes. The government's self-financing valuation agreed at April 2012 was based on using the rent restructuring formula with increases set at RPI + ½% + £2 per week and was set at a level to provide a balanced business plan over the next 30 years.

Since then the government has imposed two changes to the rent calculation which both result in significant reductions in future rental income. From April 2015, government guidance revised annual increases to Consumer Price Index (CPI) + 1%. This change removed the flexibility of social landlords to increase social rents each year by an additional £2 where rents were below target, resulting in lower annual rental increases over the long term. From April 2016, the Welfare Reform and Work Act 2016 details that rents should be reduced by 1% per annum commencing in 2016/17. This required reduction in rents by 1% per annum will reduce resources by £7.6m over a three year period (2017/18 -2019/20) with a cumulative reduction in resources of £206m over 30 years when compared to previous business planning assumptions.

The current financial plan projections shown below continue to provide a balanced business plan but there is less opportunity than before for regeneration and new investment within the HRA due to the significant reductions in rental income projections. The current plan projections should also be viewed with caution due to the uncertainties from government legislation not yet modelled in the plan. As a result of the review carried out by government a decision was reached to not proceed with the Pay to Stay policy included in the Housing and Planning Act 2016. However, there are still some uncertainties due to other government legislation which may have a significant impact on the long term health of the financial plan, such as:

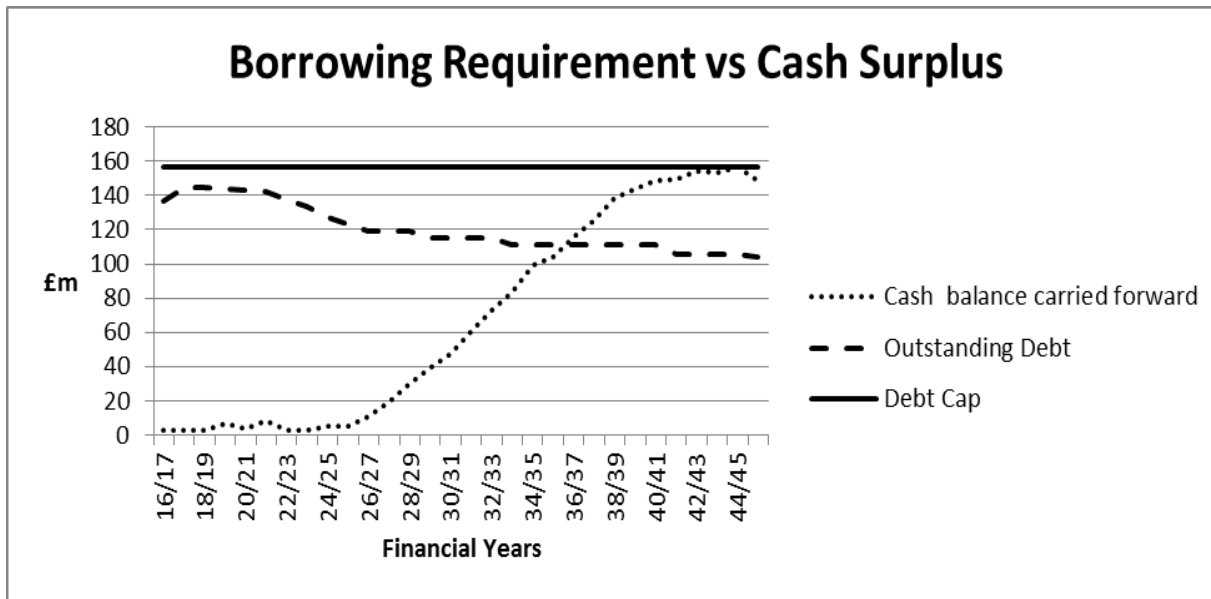
- Housing & Planning Act 2016 – This act includes a requirement to pay a levy to central government based on the number of void high value homes the HRA has. These properties are likely to be those that contribute most financially to the overall surpluses over 30 years. The full details of this scheme, including the formula for calculating the levy and the definition of high value are not yet available to inform business planning but will be implanted after 2017/18.
- Welfare Reform – The roll out of universal credit, reduction in tax credits, single room rates for under 35's in social housing and reduction in benefit cap to £20,000 per annum will all impact on tenant's ability to pay their rent. The assumptions used for bad debts and voids may need increasing resulting in a loss of projected income.
- Uncertainty of future rent policy after 2019/20. It is not clear at this stage whether the rent policy will revert to the previous policy of increases capped at CPI + 1% or something entirely different.

The 30 year financial plan will continue to be updated to reflect the impact of the changes resulting from government legislation and the 2017/18 budget proposals. This will enable a review of future opportunities for additional investment in existing housing stock and building new homes both within the HRA and through alternative delivery models.

Forecast

The net position of the financial forecast is shown in the graph below. The cash surplus over the period of the financial plan totals £149.5m. Assuming that no additional borrowing repayments are made over the life of the plan aside from those planned in the current loan schedule, the debt outstanding in year 30 is £104.2m. The cash surpluses equal outstanding debt by year 20 and this provides an indication that in the long term, based on current assumptions, the HRA maintains a balanced position with some surpluses.

Essentially, although the financial forecast shows that the HRA has healthy financial indicators to borrow to source funding for regeneration or development it is restricted by the self-financing debt cap (or limit). This is a government restriction on the amount of HRA borrowing permissible for capital investment by each local authority. The cap for Brighton & Hove is £156.8m. The outstanding debt reaches its peak in 2020/21 where the borrowing level is £144.1m leaving headroom of only £12.7m. Therefore, alternative delivery models outside of the constraints of the HRA may need to be considered in the future alongside a review of priorities included in the financial plan.



The 30 year financial forecast has been developed based on the following assumptions

- A general inflation of CPI assumed as an average of 1.6% for years 2 to 10 and 2% thereafter.
- Revenue repairs and maintenance costs are assumed to increase by 2.5% throughout the plan.
- Right to buy sales are assumed to continue at an average of 40 sales per annum.
- The forecast currently includes approved schemes only, totalling approx. 240 new homes. There is no allowance for any future regeneration schemes or new build schemes.
- Rents are assumed to decrease by 1% per annum for the next three years and then increase at CPI thereafter. Previously it was assumed that rents would increase by CPI plus 1% after the three years, however as there is uncertainty over future rent policy, the assumptions in the 30 year forecast have been revised. The CPI assumptions used provides total inflationary increases of an average of 1.2% for years 5-10 and 2% per annum for years 11-30. This has reduced the overall forecast surplus over the 30 years to £149.5 million.

The following table provides a summary of the 30 year income and expenditure flows.

30 Year forecast	Years 1-5	Years 6-10	Years 11-20	Years 21-30	Total
	£'000	£'000	£'000	£'000	£'000
Revenue expenditure:					
Management costs	60,800	62,958	137,765	157,773	419,296
Service costs	16,476	17,605	41,403	52,560	128,044
Repairs and maintenance	54,709	59,879	140,494	173,316	428,398
Other costs	3,179	3,322	7,612	9,280	23,393
Bad debt provision	2,206	1,968	3,955	3,866	11,995
Capital repayments	35,849	52,890	59,875	51,047	199,661
Total Expenditure	173,219	198,622	391,104	447,842	1,210,787
Revenue income:					
Rental income (net of voids)	250,117	255,307	569,559	669,453	1,744,436
Service charges	16,864	17,612	41,420	52,583	128,479
Other income	9,056	9,463	21,687	26,436	66,642
Leaseholder income	15,858	16,047	36,778	44,832	113,515
Total income	291,895	298,429	669,444	793,304	2,053,072
Net revenue income	118,676	99,807	278,340	345,462	842,285
Capital expenditure					
Capital investment	124,780	102,983	179,567	300,575	707,905
New build schemes	40,497	0	0	0	40,497
Total capital expenditure	165,277	102,983	179,567	300,575	748,402
Capital funding					
Other capital income	10,781	0	0	0	10,781
Borrowing	37,348	4,443	0	0	41,791
Revenue contribution to capital	118,676	99,807	278,340	345,462	842,285
Total funding	166,805	104,250	278,340	345,462	894,857
Opening HRA reserves	3,000	0	0	0	3,000
Cash surplus at year 30	4,528	1,267	98,773	44,887	149,455

STAR tenants satisfaction survey results 2016

Survey undertaken in June 2016 sent to 3,000 tenants. 828 tenants responded (i.e. 28%) which is an increase from 724 people (or 24%) last time we did the survey in 2014. See full report 'STAR' tenant satisfaction survey 2016' also on this Housing & New Homes Committee Agenda.

	% satisfied 2014	% satisfied 2016	Trend	Benchmark position
Satisfied overall with the service from Housing	78%	81%	↑	2 nd quartile
The overall quality of your home	80%	79%	↓	3 rd quartile
Your neighbourhood as a place to live	84%	80%	↓	2 nd quartile
Satisfaction with the last completed repair	76%	81%	↑	3 rd quartile
That your rent provides value for money	84%	86%	↑	1 st quartile
Standard of customer service	81%	85%	↑	Not available
Listen to views and acts upon them	64%	70%	↑	1 st quartile

Subject:	Targeted Budget Management (TBM) 2016/17: Month 9		
Date of Meeting:	9 February 2017		
Report of:	Executive Director for 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 SUMMARY AND POLICY CONTEXT:**

- 1.1 The Targeted Budget Monitoring (TBM) report is a key component of the council's overall performance monitoring and control framework. This report sets out an indication of forecast risks as at Month 9 (December) on the council's revenue and capital budgets for the financial year 2016/17.
- 1.2 As set out in the General Fund Revenue Budget 2016/17 report to Budget Council, potential cost pressures of up to £18m were identified of which approximately £12m was provided for in the budget through 'service pressure funding'. The report highlighted that successful 'demand management' strategies would therefore be key to managing down cost pressures across Adult and Children's social care and Homelessness (temporary accommodation) in order to achieve financial balance in 2016/17. In recognition of this challenging position, £3m risk provisions were set aside to provide some mitigation against these risks.
- 1.3 The forecast risk for 2016/17 as at December is £1.862m on the General Fund, compared to £3.450m in October, a much improved position but still reflecting the position above and indicating that not all demand-led pressures will be addressable. This includes a pressure of £0.603m on the council's share of the NHS managed Section 75 services. The position continues to be driven by sustained pressures across Adults and Children's social care budgets and Homelessness. Recovery plans and measures have mitigated overspends to a significant degree and this process will continue alongside recovery actions across the wider council in an attempt to pull the position back into balance over the remainder of the year.
- 1.4 The council set aside risk provisions of £3.000m to mitigate the position, however restructure and redundancy costs are higher than anticipated which will need to be a first call against risk provisions.

2 RECOMMENDATIONS:

- 2.1 That the Committee note the forecast risk position for the General Fund, which indicates an in-year budget pressure of £1.862m. This includes a pressure of £0.603m on the council's share of the NHS managed Section 75 services.

- 2.2 That the Committee note that total recurrent and one-off risk provisions of £3.000m, less additional restructure and redundancy commitments, are 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 an underspend of £2.236m.
- 2.4 That the Committee note the forecast position for the Dedicated Schools Grant which is an underspend of £0.212m.
- 2.5 That the Committee note the forecast outturn position on the capital programme and approve the variations and reprofiles in Appendix 4 and the new schemes as set out in Appendix 5.

3 RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

Targeted Budget Management (TBM) Reporting Framework

- 3.1 The TBM framework focuses on identifying and managing financial risks on a regular basis throughout the year. This is applied at all levels of the organisation from Budget Managers through to Policy, Resources & 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 together with more regular monitoring of high risk demand-led areas as detailed below.
- 3.2 The TBM report is normally split into 8 sections as follows:
 - i) General Fund Revenue Budget Performance
 - ii) Housing Revenue Account (HRA) Performance
 - iii) Dedicated Schools Grant (DSG) Performance
 - iv) NHS Controlled S75 Partnership Performance
 - v) Capital Investment Programme Performance
 - vi) Capital Programme Changes
 - vii) Implications for the Medium Term Financial Strategy (MTFS)
 - viii) Comments of the Director of Finance (statutory S151 officer)

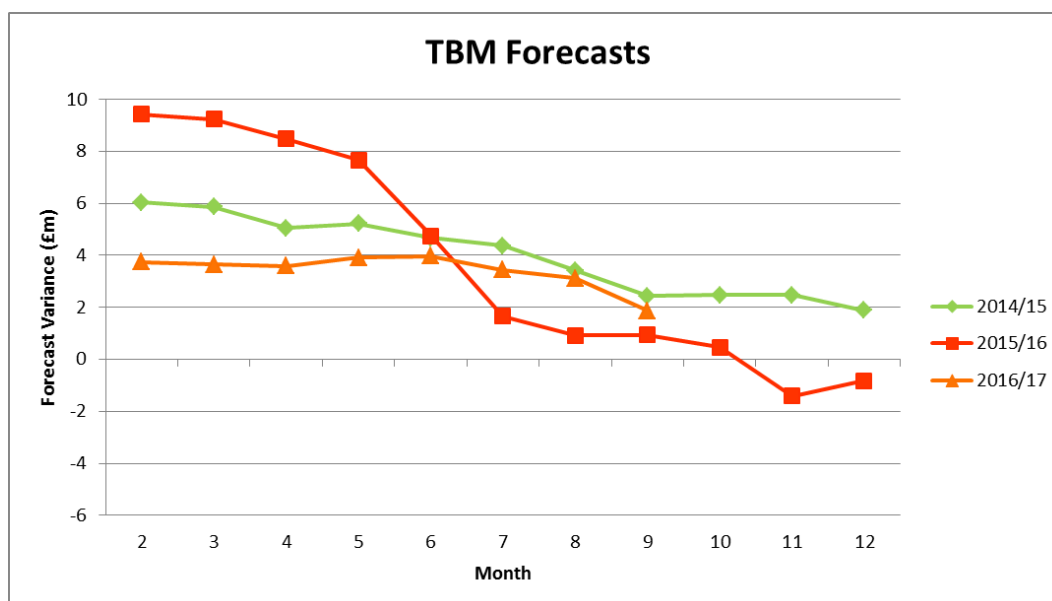
General Fund Revenue Budget Performance (Appendices 1 & 2)

- 3.3 The table below shows the forecast outturn for Council controlled revenue budgets within the General Fund. These are budgets under the direct control and management of the Executive Leadership Team. A summary of the movement between Months 7 and 9 is shown in Appendix 1 and a more detailed explanation of the variances can be found in Appendix 2.

2016/17 Month 7 Variance £'000	Directorate	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
3,543	Families, Children & Learning	82,127	85,848	3,721	4.5%
1,177	Health & Adult Social Care	51,221	52,413	1,192	2.3%
(853)	Economy, Environment & Culture	32,985	31,667	(1,318)	-4.0%
987	Neighbourhood, Communities & Housing	15,577	16,340	763	4.9%
(354)	Finance & Resources	20,658	20,041	(617)	-3.0%
(12)	Strategy, Governance & Law	5,564	5,479	(85)	-1.5%
4,488	Sub Total	208,132	211,788	3,656	1.8%
(1,038)	Corporate Budgets	7,651	5,857	(1,794)	-23.4%
3,450	Total General Fund	215,783	217,645	1,862	0.9%

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

3.5 The chart below shows the monthly forecast variances for 2016/17 and the previous two years for comparative purposes. To ensure a like for like comparison of the underlying position, the data for the previous two years excludes the allocation of risk provisions and the one-off Minimum Revenue Provision adjustment of £2.328m in 2015/16.

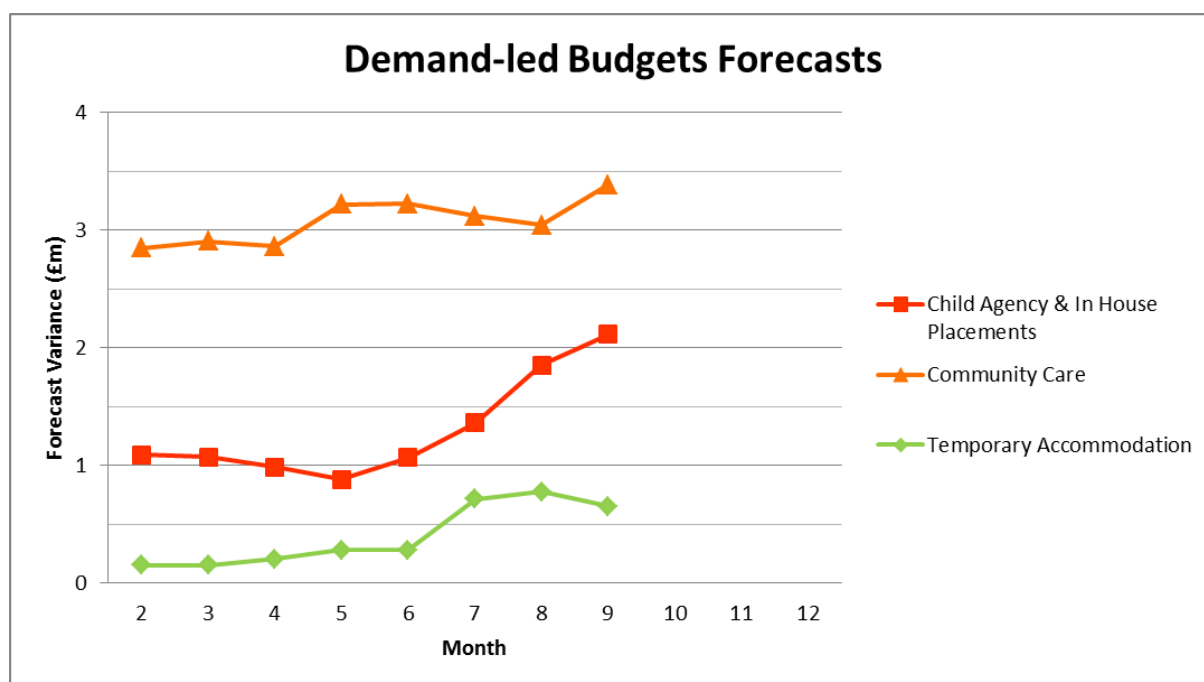


Demand-led Budgets

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

2016/17 Month 7 Variance £'000	Demand-led Budget	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
1,358	Child Agency & In House Placements	19,556	21,668	2,112	10.8%
3,116	Community Care	48,931	52,314	3,383	6.9%
711	Temporary Accommodation	1,459	2,109	650	44.6%
5,185	Total Demand-led Budget	69,946	76,091	6,145	8.8%

The chart below shows the monthly forecast variances on the demand-led budgets for 2016/17.



Summary of the position at Month 9

The main pressures reported at Month 9 continue to be across Children's and Adults Social Care and Homelessness (Temporary Accommodation) as follows:

- 3.7 **Children's Services:** The initial forecast budget risk across Families, Children and Learning was £2.534m primarily resulting from increased demand pressures on services for Children in Care and social work cost pressures continuing through from last year. Subsequently the directorate has put together a financial recovery plan to

address the financial risks. This recovery plan identified £1.535m of potential cost reductions to improve the forecast position which would give an outturn of £0.999m. There still remain significant financial pressures on services for Children in Care and social work as well as risks in the Home to School Transport budget, Youth Service and Nurseries that are being closely monitored. In addition, the transfer of services for Adults with Learning Disabilities from the Health & Adult Social Care Directorate has added £2.453m to the overspend.

The current projected position has identified potential cost pressures of £2.453m on services for adults with learning disabilities, £0.271m on social work staffing and £2.232m on placement budgets. Together with risks of £0.266m on Home to School transport, and other underspending budgets of £1.501m, explaining the forecast risk of £3.721m as at Month 9.

3.8 Adults Services: The service is facing significant financial challenges in 2016/17 in mitigating the risks arising from the sustained pressures in 2015/16 and managing in-year demands. This is alongside delivering a significant budget savings programme and developing integration plans through the Better Care Fund.

The forecast TBM risk at Month 9 is an overspend of £1.192m after identifying recovery measures which have helped to contain the forecast risk. Recovery measures are focused 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 forecast risk includes the following main elements that are described in more detail in Appendix 1:

- The main area of forecast risk concerns service pressures identified at the beginning of the year (and highlighted in the General Fund Revenue Budget report as noted above) which relate to increased complexity of need, increasing numbers of older people being discharged from hospital requiring social care services for the first time, pressures on the provider services' budget and Deprivation of Liberty Standards (DoLS) cases. At Month 9 there is a significant residual risk of £0.893m relating to these pressures.
- Note that the in-year forecast does not include any one-off funding contributions. In previous years, one-off contributions have been received from the Care Act implementation funds and the Better Care Fund (£3.548m in 2015/16). At this stage it is not anticipated that any additional funds will be made available in 2016/17 but this will be kept under review.
- The forecast includes the part year effect of the increase in care home fees. In order to manage the local market and address the significant under-supply of providers in the city who will accept publicly funded residents, fee increases were essential.
- Of the approved budget savings for 2016/17 of £4.352m, all are being forecast as achievable.
- Service pressure funding of over £3m, including the Adult Social Care precept, was applied in 2016/17 and has been used to fund budget pressures resulting from increased demands and complexity, DoLS, the national living wage and fee rates.

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. This forms a key part of the savings implementation plan. Adult Services are also using benchmarking information to support the driving down of unit

costs but are faced with increased complexity and demand (demographic) growth which is also a national picture. Through regional and other social care networks the service has been looking at best practice in delivering cost effective services in order to influence future direction - this includes demand management strategies and identifying opportunities through Housing provision.

- 3.9 **Housing Services and Temporary Accommodation:** Although the council is accepting a full housing duty for a similar level of households as previously (around 420 per annum), the actual numbers of households in temporary accommodation is increasing because there are limited opportunities to move these households out of temporary accommodation into other alternative longer term forms of accommodation. This is due to a mixture of shortage of supply, unaffordable rents in the private sector and policy changes within Adult Social Care commissioning affecting the allocation of supported beds. Given the high cost housing market and welfare reforms, prevention of homelessness has been challenging but has been successful in preventing demand for temporary accommodation increasing further (i.e. the level of homeless acceptances has been maintained).

The service is currently completing a large decanting programme of approximately 200 leased units of temporary accommodation with one provider (150 expected in 2016/17). Two thirds of these properties have been decanted and handed back. In addition, the level of general handbacks is high due to a high cost housing market which is leading landlords to sell. This has a significant impact as:

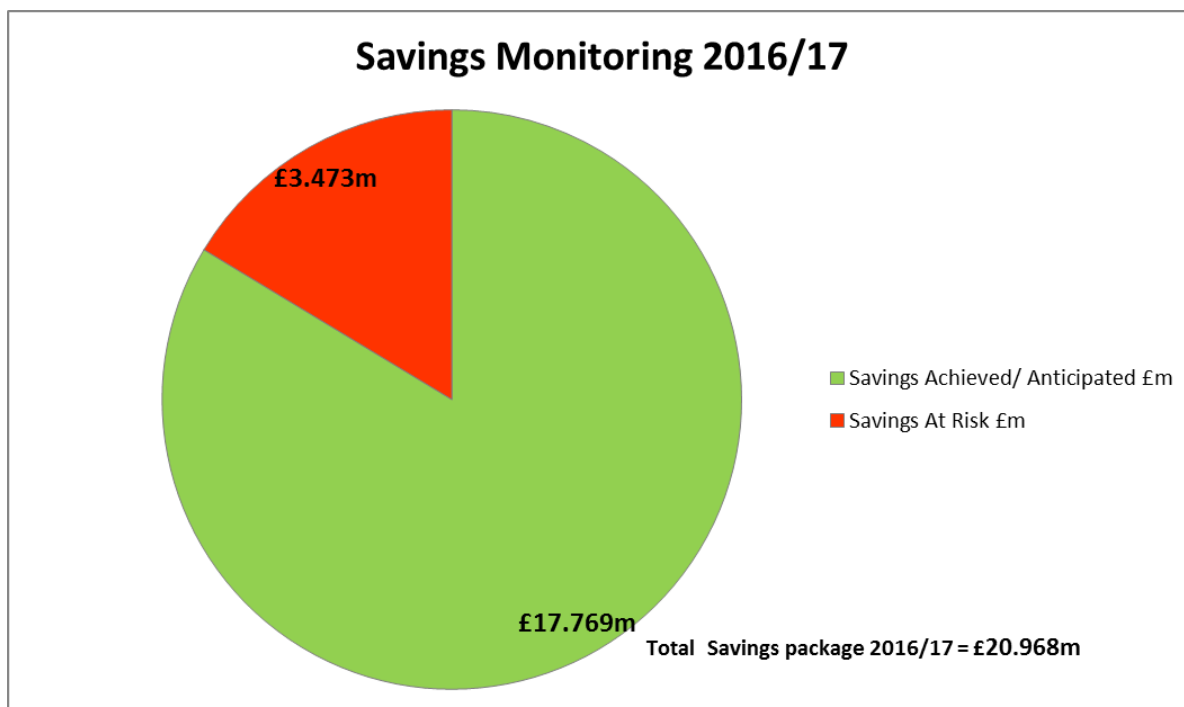
- re-provision to replace lost units means that additional growth of leased property is at a standstill and so new demand can only be absorbed by spot purchases;
- re-provision is at an increased cost as the housing market is now more expensive;
- there are costs associated with the handback of a large number of units which include dilapidation and void costs; and
- some units of provision were diverted to ASC to assist with an emergency situation.

The current projection is an overspend of £0.650m (of which £0.335m relates to the managed risk identified at budget setting) and takes account of the use of a one-off contingency sum of £0.100m as well as identified recovery measures of £0.597m. These measures include the use of one-off specific temporary accommodation reserves, vacancy management, improving moving on from temporary accommodation, using HRA assets awaiting redevelopment as temporary accommodation as well as utilising £0.200m of DCLG funding for early prevention work and financial incentives to landlords and applicants.

Monitoring Savings

- 3.10 The savings package approved by full Council to support the revenue budget position in 2016/17 was £20.968m. This is a very large savings package and follows 5 years of substantial packages totalling nearly £98m. Achievement of savings programmes and actions in 2016/17 will be closely monitored to ensure satisfactory progress and, so far as possible, to avoid adding to financial pressures in future years through non-achievement.
- 3.11 Appendix 2 includes a summary of savings in each directorate and indicates in total what is anticipated/achieved or is at risk. Appendix 3 summarises the position across all directorates and presents the entire savings programme. The chart below provides a summary of the position as at Month 9. This shows that over 80% of the savings

programme of £20.968m for 2016/17 is expected to be on track but there are clearly challenges with approximately £3.473m at risk. Mitigation of these risks continues through recovery plans and measures wherever possible. The majority of 'at risk' savings are within the Families, Children & Learning directorate as detailed in Appendix 2.



Note: Savings achieved/anticipated includes an overachievement of savings of £0.274m.

Housing Revenue Account Performance (Appendix 2)

- 3.12 The Housing Revenue Account is a separate ring-fenced account which covers income and expenditure related to the management and operation of the council's housing stock. Expenditure is generally funded by Council Tenants' rents. The forecast outturn is an underspend of £2.236m and more details are provided in Appendix 2. Any underspend will be added to HRA reserves to support the HRA MTFs and 30-year business plan.

Dedicated Schools Grant Performance (Appendix 2)

- 3.13 The Dedicated Schools Grant (DSG) is a ring-fenced grant which can only be used to fund expenditure on the schools budget. The schools budget includes elements for a range of services provided on an authority-wide basis including early years education provided by the Private, Voluntary and Independent (PVI) sector, and the Individual Schools Budget (ISB) which is divided into a budget share for each maintained school. The forecast outturn is an underspend of £0.212m and more details are provided in Appendix 2. Under the Schools Finance Regulations any underspend must be carried forward to support the schools budget in future years.

NHS Managed S75 Partnership Performance (Appendix 2)

- 3.14 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.

- 3.15 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. The council's forecast contribution to the risk share for 2016/17 is currently £0.603m and more details are provided in Appendix 2.

Better Care Fund – S75 Pooled Fund (Appendix 2)

- 3.16 The Better Care Fund is a pooled fund managed by the Clinical Commissioning Group. The fund operates on a 50:50 risk share basis. The total value of the fund is £20.087m of which over £7m is invested directly in social care activities. Currently, the Integrated Community Equipment Service is heavily oversubscribed and is forecast to overspend by approximately £1.3m. Underspends on other schemes will assist the position but a net risk of £0.6m is forecast of which the council's share is £0.3m. This position can be mitigated by Adult Social Care contingency held for the purpose and set aside as part of the 2016/17 Provisional Outturn report to Policy, Resources & Growth Committee on 9 June 2016.

Capital Programme Performance and Changes

- 3.17 The table below provides a summary of capital programme performance by Directorate and shows that there is a forecast underspend of £0.666m at this stage. More details are provided in Appendix 4.

2016/17 Month 7 Variance £'000	Capital Budgets	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Families, Children & Learning	9,475	9,475	0	0.0%
0	Health & Adult Social Care	489	489	0	0.0%
0	Economy, Environment & Culture	41,156	41,071	(85)	-0.2%
328	Neighbourhood, Comms & Housing	4,590	4,774	184	4.0%
(39)	Housing Revenue Account	44,317	43,558	(759)	-1.7%
0	Finance & Resources	2,387	2,381	(6)	-0.3%
0	Strategy, Governance & Law	0	0	0	0.0%
0	Corporate Services	0	0	0	0.0%
289	Total Capital	102,414	101,748	(666)	-0.7%

(Note: Summary may include minor rounding differences)

- 3.18 Appendix 4 shows the changes to the budget and Appendix 5 provides details of new schemes for 2016/17 to be added to the capital programme which are included in the budget figures above. Policy, Resources and Growth Committee's approval for these

changes is required under the council's Financial Regulations. The following table shows the movement in the capital budget since approval at Month 7.

Capital Budget Movement	2016/17 Budget £'000
Summary	
Budget Approved at TBM Month 7	119,943
Reported at other Policy, Resources & Growth committees since Month 7	1,100
New schemes to be approved in this report (see Appendix 5)	55
Variations (to be approved - see Appendix 4)	(496)
Reprofiles (to be approved - see Appendix 4)	(15,039)
Slippage (to be approved - see Appendix 4)	(3,149)
Total Capital Budget	102,414

- 3.19 Appendix 4 also details any slippage into next year, in respect of which project managers have forecast that £3.149m of the capital budget will slip into the next financial year at this stage.

Implications for the Medium Term Financial Strategy (MTFS)

- 3.20 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 & Growth 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

- 3.21 Capital receipts are used to support the capital programme. Any changes to the level of receipts during the year will impact on future years' capital programmes and may impact on the level of future investment for corporate funds and projects such as the Strategic Investment Fund, Asset Management Fund, Customer First in a Digital Age and the Workstyles VFM projects. The planned profile of capital receipts for 2016/17, as at Month 9, is £12.220m against which there have been receipts of £1.809m in relation to a lease extension at Hartington Road, land at Park Wall Farm, Falmer, 11 Little East Street plus some minor lease extensions at the Marina and the sale of Lions Court with the capital receipt ringfenced for investment into the housing capital programme.
- 3.22 The forecast for the 'right to buy sales' in 2016/17 (after allowable costs, repayment of housing debt and forecast receipt to central government) is that an estimated 50 homes will be sold with a maximum useable receipt of £0.500m to fund the corporate capital programme and net retained receipt of £3.013m available to re-invest in replacement homes. To date 37 homes have been sold in 2016/17.

A total of £1.339m receipts from the housing Local Delivery Vehicle (LDV) has been received during October 2016. This is the final batch of receipts and no further

tranches are due for this particular project. The net receipts are ringfenced to support investment in council owned homes.

Collection Fund Performance

- 3.23 The collection fund is a separate account for transactions in relation to council tax and business rates. Any deficit or surplus forecast on the collection fund relating to council tax is distributed between the council, Sussex Police and 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.
- 3.24 The council tax collection fund is forecast to be in surplus by (£0.765m) at year end which incorporates a brought forward surplus of (£0.376m). Other main changes in the forecast during the year are a greater than forecast reduction in Council Tax Reduction awards (£0.300m), increased income from new properties and banding changes (£0.150m), and increased severely mentally impaired exemptions £0.050m. The council's share of the overall forecast council tax surplus is (£0.654m).
- 3.25 The business rates collection fund has a brought forward deficit of £1.378m and this is forecast to increase to £3.437m at year end. The forecast deficit has reduced this month by £0.300m mainly due to higher than anticipated rateable values for new properties recently added to the rating list. The main reason for the overall deficit during the year is a greater reduction in the 2016/17 liability being forecast from the impact of appeals and a higher provision being anticipated for losses in collection. Business rates income continues to be difficult to forecast due to the backlog of appeals. The number of appeals outstanding at the end of December totalled 829 (down from 1,094 at 31/3/16) of which 419 were lodged before 01/04/15. The council's share of the overall forecast business rates deficit is £1.684m.
- 3.26 The council's share of the combined net deficit across both collection funds is £1.030m and this will need to be included in the budget forecast for 2017/18.

4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The provisional outturn position on the General Fund is an overspend of £1.862m. This includes a pressure of £0.603m on the council's share of the NHS managed Section 75 services and a £0.299m risk share on the Better Care Fund. Risk provisions of £3.000m are available to substantially mitigate the position if the risk cannot be addressed by year-end. Any overspend above this level 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 £9.000m. Any underspend would release one off resources that can be used to aid budget planning for 2017/18.

5 COMMUNITY ENGAGEMENT & CONSULTATION

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

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

- 6.1 The General Fund Revenue Budget 2016/17 report to full Council in February, which set out the budget for approval, indicated that cost pressures arising from increasing costs and demands, particularly across social care, were likely to add costs of around £18m. Through a combination of savings proposals (totalling over £20m) and taxbase increases, including the Adult Social Care precept, the council was able to provide

£12m funding toward these cost pressures requiring effective demand management strategies to manage the residual risk.

- 6.2 The forecast risk at Month 9 remains manageable in the context of the expected level of risk. Action to address in-year pressures through recovery plans, financial and vacancy controls has been effective and the overall position, after applying risk provisions is better than break-even. This indicates that while the full impact of pressures identified above has not been addressed, there have been some inroads into managing increasing demands. The current trends have been taken into account in setting the 2017/18 budget which is reported elsewhere on this agenda.
- 6.3 It should also be noted that the one-off cost of facilitating the 2016/17 £21m savings package is higher than anticipated in terms of severance costs for staff exiting the authority following service redesigns and consultation. To date, over 220 staff have been released on redundancy, all of which have been assessed by the Officer Compensation Panel to ensure that all cases met the council's business case criteria for a good value for money decision (i.e. maximum 2-year payback from associated net savings). The Restructure & Redundancy provision has been exceeded by £0.500m and this is expected to increase to approximately £0.600m. This one-off cost will be a first call on the £3.000m risk provision.

7 FINANCIAL AND OTHER IMPLICATIONS

Financial Implications:

- 7.1 The financial implications are covered in the main body of the report. Financial performance is kept under review on a monthly basis by the Cross-Party Budget Review Group and the management and treatment of forecast risks is considered by the Audit & Standards Committee.

Finance Officer Consulted: Jeff Coates Date: 23/01/17

Legal Implications:

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

Lawyer Consulted: Elizabeth Culbert Date: 27/01/17

Equalities Implications:

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

Sustainability Implications:

- 7.3 Although there are no direct sustainability implications arising from this report, the council's financial position is an important aspect of its ability to meet Corporate Plan and Medium Term Financial Strategy priorities. The achievement of a break-even position or better is therefore important in the context of ensuring that there are no adverse impacts on future financial years from performance in 2016/17.

Risk and Opportunity Management Implications:

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

SUPPORTING DOCUMENTATION

Appendices:

1. Revenue Budget Movement since Month 9
2. Revenue Budget Performance
3. 2016/17 Savings Progress
4. Capital Programme Performance
5. New Capital Schemes

Documents in Members' Rooms:

None.

Background Documents

None.

Appendix 1 – Revenue Budget Movement Since Month 7

Service	2016/17 Month 7 Variance £'000	Forecast Variance Month 9 £'000	Movement £'000	Explanation of Main Movements
Director of Families, Children & Learning	0	(95)	(95)	Vacant posts being held pending reductions in grant funding for next year.
Health, SEN & Disability Services	2,465	2,307	(158)	Due to a reduction in staff costs and non pay costs
Education & Skills	254	89	(165)	Reduction in Early Years overspend
Children's Safeguarding & Care	854	1,457	603	Increase in all placements, principally residential and semi independent placements
Quality Assurance & Performance	(30)	(37)	(7)	
Total Families, Children & Learning	3,543	3,721	178	
Adult Social Care	978	772	(206)	Due to a number of vacancies being identified
Integrated Commissioning	(145)	(183)	(38)	Due to a reduction in staff costs
S75 Sussex Partnership Foundation Trust (SPFT)	419	603	184	This is due to an increase in the cost of new residential and nursing placements.
Public Health	(75)	0	75	Due to a review of projections across Public Health services
Total Health & Adult Social Care	1,177	1,192	15	
Transport	(876)	(957)	(81)	Improved highways employee and income forecasts totalling £0.087m following review of service redesign proposals and income received to date. Continued demand increases for permit and pay and display parking to the value of £0.053m. Other service variances total £0.056m adverse movement.
City Environmental Management	(52)	(141)	(89)	Revised forecasts reflect greater salary underspends following service redesign and increased recruitment controls. Other variations have been offset by early repayment of borrowing relating to the fleet replacement programme to reduce future years' costs.

Appendix 1 – Revenue Budget Movement Since Month 7

Service	2016/17 Month 7 Variance £'000	Forecast Variance Month 9 £'000	Movement £'000	Explanation of Main Movements
City Development & Regeneration	312	199	(113)	Favourable movement of £0.050m within the Applications Service following review of application demand and employee costs to meet government set timescales and to support service modernisation and transformation. A review of salary forecasts throughout the service following a redesign and following increased recruitment controls resulting in a net favourable forecast movement of £0.063m.
Culture	(177)	(321)	(144)	Net impact of additional catering commission and additional events in the financial year.
Property	(60)	(98)	(38)	There are still rent pressures for the Estates Service and an increase of additional security costs within the Agricultural Estate combining to make a £0.103m additional pressure in the Estates Service. Elsewhere in Property & Design there are additional underspends in Energy Management due to reduced electricity costs and savings within the Premises Management Section together accounting for an additional underspend of £0.141m.
Total Economy, Environment & Culture	(853)	(1,318)	(465)	
Housing General Fund	897	680	(217)	Reduction of the overspend on adaptations by £0.112m largely due to reducing the average grant from around £0.009m to £0.007m by using the Adaptations Framework and review of the schedule of rates prices in-year. A further £0.030m reduction in the forecast relates to the consultation process for the new proposed licensing schemes. This consultation is now likely to commence in early 2017/18. Also, Housing's share of the loss of housing benefit subsidy for temporary accommodation is now forecast to be £0.080m lower than budgeted.
Libraries	0	(0)	(0)	

Appendix 1 – Revenue Budget Movement Since Month 7

Service	2016/17 Month 7 Variance £'000	Forecast Variance Month 9 £'000	Movement £'000	Explanation of Main Movements
Communities, Equalities & Third Sector	95	87	(8)	
Regulatory Services	(4)	(4)	0	
Community Safety	(0)	(0)	0	
Total Neighbourhood, Communities & Housing	987	763	(224)	
Finance	(54)	(218)	(164)	Vacancy management within Finance and Revenues & Benefits (£0.136m) and audit reimbursement of costs (£0.028m)
Housing Benefit Subsidy	(300)	(325)	(25)	
HR & Organisational Development	0	(74)	(74)	Mostly due to management of vacancies
ICT	0	0	0	
Total Finance & Resources	(354)	(617)	(263)	
Corporate Policy	(30)	(30)	0	
Legal Services	0	(3)	(3)	
Democratic & Civic Office Services	(9)	(19)	(10)	
Life Events	57	127	70	Increasing income pressure within Bereavement Services
Performance, Improvement & Programmes	(30)	(30)	0	
Communications	0	(130)	(130)	Management of vacant posts (£0.075m), supplies and services underspends (£0.055m)
Total Strategy, Governance & Law	(12)	(85)	(73)	
Bulk Insurance Premia	(250)	(250)	0	
Concessionary Fares	(30)	(30)	0	
Capital Financing Costs	(380)	(465)	(85)	Further Minimum Revenue Provision (MRP) amendments to certain assets which results in a change in profiling of MRP for those assets.
Levies & Precepts	(1)	(1)	0	
Unallocated Contingency & Risk Provisions	0	(143)	(143)	Reduced requirement against contingency budget.
Unringfenced Grants	(160)	(160)	0	

Appendix 1 – Revenue Budget Movement Since Month 7

Service	2016/17 Month 7 Variance £'000	Forecast Variance Month 9 £'000	Movement £'000	Explanation of Main Movements
Other Corporate Items	(217)	(745)	(528)	Unidentified income for 2014/15 and earlier years written back. Release of Adult Social Care contingency (see report paragraph 3.16).
Total Corporate Budgets	(1,038)	(1,794)	(756)	
Total General Fund	3,450	1,862	(1,588)	

Families, Children & Learning

Revenue Budget Summary

2016/17 Month 7 Variance £'000	Service	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Director of Families, Children & Learning	344	249	(95)	-27.6%	100	100	0
2,465	Health, SEN & Disability Services	34,384	36,691	2,307	6.7%	4,008	3,505	552
254	Education & Skills	8,111	8,200	89	1.1%	786	849	92
854	Children's Safeguarding & Care	37,646	39,103	1,457	3.9%	2,971	791	2,250
(30)	Quality Assurance & Performance	1,642	1,605	(37)	-2.3%	0	0	0
3,543	Total Families, Children & Learning	82,127	85,848	3,721	4.5%	7,865	5,245	2,894

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

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Director of Families, Children & Learning			
(95)	Stronger Families	Vacant posts being held pending reductions in grant funding for next year.	
Health, SEN & Disability Services			
(120)	Demand-Led - Disability Agency Placements	It is currently forecast that there will be 11.45 FTE disability agency placements during 2016/17. The budget allows for 14.00 FTE and this has resulted in the projected underspend of £0.120m.	
69	In-house residential and respite services	Increasing use of overtime and agency staff providing residential and respite care for disabled children with complex needs. These services are contributing to the reduced spending on Disability Agency Placements above.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
2,131	Demand Led - Learning Disability Adults - Community Care	There has been an increase in the level of clients presenting with greater complexity of need in recent months. This has resulted in an increase in the average unit costs for Learning Disability Care packages. The overspend predominantly relates to Supported Accommodation and Direct Payments which have shown a significant increase in activity since April 2015.	Continued review of care packages to ensure provision of services is effective, appropriate and value for money. Making the best use of in-house resources is also critical. Continued exploration of ways to reduce the need for high cost care and admissions into residential homes. Also, talking to NHS colleagues regarding the impact of the transforming care programme.
48	Learning Disability Adults - Assessment	This is due to additional staffing related to Deprivation of Liberty Safeguards and staffing being recruited beyond establishment for project work.	
274	Learning Disability Adults - In-house provision	The income target for Able & Willing has risen significantly in the last few years to £0.490m. The level of sales being generated however is considerably below the required rate and it is anticipated that there will be a shortfall of £0.198m in 2016/17. This is being offset by underspends against staffing costs and non pay costs.	Review of the Able & Willing service and exploring ways to maximise income revenue streams.
Education & Skills			

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
266	Home to School Transport	<p>The overspend is due to:</p> <ul style="list-style-type: none"> • Additional costs of the new contract introduced last year following the retendering exercise; • Less impact of Independent Travel Training than anticipated; • Increased costs in 16-19 travel; • Additional recoupment costs. <p>The overspend reflects the latest numbers of children (350) being transported. An analysis has been undertaken with the budget holder for each area of the budget and the latest position reflects the estimated outturn position based on current information.</p>	Further work is taking place to understand the increased costs of transport and identify mitigations.
12	Youth Service	An element of the 2016/17 budget savings strategy for the youth service was based on reducing the costs for premises following a review of buildings. At this stage it is unlikely that these savings will materialise, however this is now being partially off-set by savings on vacant posts.	Negotiations are currently underway with third sector providers to increase delivery from the Youth Service buildings.
(90)	Access to Education	This underspend relates to a reorganisation and reduction in management costs.	

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(40)	Early Years - Nurseries and Children's Centres	<p>Nurseries – The overspend of £0.100m has decreased because of a further increase in income. The nursery restructure will be implemented by January and will match the number of staff to the number of children in each nursery. There will be some savings because of staff leaving on Voluntary Severance and more efficient shift patterns. Savings from changes in grades will not be realised until the end of three years protected pay.</p> <p>Children's centres – the underspend of £0.103m is due to additional income from midwifery, gaps in vacancies being filled and further reductions in running costs.</p> <p>In addition there is a £0.010m underspend due to no sufficiency grants being funded for early years providers.</p>	The restructure of the nurseries is progressing and some savings are expected but at this stage is difficult to quantify the level of the savings due to uncertainties around voluntary severance and protected pay.
Children's Safeguarding & Care			
388	Demand-Led - Residential Agency Placements	The projected number of residential placements (32.32 FTE) is broken down as 29.29 FTE social care residential placements (children's homes), 3.00 FTE schools placements and 0.02 FTE family assessment placements. The budget allowed for 27.70 FTE social care residential care placements, 3.90 FTE schools placements and 0.40 FTE family assessment placements. The average unit costs of these placements is also higher than the budgeted level for all placement	Regular reviews of any placement in a residential setting are being undertaken and there are plans for a number of children to move them to alternative placements in the community where this is appropriate.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
		types. The number of children's placements is 0.32 FTE above the budgeted level and together with the high unit costs results in the overspend of £0.388m.	
697	Demand-Led - Independent Foster Agency (IFA) Placements	The number of children placed in Independent Foster Agency placements has decreased in recent years. During 2015/16 there were 158.06 FTE. The current projected number of placements in 2016/17 is 130.72 FTE, a reduction of 17.3%. The budget for IFA placements included significant levels of savings and was set at 121.00 FTE. The numbers being higher than the budget by 9.72 FTE results in a projected overspend of £0.697m.	This project is working very well and with a reduction in children in Care (CIC) is enabling the service to achieve an improved financial outcome. If both factors continue, it may be possible to achieve greater savings. It is, however, anticipated that the recruitment of new in-house foster carers will reduce the overspend by £0.200m.
212	Demand-Led - Secure Accommodation	It is estimated that during 2016/17 there will be 1.84 FTE secure (welfare) placements and 0.74 FTE secure (justice) placements. The budget allowed for 1.00 FTE welfare and 1.00 FTE justice placements during the year. There is currently two children in a secure (welfare) placement and two in a secure (criminal) placement resulting in a projected overspend of £0.212m.	Secure placements are only used as a last resort. They are used when deprivation of a young person's liberty is the only solution which will enable work to start to keep them safe on exit from the unit. The Adolescent Service is being successful in reducing the risk and stepping down needs and it is planned that the service will be able to impact on the number of young people requiring secure placements.
841	Demand-Led - Semi-independent/Supported placements	The number of semi-independent and supported living placements is projected to be 26.82 FTE and this is 8.32 FTE above the budgeted level. In addition, the average unit cost of these placements is £396.61 per week higher than the budget and this results in an overspend of £0.841m.	It will be difficult to achieve any savings in this area due to pressures elsewhere in the system.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(163)	Demand-Led - In-House Fostering	As at the 31st December 2016 there were 154 children placed with 'in-house' foster carers and 151.34 FTE for the year. The budget was based on an increasing trend over the last few years and was set at 156.50 FTE placements. This has resulted in the current projected underspend of £0.163m. There is currently work ongoing to increase the number of in-house foster carers and this should result in a net reduction in costs .	The project will try to increase the number of in house foster carers by more than predicted.
(144)	Demand-Led - Family & Friends placements, Child Arrangement Orders and Special Guardianship Orders	The budget allows for 310.00 FTE placements of these types. It is currently anticipated that there will be 292.74 FTE children in these placements during 2016/17 and this results in the underspend of £0.144m.	
479	Demand-Led - Care Leavers	The projected number of care leaver placements in 2016/17 is 81.30 FTE. The budget allows for 58.10 FTE placements. The increase mainly relates to growing numbers of Staying Put placements (44.88 FTE in 2016/17). In addition, the average unit cost is also higher than the budget resulting in an overall overspend of £0.479m.	The right of 18 year olds to decide to 'Stay Put' with their foster carers is a requirement on the service and one which we are tasked to encourage as in the best interests of young people. We do not anticipate this spend reducing. The current Social Work Bill is likely to lead to increased pressure in this area.
(78)	Demand-Led Unaccompanied Asylum Seeking Children (UASC) Grant	The numbers of unaccompanied asylum seeking children has increased considerably in the last 12 months. The costs of looking after these children is funded by a grant from the home office and the grant is in access of the estimated value by £0.078m	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
271	Social Work Teams	The overspend within the social work teams relates predominantly to use of agency staff. This is a result of a large number of vacant posts across the social work teams at present and a difficulty in retaining experienced staff. There are currently 25 locum social workers employed within the social work service resulting in additional costs of £1.705m.	The new model for social work adopted in Brighton & Hove has attracted a lot of interest from social workers from other areas and those employed as agency staff currently. With the potential agreement to a market supplement payment, it is hoped that it will be possible to achieve further reductions in agency spend.
(603)	Adoption	Following changes to adoption regulations and a re-basing of the inter-agency budget, it is anticipated that there will be an underspend in 2016/17. This is based on estimated income from other agencies which was considerably higher last year than in previous years. In addition, it includes income from the new Inter Agency Adoption Fee Grant.	
(162)	Fostering and Adoption teams	There are currently a number of vacant posts across the fostering and adoption teams.	

Health & Adult Social Care

Revenue Budget Summary

2016/17 Month 7 Variance £'000	Service	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
978	Adult Social Care	29,644	30,416	772	2.6%	2,851	2,851	0
(145)	Integrated Commissioning	8,701	8,518	(183)	-2.1%	159	159	0
419	S75 Sussex Partnership Foundation Trust (SPFT)	11,634	12,237	603	5.2%	246	246	0
(75)	Public Health	1,242	1,242	0	0.0%	1,096	1,096	0
1,177	Total Health & Adult Social Care	51,221	52,413	1,192	2.3%	4,352	4,352	0

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

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Adult Social Care			
(11)	Demand-Led Community Care - No Recourse to Public Funds	The average unit cost is slightly lower than the budgeted unit cost resulting in the small underspend of £0.007m.	
572	Demand-Led Community Care - Physical & Sensory Support	The number of WTE care packages is significantly greater than the budgeted level. This is partly the result of increasing numbers of 'new' older people being discharged from hospital requiring social care services for the first time, as well as increased community demand.	Numbers of clients requiring social care services have been higher than anticipated and work is ongoing to look at reducing admissions to nursing and residential homes. There is a need to work with all partners both NHS and independent sector to promote well being and reablement.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
79	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 costs however are slightly higher than anticipated and this accounts for the small overspend.	
633	Deprivation of Liberty Safeguarding (DOLS)	The level of new referrals increased significantly in the last half of 2015/16, rising from 122 in October 2015 to 190 in April 2016. It is estimated that referrals will increase by 25% in 2016/17 to just fewer than 3,100 for new and repeat referrals.	This is a key pressure area for which additional resources will be required and in future years will need to be mitigated by either additional resources (e.g. Adult Social Care precepts) or by savings elsewhere.
(142)	Carers Support	More efficient use of Better Care Fund resources will result in an underspend in the carers support budget.	
104	Hostel Accommodation	There has been a delay in the transfer of a Hostel to a new building which has resulted in pressures on rent costs and Housing Benefit income.	A new building is being identified for the Hostel and the move is expected next financial year.
299	Community Equipment Store (Better Care Fund S75 Pooled Budget)	The Community Equipment Store has reported an overspend of £1.384m to the Better Care Board however this should be offset in part by other underspends within Better care. The £0.299m reflects a residual risk of £0.598m of which the council has a 50% risk share with the CCG.	
151	Older people resource centres	The overspend relates to use of Care Crew agency staffing pressures across the resource centres.	
(575)	Home Care & Night Home Care Service	The Night Home Care Service has closed and they have also made additional staffing savings. This forms part of the budget proposals for 2017/18.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(337)	Assessment & SIT	This is due to a number of vacancies across the Assessment teams.	
Integrated Commissioning			
(122)	Carers Support	More efficient use of Better Care Fund resources will result in an underspend in the Carers Support budget.	
(84)	Integrated Commissioning	Due to vacancies within the Commissioning teams.	
S75 Sussex Partnership Foundation Trust (SPFT)			
560	Demand-Led - Memory Cognition Support	There are higher numbers of WTE care packages than are funded in the budget; the unit costs are also higher than had been anticipated resulting in the overspend of £0.415m. This is due to a current lack of affordable residential and nursing home placements within the city.	Increased scrutiny of all complex or high cost care packages to ensure value for money against eligible care needs. Where possible, no placements are made above the agreed Local Authority rates. The Clinical Commissioning Group (CCG) have agreed additional funding of £0.850m to offset the risks on the Community Care budget. The Risk Share arrangement with SPFT assumes a 50:50 split of any remaining overspend up to a cap of £0.250m. A Continuing Health Care Taskforce is in place to ensure that all appropriate funding sources are identified.
331	Demand-Led - Mental Health Support	Numbers of WTE clients are lower than the budget allocation but the average unit costs are significantly higher due to the increasing need and complexity of this client group and it is this that results in the overspend of £0.255m.	
(38)	Demand-Led - Staff teams	Underspends resulting from vacancies and turnover.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(250)	Demand-Led - SPFT risk share	The risk share arrangements with SPFT have been agreed for two years. The risk will be shared 50/50 with a cap at £0.250m, the breaching of which would trigger further discussions with the CCG.	

Economy, Environment & Culture

Revenue Budget Summary

2016/17 Month 7 Variance £'000	Service	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(876)	Transport	(6,237)	(7,194)	(957)	-15.3%	980	813	167
(52)	City Environmental Management	28,365	28,224	(141)	-0.5%	1,330	1,316	14
312	City Development & Regeneration	2,844	3,043	199	7.0%	226	216	10
(177)	Culture	4,446	4,125	(321)	-7.2%	572	364	208
(60)	Property & Design	3,567	3,469	(98)	-2.7%	789	769	20
(853)	Total Economy, Environment & Culture	32,985	31,667	(1,318)	-4.0%	3,897	3,478	419

Explanation of Key Variances

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Transport			
(124)	Asset & Network Management	Underspends due to establishment management pending the service redesign (£0.081m) and highways licencing and other income (£0.089m) are partly offset by £0.020m overspend on the gulley cleansing contract due to three major flood events so far this year and other minor variances.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
198	Head of Transport	The implementation of the service redesign is now anticipated later than originally planned resulting in a savings risk of £0.167m; 0.022m for the planned recruitment of a Commercial Manager post to support actions identified in the service and financial plans across the EEC Directorate; £0.009m forecast overspend on traffic research costs.	Various vacancies are being held across the Transport service area pending the service redesign.
(856)	Parking & Network Operations	Forecast over-achievement of permit fee income of (£0.650m) due to continued uptake in traders and visitors permits, as well as suspension permit parking due to a number of developments in the city. Other net favourable variances totalling (£0.206m) represent increased demand in particular areas such Regency Square following the opening of the i360.	
(225)	Transport Projects	Various underspend variances includes reduced borrowing and other costs relating to public transport (£0.076m), contractual income from the bus shelter contract (£0.072m), and reduced contribution to the Sussex Safer Roads Partnership following a change to funding of (£0.051m)	
City Environmental Management			
(72)	Sport and Leisure	Expenditure underspends held in advance of future year budget savings as well as minor in year underspends across a range of expenditure areas.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(69)	Strategy & Projects	Salary forecasts have been updated following the implementation of a service redesign. Underspends largely relate to vacant post held during the redesign and following increased recruitment controls. The forecast variance is net of a forecast £0.014m saving risk relating to income from textile recycling.	
City Development & Regeneration			
319	Applications	Forecast under-achievement on Development Planning and Building Control fee income of £0.130m based on current demand and delays to implementing pre-planning application advice charges. Net salary overspend forecast of £0.189m to meet government set timescales to respond to planning applications and regrading of posts following appeal.	Income levels are demand led and dependant on the number of applications and major developments in the City. Potential mitigating actions have not been possible due to pressure on the service to meet government set timescales for respond to planning applications.
63	Head of City Development & Regeneration	Interim management services provided by external agency to support service modernisation and transformation.	
(4)	International & Sustainability	Saving risk of £0.010m due to delays to implementation as part of wider service restructure, to be funded from underspends elsewhere within the service.	
(58)	Major Projects	Underspends in net salary costs following recharge of project manager staff time to capital funded schemes.	
(69)	Planning Policy and Major Projects	Underspends in salary costs due to vacancies being held during a service restructure following increased recruitment controls.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Culture			
(154)	Tourism	Vacancy management underspend of (£0.086m) to allow for business planning and service delivery review, increased Conference Commission income of (£0.054m) and other minor net underspends.	
(198)	Venues	Income from events, ticket commissions and catering commissions in the current year based on known business and one-off effect of an under accrual from 2015/16.	
Property			
213	Estates	There are net revenue pressures for the Estates service totalling £0.118m. Additionally there are additional security and other costs relating to the Agricultural Estates in the region of £0.095m	Rent income forecasts are monitored and reported on a monthly basis as part of the TBM process. The managing agents acting on behalf of the council seek to maximise the level of rental income from the commercial portfolio.
(310)	Property Services	There are underspends within the Energy Management service of £0.138m due to reductions in electricity costs. There are cost savings in the Premises Management section of £0.155m due mainly to management of vacancies with other services accounting for further underspends of £0.018m.	

Neighbourhood, Communities & Housing

Revenue Budget Summary

2016/17 Month 7 Variance £'000	Service	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
897	Housing General Fund	4,509	5,189	680	15.1%	582	582	0
0	Libraries	4,952	4,952	(0)	0.0%	309	309	0
95	Communities, Equalities & Third Sector	2,873	2,960	87	3.0%	208	108	100
(4)	Regulatory Services	1,983	1,979	(4)	-0.2%	154	154	0
(0)	Community Safety	1,260	1,260	(0)	0.0%	133	133	0
987	Total Neighbourhood, Communities & Housing	15,577	16,340	763	4.9%	1,386	1,286	100

Explanation of Key Variances

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Housing General Fund			
650	Temporary Accommodation and Allocations	The net budget for Temporary Accommodation (TA) is £1.459m and the service is currently forecast to spend £2.806m, an overspend of £1.347m. This is due to the lack of affordable accommodation to move people on to which has led to growth in the numbers of households requiring TA. This has been made worse by the need to handback 150 properties through the ending of a key provider relationship leading to the use of more expensive spot purchase accommodation. There is a financial recovery plan which is forecast to reduce costs by £0.597m. Using a contingency sum set aside for homelessness of £0.100m, means that the service is forecast to overspend £0.650m.	The service is currently forecasting to overspend by £1.347m. The current financial recovery plan is now forecast to deliver £0.597m. This plan includes the use of reserves, staff vacancy management and DCLG grant money to improve prevention and incentivise landlords in the private rented sector. It also assumes a reduction to the numbers of households in TA as a result of the new allocation policy approved by PR&G Committee on 8th December. The overspend is further mitigated by the use of £0.100m contingency sum set aside for homelessness.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
132	Private Sector Housing	Additional pressure of £0.216m (reduced from £0.328m at month 7) has arisen because the Better Care Fund allocation for Disabled Facilities Grant transferred to Housing is less than the indicative amount of £1.590m announced by the Government in February for 2016/17. Recovery plan measures to reduce the overspend are counteracted by this reduction in the allocation passed on to Housing. This is offset by underspends (£0.084m) as a result of vacancies within the private sector housing team and an increase in the recharge of salaries to capital for the adaptations service.	The Better Care Fund approved by the Health & Wellbeing Board allocated some DFG resources to other schemes including carers and protecting social care. However, this needs resolution for future Better Care Fund allocations as the current funding level for DFG is insufficient.
(71)	Housing Strategy	This relates to the service redesign taking pace earlier than originally planned leading to reduced employee costs in 2016/17 as well as further minor underspends throughout housing strategy and development.	
(32)	Travellers	There has been a reduction in the costs rubbish removal and legal costs associated with unauthorised encampments as there has been a significant reduction in the number of these since the opening of the transit and permanent site.	

Communities, Equalities & Third Sector

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
87	Communities, Equalities & Third Sector	The projected variance reflects the cross-cutting saving (£0.200m) from the proposed merger with Community Safety in Public Health of which £0.100m is currently at risk. £0.113m is currently being managed through vacancy management.	This overspend has reduced since the beginning of the financial year, using vacancies to manage this. However, it is unlikely to be mitigated by the end of the year.

Finance & Resources

Revenue Budget Summary

2016/17 Month 7 Variance £'000	Service	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(54)	Finance	10,918	10,700	(218)	-2.0%	810	810	0
(300)	Housing Benefit Subsidy	(676)	(1,001)	(325)	-48.1%	0	0	0
0	HR & Organisational Development	3,106	3,032	(74)	-2.4%	335	335	0
0	ICT	7,310	7,310	0	0.0%	434	434	0
(354)	Total Finance & Resources	20,658	20,041	(617)	-3.0%	1,579	1,579	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Finance			
(153)	Finance	Vacancy management in Finance & Procurement (£0.105m), reimbursement of audit investigation costs and reduced professional fee costs for the Internal Audit section (£0.048m).	
(65)	Revenues & Benefits	Staffing underspends.	
Housing Benefit Subsidy			
(325)	Housing Benefit Subsidy	£0.210m relates to the recovery of former Council Tax Benefit overpayments. Based on data up to the end of September, a surplus of £0.115m is forecast for the subsidy budgets.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
HR & Organisational Development			
(74)	HR & Organisational Development	Management of vacancies as well as small projected underspends in Occupational Health and Health & Safety	

Strategy, Governance & Law

Revenue Budget Summary

2016/17 Month 7 Variance £'000	Service	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(30)	Corporate Policy	654	624	(30)	-4.6%	167	167	0
0	Legal Services	1,412	1,409	(3)	-0.2%	105	105	0
(9)	Democratic & Civic Office Services	1,838	1,819	(19)	-1.0%	85	85	0
57	Life Events	27	154	127	470.4%	212	152	60
(30)	Performance, Improvement & Programmes	879	849	(30)	-3.4%	46	46	0
0	Communications	754	624	(130)	-17.2%	140	140	0
(12)	Total Strategy, Governance & Law	5,564	5,479	(85)	-1.5%	755	695	60

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Life Events			
14	Registrars	Staffing cost pressures within the Registrars Service.	The Head of Life Events and Registrations Manager are progressing a service redesign in this area.
16	Elections	Overall cost pressures within Elections Service.	A review of the costs and funding for the Elections Service is being undertaken following the EU referendum.
97	Bereavement Services	Crematorium fee income pressure £0.123m, Vacancy management of £0.053m, other variances £0.027m overspend.	A service redesign is being progressed in this area alongside a further review of fees and charges.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Communications			
(130)	Communications	Management of vacant posts (£0.075m) and supplies and services underspends (£0.055m).	

Corporate Services

Revenue Budget Summary

2016/17 Month 7 Variance £'000	Service	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(250)	Bulk Insurance Premia	0	(250)	(250)	0.0%	0	0	0
(30)	Concessionary Fares	10,933	10,903	(30)	-0.3%	240	240	0
(380)	Capital Financing Costs	6,705	6,240	(465)	-6.9%	0	0	0
(1)	Levies & Precepts	172	171	(1)	-0.6%	0	0	0
0	Unallocated Contingency & Risk Provisions	3,002	2,859	(143)	-4.8%	0	0	0
(160)	Unringfenced Grants	(15,495)	(15,655)	(160)	-1.0%	0	0	0
(217)	Other Corporate Items	2,334	1,589	(745)	-31.2%	270	270	0
(1,038)	Total Corporate Budgets	7,651	5,857	(1,794)	-23.5%	510	510	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Bulk Insurance Premia			
(250)	Bulk Insurance Premia	Expenditure on the settlement of claims is forecast to be lower than budgeted.	
Concessionary Fares			
(30)	Concessionary Bus Fares	Lower than anticipated reimbursements for concessionary trips.	
Capital Financing Costs			
(465)	Capital Financing Costs	Additional net borrowing costs of £0.147m will be incurred as a result of bringing forward borrowing to take advantage of historically low borrowing rates. This is expected to make permanent savings of	Overspending is offset by an increase in forecast investment income (see below).

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
		£0.086m per year. This is offset by an increase in forecast investment income as a result of higher forecast investment balances than previously expected. There is also a budget for a contribution to Trusts that is not required (already accounted for in another budget line) and a one-off saving due to the conclusion of the MRP review.	
Unallocated Contingency & Risk Provisions			
(143)	Contingency	Reduced requirement from general contingency (£0.075m). Reduced requirement from the amount set aside for legal costs relating to temporary accommodation (£0.068m).	
Unringfenced Grants			
(78)	Unringfenced Grants	Council Tax Support Admin Subsidy Grant announced in March 2016 is higher than forecast.	
(68)	Unringfenced Grants	Local Reform & Community Voices grant announced in April 2016 is higher than forecast.	
(14)	Unringfenced Grants	Receipt of CLG Transparency Code Set up (£0.013m) and Lead Local Flood Authority (£0.001m) grants	
Other Corporate Items			
(217)	Unfunded Pension Payments	There is a £0.123m underspend relating to overpayments identified in respect of previous years and £0.094m in respect of an in year reduction.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(528)	Centrally Managed Budget	Unidentified income relating to 2014/15 and earlier financial years has been written back in accordance with the council's accounting policy. Release of Adult Social Care contingency to meet Better Care Fund and S75 risk shares (£350k) (see paragraph 3.16).	

Appendix 2 – Revenue Budget Performance

Housing Revenue Account (HRA)

Revenue Budget Summary

2016/17 Month 7 Variance £'000	Service	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(125)	Capital Financing	31,916	31,791	(125)	-0.4%	0	0	0
(7)	Head of Housing HRA	3,197	3,224	27	0.8%	385	385	0
(31)	Head of City Development & Regeneration	264	235	(29)	-11.0%	37	37	0
(13)	Housing Strategy	664	651	(13)	-2.0%	0	0	0
(323)	Income Involvement Improvement	(46,311)	(46,877)	(566)	-1.2%	239	239	0
(961)	Property & Investment	8,369	6,947	(1,422)	-17.0%	348	348	0
(6)	Tenancy Services	1,901	1,793	(108)	-5.7%	384	384	0
(1,466)	Total Housing Revenue Account	0	(2,236)	(2,236)	0.0%	1,393	1,393	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Capital Financing			
(125)	Capital Financing	Significant reprofiling of HRA capital expenditure from 2015/16 into 2016/17 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 2016/17 compared to the original budget forecast.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Income Involvement Improvement			
(283)	Income Management - provisions for debt and DHP fund	The contribution to the HRA debt provision is forecast to be underspent by £0.208m, this is based on the forecast level of arrears and write offs for the year and allowing for welfare reform changes. The HRA budget also includes £0.075m for a contribution to Discretionary Housing Payments(DHP) fund. It is forecast that this contribution will not be required to be called upon this financial year.	
(200)	Income Involvement Improvement - salary forecast	The service is also currently forecast to underspend by £0.200m on employee costs across rent accounting, Housing Customer Services and Income management teams.	
(66)	Tenancy Management office Costs	Underspends of approximately £0.066m relating to a reduction in office costs across the service.	
Property & Investment			
(688)	Responsive Repairs and Empty Property works	This underspend relates to a reduction in responsive repairs and empty property works expenditure due to the increased capital investment in council dwellings over recent years as well as reducing stock numbers from Right to Buy sales and stock transfer to Seaside Homes.	
(500)	Gas servicing and maintenance	Estimated contract efficiency savings relating to new gas contract which commenced on 1 April 2016.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(300)	Leaseholder Major Works Income	Income from service charges to leaseholders for Major Works is forecast to overachieve by £0.300m, mainly due to the timing of capital works meaning more was rechargeable in 2016/17 than was estimated when setting the budget.	
85	Property & Investment salary forecast	An increase in staff costs partly due to an increase in agency staff covering vacancies and additional quantity surveyor.	A review of the 2017/18 budget.
Tenancy Services			
(71)	Tenancy Management Property Costs	Forecast underspend of £0.107m for gas and electricity charges which has been offset by various minor variations across Tenancy Services.	
(46)	Rehousing Team	A forecast reduction in the expenditure on decorating vouchers of £0.053m by moving to decorating packs which are cheaper. This is offset by other small variances.	

Dedicated Schools Grant (DSG)

Revenue Budget Summary

2016/17 Month 7 Variance £'000	Service	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Individual Schools Budget (ISB)	123,359	123,359	0	0.0%
(327)	Early Years Block (including delegated to Schools) <i>(This includes Private Voluntary & Independent (PVI) Early Years 3 & 4 year old funding for the 15 hours free entitlement to early years education)</i>	10,629	10,204	(425)	-4.0%
154	High Needs Block (excluding delegated to Schools)	18,409	18,687	278	1.5%
(42)	Exceptions and Growth Fund	5,298	5,233	(65)	-1.2%
0	Grant Income	(157,263)	(157,263)	0	0.0%
(215)	Total Dedicated Schools Grant (DSG)	432	220	(212)	-49.1%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Early Years Block (including delegated to Schools)			
(350)	3 & 4 year old funding	Latest estimate of 3 & 4 year old payments for EYFE based on summer 2016	
(25)	Early Years Pupil Premium	Latest Estimate of payments for early years pupil premium	
(23)	2 year old funding	Latest estimate of 2 year old payments for EYFE based on summer 2016	
(27)	Centrally retained	Miscellaneous minor underspends	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
High Needs Block (excluding delegated to Schools)			
260	Maintained schools top up funding	High Needs top up to maintained schools (mainstream and special) is higher than budgeted.	A review of top up funding to primary and secondary schools will take place and a report will be prepared for DMT incorporating a number of proposals to address the ongoing pressure.
150	Post 16 placements	Post 16 pupils SEN placements in educational provision	
50	DSG contributions	Unanticipated DSG contribution to meet General Fund pressures.	
(8)	New Learning Support Service	Savings from Learning Support Service review	
(20)	Other	Other miscellaneous underspends	
(49)	Other	Unallocated 2015/16 budget brought forward.	
(105)	One to One support	Budget now not allocated to support schools	
Exceptions and Growth Fund			
(32)	Exception 1	Mainly school reimbursement for union duties, jury service and suspension.	
(17)	Exception 1	Additional charges to schools for Newly Qualified Teacher service	
(10)	Exception 1	School Meals service	
(6)	Other	Miscellaneous minor overspends	

Savings Monitoring 2016/17

General Fund

Directorate	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
Families, Children & Learning	7,865	5,245	2,894
Health & Adult Social Care	4,352	4,352	0
Economy, Environment & Culture	3,897	3,478	419
Neighbourhood, Communities & Housing	1,386	1,286	100
Finance & Resources	1,579	1,579	0
Strategy, Governance & Law	755	695	60
Corporate Budgets	510	510	0
Total Directorate Savings	20,344	17,145	3,473
Tax Base Savings	624	624	0
Total General Fund Savings	20,968	17,769	3,473

Housing Revenue Account

Directorate	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
Housing Revenue Account	1,393	1,393	0
Total HRA Savings	1,393	1,393	0

Appendix 4 – Capital Programme Performance

Families, Children & Learning – Capital Budget Summary

Forecast Variance Month 7 £'000	Service	2016/17 TBM 7 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Children's Safeguarding & Care	40	0	0	0	40	40	0	0.0%
0	Health & Disability Services	36	0	0	0	36	36	0	0.0%
0	Education & Skills	17,006	0	0	(7,864)	9,142	9,142	0	0.0%
0	Schools	257	0	0	0	257	257	0	0.0%
0	Stronger Families Youth & Communities	0	0	0	0	0	0	0	0.0%
0	Total Families, Children & Learning	17,339	0	0	(7,864)	9,475	9,475	0	0.0%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Education & Skills				
Reprofile	(7,126)	New Pupil Places (Basic Need)	A significant amount will be used to meet the upcoming need for secondary places. The Council is working with the Education Funding Agency (EFA) to identify a site for the proposed new University of Brighton free school due to open in September 2018. Purchase of a site is currently	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			<p>anticipated to cost in the order of £10million. EFA will not allow a new school to open until a permanent site has been identified and it is unlikely that we will complete any transaction within the current financial year.</p> <p>The Authority is undertaking a SEND review which is likely to identify a need for adaptations to special schools and associated accommodation. Anticipated costs associated with this work will be in the order of £5million. Until the current consultation phase is complete, it is not possible to determine which schemes are to be taken forward and it is unlikely there will be any significant expenditure in the current financial year.</p>	
Reprofile	(400)	Universal Free School Meals	<p>Planned works for summer 2016 have been completed and the budget has been utilised as expected, however, a substantial amount remains as the window for major kitchen works/projects is small. Planned works were completed in all cases except for Moulsecoomb, which was due to other smaller projects and the relocation of the kitchen (during the expansion of St Andrews Primary School). The work for Moulsecoomb is now planned for 2017. The summer break (6 weeks) is the only real opportunity to complete major works as kitchens/dining rooms are in operation throughout the year.</p> <p>Now awaiting the outcome of the SEND review to understand the impact on school kitchen premises and any other works required .</p>	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Reprofile	(338)	Capital Maintenance 2016/17	The majority of this year's programme was tendered successfully and work completed on site. However, some high tenders for packages of work did not represent good value for money and as a result were not accepted. Scope of work and specifications were analysed and some work has been retendered or is in the process of being retendered. Some work will be able to start before the end of the financial year but some will have to be rescheduled for the summer break in 2017.	

Health & Adult Social Care – Capital Budget Summary

Forecast Variance Month 7 £'000	Service	2016/17 TBM 7 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Adult Social Care	351	0	0	0	351	351	0	0.0%
0	Integrated Commissioning	138	0	0	0	138	138	0	0.0%
0	Provider Services	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	489	0	0	0	489	489	0	0.0%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Health & Adult Social Care				
No changes to report for Month 9				

Appendix 4 – Capital Programme Performance

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

Forecast Variance Month 7 £'000	Service	2016/17 TBM 7 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	City Development & Regen	9,646	0	35	(2,167)	7,514	7,514	0	0.0%
0	City Environmental Management	10,031	1,100	20	(1,190)	9,961	9,896	(65)	-0.7%
0	Culture	3,146	0	0	0	3,146	3,146	0	0.0%
0	Planning & Building Control	0	0	0	0	0	0	0	0.0%
0	Property	8,529	0	0	(90)	8,439	8,439	0	0.0%
0	Transport	15,716	0	0	(3,620)	12,096	12,076	(20)	-0.2%
0	Total Economy, Environment & Culture	47,068	1,100	55	(7,067)	41,156	41,071	(85)	-0.2%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
City Development & Regen				
Reprofile	(1,120)	Preston Barracks Central Research Lab	The Preston Barracks Central Research Laboratory (CRL) project has been awarded a total of £7.7m of Local Growth Funding (LGF) from the Coast to Capital Local Enterprise Partnership (LEP). The Council acts as Delivery Body for the funding and is working in partnership with the appointed developer. The LGF funding is released	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			through the Council's capital programme as expenditure is incurred by the developer. A reprofile is requested because the CRL is one element of a comprehensive scheme covering some 4 hectares of land, it involves a number of partners, and is part of a complex major mixed-use redevelopment. Although the scheme has progressed well and is at an advanced stage of design, with pre-application planning discussions with the Local Planning Authority that commenced in early 2016 nearing an end, the project has had to respond to results of technical analyses that required revisions and which is the subject of ongoing work. As a result a reprofile of £1.120m is required into 2017/18 with future years allocations having been agreed through a revised profile with the LEP.	
Variation	(1,047)	Super Connected Cities Programme Voucher Scheme	BHCC was allocated financial support from the Department for Culture, Media & Sport to provide small and medium size enterprises, charities and social enterprise funding towards getting a broadband connection to a business premises/property. The Broadband Voucher scheme has had a lower uptake from local business than originally budgeted, and the grant award body have now closed the scheme.	
City Environmental Management				
Reported at Other Committees	1,100	Wheeled Bins for Recycling	Reported separately to Policy, Resources & Growth Committee on 8 th December 2016.	
Slippage	(1,014)	Volks Railway HLF – Delivery Stage	The project has been delayed by approximately 2 months due to issues with disconnection of utility services. This has affected the advancement of the building contract, which accounts for the bulk	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			of the capital costs, as the contractor is unable to proceed with full demolition and ground works until the services have been made safe. However, work is still progressing with other elements of the project such as the carriage restoration and the pre-fabrication of the new Aquarium station which are being undertaken off site and are therefore unaffected.	
Reprofile	(728)	Prince Regent – Replace Mechanical equipment	This has yet to be tendered still, as there has been a delay due to work required to the overhead safety glazing works around the pool area. This project is now likely to proceed in 2017/18 instead.	
Variation	24	Volks Railway Project	Variation to budget of less than £0.050m.	
Variation	528	Prince Regent – Replace Mechanical equipment	Original budget only included Planned Maintenance Budget of £0.200m. Variation to increase budget as set out in the report sent to Policy, Resources & Growth Committee on 14 th July 2016.	
Underspend	(65)	Stanmer Park Restoration Project	The original budget was set by the application to the Heritage Lottery Fund and BHCC committee reports in Round 1. The underspend is due to savings on consultants and the income drawn from the various parties will reflect this.	
Property				
Reprofile	(50)	Hollingdean Depot	There were insufficient funds to undertake bridge work this year. A bid to the Asset Management Fund will be made 2017/18 for this work.	
Reprofile	(40)	Statutory DDA Access Works Fund	Delays to New England House toilet refurbishment due to other works required in the building.	
Transport				
Reprofile	(2,696)	Valley Gardens	An Independent Review was commissioned to ensure the proposed scheme would accommodate	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			<p>general traffic movements and to respond to concerns raised by key stakeholders.</p> <p>The Project Review was completed in July 2016 and the outcome and preferred Highway Design was presented to the council's Environment, Transport & Sustainability Committee on 29 November 2016. The Committee voted unanimously to support the recommendations of the review and the preliminary Highway Design and authorise officers to progress to the detailed Highway Technical Design stage, including preparation of Traffic Regulation Orders. The project will now be overseen by the council's newly established Strategic Delivery Board.</p> <p>The review has delayed the project start and spend. BHCC secured £8.0m in total Local Growth Funding from the Coast to Capital Local Enterprise Partnership (LEP) with match funding from the council's Local Transport Fund.</p> <p>A new project programme and funding schedule has been approved by the LEP and for this reason a reprofile of £2.696m into future years is required.</p>	
Reprofile	(924)	Bike Share/Hire Scheme	<p>The procurement process in the appointment of an operator for the bike share scheme was delayed. A delay in procurement impacts on timescales to appoint and form the contract with the operator which in turn delays ability to make capital expenditure spend on equipment required to roll out the scheme.</p>	<p>A revised project and funding timetable has been agreed with the funding body and the operator. Contract formation, planning requirements, due political process, equipment purchase and private landowner negotiations are in progress. The Bike Share scheme is</p>

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
				expected to launch in summer 2017 with a final launch phase along Lewes Road and to the University site in autumn 2017.
Underspend	(20)	Repair and Renew Flood Scheme	Underspend of less than £0.050m.	

Appendix 4 – Capital Programme Performance

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

Forecast Variance Month 7 £'000	Service	2016/17 TBM 7 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Comms Equalities & 3 rd Sector	278	0	0	0	278	278	0	0.0%
0	Community Safety	0	0	0	0	0	0	0	0.0%
328	Housing - GF	3,394	0	0	0	3,394	3,578	184	5.4%
0	Libraries	373	0	0	0	373	373	0	0.0%
0	Regulatory Services	545	0	0	0	545	545	0	0.0%
328	Total Neighbourhood, Comms & Housing	4,590	0	0	0	4,590	4,774	184	4.0%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Housing GF				
Overspend	216	Disabled Facilities Grant	<p>The Health & Wellbeing Board allocated £1.430m Disabled Facilities Grant funding to disabled adaptations. The estimated spend for 2016/17 is £1.388m, leaving a surplus of £0.042m.</p> <p>The £0.306m overspend carried forward, reported to Policy & Resources Committee at the end of 2015/16, should reduce to £0.258m due</p>	The financial recovery plan will need to be reviewed and discussed with the Health & Wellbeing Board in order to try to mitigate this overspend.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			to the financial recovery measures in place. Therefore the total overspend is now estimated to be £0.216m.	
Underspend	(32)	Major Adaptations	Underspend of less than £0.050m.	

Housing Revenue Account – Capital Budget Summary

Forecast Variance Month 7 £'000	Service	2016/17 TBM 7 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
167	City Development & Regen	18,310	0	0	(786)	17,524	17,687	163	0.9%
(206)	Housing - HRA	28,574	0	0	(1,781)	26,793	25,871	(922)	-3.4%
(39)	Total Housing Revenue Account	46,884	0	0	(2,567)	44,317	43,558	(759)	-1.7%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
City Development & Regen				
Reprofile	(812)	Brookmead Site Development	Revised cashflow projections received from contractors.	Scheme will be completed in 2017/18.
Reprofile	(42)	Redevelopment of HRA Vacant Garage Sites	Variance under £0.050m.	
Reprofile	68	Wellsbourne Development	Revised cashflow projections received from contractors.	
Overspend	161	Ardingly Crescent	Unforeseen works were required on the build once on site and building started.	To be funded from other underspends within the capital programme.
Overspend	2	Manor Place	Overspend of less than £0.050m.	
Housing HRA				
Reprofile	(225)	Major Structural Works	Revised cashflow forecast, resulting in an expected year end underspend of £0.225m on Clarendon Road to be reprofiled to 2017/18.	Impact on residents is minimal (delay only) as project will continue in 2017/18.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Reprofile	(125)	Major Projects; Hollingdean Estate Ext Works	Revised cashflow forecast, resulting in an expected year end underspend of £0.125m to be reprofiled to 2017/18.	No impact on residents is anticipated.
Reprofile	(120)	Fire Alarms	This is the first year of the capital programme for fire alarm installations and the quality of installations has been assessed as they have been completed. This process has identified some quality standard issues that the contractor has had to resolve. This has led to a delay to in the programme whilst the required quality standard is met. Emergency works have not been affected.	No impact on residents as the fire alarm replacement programme will continue.
Reprofile	(100)	Home Energy Efficiency & Renewables	HRA Energy Strategy (ES) in development. Projects identified are aligned to the ES. A re-profile to 2017/18 is requested as projects underway are still in development stages.	Major & smaller scale projects of the ES are in development and subject to approval and procurement timeframes. It is anticipated that projects will be able to go live early 2017/18.
Reprofile	(76)	BHCC Projects; Bristol Estate Landscaping	Project scope being finalised for project start date in 2017/18.	Funding required for project in 2017/18.
Reprofile	(85)	Various	Reprofile of budget for various schemes under £0.050m: Hidden Homes (£0.045m); Ventilation (£0.040m).	No impact on residents as the ventilation programme will continue.
Reprofile	(100)	Communal Boilers	Contingency set aside for the heat network feasibility studies and this will need to be reprofiled to 2017/18 to assist with the project as it develops.	
Slippage	(408)	Major Projects; External Works	An enhanced procurement process, over and above contractual requirements, has been implemented for major projects following recommendations made by Internal Audit. This has led to some slippage on planned start dates	No major impact on residents is expected - projects to continue in 2017/18.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			for schemes at Woods House (£0.192m); Rosehill Court (£0.060m); Sylvan Hall (£0.156m).	
Slippage	(411)	Major Projects; Roofing	As described above: Woods House (£0.100m) and Rosehill Court (£0.311m).	
Slippage	(131)	Major Projects; Windows	As described above; Woods House (£0.115m) and Rosehill Court (£0.016m).	
Variation	300	Roofing	Bring forward spend on planned roofing programme.	This investment will contribute to an ongoing reduction in repair costs.
Variation	(300)	Cyclical Decorations	Underspend to be moved to roofing budget to enable the bringing forward of planned programmed works.	
Variation	82	Block Conversions	Additional asbestos works - funded from underspend against asbestos removal programme budget.	
Variation	(82)	Asbestos Removal Programme	Following surveys of communal areas there have been no major works identified this year. However there have been additional asbestos works on the Block Conversions project, so underspend to be moved to that budget.	
Overspend	145	Fire Safety (Capital)	Following a thorough review of the Fire Risk Assessments more works have been identified than originally envisaged. Due to the nature of the works they will need to be carried out in this financial year.	No major impact on residents is expected.
Overspend	110	Kitchens & Bathrooms	The increased expenditure on Kitchens and Bathrooms is due to the requirement to ensure that the partnership meets the decency standard target in the city.	Met from underspends on other projects within the HRA Capital Programme in 2016/17.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Overspend	61	Minor Capital Works	This budget is predominantly responsive and the increased expenditure reflects essential capital repair works identified within the year.	No major impact on residents is expected.
Underspend	(16)	Various	Net underspend from variances of less than £0.050m across various schemes: Oxford St £0.020m, Pre-lease conversion £0.015m, Future Proofing Assets £0.005m, Insulation (£0.041m), ICT Fund (£0.015m).	No major impact on residents is expected.
Underspend	(50)	HRA Adaptations	Forecast underspend due to (a) greater scrutiny of all applications for adaptations likely to cost more than £0.010m and (b) savings following review of Adaptations Framework schedule of rates (Oct '16).	
Underspend	(56)	Communal Boilers	Contingency funding for whole block heating system failure. If not used by end of March for emergency replacement/repair, it will no longer be required.	No impact on residents as communal boiler programme will continue.
Underspend	(280)	Domestic Rewire	To support the delivery of decent homes, a domestic rewire programme has been ongoing for several years. The expected number of void properties coming through the process so far this financial year is lower than previously, due in part to the programme maturing.	No impact on residents as the domestic rewire programme will continue.
Underspend	(166)	Empty Properties (Capital)	Following the transfer of the final batch of empty properties to Seaside Homes this contingency provision was made to allow for any high value empty properties that emerge through the re-letting process. At this stage the remaining budget has not been required with the nature of works required to empty properties being managed within other capital and revenue budgets.	All works to date on empty properties have been of a revenue nature.
Underspend	(212)	Condensation &	Underspent due to significant investment in the	Reduced demand this financial year.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
		Damp Works	past 3 years. There have been major repairs to faulty cavity wall insulation and improving heating and ventilation across the city	No impact on residents. Budget allocation to be reviewed for 2017/18 onwards.
Underspend	(458)	Cyclical Decorations	A review of how planned works are identified and scheduled has delayed the start dates of various programmes for 2016/17. This was highlighted at TBM month 7.	The new process should better identify areas of greater need and improve efficiency.

Appendix 4 – Capital Programme Performance

Finance & Resources - Capital Budget Summary

Forecast Variance Month 7 £'000	Service	2016/17 TBM 7 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Finance	53	0	0	0	53	47	(6)	-11.3%
0	HR Organisation al Develop	0	0	0	0	0	0	0	0.0%
0	ICT	3,519	0	0	(1,185)	2,334	2,334	0	0.0%
0	Total Finance & Resources	3,572	0	0	(1,185)	2,387	2,381	(6)	-0.3%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Finance				
Underspend	(6)	Replacement of Northgate Server	Underspend of less than £0.050m.	
ICT				
Slippage	(1,035)	Customer First in a Digital Age (CFDA)	The programme had a slow start due to a lack of expert and dedicated resources. Real progress started in October 2016 once the team was in place and a development platform secured. The majority of the development platform contract is payable between April 2017 and January 2019.	
Slippage	(150)	Internal Customer Access to Information	This is due to delays in implementation of and migration to Office 365. The project will now carry over to 2017/18.	

Note: There are currently no capital budgets to report on for Strategy, Governance & Law and Corporate Services.

New schemes to be added to the Capital Programme in 2016/17 to be approved

New Capital Project Approval Request				
Unit:	City Development & Regeneration			
Project title:	Digital Catapult Centre - Brighton			
Total Project Cost (All Years):	£134,760			
Purpose, benefits and risks:				
The Coast to Capital Local Growth Funds will pay the capital costs for the stripping and refurbishment of unit B-C Level 4 North in New England House (known as Digital Catapult Brighton), along with the BHCC Property & Design Team Project Management Fee for overseeing the work.				
Capital expenditure profile (£'000):				
Year	This Year	Next Year	Year After	TOTAL
Grant (Local Growth Fund)	35	100	0	135
Total estimated costs and fees	35	100	0	135
Financial implications:				
BHCC received an allocation of £0.159m from the Local Growth Fund towards the refurbishment and extension of the Fuse box. Of this, £0.024m was allocated to Wired Sussex to undertake the initial adaptation of the space and purchase of equipment to allow the project to start. The remaining £0.135m will be used for the building works and project management. BHCC is contributing towards the service charge and offering a three year rent and service charge free period, equivalent to £0.186m over three years on the Digital Catapult portion of the commercial unit. Income lost through the rent-free period will be offset through the capital improvements made to New England House as part of the project.				

New Capital Project Approval Request				
Unit:	Sports Facilities Team (Sport and Leisure)			
Project title:	Prince Regent Swimming Complex - Glazing works			
Total Project Cost (All Years):	£400,000			
Purpose, benefits and risks:				
<p>Works were instructed in December 2016 to undertake glazing repairs to approximately 30 panes of high glass at Prince Regent Swimming Complex. With scaffold erected, findings indicate that a much more substantial capital investment programme is required to replace the glazing system on a phased basis. The current glazing system is approximately 35 years old. Being subjected to a harsh external marine environment and an aggressive, hot, humid, chlorinated environment internally, the installation is life expired. Both Property & Design and Sports Facilities are funding the works.</p>				
Capital expenditure profile (£'000):				
Year	This Year	Next Year	Year After	TOTAL
Revenue Contributions	20	360	20	400
Total estimated costs and fees	20	360	20	400
Financial implications:				
<p>The £0.400m budget will be funded by revenue contributions, £0.125m from Sport and Leisure revenue budgets in 2016/17, £0.155m from the Corporate Planned Maintenance budget in 2016/17 and £0.100m from the Corporate Planned Maintenance budget for 2017/18. The remaining £0.020m will be funded from departmental revenue budgets in 2018/19.</p>				

New scheme to be approved and added to the Capital Programme for 2017/18

New Capital Project Approval Request	
Unit:	Schools
Project title:	Carlton Hill Primary School - Improvement Works
Total Project Cost (All Years):	£65,000
Purpose, benefits and risks:	
<p>Demolition of current covered extension attached to the Early Years Classroom: The old extension has been unfit for purpose for a number of years and repairs/replacement delayed due to more urgent building projects elsewhere in the school. In Autumn 2014 a feasibility study was commissioned by the Property & Design surveyor for 3 different options for a new building extension in its place but all options were unaffordable. It is now proposed to take down the current structure and replace with a covered outdoor learning area open to the grounds but with a roof/cover to keep out the rain, and to keep costs to a minimum. It is anticipated that the PTA will fund some of the resources/new equipment needed for the area, plus a grant will be applied for from the Southover Manor Trust for part of the cost (in the region of £0.010m - £0.015m). The application is due to be submitted by 31st March 2017 with confirmation expected by May 2017. The risk of not completing this project could be detrimental to health of children and staff, and there has been damage to school resources/equipment plus personal belongings of children left in this area, due to the damp, condensation and rain. The benefits include enhancing the Early Years provision for Reception and Year 1, and overall outdoor learning opportunities for children. The outdoor learning environment at Carlton Hill has an excellent reputation, being Gold winners of the South & South East Blooming Schools award in 2015 and 2016.</p> <p>Complete refurbishment of the ICT Suite: The current ICT Suite has not been redecorated or refurbished for more than 10 years. It currently only has space/layout for 15 PC's requiring pupils to share PC's during ICT lessons, which fails to delivery the new Computing curriculum to a satisfactory level. In addition the room includes some very old open shelving to house Art and Design Technology (DT) resources that urgently needs replacing and updating to allow for improved, more efficient and tidier storage of these resources. The project will include a re-design of the layout of workspaces to allow the use of 32 PC's (one for each pupil in a class), new storage, relocation of our school file server to a new more secure area in the school, new Art/DT storage and complete redecoration including additional electrical and network points, and new fire door. The main risk of not completing this project is failure to deliver the Computing curriculum effectively to all pupils in school which can affect the school's reputation and admission numbers as new parents are expecting ICT and Computing skills to be delivered to a high standard to children in this day and age.</p>	

Appendix 5 – New Capital Schemes

Capital expenditure profile (£'000):				
Year	This Year	Next Year	Year After	TOTAL
Borrowing		65		65
Total estimated costs and fees		65		65
Financial implications:				
<p>Carlton Hill Primary School requires borrowing to fund the two capital investment projects. The total cost of the borrowing for these projects is £0.072m (including interest and principal repayments) repayable over 5 years. The full costs of the repayments will be included within the revenue budget plan which is due to be submitted to Finance in June 2017.</p>				

Subject:	Saltdean Lido Restoration Project		
Date of Meeting:	9 February 2017		
Report of:	Executive Director for Economy, Environment & Culture		
Contact Officer:	Name:	Ian Shurrock	Tel: 29-2084
	Email:	ian.shurrock@brighton-hove.gov.uk	
Ward(s) affected:	Rottingdean Coastal		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 Saltdean Lido Community Interest Company (SLCIC) were appointed the council's preferred bidder in the project to restore the Grade 2* Saltdean Lido and remove the building from the English Heritage "At Risk Register". This report provides an update on the significant progress made by SLCIC to meet the considerable challenge to restore the Lido.
- 1.2 The scale of the challenge is such that an estimated £12 million is required to achieve the full restoration of the Lido. Therefore, while the SLCIC have been very successful with a number of grant applications so far, it is necessary for a phased approach to be undertaken to achieve a full restoration of the Saltdean Lido complex (main facility building, external pools and external grounds).
- 1.3 Members are therefore being asked to note the considerable progress made so far by the SLCIC and to give approval to a range of requirements which will provide greater certainty to achieve the ultimate aim of the council, SLCIC and the local community, which is a sustainable fully restored Saltdean Lido. These include a request for the funding of a temporary library and a new library to ensure the continuity of library provision in Saltdean.

2. RECOMMENDATIONS:

- 2.1 That Members note the progress made by SLCIC including on Phase 1 of the restoration. The pool is scheduled to be open for public use this summer (as indicated in 3.4)
- 2.2 That Members note SLCIC has submitted a Stage 2 Heritage Lottery Fund application for £4.2 million towards the restoration of the main Lido building.
- 2.3 That Members note SLCIC has identified the estimated cost of the restoration of the main Lido building to be £9 million. The CIC have applied for Charitable Trust status to assist their funding strategy to meet the total cost.

- 2.4 That Members approve entry into the conditional Agreement for Lease with SLCIC. The conditions are listed in paragraph 3.12.
- 2.5 That Members approve entry into the 60 year lease for the Lido when the conditions are satisfied in accordance with the Agreement for Lease.
- 2.6 That Members note the restoration of Saltdean Lido will require the existing library building to be demolished. However, SLCIC have not been able to identify funding for the library section of the restored building to be built and fitted out, nor the provision of a temporary library during the works.
- 2.7 That Members approve funding of up to £0.7 million for temporary library provision and a new library in the restored Saltdean Lido and agree to include this commitment in the capital programme 2018/19.
- 2.8 That Members approve the investment in 2.7 will be funded through borrowing with the financing costs estimated to be £0.040 million per annum, and agree to this commitment being included in the Budget from 2018/19.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 A Special Policy & Resources Committee on 30th May 2012 authorised the surrender of the previous lease of Saltdean Lido following concerns about the standard of service that was being provided and the level of maintenance being undertaken on the main Lido building.
- 3.2 In March 2013 the council marketed the Saltdean Lido site by inviting expressions of interest. Those interested parties were provided with further information and invited to submit an Initial Bid which was evaluated on their ability to meet the following list of key outcomes:
 - A well-used, accessible, year-round community and leisure facility
 - A building and surrounding grounds that are renovated in a manner that would be likely to receive Listed Building Consent and, if required, planning permission
 - Improved swimming pool provision
 - Financially sustainable for the term of the lease including meeting all maintenance requirements and statutory obligations
 - Improved library facilities
 - No ongoing BHCC subsidy
 - An environmentally sustainable facility
- 3.3 Three Initial Bids were submitted and these were evaluated by a panel of officers from Procurement, Finance, Legal, Property & Design, Planning, Libraries and Sport and Leisure. A shortlist of two organisations including Saltdean Lido Community Interest Company (SLCIC) were invited to attend clarification

meetings to discuss their Initial Bids further and receive feedback. They were then invited to work up and submit Final Bids, taking into account further consultation with key partners and the feedback received. Both organisations submitted Final Bids and these were evaluated by the panel using the same key outcomes listed above. The SLCIC were appointed provisional preferred bidder enabling them to enter into negotiations with the council on the terms of the lease.

Phase 1 Works

- 3.4 Since the appointment of the SLCIC they have undertaken a huge amount of work to progress the project to restore the Lido. This has included a successful bid to the Coastal Communities Fund for £2.29 million which has contributed towards the funding needed to restore the outdoor pool, reinstate the children's pool, provide a new plant room for the circulation and heating of the pool water, landscaping around the pool and changing rooms (phase 1). This work is currently being completed and is on schedule to enable a re-opening of the pool this summer. A significant proportion of the S106 funding from the Ocean Hotel development (£170k) has also been used in the funding of these improvements (with the remainder invested in Saltdean Oval Park).
- 3.5 In order to facilitate these works a 5 year lease was granted to SLCIC for the external area.

Phase 2 Works

- 3.6 SLCIC were also successful in being awarded a Stage 1 grant from the Heritage Lottery Fund (HLF) of £576k to fund the development of a detailed Stage 2 funding application which has recently been submitted for a grant of £4.2M. A decision is due to be made in March 2017. In the grant application SLCIC summarise their restoration project as follows:

“To restore Saltdean Lido, the only grade II* listed coastal lido in the country: The CIC will sympathetically restore the building whilst creating a commercially viable leisure destination. The Lido will become a community resource and tourist attraction with a heated pool and poolside café, children's pool and wet play area, multi-use function and event space, community space and a library, all incorporating features which interpret and celebrate the heritage of the building. The Lido will be managed by the CIC to ensure that the heritage remains protected and accessible to local people. Saltdean Lido will become a national tourist destination, its iconic design social history will be celebrated and visitors will have access to high quality facilities. New employment, volunteering opportunities, and apprenticeships will be created. Our robust business Plan will ensure a sustainable future for the site and will act as a catalyst for economic growth.”

- 3.7 If the SLCIC are successful in this application, the intention is to use the funding to make the original “1937” part of the building to be structurally sound (the harsh marine environment and use of sea dredged aggregate in the original construction, means the building is currently in very poor condition). This would include completion of remediation work to the wings and central rotunda (the

unique art deco façade that is visible when looking from the A259). While this work is being undertaken it would still be possible to operate the library.

- 3.8 While these Phase 2 works are being undertaken, the SLCIC will continue to implement their funding strategy to achieve the funding needed to complete the full restoration.

Phase 3 Works – including new library

- 3.9 These works would complete the restoration of the main building to provide a multi-use function and event space together with community space. In addition, the proposal includes providing an extension to the restored Lido building which would house a new library. The cost of providing such an extension as a fully equipped functional library and temporary library provision is estimated to be a maximum of £700k. Temporary library provision will ensure continuity of service.

Operational Partners and Business Case

- 3.10 Saltdean Lido CIC have developed a business case in partnership with their preferred operators for the on-going running of the whole Lido site. The overall operator of the main building and pool would be Fusion (one of the leading leisure management operators in the country). While Kudos (catering providers at the Brighton Centre) would manage the food, beverage and functions offer, which will be key to generating income to enable the overall facility to operate on a financially viable basis.

Conditional Agreement for Lease

- 3.11 It is important that the council approves the conditional Agreement for Lease. This is necessary in order that the potential grant funders (such as the Heritage Lottery Fund) have a clear indication that the council as landlord is fully supportive of the restoration project. Only when all the conditions are fulfilled would an actual lease be completed as follows.

Completion of Restoration – Award of Lease to the SLCIC

- 3.12 Detailed negotiations have taken place between the council and SLCIC on a conditional Agreement to Lease. Policy & Resources Committee in December 2013 agreed the Head of Terms relating to the Lido for the Agreement to Lease, the 60 year lease and Library Lease back to the council and authorised the Head of Legal Services to complete the Agreement to Lease substantially in accordance with the Head of Terms. A 60 year lease will only be entered into with SLCIC subject to the following conditions:
- Landowner Condition (approval of proposed scheme – including getting “approval” of the PR&G committee).
 - Planning Condition (acquiring planning permission).
 - Listed Building Condition.

- Leisure Services Condition (entering into a Leisure Services Agreement with an experienced operator with suitable experience, financial standing and reputation within the leisure industry”).
- Funding Condition (1) confirmation that funding for the works is secured, (2) presenting business case, (3) written approval of business case (n.b. business case can only be presented once funding is secured – so anything prior to this can only be advisory).
- Vacant Possession condition.
- Licence Condition.
- Building Contract Condition.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 A previous report to the Policy & Resources Committee on 24th January 2013 set out the options for marketing the site and achieving the restoration. A robust evaluation process was used to consider the bids to restore and operate the Lido, and select the preferred option.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 SLCIC have a significant membership base and engage regularly with the local community through events and other activities.

6. CONCLUSION

- 6.1 In order to meet the considerable challenge of the funding required to enable a fully restored Lido, it is necessary for SLCIC to undertake a phased approach to the restoration.
- 6.2 The recommendations in this report recognise the significant progress made by the SLCIC and identify a way forward to achieve the full restoration estimated to cost £12 million of a council building on the English Heritage “At Risk” register.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The agreement to enter into a conditional agreement to lease will support the SLCIC in securing funding. The award of lease includes a funding condition that requires the SLCIC to demonstrate all funding for works is in place and that there is a viable business case that demonstrates the sustainability of the facilities.
- 7.2 The proposal includes the re-provision of a Library at the Lido but funding for this facility, and a temporary Library whilst the development is progressed, cannot be accommodated within the funding plan. The cost of the temporary Library and replacement Library combined is estimated to cost a maximum of £0.7 million

and, if approved, this will be included in the Capital Investment Programme in 2018/19. This investment will be funded through borrowing with the financing costs estimated to be £0.040 million per annum. The financing costs will be included in the Budget from 2018/19 as a commitment.

Finance Officer Consulted: James Hengeveld

Date: 23/01/17

Legal Implications:

- 7.3 The terms outlined in 3.12 broadly reflect the Heads of Terms approved by Policy & Resources committee on 5 December 2013. However the Heads of Terms did not provide for a phased approach of the delivery of the restoration. The scheme detailed in the report to Policy & Resources in December 2013 differs from the outline scheme in the bid as the current scheme has various departures from the initial bid scheme e.g. it does not include a gym/ health centre incorporated into the restored Saltdean Lido building or a dedicated heritage area.

The funding for the library should have an appropriate draw-down mechanism at key stages during the development. The agreement for lease will contain provisions which allow the council to approve various elements of the development. The council will approve the design of the building, the choice of contractor and the leisure operator. The lessee is required to secure collateral warranties from the contractor in favour of the council.

In closing the current library and providing the temporary and then permanent replacements the council must bear in mind its statutory duty to provide a comprehensive and efficient library services (Public Libraries and Museums Act 1964).

Lawyer Consulted:

Oliver Asha

Date: 23/01/17

Equalities Implications:

- 7.4 The council seeks to provide a range of opportunities for residents to participate in sport and community activities across the city and the Lido is recognised as an important part of community leisure provision.

Sustainability Implications:

- 7.5 A restored Lido would include a number of improvements to the environmental sustainability of the building including improved insulation and energy efficient plant.

Any Other Significant Implications:

The provision of improved sport and leisure opportunities will benefit the health and well-being of the local community and other visitors.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Documents in Members' Rooms

1. None

Background Documents

1. Reports to the Culture, Recreation and Tourism Cabinet Member meeting on 6th December 2011 and 6th March 2012.
2. Reports to the Policy & Resources Committee on 30th May 2012, 24th January 2013 and 5th December 2013.
3. Reports to the Economic Development & Culture Committee on 20th September 2012 and 19th September 2013.

Subject:	Orbis Public Law – update on proposals for the Establishment of a Shared Legal Service		
Date of Meeting:	9 February 2016		
Report of:	Executive Lead for Strategy Governance and Law		
Contact Officer:	Name:	Abraham Ghebre-Ghiorghis	Tel: 29-1500
	Email:	Abraham.ghebre-ghiorghis@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE.

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The purpose of this report is to update Policy, Resources & Growth Committee in relation to the progress on the establishment of a shared legal service – Orbis Public Law.

2. RECOMMENDATIONS:

- 2.1 That Policy, Resources & Growth Committee notes the progress and the next steps in relation to Orbis Public Law.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 In January 2016 Policy and Resources Committee agreed to the creation of a new Legal Services partnership arrangement between Brighton & Hove City Council, East Sussex County Council, Surrey County Council and West Sussex County Council to be known as Orbis Public Law, subject to due diligence. The Committee also delegated authority to officers to establish a Limited Company (Alternative Business Structure) if considered appropriate.
- 3.2 The context and rationale for the shared legal service was that each of the four Council's legal teams face similar issues of increasing financial challenges and limited capacity. By working together, the four partners will be able to realise savings in excess of those achievable in isolation, whilst still delivering a good service to their authorities and providing extended opportunities for staff. The single legal service aims to create a resilient, flexible, single Legal Service with a critical mass of expertise and provide a quality, cost-effective legal service to the constituent authorities and public sector partners.
- 3.3 Following the approval of the strategic business plan for the Shared Service by the four authorities, Orbis Public Law was soft launched on 4th April 2016, providing a shared identity across the partnership. Since then, the project team has been working on a staged approach to collaboration with the goal of a fully converged/integrated service by 2019.

- 3.4 An Orbis Public Law Joint Committee has been established, with oversight and decision making powers in relation to delivery of the shared service. The second meeting of the Joint Committee took place on 20th January 2017.

Project Approach

- 3.5 Reporting to the Orbis Public Law Joint Committee is an Executive Board, comprised of the Monitoring Officers of the four authorities. The Executive Board is accountable for the project. A Project Board has been established to deliver the work and ensure new working practices are embedded into the organisation to realise benefits.

Priority Areas

- 3.6 Two areas of integration have been prioritised, because they are seen as key to income growth and reducing external legal spend. They are being managed through two projects:
- The Commercial pathfinder
 - Child protection, advocacy, court modernisation programme and alignment of processes.

Commercial pathfinder

- 3.7 Areas of law covered by the Commercial pathfinder include property procurement, contracts and major projects. The decision to start with this area was driven by a number of factors:
- Between them, the authorities possess a significant pool of talent in a field where it proves difficult for individual teams to recruit.
 - In recent years teams have seen a significant increase in the volume of technical and complex projects requiring specialist knowledge. This work is expensive to buy-in.
 - Commercial work is readily deliverable from locations at a distance from clients and projects.
 - Commercial work is a marketable service and lends itself to inter-authority collaboration and opportunities to generate additional income.

- 3.8 A steering group and working group have been reviewing the current offer and designing a single OPL commercial law service. The teams are finalising the analysis and aim to present these recommendations to the Joint Committee in January 2017. Work has already begun to standardise processes in these areas and share key documents which can be kept updated in a more cost effective and efficient way.

Child protection: Advocacy, the Court modernisation programme and alignment of processes

- 3.9 The volume and complexity of child care cases is increasing across the partnership. This is a nationally recognised trend and is putting a sustained strain on each authority's resources. Advocates carry out work on child protection proceedings and attend court on behalf of local authority clients. Each of the four partners employ dedicated advocates and supplement this with external

representation as required. A review of advocacy arrangements across the partnership is underway to see whether expenditure on bought-in legal representation can be reduced and to establish the feasibility of setting up a single advocacy unit for Orbis Public Law. This will be reported to the Joint Committee at its next meeting.

- 3.10 In addition OPL is working collaboratively with the courts to assist them in moving to electronic processes. This project has already resulted in benefits which have been delivered through the strength of the OPL partnership and collaboration with the court. An example of this is the redesign of the Emergency Protection Orders (EPO) process, making it more cost effective and less time consuming for both the authorities and court service.
- 3.11 Building on the success of shared child protection processes, work has begun to share the key documents and standardise the processes used in the practice areas of:
- Pre-proceedings and adoptions
 - Instruction of experts
 - Issuing care proceedings

Governance

- 3.12 The legal framework for Orbis Public Law's operation will be set out in an Inter Authority Agreement (IAA). It is anticipated that it will be completed by 1st April 2017. The agreement provides for the annual contribution ratio (ACR) which defines the financial contribution from each authority, secondment of employees, dispute resolution and termination of the agreement. There is an initial 3 year "lock in" period. There are some details which are being finalised but all the key principles are agreed.

Alternative Business Structure

- 3.13 The partnership has an ambition to grow and work for a wider range of organisations beyond the core service provided. The initial intention was to prepare a business case to create Orbis Public Law Ltd as a jointly owned Alternative Business Structure (ABS). There continues to be a lack of clarity surrounding the regulatory position and the team are in dialogue with the Solicitors Regulation Authority. Given the significant cost of set-up and ongoing regulation, further integration will be established in advance of progressing an ABS and the regulatory situation (which remains fluid) will be kept under review.

Finance

- 3.14 It is the intention to have a joint operating budget and savings plan in place for April 2017. These are both key components of the Inter Authority Agreement and the Joint Committee has received a paper setting out the financial approach, principles and progress in detail.
- 3.15 The Orbis Public Law business plan proposes savings of at least £1m across the four authorities by the end of 3 years. Financial pressures across the authorities have led to additional savings targets given to legal services, commencing in 2017/18. The 2017/18 savings will be delivered by the four authorities and this will be recognised in the Agreed Contribution Ratio (ACR) before the budgets are

shared. Work is ongoing to understand how the 2018/19 savings will be delivered across the partnership. There are a variety of ways to deliver savings, such as:

- Efficiencies and additional income generated by OPL;
- Reduction in the work undertaken for an authority, flexing the ACR; and
- Savings to be made on budgets held within sovereign authorities.

3.16 The proposed 2017/18 OPL Operating Budget was presented to the Joint Committee on 20th January 2017. This proposed budget will be net of 2017/18 savings and any budgetary adjustments, such as additional funding for pressures. The 2017/18 budget will be included within the Inter Authority Agreement and will be monitored against activity levels. The full OPL budget monitoring and activity monitoring will be presented at least quarterly to the Executive Board to enable effective management. It is proposed that the budgets will be “co-managed” during the financial year 2017/18 with the budgets being pooled from April 2018.

Staff

3.17 Effective working relationships are developing across the and regular communication channels have been established.

3.18 Staff within the partnership have attended a ‘Think Change’ change management session which gives staff the tools and techniques to support themselves and their teams. 208 people have attended and feedback continues to be positive.

3.19 A uniform approach has been developed for OPL staff training and is currently being implemented across the teams. As part of this, a training programme has been published and is available to all OPL colleagues. Free training has been sourced from contacts at Barristers Chambers and private law firms. There are currently 1 or 2 sessions each month with an opportunity cost saving of @£2000 per event. This contributes to lawyers’ professional training requirements.

3.20 A recruitment protocol has been developed which looks at the capacity across the partnership to deliver the work, seeks to offer development opportunities and ensure that the work is carried out at the right level.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The Council has already considered alternative options before deciding to join Orbis Public Law. Outsourcing, setting up a staff co-operative/mutual, establishing a trading company with neighbouring authorities and continuing as a separate inhouse practice. For the reasons set out in the original report to committee, Orbis Public Law provides the best opportunity in terms of cost, resilience, expertise and career opportunities for staff.

5. COMMUNITY ENGAGEMENT & CONSULTATION

There have been regular briefing sessions with staff throughout this process, both within the Council and in joint sessions with colleagues from other authorities.

6. CONCLUSION

This is an update report intended to inform members before the inter-authority agreement is signed. It is consistent with the rationale that underpinned the original decision taken in January 2016 to enter into the agreement

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The financial arrangements and governance are set out in the body of the report. A joint operating budget will be in place from April 2017 and the agreed contribution ratio (proportion of budget from each authority) will take into account the savings planned for the service in 2017/18. The business plan proposes savings of at least £1m over 3 years across the partnership. This council's estimated share of these savings are included within the 4 year Service and Financial Plans, part of the General Fund Revenue Budget and Council Tax 2017/18 report elsewhere on this agenda.

Finance Officer Consulted: James Hengeveld

Date: 01/02/17

Legal Implications:

The terms of the agreement will be incorporated into a legal shared services agreement which will govern the rights and obligations of the parties. The final decision to sign the agreement will be taken by the Chief Executive in accordance with the authority granted to by the Policy, Resources and Growth Committee in January 2016.

Lawyer Consulted:

Abraham Ghebre-Ghiorghis Date: 30/01/2017

Equalities Implications:

There are no adverse equalities implications arising from the report

Sustainability Implications:

There are no adverse sustainability implications arising from this report.

Any Other Significant Implications:

- 7.2 None

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms:

None

Background Documents:

Previous reports to the Policy & Resources Committee in January 2017 and the report to the Orbis Joint Committee on 20th January 2017.

Subject:	Review of the Constitution		
Date of Meeting:	9 February 2017		
Report of:	Executive Lead for Strategy Governance and Law		
Contact Officer:	Name:	Elizabeth Culbert	Tel: 29-1515
	Email:	elizabeth.culbert@brighton-hove.gov.uk	
Ward(s) affected:	All		

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 & Growth Committee and Council. The issues set out in the report have been considered by the cross party Constitution Working Group and Leaders Group.

2. RECOMMENDATIONS:

Policy, Resources & Growth Committee

- 2.1 That the Policy, Resources & Growth Committee approves the recommendations set out at paragraphs 3.20 and 3.21 (Scheme of Delegations, including to Field Officers) and notes the information at paragraphs 3.8 and 3.9 (Officer Employment Procedure Rules).
- 2.2 That the Policy, Resources & Growth Committee recommends to full Council the proposed changes to the Council's constitution as set out at paragraphs 3.2 to 3.19 in the report and Appendices 1-3.

Full Council

- 2.3 That the proposed changes to the Council's constitution recommended in paragraph 2. 2 above be approved and adopted.

Both Policy, Resources and Growth Committee and Full Council

- 2.3 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 Committee or Full Council and that the Monitoring Officer be authorised to amend and re-publish the Council's constitutional documents to incorporate the changes.
- 2.4 That, subject to 2.5 below, the changes come into force immediately following approval by PR&G and full Council.

- 2.5 That the changes referred to in paragraph 3.6 (limiting the time for debates on reports for information) come into force following annual Council and that the changes referred to in paragraphs 3.19 to 3.23 (delegations regarding field offices) come into force as soon as the field officers are appointed.

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 Dee Simson, Clare Moonan and Leo Littman. This report sets out the proposals agreed by the CWG and Leaders Group in December 2016 and January 2017.

Audit and Standards Committee

- 3.2 Revised terms of reference have been agreed by the Audit and Standards Committee Working Group, which met at the direction of the Audit and Standards Committee in November 2016.
- 3.3 The proposed new terms of reference are attached at Appendix 1 with tracked changes. The changes update the current terms of reference and bring them in line with current best practice in this area.

Council Procedure Rules

- 3.4 Amendments to committee reports are required to be submitted before 10am on the date of committee. Officers have raised concerns about substantive and complex amendments requiring legal and financial advice being submitted close to or after the deadline. This creates issues for the committee in being able to consider an amendment if the relevant financial or legal implications are not available.
- 3.5 In addition, where members seek to move oral amendments, this can make the proposals difficult to follow. It is therefore recommended that express provision be inserted into the Council Procedure Rules requiring the proposer to provide written copies of any late amendments. The proposed additional wording is shown at Appendix 2 with tracked changes.

Council meetings

- 3.6 The CWG considered a number of proposals regarding the timing and efficient running of Council meetings. The CWG supported the proposal to introduce a time limit of 15 minutes on the time allowed for consideration of reports for information (as opposed to decision) at full Council from the start of the next municipal year.

- 3.7 CWG noted the need to secure collaboration between the Groups, as well as the desire to ensure that Council meetings were more evenly spread throughout the year.

Review of the Officer Employment Procedure Rules

- 3.8 The terms and conditions of service for the Chief Executive are laid down by the Joint Negotiating Committee (JNC) for Chief Executives of Local Authorities. With effect from 13 October 2016, a new model procedure for dealing with disciplinary matters became part of the Chief Executive's conditions of service.
- 3.9 As a result of these changes, it is necessary to review the Officer Employment Procedure Rules at Part 7.6 to ensure that disciplinary matters relating to the Chief Executive will be undertaken in accordance with the JNC model procedure. Policy, Resources & Growth Committee is asked to note that the Officer Employment Procedure Rules will be reviewed to ensure that they comply with legislative requirements and with the JNC Terms and Conditions of Service.

Budget and Policy Framework

- 3.10 Where a decision of committee has consequences for the Council's ability to manage within the budget it has allocated, there is currently no requirement that the relevant decision include specific detail setting out how the budget deficit will be met.
- 3.11 It is proposed that this be remedied by specifying a requirement that any committee making a decision which creates a financial commitment on the Council that sits outside the agreed budget and policy framework shall specify the detail of how the relevant commitment will be funded. Any alternative proposal must also be consistent with virement rules set out in the Council's Financial Regulations.
- 3.12 It is proposed that the additional wording set out at Appendix Three be included in the Scheme of Delegations to Committees and Sub-Committees and the Budget and Policy Framework Part 7.2.

Proposal to remove the requirement to consult a valuer before officers exercise their authority to enter into leases

- 3.13 In April 2009, the Cabinet Member for Housing authorised the Council to lease accommodation for up to 10 years for the purposes of providing long term temporary accommodation for households who were homeless, including those who ASC and Children's services had a duty to provide accommodation for.
- 3.14 Authority to negotiate the final heads of Terms with each landlord was delegated to the Director ASC & Housing in consultation with the Council's Valuer (as well as the Head of Law and Finance and Property). However, this process is prone to cause delay.
- 3.15 Both Housing and Property & Design agree that the expertise in relation to appropriate valuation of leases for temporary accommodation rests with the Housing Service.

3.16 It is proposed that the requirement relating to consulting the Council's Valuer before officers exercise their authority to enter into leases for up to 10 years is removed. It is recommended that authority be given to amend the Constitution in these terms subject to the following assurances:-

- The lease templates used are agreed by Legal Services;
- The leases are sealed by Legal Services at completion;
- Internal Audit review a sample of the leases twice per year;
- The proposed rent is signed off by the Acquisitions Manager and the payments signed off by the Head of Temporary Accommodation & Allocations.

Incorporation of PREVENT duty to Schemes of Delegation

3.17 It is proposed to incorporate reference to the PREVENT duty for local authorities to the Scheme of Delegation to Committees and Sub-Committees (Neighbourhoods, Communities and Equalities Committee) and the Scheme of Delegations to Officers (Executive Director Neighbourhoods, Communities and Housing). This duty was introduced by s26 of the Counter Terrorism and Security Act 2015 and it requires local authorities, in the exercise of their functions, to have 'due regard to the need to prevent people from being drawn into terrorism'.

Changes to the NCE Committee

3.18 The CWG proposed that the name of the Neighbourhoods, Communities and Equalities Committee be amended to include the word 'Inclusion' so that the Committee would be named the Neighbourhoods, Inclusion, Communities and Equalities Committee (NICE).

Scheme of Delegations to Officers, including Field Officer delegations

3.19 It is proposed that new 'Field Officer' posts be created to carry out enforcement and inspection activities across the full range of Council functions. This will enable officer resources to be maximised so as to increase overall effectiveness.

3.20 The Field Officers will be cross-cutting and will be required to exercise the authority's enforcement powers on behalf of more than one Director. This necessitates a different approach to the Council's delegations from the current approach whereby officers are authorised to act by their Executive Director.

3.21 The Constitutional Working Group considered the available options for amending the Scheme of Delegations to Officers. It took the view that the optimum approach is for the Scheme of Delegation to Officers to delegate relevant enforcement powers directly to Field Officers, this on the basis that they exercise their powers in accordance with the direction and guidance of the Executive Director (or other lead officer) who has responsibility for the function being delivered. This solution aims to provide delegations which are clear and robust whilst ensuring that direction and quality assurance is still given by officers with relevant specialist expertise.

- 3.22 The Committee is recommended to grant to the Field Officers delegated powers to take enforcement action in relation to all of the Council's functions, subject to any instruction given by the Chief Executive or relevant Executive Director, this on the basis that any such delegations will be enacted as and when the arrangements for the Field Officers are in place.
- 3.23 The Committee is further recommended to grant to the Monitoring Officer delegated authority to make a small number of minor additional amendments to the Scheme of Delegations where in the view of the Monitoring Officer these serve to clarify the nature and extent of the delegations in the Scheme, including by describing them in a functions-based way.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The Committee or Council could decide not to implement the changes set out in the report.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The Cross Party Constitutional Working Group have been consulted and Leaders group considered the proposals set out in the report.

6. CONCLUSION

- 6.1 The proposals reflect the Council's ongoing efforts to review and streamline its processes in an ongoing way so as to achieve both financial savings and increased efficiency. It is therefore recommended that they are pursued.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The challenging financial environment for Local Government means that when approved budget plans are withdrawn or deferred by committee, for whatever reason, the financial commitment this creates becomes increasingly difficult to manage in year. Similarly, the creation of other new financial commitments in-year also requires careful consideration. In both cases, to improve financial resilience and ensure the Council's budget position remains balanced, the Council's constitution should be amended as proposed above to ensure that decisions are not made that are outside of the approved Budget and Policy Framework. In effect, all decisions that would create a financial commitment should be accompanied by alternative funding proposals to maintain the Council's financial position. Any alternative proposals should be consistent with the Council's Financial Regulations, particularly in respect of virement (budget transfer).

Finance Officer Consulted: Nigel Manvell

Date: 22/01/17

Legal Implications:

- 7.2 PRG and where specified in the report, full Council, have the authority to make the changes to the Council's constitution as set out in the report. The intention is

for the proposals to be implemented with immediate effect unless otherwise indicated.

Lawyer Consulted: Elizabeth Culbert

Date: 18/01/17

Equalities Implications:

7.3 None

Sustainability Implications:

7.4 None

Any Other Significant Implications:

7.5 None identified

SUPPORTING DOCUMENTATION

Appendices:

1. Amended Terms of Reference for Audit and Standards Committee with track changes
2. Amended Council Procedure Rule 15.4 (Notice of Amendments)
3. Amendments to Budget and Policy Framework Rules

Audit & Standards Committee

Proposed changes to terms of reference

(proposed amendments in red and underlined)

AUDIT & STANDARDS COMMITTEE

Explanatory Note

The Audit functions of this Committee relate to the Council's arrangements for the discharge of its powers and duties in connection with financial governance and stewardship, risk management and audit. It plays a key role in acting as a critical friend to the Council and in helping to build trust in the Council's arrangement. The Committee receives referrals from and makes recommendations to the Council, Policy & Resources Committee, Officers or other relevant body within the Council.

The Standards functions of this Committee seek to ensure that the Members, Co-opted Members and Officers of the Council observe high ethical standards in performing their duties. These functions include advising the Council on its Codes of Conduct and administering related complaints and dispensation procedures.

In addition to the Councillors who serve on the Audit and Standards Committee, the Committee includes at least two independent persons who are not Councillors. They are appointed under Chapter 7 of the Localism Act, or otherwise co-opted, and act in an advisory capacity with no voting powers.

In the terms of reference of this Committee a "Member" is an elected Councillor and a "Co-opted Member" is a person co-opted by the Council, for example to advise or assist a Committee or Sub-Committee of the Council.

General Audit and Standards Delegated Functions

To review such parts of the constitution as may be referred to the Committee by the Policy and Resources Committee and to make recommendations to the Policy Resources Committee and the Council.

To appoint, co-opt or (in any case where only the Council has power) to recommend the appointment or co-option of a minimum of two independent persons:

- to give general assistance to the Committee in the exercise of its functions;
- and

- to give views on allegations of failure to comply with a Code of Conduct as required by Chapter 7 of the Localism Act.

To:

- review and agree the Council's whistleblowing policy
- have an overview of complaints handling and Local Ombudsman investigations
- review and agree activity, policy and guidance in relation to the Regulation of Investigatory Powers Act 2000

To deal with any audit or ethical standards issues which may arise in relation to partnership working, joint committees and other local authorities or bodies.

To ensure arrangements are made for the training and development of Members, Co-opted Members and Officers on audit, ethical and probity matters, including Code of Conduct issues.

To support and advise the Chief Finance Officer and the Monitoring Officer in their statutory roles.

Delegated Audit Functions

To carry out independent scrutiny and examination of the Council's financial and non-financial processes, procedures and practices to the extent that they affect the Council's control environment and exposure to risk, with a view to providing assurance on the adequacy and effectiveness of:

- the work of internal and external audit;
- the governance arrangements of the council and its services;
- the risk management and performance management frameworks and the associated control environment;
- the arrangements to secure value for money;
- the financial management process;
- arrangements for the prevention and detection of fraud and corruption

To meet the requirements of the Accounts and Audit Regulations ~~Act~~ 2015 in respect of:

- conducting an annual review of the effectiveness of the system of internal control;
- conducting an annual review of the effectiveness of internal audit;
- reviewing the outcome of annual review of governance arrangements and approving the Annual Governance Statement, ensuring it contains any actions for improvement; and
- considering and approving the Council's annual Statement of Accounts.

To consider the External Auditor's Annual Audit ~~and Inspection~~ Plan, Audit Results ~~Annual Governance~~ Report, Annual Audit Letter and other relevant reports.

Consider and agree the Internal Strategy and Annual Audit Plan, Head of Internal ~~Audit's & Business Risk's (sic)~~ Annual Internal Audit Report including Opinion, periodic progress reports and other relevant internal audit reports.

To consider and agree the Head of Internal ~~Audit & Business Risk's (sic)~~ Annual Fraud & Corruption Report and consider and approve the Council's Counter Fraud Strategy.

Delegated Standards Functions

To advise the Council on the adoption, revision or replacement of Codes of Conduct for (a) Members and Co-opted Members and (b) Officers;

To exercise all other functions of the Council in relation to ethical standards, in particular those under Chapter 7 of the Localism Act, including the following:

- promoting and maintaining high standards of conduct within the Council and monitoring the operations of the Council's Codes of Conduct and registers of interests;
- in relation to allegations that a Member or Co-opted Member has failed to comply with the Code of Conduct, putting in place arrangements to investigate and make decisions;
- supporting the Monitoring Officer in the exercise of that Officer's ethical standards functions, in particular the duty to establish & maintain registers of interests for the Council and for Rottingdean Parish Council;
- in relation to Members or Co-opted Members with pecuniary interests, putting in place arrangements to grant dispensations, in appropriate cases, from the restrictions on speaking and/or voting.

NOTE: With the exception of the adoption, revision or replacement of the Codes of Conduct referred to above, the Audit and Standards Committee may develop and adopt its own procedures and protocols.

Notice of Amendments

Council Procedure Rules

- 15.4 Copies of amendments will be prepared and circulated prior to the start of a Council meeting only if such amendments are presented to the Chief Executive by 10.00am on the day of the Council meeting. Amendments for which notice has not been given may be permitted at any time at the discretion of the Mayor or Chair if s/he considers it appropriate with regard to the complexity of the matter, the question of whether notice has been given as soon as is reasonably practicable and any other circumstances that appear to be relevant. ~~The Mayor or Chair may require that such amendments shall be put in writing and handed to him/her before they are discussed further. Such amendments shall be put in writing unless the Mayor or Chair exercises his to her discretion to allow an amendment to be put orally.~~

SCHEME OF DELEGATIONS TO COMMITTEES AND SUB-COMMITTEE

INTRODUCTION AND GENERAL DELEGATIONS

A. Introduction

1. This scheme of delegation sets out the functions of the Council to be discharged by the Council, its Committees and Sub-Committees. It also includes terms of reference of statutory and non-statutory advisory bodies set up by the Council.
2. (a) The functions delegated to Committees and Sub-Committees under this scheme are subject to the Council's Standing Orders, Regulations and procedures.
- (b) A Committee or Sub-Committee dealing with a matter that has corporate policy or corporate budgetary implications (e.g. committing the Council to expenditure that has serious impact on the overall finances of the authority) will refer the matter to the Policy, Resources and Growth Committee with recommendations. The Chief Executive may issue practical guidance as to the application of this paragraph. Where the position is not clear, the Chief Executive (in relation to policy matters) or the Executive Director Finance and Resources (in relation to budgetary matters) will make the final determination.
- (c) Where any Committee or Sub-Committee, subsequent to approval of the budget at Budget Council, intends to make a change which creates a financial commitment (including removal or deferral of approved savings) which is not provided for within the approved budget and policy framework set by full Council, the Committee shall identify from which funds the relevant commitment shall be met. Alternatively, the Committee or Sub-Committee will propose alternative savings measures to meet the commitment. Any such proposals must be consistent with virement rules set out in the Council's Financial Regulations.
- (c) Where a committee would otherwise have delegated powers to make decisions, non-compliance with paragraph 2(b) above shall not affect the validity of the decision taken.
- (d) The acquisition or disposal of land or an interest in land shall be referred to the Policy, Resources and Growth Committee for determination. This shall not affect the relevant committees' powers to make decisions on service issues relating to their functions.

PART 7.2

BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1. The framework for decision-making

- 1.1 The Council will be responsible for the adoption of its budget and policy framework as set out in Article 5. Once a budget or a policy framework is in place, it will be the responsibility of the Committees to implement it.

2. Process for developing the budget and policy framework

- 2.1 Each year the Policy, Resources and Growth Committee will agree a programme for establishing the budget and policy framework for the following year. This programme will include provision for the Council to consider the recommendations of the relevant Committee(s) in respect of the content of the plans and strategies that make up the policy framework.

3. In-year changes to policy framework

- 3.1 The responsibility for agreeing the budget and policy framework lies with the Council, and decisions by Committees or officers with delegated authority must be in line with it. However, in approving the policy and budgetary framework, the Council may specify the extent of virement within the budget (in accordance with the Financial Standing Orders and Regulations at Part 7 of this Constitution) and degree of in-year changes to the policy framework which may be undertaken by Committees. In approving any plan or strategy forming part of the policy framework the Council will consider whether or not to delegate the power to amend, modify or vary that plan or strategy. Any other changes to the policy and budgetary framework are reserved to the Council.

- 3.2 These Rules shall be considered alongside the Introduction and General Delegations to Committees paragraph A 2 (b) and the Council's Financial Regulations and Standard Financial Procedures.

Subject:	Proposal to Discontinue BHCC Support for the Older People's Council (OPC)		
Date of Meeting:	9 February 2017		
Report of:	Executive Lead Officer for Strategy, Governance & Law		
Contact Officer:	Name:	Giles Rossington	Tel: 29-5514
	Email:	Giles.rossington@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 This report presents a proposal for the council to discontinue the provision of administrative and financial support for the Brighton & Hove Older People's Council (OPC), this in accordance with a staged process which will provide the OPC with the opportunity to investigate alternative sources of funding, if it wishes to do so.
- 1.2 As the OPC was originally established by a Policy & Resources Committee (P&R) decision (in March 2001), any final decision to discontinue support will need to be taken by Policy Resources & Growth Committee (PR&G).

2. RECOMMENDATIONS:

- 2.1 That the Committee agrees the proposal to discontinue BHCC support for the OPC from April 2018, in accordance with the staged process outlined in the report.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Brighton & Hove Older People's Council (OPC) is a directly elected body which lobbies for the interests of older people in the city. The city council agreed to establish the OPC in 2001, basing it on a Danish model of elected Senior Citizens' Councils.
- 3.2 The OPC existed in shadow form until 2003 when the first citywide OPC election took place. OPC elections have subsequently taken place every four years (to coincide with local government elections).
- 3.3 When the OPC was established, P&R agreed that the council would provide administrative support, defray member expenses and cover election costs on an ongoing basis. These costs were then estimated at £23,000 p.a. This broke down into: £8000 admin support; £5000 member expenses, admin and meeting costs (member expenses for travel, venue hire, print & design cost for the annual

report and print costs for meeting papers); £10,000 election costs (averaged across the four year election cycle).

- 3.4 The OPC was initially supported by Adult Social Care (ASC) officers. In 2013 this responsibility was transferred to the council's Overview & Scrutiny Team (O&S). Accordingly, ASC permanently transferred £9K pa to the O&S team budget to cover some of the admin support and member expenses, with election costs assumed to be covered corporately by the elections team.
- 3.5 Going forward, there is an unfunded pressure of around £5K p.a. for OPC expenses. In addition, the four-yearly OPC elections need to be paid for. The cost here depends on how many, if any, of the nine city OPC wards are contested. Electoral Services estimates a cost of circa £40K if all wards were to be contested. This represents a financial pressure of up to £10K p.a. averaged across the electoral cycle. There is therefore a total unfunded pressure of up to £15K p.a. in addition to the cost of officer support.
- 3.6 When the OPC was initially created, the policy context was one of burgeoning interest in directly elected community representative groups. However, as far as Officers are aware, the Brighton & Hove OPC remains the only directly elected body representing older people's interests in the UK.
- 3.7 The OPC is therefore unusual in that no other body in the city is directly elected in the same way through Council run elections; and the OPC receives a level of direct corporate support that is not available to other similar representative groups.
- 3.8 It is therefore proposed that the council ceases providing the support it currently gives to the OPC by providing administrative support, defraying expenses and meeting costs and funding citywide elections. It is proposed that this will be achieved via a transitional process which will see funding cease by April 2018. The OPC would be free to continue operating, but would become entirely self-funding from that time in line with other community representative organisations operating in the city. This will bring the OPC in line with other similar organisations in the City.
- 3.9 **Transitional Arrangements:** it is proposed that transitional administrative support continues to be provided during 2017/18, giving OPC members time to review whether they wish to undertake routine administration tasks (e.g. arranging and minuting meetings) or to make alternative arrangements. It is also proposed that, in order to facilitate the move to a self-supporting model - the OPC will in addition be offered a one off £5K transitional payment for 2017/18 to cover in-year expenses. It is further proposed that the OPC have access to meeting facilities in Hove Town Hall during the one year transitional period where these do not clash with Council meetings.
- 3.9 These transitional arrangements are proposed in order to give the OPC the opportunity to seek other funding, including the yearly grants programme from the Council (subject to later budget-setting), although any such applications must be considered in accordance with the criteria applied to all applications. During this transitional period, the council's Communities team will support the

OPC with the usual grant funding service to assist them in accessing alternative sources of funding.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The council could:

- Continue to meet OPC costs going forward. However, this would entail an annual cost pressure of up to £5K p.a. in addition to election costs of up to £40K every four years. This will also result in officer support equivalent to approximately £8k being diverted from focusing on organisational priorities which will create real pressure on officers' time.
- Cease supporting the day-to-day running of the OPC but continue to fund citywide elections at a cost of up to £40K every four years. However, the OPC would be a local and national outlier in terms of its electoral status.
- Continue to support the day-to-day running of the OPC going forward but discontinue support for election costs. However, this would leave an unfunded pressure of up to £5K p.a. plus £8k officers' time diverted from other priorities.
- Cease to support all OPC activities and decline to provide any transitional support for the OPC to assist it in becoming self-supporting. However, this would risk the OPC failing to successfully move to a self-supporting model (assuming this is what OPC members would wish to attempt).

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Members of the OPC including its Chair have been informed of these proposals. The OPC are against the proposed withdrawal of support in accordance with the transitional arrangements described here and have made representations to Group Leaders. However, for the reasons set out in this report – including the objective of bringing the funding arrangements into line with those which the Council has with other organisations in the area, it is recommended that that members agree the proposals together with the transitional arrangements which will give the OPC the time to explore sustainable long term arrangements..

6. CONCLUSION

6.1 It is proposed that the council ceases supporting the OPC from 01 April 2018, in the meantime providing transitional support in the form of administrative support as well as expenses (£5K for 17/18) so as to facilitate the OPC in becoming self-supporting after that date. This would address budget pressures and put the OPC on an equal footing with other city representative bodies.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The cost of supporting the Older People's Council (OPC) is currently between £0.004m and £0.005m per annum. This is unfunded, and is a pressure that needs to be found within existing resources. Additionally the council has committed to fund the OPC elections, which last time cost under £0.004m. However, if the commitment was retained, and if each ward was contested, this would be

expected to cost £0.040m every four years. This is also unfunded and would be a pressure on the Electoral Services budget.

Officer consulted: Peter Francis

Date: 17.01.17

Legal Implications:

- 7.2 The decision in 2001 to provide support toward the cost of running the OPC and conducting its elections has been reviewed in light of the changes in circumstances outlined in this report. The Council is not under any legal obligation to make financial contribution to or otherwise provide ongoing support to the OPC and the transitional arrangements whereby it is proposed that funding will be withdrawn – this in accordance with a staged process which gives the OPC time to explore alternative arrangements and funding sources - discharge the Council's general duty to act fairly. As a result the proposal to withdraw financial support is lawful.

Officer consulted: Victoria Simpson

Date: 11.01.17

Equalities Implications:

- 7.3 Should the OPC cease operating there would potentially be a detrimental impact on older people, as this is the group that the OPC lobbies for. However, this impact would be ameliorated should the OPC continue as a self-supporting organisation. Equally, council and other statutory sector providers have a range of links with voluntary and community sector organisations working with and representing older people across the city and these links remain unaffected, enabling a range of older people's voices to be heard. The current situation, where the OPC receives support that is not available to other representative bodies, could be seen as unfairly favouring one legally protected group over others.

An equalities impact assessment was undertaken and identified some issues which are set out in the appendix with proposed mitigating action.

Sustainability Implications:

- 7.4 None identified.

Any Other Significant Implications:

- 7.5 None identified.

SUPPORTING DOCUMENTATION

Appendix 1 – Equalities Impact Assessment

Short Equality Impact and Outcome Assessment (EIA) Template - 2015

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<p>Assessment of overall impacts and any further recommendations¹</p> <ul style="list-style-type: none"> • Protected Characteristic - Age <p>There are no other groups in the city providing a similar function that receive council support in this way.</p> <p>There are a wide range of other groups in the city that provide a voice for older people across the city and council services are linked into these.</p> <p>Few of the impacts identified below are related to the characteristic of age. The actions identified below are to provide support for this group in a transition from council to independence</p>	
<p>Potential issues</p> <ul style="list-style-type: none"> • Digital Exclusion – not all older people have access to technology or are digitally aware this is an issue for setting agendas, minutes etc. and distribution • Role in advocating for people receiving ASC services could be stretched, impacting in their ability to deliver their service in the current manner • Reduced support from the council could impact on OPC’s ability to book accessible rooms for meetings • Overall impact reduction in admin support, circulating of agenda papers to public and private meetings. Withdrawal of editing design and production of the OPC annual report 	<p>Mitigating actions</p> <ul style="list-style-type: none"> • Continued support from Democratic Services for the transition period, to help OPC members to upload Agendas and minutes onto Issue Manager • To consider assigning specific roles to co-optees and members within the OPC, best practice sharing opportunities’ could evolve from this - link with other CVS organisations undertaking i.e. Age UK • Consider the role of treasurer or nominated member becoming responsible for administrating expenses – train OPC members on accessibility issues to cover members needs an bring accessible membership organisations

	<ul style="list-style-type: none"> • Consider joining Community Works, the umbrella CVS organisation in the city, may enable better networking for the OPC and additional governance and support mechanisms, including equality and diversity. Also linked into CW representatives forums and partnerships i.e. EQUIP • Discontinue paper copies of the annual report and publish on OPC website • Transitional funding and support to be provided during 2017/18 together with support in accessing other sources of funding.
<p>Actions Planned:</p> <p>As above Mitigating actions</p>	

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)

Lead Equality Impact Assessment officer: Clair Hopkins

Date: 31.01.17

Communities, Equality Team and Third Sector officer: Sarah Tighe-Ford

Date: 31.01.17
