



**Brighton & Hove
City Council**

Policy & Resources Committee

Title:	Policy & Resources Committee
Date:	14 June 2012
Time:	4.00pm
Venue	Council Chamber, Hove Town Hall
Members:	Councillors: J Kitcat (Chair), Littman (Deputy Chair), Hamilton, Mitchell, A Norman, Peltzer Dunn, Shanks, G Theobald (Opposition Spokesperson), Wakefield and West
Contact:	Mark Wall Head of Democratic Services 01273 291006 mark.wall@brighton-hove.gov.uk

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Democratic Services: Policy & Resources Committee

Monitoring Officer	Councillor J. Kitcat Chair	Chief Executive	Head of Democratic Services
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- Director of Finance
- Strategic Director Resources
- Strategic Director People
- Strategic Director Place
- Strategic Director Communities

Councillor Littman
Deputy Chair

Councillor Shanks

Councillor Wakefield

Councillor West

Officer Speaking

Officer Speaking

Councillor A. Norman

Councillor G. Theobald
Opposition Spokes

Councillor Peltzer Dunn

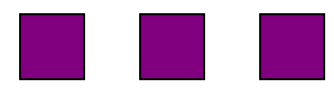
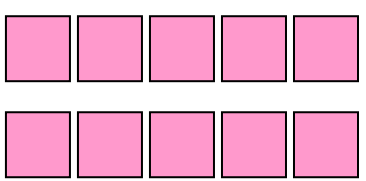
Councillor Mitchell

Councillor Hamilton

Councillor Speaking

Public Speaker	Public Speaker
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Public Seating



Press

AGENDA

PART ONE

Page

1. PROCEDURAL BUSINESS

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

(b) **Declarations of Interest** – Statements by all Members present of any personal interests in matters on the agenda, outlining the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct.

(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.

2. CONSTITUTIONAL MATTERS

1 - 10

Report of the Monitoring Officer (copy attached).

Contact Officer: Mark Wall

Tel: 29-1006

Ward Affected: All Wards

3. MINUTES

11 - 20

Minutes of the previous Governance Committee meeting held on the 20th March 2012 (copy attached for information).

Contact Officer: Mark Wall

Tel: 29-1006

4. CHAIR'S COMMUNICATIONS

5. PUBLIC INVOLVEMENT

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

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

(b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 7th June 2012;

POLICY & RESOURCES COMMITTEE

- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 7th June 2012.

6. ISSUES RAISED BY COUNCILLORS

To consider the following matters raised by councillors:

- (a) **Petitions:** to receive any petitions submitted to the full Council or at the meeting itself;
- (b) **Written Questions:** to consider any written questions;
- (c) **Letters:** to consider any letters;
- (d) **Notices of Motion:** to consider any notices of motion.

FINANCIAL MATTERS

7. TARGETED BUDGET MANAGEMENT (TBM) PROVISIONAL OUT-TURN 2011/12 21 - 78

Report of the Director of Finance (copy attached).

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

STRATEGIC & POLICY MATTERS

8. CORPORATE PLAN UPDATE 2012/13 79 - 102

Report of the Chief Executive (copy attached).

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

9. ORGANISATIONAL HEALTH ANNUAL REPORT 103 - 112

Report of the Strategic Director; Resources (copy attached).

Contact Officer: Paula Black *Tel:* 29-1740
Ward Affected: All Wards

10. QUARTERLY SURVEILLANCE REPORT JUNE 2012 113 - 118

Report of the Director of Finance (copy attached).

Contact Officer: Jo Player *Tel:* 29-4086
Ward Affected: All Wards

11. COUNTER FRAUD STRATEGY UPDATE 2012 119 - 128

Report of the Director of Finance (copy attached).

Contact Officer: Ian Withers *Tel:* 29-1323
Ward Affected: All Wards

POLICY & RESOURCES COMMITTEE

12. CIVIL MARRIAGES

129 - 132

Report of the Strategic Director: Resources (copy attached).

Contact Officer: Martin Warren

Tel: 29-0555

Ward Affected: All Wards

CONTRACTUAL MATTERS

13. SUPPORTED BUS SERVICE NETWORK

133 - 140

Report of the Director of Finance (copy attached).

Contact Officer: Nick Mitchell

Tel: 29-2481

Ward Affected: All Wards

PART TWO

CONTRACTUAL MATTERS

14. SUPPORTED BUS SERVICE NETWORK - EXEMPT CATEGORY 3

141 - 150

Report of the Director of Finance (circulated to Members only).

Contact Officer: Nick Mitchell

Tel: 29-2481

Ward Affected: All Wards

15. PART TWO PROCEEDINGS

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

POLICY & RESOURCES COMMITTEE

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

The closing date for receipt of public questions and deputations for the next meeting is 12 noon on the fifth working day before the meeting.

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

For further details and general enquiries about this meeting contact Mark Wall, (01273 291006, email mark.wall@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

Date of Publication - Thursday, 7 June 2012

Subject:	Constitutional Matters		
Date of Meeting:	14th June 2012		
Report of:	Monitoring Officer		
Contact Officer:	Name: Mark Wall	Tel: 29-1006	
	E-mail: mark.wall@brighton-hove.gov.uk		
Key Decision:	No		
Wards Affected:	All		

For General Release

1. SUMMARY AND POLICY CONTEXT

- 1.1 To provide information on the committee's terms of reference and related matters including the appointment of its sub-committees.

2. RECOMMENDATIONS

- 2.1 That the committee's terms of reference, as set out in Appendix A to this report, be noted; and
- 2.2 That the establishment of a Corporate Parenting Sub-Committee and a Personnel Appeals Panel with terms of reference and membership as set out in paragraphs 3.9 – 3.10 and Appendix 'B' of this report be approved.
- 2.3 That the establishment of an Urgency Sub-Committee consisting of the Chair of the Committee and two other Members (nominated in accordance with the scheme for the allocation of seats for committees), to exercise its powers in relation to matters of urgency, on which it is necessary to make a decision before the next ordinary meeting of the Committee be approved.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The Council meeting on 26 April 2012 agreed the new constitution for the City Council. The new constitution came into force at the conclusion of the Annual Council meeting on 17 May.
- 3.2 Article 6 of the constitution, which incorporates a schedule of all the Committees/Sub-committees established in the new constitution together with a summary of their respective functions, is reproduced at Appendix 'A' to this report.

The Policy & Resources Committee – Terms of Reference

- 3.3 The terms of reference of the Policy & Resources Committee were agreed by Council on the 26th April when adopting the new constitution. This Committee

has overall responsibility for the financial and other resources of the authority, for developing the authority's strategy and policy based on national government and local priorities and for the development of partnership working. It also has responsibility for many of the services delivered to residents and customers, including electoral and ceremonial matters, legal services, complaints services, equalities and community safety, revenues and benefits, registration, and local land charges.

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

Membership

- 3.5 The membership of the committee is set at 10 Members of the council.
- 3.6 The arrangements for substitute Members to attend meetings of Committees/Sub-Committees, as set out in the Council Procedure Rules 18 to 24, apply to meetings of the Policy & Resources Committee.

Programme Meetings

- 3.7 Ordinary meetings of the Policy & Resources Committee are scheduled to take place on the following dates during 2012/13:

Thursday 14 June 2012
Thursday 12 July 2012
Thursday 11 October 2012
Thursday 29 November 2012
Thursday 17 January 2013
Thursday 14 February 2013 (Budget)
Thursday 21 March 2013
Thursday 2 May 2013

- 3.8 Meetings of the Committee will normally be held at Hove Town Hall and will start at 4.00 p.m. and will be web cast.

Sub-Committees

- 3.9 The Constitution provides for the establishment of two Sub-Committees and it is necessary for the Committee formally to appoint these bodies as follows:

Corporate Parenting Sub-Committee

- 3.10 This Sub-Committee of Policy and Resources is responsible for the development, implementation and monitoring of the Council's Corporate Parenting Strategy and provides challenge to ensure that the Council's duty as Corporate Parent is discharged effectively and consistently. Its membership will include 5 Councillors plus 3 non-voting co-optees. The Sub-Committee's terms of reference are attached at Appendix 'B' to this report.

Personnel Appeals Panel

- 3.11 This Panel, which has the status of a Sub-Committee of Policy and Resources Committee, deals with appeals against dismissals, grading and other grievances in accordance with agreed human resources procedures. Each Panel will consist of 3 Members and will wherever possible include Members from at least two of the political groups represented on the council. The Sub-Committee's terms of reference are attached at Appendix 'B' to this report.

Urgency Sub-Committee

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

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 All Members considered and approved the new constitution on the 26th April 2012.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are no specific financial implications arising from this report. It is expected that the overall effect of the introduction of the new constitution will be cost neutral.

Finance Officer Consulted: Name Anne Silley Date: 23/05/12

Legal Implications:

- 5.2 The Council's constitution complies with the requirements of the Localism Act 2011, the Local Government Act 2000, the Local Authorities (Constitutions) Direction and relevant guidance.
- 5.3 There are no adverse Human Rights Act implications arising from this report.

Lawyer Consulted:

Elizabeth Culbert

Date: 23/05/12

Equalities Implications:

- 5.4 There are no equalities implications arising from the report.

Sustainability Implications:

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

Crime & Disorder Implications:

- 5.6 There are no crime & disorder implications arising from the report.

Risk and Opportunity Management Implications:

- 5.7 The provision of this pay policy statement provides greater transparency to enable the public to understand and challenge local decisions of pay and reward of the council's workforce.

Public Health Implications:

- 5.8 There are no public health implications arising from the report.

Corporate / Citywide Implications:

- 5.9 There are no corporate or city wide implications arising from the report..

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The council's constitution provides for the appointment of the sub-committees and urgency sub-committees and it is for the Committee to determine this action and it could decide not to make such appointments. However, this would be contrary to the wishes of the council and is not therefore regarded as a viable alternative option.

7. REASONS FOR REPORT RECOMMENDATIONS

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

SUPPORTING DOCUMENTATION

Appendices:

1. (A) Policy & Resources Committee Terms of Reference
2. (B) Corporate Parenting and Personnel Appeals Panel Terms of Reference.

Background Documents

1. The Constitution

POLICY AND RESOURCES COMMITTEE

Explanatory Note

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

Delegated Functions

To exercise the functions of the Council as follows:

1. Policy and Strategy

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

2. Finance and Other Resources

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

3. Partnerships

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

4. Corporate Parenting

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

5. Adult Learning and Employment

- (a) To discharge the Council's functions under the arrangements with the Skills Funding Agency and Young People's Learning Agency for the provision of adult education; and

- (b) To discharge the Council's regarding the employment of physically disabled persons and youths, providing that the functions regarding youth employment shall be limited to the management of the existing establishment in Hove.

6. Neighbourhood Renewal

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

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

7. Grants

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

8. Management of Establishments

To deal with all matters concerning establishments as are more particularly set out under the scheme of delegation to the Strategic Director of Communities and the Head of Tourism and Leisure.

9. Catering Services in Council Establishments

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

10. Best Value

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

11. Human Resources

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

12. Property Management

- (a) To manage land held for the purposes of the functions of the Committee, corporately held property and land declared surplus to the

requirements of a Committee or the service area of a Chief Officer by the relevant Committee or Chief Officer.

- (b) To authorise the acquisition or disposal of any land held by the Council providing that any proposal for the transfer of housing land which requires the consent of the Secretary of State shall be referred to full Council with recommendations.

13. Appointment to outside bodies

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

14. Public Safety – Civil Contingencies

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

15. Community Safety

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

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

16. Communities

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

17. Equalities

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

18. Constitution

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

19. Members' Allowances

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

20. General Powers

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

21. Sub-Committees, Task Groups and Consultation Forums

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

22. Miscellaneous Service Functions

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

- (a) Electoral and ceremonial matters relevant to the Council;
- (b) Matters concerning the Fire Authority;
- (c) Legal services;
- (d) Complaints services;
- (e) Performance management
- (f) Corporate procurement;
- (g) Health and safety at work (in so far as it relates to the Council as an employer);
- (h) Revenues and Benefits, including Housing Benefit and Council Tax Benefit, the administration, collection and enforcement of Council Tax and Non-Domestic Rates;
- (i) Registration of births, deaths, marriages, partnerships and associated functions;
- (j) Local Land Charges;
- (k) Corporate Information and Communication Technology Services;
- (l) Corporate communications;
- (m) Democratic services.

CORPORATE PARENTING SUB-COMMITTEE

Explanatory Note

The Corporate Parenting Sub-Committee has the status of a Sub-Committee of the Policy and Resources Committee. It acts as an advisory committee to the Council, its partners and its Committees on matters related to the Council's looked after children. Its role is to ensure that the Council and its partner agencies have a joint commitment to:-

- (a) Achieving improved outcomes for children in care and care leavers;
- (b) Developing and overseeing implementation of the Corporate Parenting Strategy to drive improved outcomes;
- (c) Providing challenge to ensure that the Council's duties as Corporate Parent are carried out effectively and consistently.

Delegated Functions

1. To assist in the development, operation, monitoring and review of the Council's policies and strategies as they affect children in care and care leavers.
2. To develop, monitor and review a Corporate Parenting Strategy and work plan.
3. To promote a co-ordinated and partnership approach to the delivery of Council services as they affect children in care and care leavers and to challenge services where this is not evidenced or effective.
4. To advise the Council and its Committees on issues relevant to children in care and care leavers and to ensure that policies implemented by the Council which affect these children and young people are effective and appropriate.
5. To review and monitor outcomes for looked after children and care leavers, including data from the Corporate Parenting Report Card and feedback from the Standards & Complaints and Quality Assurance Framework officers in respect of children in care and care leavers.
6. To ensure that clear and accessible information is readily available to children in care and care leavers on the corporate parenting they can expect from the council.
7. To ensure that systems are in place which mean that the views of children and young people are represented in the development of services that affect them.
8. To report to the Council's Policy and Resources Committee and Council on a twice yearly basis.
9. To make recommendations to the relevant Committee where responsibility for a particular function rests with that Committee.

10. To appoint non voting Co-opted Members.
11. To ensure arrangements are made for the training and development of Councillors (and others as appropriate) on the Corporate Parenting role.
12. To receive reports on the discharge of the Council's functions regarding the provision of accommodation for looked after children and care leavers, and to make recommendations to the appropriate body of the Council.

PERSONNEL APPEALS PANEL

Explanatory Note

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

Delegated Functions

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

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

BRIGHTON & HOVE CITY COUNCIL

GOVERNANCE COMMITTEE

4.00pm 20 MARCH 2012

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillors Littman (Chair), A Norman (Deputy Chair), Cox, Mitchell, Morgan, Powell, Randall, G Theobald, MacCafferty and Shanks

Also in attendance:

PART ONE

62. PROCEDURAL BUSINESS

62a Declaration of Substitutes

62a.1 Councillor MacCafferty attended as a substitute for Councillor Kennedy
Councillor Shanks attended as a substitute for Councillor J Kitcat

62b Declarations of Interest

62b.1 All councillors declared a personal but non-prejudicial interest in Item 74, Review of Members Allowances

62c Exclusion of Press and Public

62c.1 In accordance with Section 100A of the Local Government Act 1972 ('the Act'), the Committee considered whether the press and public should be excluded from the meeting during an item of business on the grounds that it was likely, in view of the nature of business to be transacted or the nature of the proceedings, that if members of the press and public were present during that item, there would be disclosure to them of confidential or exempt information (as detailed in Section 100A(3) of the Act).

62c.2 **RESOLVED** – That the press and public not be excluded from the meeting.

63. MINUTES OF THE PREVIOUS MEETING

63.1 **RESOLVED** - That the minutes of the meeting held on 10 January 2012 be approved as a correct record.

64. CHAIR'S COMMUNICATIONS

64.1 The Chair noted that this would be the last meeting of the Governance Committee, and thanked everyone who had been involved.

65. CALLOVER

65.1 **RESOLVED** – That all the items be reserved for discussion.

66. PETITIONS

66.1 There were none.

67. PUBLIC QUESTIONS

67.1 There were none.

68. DEPUTATIONS

68.1 There were none.

69. WRITTEN QUESTIONS, LETTERS AND NOTICES OF MOTION FROM COUNCILLORS

69.1 There were none.

70. POLLING PLACE REVIEW

70.1 The Committee considered the report of the Strategic Director, Resources on Polling Place Review. Following the City Council elections in May 2011 a number of issues had arisen about six of the designated polling stations. The report set out suggestions for possible alternative locations and set out the consultation which would be undertaken to review those locations.

70.2 Councillor Cox noted that the Pavilion in Saxon Road was no longer available as it had been leased to a private playgroup, and asked why the use of a polling station was not covered in the lease. Councillor Cox was told that further information would be obtained and provided to the committee members.

70.3 Councillor Norman said that Councillor Peltzer Dunn had had similar concerns about the polling station in Saxon Road, and suggested that a portacabin be used and asked what the costs implications would be. Councillor Norman was pleased that Dorothy Stringer School was able to accommodate the polling station, but had some concerns that the Loder Road may be too long and steep for some people. It was confirmed that the committee would be advised on the cost of using a portacabin.

70.4 Councillor Morgan had some concerns that Manor Gym be used as the road outside was susceptible to flooding.

70.5 Councillor Theobald was concerned that Goldsmid Ward would have to travel out of the ward to vote, but accepted that as it was mainly a residential area that there was nowhere for a polling station.

70.5 RESOLVED

- (1) That the Governance Committee approved the consultation document and consultation process as outlined in the report.
- (2) That on completion of the consultation exercise officers would bring a report to the relevant council committee for the approval of recommendations for alternative polling places in the affected wards.

71. ATTENDANCE MANAGEMENT PROCEDURE

- 71.1 The committee considered a report of the Strategic Director Resources on the Attendance Management Procedure. The Head of Human Resources and Organisational Development introduced the report. The Attendance Management Procedure had been introduced in April 2011, with a commitment that the procedure would be reviewed six months later. When the matter was reviewed there had been concerns over the mandatory nature of the formal absence review meetings, and the Head of Human Resources had recommended that the Committee could consider the option of amending the Procedure to remove the mandatory requirement. However, as there had not been an opportunity to seek the views of the Corporate Management Team, members were asked to defer a decision until further consultation had taken place. The report set out the findings of the consultation exercise. It was confirmed that consultation had taken place with the Strategic Leadership Board, Workers Forums and the Unions.
- 71.2 Councillor Mitchell supported the recommendations in the report and was pleased that further consultation had taken place and believed that the new Procedure had been improved.
- 71.3 Councillor Theobald felt that the level of sickness was high and was double the level of private sector employees, and asked if relaxing the procedures would help reduce the level of sickness. The Head of Human Resources suggested that it was not a relaxation of procedures, but rather a different emphasis to the issue. It was hoped that the procedures would improve the sickness level.
- 71.4 Councillor Powell thanked Human resources for the work they had done, and felt that the suggested changes would particularly help those with a disability. Councillor Powell proposed two additional recommendations to the report, which were seconded by Councillor MaCafferty. The two additional recommendations were:
1. That the committee requested Human Resources to include the Disabled Workers Forum in discussions on the training for managers.
 2. That the new Attendance Management Procedure be reviewed after six months by the appropriate committee.

71.5 Councillor Randall thanked Human Resources for their work on the Procedure and felt that it had been improved. Councillor Randall stated that he supported the new recommendations.

71.6 Councillor Norman stated that she supported the new recommendations but was concerned that they had only been tabled at the meeting and had not been circulated before. Councillor Littman apologised on behalf of Councillor Powell, but said that information from the Disabled Workers Forum had only been received shortly before the meeting.

71.7 The Committee voted on the new recommendations and agreed that they should be included.

71.8 **RESOLVED:**

- (1) That the committee noted the views of all parties who had contributed to the review of this procedure and thanked them for their input.
- (2) That the committee agreed to the current Attendance Management Procedure being amended to remove the mandatory requirement to always hold a formal absence review meeting when an employee's sickness reached an attendance concern level.
- (3) That the committee agreed to amend the current procedure to ensure that managers always held a return to work discussion when an employee returned to work after a period of sickness absence.
- (4) That the committee noted that further training for managers would be provided to equip them to determine when it was appropriate to convene a formal Absence Review meeting where an employee's sickness absence reached an attendance concern level.
- (5) That the committee requested Human Resources to include the Disabled Workers Forum in discussions on the training for managers.
- (6) That the new Attendance Management Procedure be reviewed after six months by the appropriate committee.
- (7) That the committee instruct officers to make the necessary amendments to the Attendance Management Procedure to give effect to recommendations (2) to (6) inclusive to take effect from 1 April 2012.

72. PROPOSED MEETINGS TIMETABLE 2012/13

72.1 The committee considered a report of the Strategic Director, Resources. The report set out the proposed schedule of meetings for the municipal year 2012/13 based on the new governance arrangements. The timetable allowed for an eight week cycle of meeting, taking into account school terms, a summer break and public holidays. There would be an overall reduction in the number of meetings held. The time the meetings would start had been considered and s58 of the Equalities Act had been taken into

account. An Equalities Impact Assessment had been undertaken to look at the impact of different times. It had not been possible to find a time that would be suitable for all councillors, but the best option was for the meetings to commence at 4pm.

72.2 Councillor Theobald agreed with the proposed timetable, but asked if in future the dates of the political party conferences could be noted to ensure that no meetings were scheduled during those dates.

72.3 Councillor Randall agreed with the proposed timetable but a number of Green Party councillors had young children which could impact on them attending meetings at certain times.

72.4 **RESOLVED:** That the proposed timetable of meetings for 2012/13 be approved.

73. **SOUTH DOWNS NATIONAL PARK AUTHORITY - DELEGATION OF DEVELOPMENT CONTROL FUNCTION TO CONSTITUENT AUTHORITIES**

73.1 The committee considered the report of the Strategic Director, Place regarding the South Downs National Park Authority and the termination of Development Control Agency Arrangements in Brighton and Hove. The South Downs National Park Authority (SDNPA) became the Local Planning Authority for the National Park on 1 April 2011. The Council entered into an Agency Agreement under s101 of the Local Government Act 1972 with the SDNPA to provide Development Control services for that part of the National Park within the City on a temporary basis of up to three years. The report sought to terminate that agreement. The number of applications reviewed over the last year had been low, with 23 applications having been received. The SDNPA now had its own planning department.

73.2 Councillor Theobald said that termination of the agreement had been expected, but had concerns over where the planning meetings would be held. Councillor Theobald was advised that the meetings would be held in Midhurst, unless there were a high number of residents involved in a matter when an alternative more locally based venue would be considered. Councillor Theobald was concerned that Midhurst was difficult to travel due, with a lack of public transport, and felt that an alternative venue such as Arundel should be considered. The Chair asked if those comments could be passed to the SDNPA.

73.3 **RESOLVED:** That the Governance Committee recommend that Council agrees that the Agency Agreement dated 21 June 2011 between South Downs National Park Authority and the Council relating to the provision of planning services in Brighton and Hove be terminated on a date to be agreed by the South Downs National Park Authority and the Strategic Director, Place.

74. **REVIEW OF MEMBERS ALLOWANCES**

74.1 The Committee considered a report of the Independent Remuneration Panel (IRP). The Chair of the IRP introduced the report. The Council had agreed to adopt new governance arrangements and move from the Leader and Cabinet model to a Committee System. The Independent Remuneration Panel had therefore been asked to consider the implications for the Special Responsibility Allowances paid to councillors with specific positions held in the new governance arrangements.

- 74.2 The Chair thanked the Independent Remuneration Panel for their work.
- 74.3 Councillor Morgan noted that there was no Special Responsibility Allowance for the Deputy Chairs of the two scrutiny committees, and asked if that would send out a message that those committees were not seen as equal. The Chair of the IRP said that the role of the Deputy Chair on the scrutiny committees had been fully considered, but not enough evidence had been provided to convince the panel that a Special Responsibility Allowance was justified. However, the matter would be monitored over the coming year, with particular attention paid to the role of the Deputy Chairs.
- 74.4 Councillor Randall said that Foster Panel did a great deal of work, and suggested that their role be looked at too. The Chair of the IRP agreed.
- 74.5 **RESOLVED:** That Council be recommended to approve the following:
- (1) That the Special Responsibility Allowance for the Leader's position remain at the current level of £28,758 as outlined in paragraph 3.4 and appendix 1 to the report
 - (2) That the Special Responsibility Allowance for the two Deputy Leaders' positions remain at the current level of £17,254 as outlined in paragraph 3.4 and appendix 1 to the report
 - (3) That the Special Responsibility Allowance of £10,967 be payable to the Chairs of Committees as outlined in paragraphs 3.6 to 3.9 and appendix 1 to the report
 - (4) That a Special Responsibility Allowance of £8,626 be payable to the Deputy Chair of Policy & Resources (with responsibility for Finance & Resources), as outlined in paragraph 3.7 of the report
 - (5) That a Special Responsibility Allowance of £3,594 be payable to the Deputy Chairs of Planning and Licensing Committees, as detailed in paragraph 3.9 of the report
 - (6) That the Special Responsibility Allowance of £2,156 for the Deputy Chairs of Committees be payable as outlined in paragraphs 3.6 to 3.9 and appendix 1 to the report
 - (7) That a Special Responsibility Allowance of £2,156 be agreed for the four positions of Opposition Spokesperson as outlined in paragraph 3.10 of the report
 - (8) That the remaining aspects of the current Members' Allowance Scheme be retained with the inclusion of the changes in Special Responsibility Allowance's as outlined above (2-8) form the Members Allowances Scheme 2012/13 set out at Appendix 2 to the report and to take effect from 18 May 2012

75. PAY POLICY STATEMENT

- 75.1 The committee considered the report of Strategic Director Resources on the Pay Policy Statement. The committee were advised that the Localism Act 2011 required Local Authorities to produce a pay policy statement for 2012/13 and for each subsequent

financial year. The statements should set out the council's policies on a range of issues relating to the pay of its workforce, particularly its senior and lowest paid staff. The committee were asked to recommend Council to adopt the Pay Policy Statement as set out in the report.

- 75.2 Councillor Mitchell said that the Labour and Cooperative Party could not recommend the proposed policy to Council as the party had issues with the higher paid members of staff. Councillor Mitchell referred to paragraph 3 of the Pay Policy Statement relating to the lowest paid members of staff, and asked if all those who were casual workers would be paid the Living Wage. Councillor Mitchell was advised that there were different categories of casual staff. There were two thousand casual staff on the council's books, but only 500 currently working for the council with many of them only working one day a week. The agency staff were different in that the council paid the agency a set rate for the job. All workers were paid at least the Living Wage.
- 75.3 Councillor Norman referred to paragraph 4 of the Pay Policy Statement, which stated that council would have the opportunity to vote on salary packages of over £100,000 prior to an appointment being made. Councillor Norman was concerned that due to the number of Full Council meetings being held there may be a delay in getting agreement and thereby appointing staff. Councillor Norman was advised that there could be problems with timing and suggested that consideration of salary packages could be delegated to a committee. Councillor Randall thought that it would be sensible to delegate that duty to a committee. The committee were advised that there was Code of Recommended Practices and the council were looking to follow that Code.
- 75.4 Councillor Theobald noted paragraph 3.7 of the report which referred to the system of 'earn back'. Councillor Theobald was advised that the council didn't operate performance related pay and so 'earn back' could not be implemented.
- 75.5 Councillor Powell asked if the Living Wage were paid to agency staff. Councillor Powell was advised that agency workers were by an Agency Workers Directive, but once they had been employed for eight weeks by the council they would be covered by the Living Wage.
- 75.6 Councillor Powell referred to paragraphs 8 and 9 of the Pay Policy Statement and asked if comparators were used to set the salary of the most senior members of staff. It was confirmed that comparators from other local authorities were used.
- 75.7 **RESOLVED:**
- (1) That the committee recommend to Council the adoption of the Pay Policy Statement as set out in appendix A to the report.
 - (2) That the committee noted the proposal to extend the role of the current Member Appointment Panel to become a Recruitment and Remuneration Panel which would be responsible for the provision of advice on the council's pay policy and the starting salary of new appointees to Chief Officer posts. The extended role of the Panel would come into force when the new constitution was approved and adopted by full council on 26 April 2012.

- (3) That the committee noted the requirement that Council approve a Pay Policy Statement annually.

76. COMMITTEE REPORT FOR REVIEW OF PART 9.4 OF THE CONSTITUTION

- 76.1 The committee considered the report of the Strategic Director Resources on the review of Part 9.4 of the Council's Constitution, which covered guidance to members and officer serving on outside bodies. A number of changes to the regulatory framework relevant to outside appointments had occurred since Part 9.4 was last reviewed. The report highlighted those changes and proposed an amended version. Governance Committee was asked to agree the amendments and recommend them to Council.
- 76.2 **RESOLVED:** That the committee agreed the amended version of Part 9.4 of the Council's constitution, as set out in Appendix 1 to the report, and recommend it to Council for approval.

77. REVIEW OF CONSTITUTION

- 77.1 The committee considered the report of the Monitoring Officer which set out a new constitution for Brighton & Hove City Council. The Localism Act 2011 gave local authorities the option of adopting a committee based system of governance. In December 2011 Full Council resolved, in principle, to move to a committee system at the earliest opportunity. Following that resolution a New Constitution Member Working Group was set up to work with officers to implement that system. The new system would have fewer decision making bodies, going from 24 to 19, which would be more cost effective and streamlined and it would be more inclusive as it would allow all parties to be involved. The opportunity for both Members and the public to ask questions, submit deputations and petitions etc would be retained. It should be noted that Brighton & Hove City Council would be the first authority to bring in the committee system under the new legislation.
- 77.2 Councillor Morgan, as a member of Working Group, thanked officers for their work in this matter. The Working Group wanted to ensure that a clear democratic system be provide, so the public would understand how and when decision would be made.
- 77.3 Councillor Randall agreed with Councillor Morgan and anted to thank officers and members of the Working Group for all their hard work. It was important that the democratic process as inclusive and felt it was a better system than the Leader and Cabinet model.
- 77.4 Councillor Norman also thanked all those involved, and for having completed it in such a short period of time. Councillor Norman referred to paragraph 8.2 of the report and suggested that the three party spokespersons on Adult Care and Health be nominated to attend the Joint Commissioning Board. Councillor Norman was advised that that was the intention, but a protocol would be taken to Leaders Group.
- 77.5 Councillor Theobald thanked everyone who was involved in this matter. Councillor Theobald noted that it was proposed that the Policy and Resources Committee have ten members, but given the expected workload it would be more appropriate to have twelve members. The previous Policy & Resources Committee had fifteen members. Councillor

Theobald moved an amendment to the suggested recommendation. The amendment was seconded by Councillor Norman. The amendment read:

That recommendation 2.1 (ii) relating to Part 2 of the Constitution, Article 6, Committees and Sub-Committees (page 106 of the agenda) and Appendices 1 and 6 to the report be amended to reflect:

“That the Policy & Resources Committee has a total of 12 seats, to be allocated in direct proportion to the split of seats on the Council – Green 5, Conservative 4 and Labour 3.”

77.6 Councillor Mitchell stated that she would not be supporting the amendment as she felt that ten members for Policy and Resources would be adequate and would be the same as other committees.

77.7 Councillor Randall stated that he would not be supporting the amendment.

77.8 A vote was taken on the amendment but was not agreed.

77.9 Councillor Theobald noted that there would be an Environment & Sustainability Committee and a Transport Committee, and suggested that as there would be a crossover between the two committees, and some items may need to go to both committees, that it would be more efficient to combine the two to form one committee. Councillor Theobald moved an amendment to the suggested recommendation. The amendment was seconded by Councillor Norman. The amendment read:

That recommendation 2.1 (ii) relating to Part 2 of the Constitution, Article 6, Committees and Sub-Committees (page 106 of the agenda) and Appendices 1 and 6 to the report be amended to reflect:

“That the proposed Environment & Sustainability and Transport Committees be combined to form one Environment Committee, leading to approximate savings to the Council of £15,000 per annum.”

77.10 Councillor Randall felt that Transport was an important issue and warranted its own committee and so would not be supporting the amendment. It was suggested that the issue could be reviewed in the future.

77.11 Councillor Mitchell felt that combining the two committees could lead to too many items going to one committee and so did not support the amendment. However, Councillor Mitchell suggested that the agendas of the two committees be monitored and be reviewed in due course.

77.12 A vote was taken on the amendment but was not agreed.

77.13 Councillor Shanks asked for confirmation that there would be a statutory role for the Lead Member for Children’s Services. It was confirmed there would be.

77.14 **RESOLVED:** That the committee recommends to Council:

- (i) That the Council resolves, in accordance with section 9KC of the Local Government Act 2000, to change its governance arrangements from leader and cabinet to a committee system.
- (ii) That the parts of the constitution set out in Appendix 1 to the report (being the parts where there are substantive changes) be approved.
- (iii) That the transitional arrangements in relation to the Audit and Standards Committees, as set out in paragraph 16.3 of the report, be approved and adopted until such time that the relevant Regulations relating to standards are made and come into force
- (iv) That the current scheme of delegations to officers be approved subject to the changes set out at Appendix 5 to the report and any other consequential modifications
- (v) That the rest of the existing constitution be approved and adopted, subject to such amendments as are necessary to make them fit for a committee system
- (vi) That the Monitoring Officer be authorised to make the minor and consequential changes referred to in paragraphs 2.1(iv) and 2.1(v)
- (vii) That the constitution as set out in Appendix 1 to the report, with the addition of the parts referred to in 2.1(v) above, be approved and adopted as the Council's constitution in accordance with the requirements of the Local Government Act 2000 and relevant Regulations, Orders and Directions made by the Secretary of State
- (viii) That the new system of governance and the new constitution come into force immediately after the conclusion of Annual Council on 17 May 2012
- (ix) That the Chief Executive be authorised to take all steps necessary or incidental to the implementation of the new governance arrangements, including the power to make such transitional arrangements as are necessary for the orderly implementation of the proposals
- (x) That officers be instructed to make copies of the Council's new constitution available at its principal offices and to publish a notice describing the new arrangements, in accordance with s9KC of the Local Government Act 2000
- (xi) To note that the issue of Member's Allowances be dealt with separately elsewhere on the agenda and that any proposed Code of Conduct be referred to Council as part of the recommendations from the Standards Committee

The meeting concluded at 5.30pm

Subject:	Targeted Budget Management (TBM) Provisional Outturn 2011/12		
Date of Meeting:	14 June 2012		
Report of:	Director of Finance		
Contact Officer:	Name:	Jeff Coates	Tel: 29-2364
	Email:	jeff.coates@brighton-hove.gov.uk	
Key Decision:	No		
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

1.1 This report sets out the provisional outturn position (Month 12) on the revenue and capital budgets for the financial year 2011/12. The final outturn position is subject to the annual external audit review. This will be shown in the council's financial statements which must be signed by the Chief Finance Officer by 30 June 2012 and the audited set approved by the Audit & Standards Committee by 30 September 2012.

2. RECOMMENDATIONS:

2.1 That the Committee note the provisional outturn position for the General Fund, which is an underspend of £4.370m. This includes £3.831m for the council controlled budgets (compared to £3.187m assumed at budget setting time) and £0.539m on the NHS managed S75 budgets.

2.2 That the Committee note the provisional outturn for the Housing Revenue Account (HRA) for 2011/12.

2.3 That the Committee approve the carry forward requests totalling £5.602m as detailed in Appendix 2.

2.4 That the Committee approve the changes to provisions and reserves set out under Corporate Budgets in Appendix 1.

2.5 That the Committee agree to fund initiatives totalling £0.662m from unallocated reserves in 2012/13 as detailed in Appendix 2.

2.6 That the Committee note the provisional outturn position on the capital programme.

- 2.7 That the Committee approve the following changes to the capital programme
- (i) The budget re-profiling as set out in Appendix 1;
 - (ii) The carry forward of slippage into the 2012/13 capital programme, to meet on-going commitments on these schemes as set out in Appendix 1.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Reporting has been summarised by strategic budget areas with Appendix 1 providing details of the commissioning and delivery units aligned with these areas. This includes information on critical capital schemes (paragraph 3.22) and capital summaries are included for each of the strategic budget areas within Appendix 1.
- 3.2 The table below shows the provisional outturn for Council controlled revenue budgets within the General Fund and the outturn on NHS managed S75 Partnership Services. More detailed explanation of the variances can be found in Appendix 1.

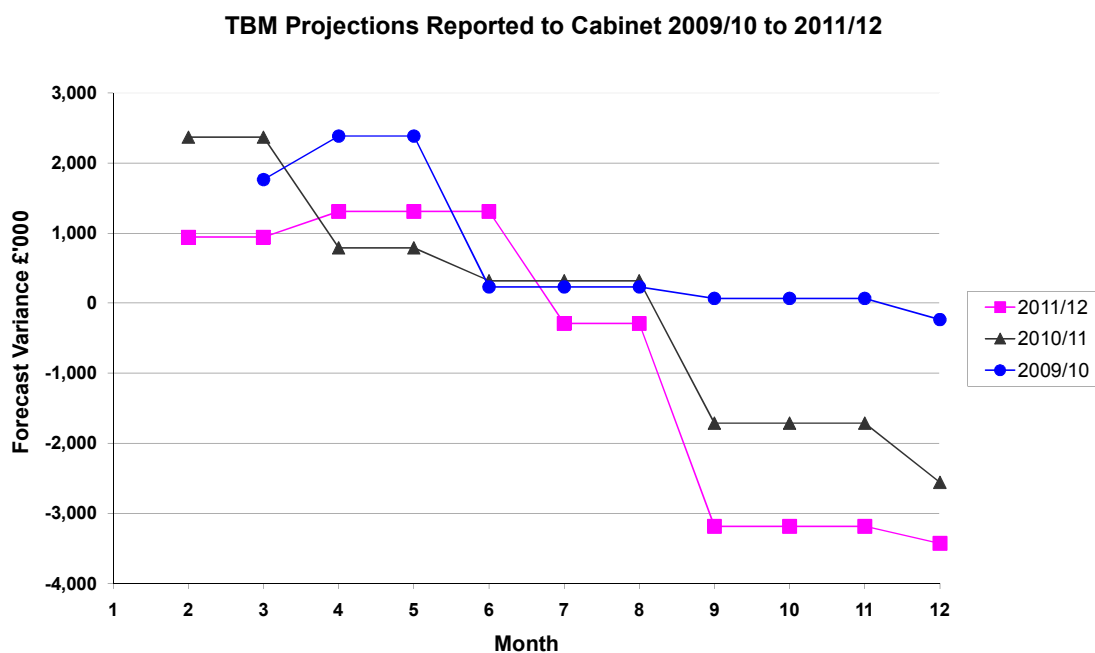
Forecast Variance Month 9 £'000	Directorate	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(2,480)	People	127,579	123,249	(4,330)	-3.4%
135	Place	38,533	37,925	(608)	-1.6%
(25)	Communities	11,943	11,904	(39)	-0.3%
(396)	Resources & Finance	38,108	36,738	(1,370)	-3.6%
(2,766)	Sub Total	216,163	209,816	(6,347)	-2.9%
(421)	Corporate Budgets	(14,293)	(11,777)	2,516	17.6%
(3,187)	Total Council Controlled Budgets	201,870	198,039	(3,831)	-1.9%
(137)	NHS Trust managed S75 Services	14,168	13,629	(539)	-3.8%
(3,324)	Total Overall Position	216,038	211,668	(4,370)	-2.0%

- 3.3 The Total Council Controlled Budgets line in the above table represents the total forecast outturn on the Council's General Fund. The General Fund includes Commissioning Units and Service Delivery Units, which are organised under the strategic areas of People, Place and Communities. These, together with Resource & Finance Units, corporate budgets and Council-managed Section 75 services, make up the Total Council Controlled Budgets. The NHS Trust-managed Section 75 Services line represents those services for which local NHS Trusts act as the Host Provider under Section 75 Agreements. Services are managed by Sussex Partnership Trust and Sussex Community NHS Trust and

include health and social care services for Adult Mental Health, Older People Mental Health, Substance Misuse, AIDS/HIV, Intermediate Care and Community Equipment. It is agreed with partners that the underspend of £0.539m is attributable to the Council and therefore can contribute directly to the overall position.

Comparison with Previous Years

3.4 The chart below shows a comparison of the forecasts reported to Cabinet / Policy & Resources for the council controlled budgets for this and the previous two financial years.



Corporate Critical Budgets

3.5 Targeted Budget Management (TBM) is based on the principles that effective financial monitoring of all budgets is important. However, there are a small number of budgets with the potential to have a material impact on the council's overall financial position. These are significant budgets where demand or activity is difficult to predict with certainty and where relatively small changes in demand can have significant financial implications for the council's budget strategy. These therefore undergo more frequent, timely and detailed analysis. Set out below is the provisional outturn position on the corporate critical budgets.

Forecast Variance Month 9 £'000	Corporate Critical	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(589)	Child Agency & In House	21,697	21,112	(585)	-2.7%
(147)	Sustainable Transport	(14,238)	(14,488)	(250)	-1.8%
(355)	Housing Benefits	(738)	(1,289)	(551)	-74.7%
(713)	Community Care	43,210	41,458	(1,752)	-4.1%
(1,804)	Total Council Controlled	49,931	46,793	(3,138)	-6.3%
(137)	S75 NHS & Community Care	14,168	13,629	(539)	-3.8%
(1,941)	Total Corporate Critical Budgets	64,099	60,422	(3,677)	-5.7%

Carry Forward Requests

- 3.6 Under the Council's Financial Regulations the Director of Finance may agree carry forwards of up to £0.050m per member of the Corporate Management Team service area, if it is considered that this incentivises good financial management. A total of £0.600m has been agreed for 12 of the 25 potential areas due to their significant contribution to the overall underspend.
- 3.7 Policy & Resources approval is required for carry forward requests in excess of £0.050m per member of Corporate Management Team service area. These total £5.602m and have been included in the outturn figures above. An analysis of this is provided in Appendix 2.
- 3.8 The non grant funded element of this totals £1.841m and a detailed breakdown of this is provided in appendix 2. These items have been proposed where funding is in place for existing projects or partnership working that crosses over financial years and it is therefore a timing issue that this money has not been spent in full before the year end.
- 3.9 The element relating to grant funding totals £3.761m. Under current financial reporting standards, grants received by the Council that are unringfenced or do not have any conditions attached are now recognised as income in the financial year they are received rather than in the year in which they are used to support services. Prior to 2011/12 these unspent grants would have automatically rolled into the next financial year to fund the commitments against them but now they need to be agreed as part of the carry forward requests.
- 3.10 Of the £3.761m, a sum of £1.168m relates to the Dedicated Schools Grant. Under the Schools Finance Regulations the unspent part of the DSG must be

carried forward to support the schools budget in future years. The unspent balance of the DSG is after a sum of £1.000m has been used to create a reserve to fund schools capital expenditure and £0.100m has been used to create a reserve to fund automatic meter readers (AMR's) in schools.

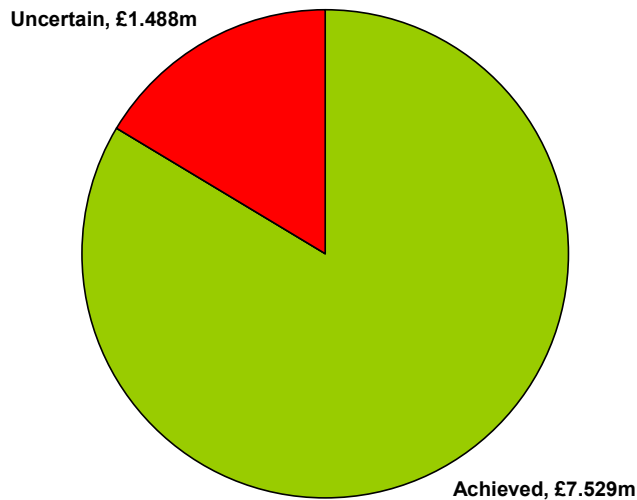
- 3.11 Also included within the £3.761m is a sum of £0.160m relating to matched funding for the food waste trial. This is a European INTERREG grant scheme that the Council is currently bidding for and was reported to Cabinet on 10 May 2012. This matched funding element is required for the purchase of vehicles so that the scheme can begin in April 2013 if the bid is successful.
- 3.12 In addition, there are some initiatives which have not been treated as carry forward requests as it is considered that they require specific member approval because they are new expenditure commitments. They have therefore not been assumed in the outturn figures set out above. These total £0.662m and are described in detail in Appendix 2. If these are approved they can be funded in 2012/13 from unallocated reserves.

Value for Money (VfM) Programme

- 3.13 The Value for money programme contains large, complex projects which include additional temporary resources (e.g. Project Managers) to ensure they are properly planned and implemented to achieve the required financial and non-financial benefits. However, the projects carry significant risks and may need specialist advice or skills that can be in short supply or they may need to navigate complex procurement or legal processes. Therefore each month the TBM report has quantified the progress on savings in terms of those savings that have been achieved, those that are anticipated to be achieved (i.e. low risk) and those that remain uncertain (i.e. higher risk). Now that we have reached year-end, the analysis is split between achieved and uncertain. Those that are uncertain will continue to be pursued in 2012/13 except where changes to VfM targets were made in the approved 2012/13 budget.
- 3.14 The level of 'uncertain' savings has reduced further since month 9 from £1.697m to £1.488m following achievement of the full VfM savings target in Adult Social Care. Overall, VfM savings of some £7.529m have been identified against an original target of £7.752m. The overall level of savings is close to target primarily due to a significant over-achievement of savings of £1.265m within the Children's Services VfM project which has successfully reduced placements costs for looked after children. In the main, where further savings are still to be achieved, these have been offset by one-off counter measures in 2011/12 and efforts to identify the full savings requirements are continuing into 2012/13. Further information about individual VfM projects is included in Appendix 1 under the relevant strategic area.
- 3.15 A summary of current progress toward VfM savings is shown below and a detailed breakdown for each project is provided at Appendix 3.

Value for Money Programme (All Phases) - 2011/12 Monitoring

Current VfM Target 2011/12 = £7.752m (Full Year = £9.502m)



Total Savings of £7.529m achieved against a target of £7.752m

Collection Fund

3.16 The collection fund is a separate account for transactions in relation to national non domestic rates, council tax and precept demands. Any deficit or surplus forecast on the collection fund in relation to council tax is distributed between the council, Sussex Police and East Sussex Fire Authority in proportion to the value of the respective precept on the collection fund. The council's share of the collection fund deficit at 31st March 2012 was £0.713m, which represents an improvement of £0.137m from the deficit reported at month 9. Council tax collection was above target and the deficit is entirely as a result of a lower than anticipated liability mainly resulting from increased exemptions awarded.

Housing Revenue Account

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

Forecast Variance Month 9 £'000		2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
	Housing Revenue Account				
(1,025)	Expenditure	50,330	48,178	(2,152)	-4.3%
136	Income	(50,330)	(50,197)	133	0.3%
(889)	Total	-	(2,019)	(2,019)	

Capital Budget 2011/12

- 3.18 The table below provides a summary of the capital programme by strategic theme and shows an overall underspend of (£0.899m). Within Appendix 1 for each budget area there is a breakdown of the capital programme by Unit.

Forecast Variance Month 9 £'000	Budget Area	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Outturn Month 12 %
0	People	25,951	25,948	(3)	0.0%
(1,134)	Place	87,946	86,404	(1,542)	-1.8%
310	Communities	2,482	3,045	563	22.7%
(150)	Resources & Finance	4,104	4,187	83	2.0%
(974)	Total Capital	120,483	119,584	(899)	-0.7%

- 3.19 Appendix 1 provides details of changes to capital schemes which are included in the budget figures above. Policy & Resources Committee approval for these changes is required under the council's Financial Regulations. Some of the changes are necessary for the Council to comply with International Financial Reporting Standards (IFRS) for the Statement of Accounts and where significant changes have occurred an explanation is contained in Appendix 1.

Capital Budget Movement	2011/12 Budget £'000
Summary	
Approved Budget Month 9	82,715
Changes reported to previous Cabinet meetings	122
New Schemes	0
IFRS Accounting Changes	47,348
Variations to Budget (to be approved by Policy & Resources Committee)	(8,167)
Slippage	(1,535)
Total Capital	120,483

- 3.20 Appendix 4 shows an analysis of movements in the capital budget including new schemes, IFRS accounting changes, re-profiled schemes (carry forwards) to the 2012/13 programme and 'slippage'.
- 3.21 The slippage declared into next year has been included under the schemes identified in Appendix 4. Project managers have forecast that £1.535m of the capital budget will slip into the next financial year, which, when added to the

amount in month 9 of £3.544m, gives a total slippage for the year of £5.079m or 4.22% of the capital budget.

- 3.22 Certain capital schemes have the potential to have significant revenue budget implications if they are not delivered according to timetable. Progress on these more critical schemes is reported regularly through the TBM reports. These schemes are shown in the table below. More detail on these schemes is provided in Appendix 1 under the relevant budget area.

Budget Area	Scheme	Budget (£'000)	Description
People	New Primary School Places	9,969	Delivery critical to keep pace with anticipated increased demand for primary school places (budget after a reprofile of £0.043m).
Place	Vehicle Replacement	475	Forms part of the VfM programme. Delivery is critical to enable planned revenue savings from improved fleet management (budget after a reprofile of £0.201m).
Resources	Accommodation Strategy	2,754	Forms part of the Workstyles VfM programme. Delivery is critical to enable planned vacation of Priory House (budget after a reprofile of £0.093m).
Resources	Solar Panel Implementation	0	£0.250m re-profiled into 2012/13 for 3 corporate buildings. The remaining budget is not required following the report to Cabinet on 19 th January.
Total		13,535	

Capital Receipts

- 3.23 Capital receipts are used to support the capital programme. For 2011/12 capital receipts (excluding 'right to buy' sales) of £0.870m have been received which includes the disposal of 47 Middle Street, Ovingdean and 34 Roedean Crescent and the second instalments for the deposits on Charter Hotel, Kings Road and the Ice Rink at Queens Square. The target for capital receipts was £0.820m and this has been exceeded by £0.050m.
- 3.24 The Government receive 75% of the proceeds of 'right to buy sales'; the remaining 25% is retained by the Council and used to fund the capital programme. The net receipts for 'right to buy' sales in 2011/12 is £0.389m, the target level of net receipts was £0.638m, a shortfall of £0.249m.
- 3.25 The first tranche of receipts totalling £6.462m from the housing Local Delivery Vehicle (LDV) have been received in 2011/12. The net receipts are ringfenced to support investment in council owned homes.

Comments by the Director of Finance

- 3.26 The provisional outturn is very encouraging from a financial management perspective, particularly given the scale of the savings that have been implemented during 2011/12, and releases further one-off resources to support the challenging budgets for 2012/13 and 2013/14. It is important to note that the overall underspend, while substantial in cash terms, only represents a 1.9% variance on the net General Fund revenue budget.
- 3.27 When the Council set its budget it assumed an underspend of £3.187m and committed all of those resources in setting the 2012/13 budget. The additional underspend at year end over and above that originally assumed is £1.183m greater releasing additional unallocated resources. This report proposes to commit £0.662m to new initiatives, leaving £0.521m available to meet the commitments relating to Saltdean Lido and support the 2013/14 budget setting process.
- 3.28 The report sets out the detailed explanations for the underspend but there are a number of common themes that have continued to be in evidence from month 9 through to outturn:
- the continued positive impact of the Value for Money Programme on corporate critical social care spending in both children's and adults services including significant over-achievement of the Children's Services VfM project;
 - advance planning for the delivery of savings for 2012/13;
 - a recognition across the organisation of the budget challenges that are being faced resulting in tight control on discretionary spend, recruitment, agency spend and consultancy spend.
- 3.29 All the key areas of underspend have been analysed to determine whether they are one-off or recurrent. These checks will continue as we progress through 2012/13 and we see early spending forecasts to help inform budget planning for 2013/14 and 2014/15.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

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

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

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

Legal Implications:

- 5.2 Decisions taken in relation to the budget must enable the council to observe its legal duty to achieve best value by securing continuous improvement in the way in which its functions are exercised, having regard to a combination of economy,

efficiency and effectiveness. The council must also comply with its general fiduciary duties to its Council Tax payers by acting with financial prudence, and bear in mind the reserve powers of the Secretary of State under the Local Government Act 1999 to limit Council Tax & precepts.

Lawyer Consulted: Oliver Dixon

Date: 23/05/2012

Equalities Implications:

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

Sustainability Implications:

- 5.4 The report includes progress in meeting energy savings targets set out in the VfM Phase 3 programme.

Crime & Disorder Implications:

- 5.5 There are no direct crime & disorder implications arising from this report.

Risk and Opportunity Management Implications:

- 5.6 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 minimum working balance of £9.000m to mitigate these risks as recommended by the Audit Commission and Chartered Institute of Public Finance & Accountancy (CIPFA). The council also maintains other general and earmarked reserves and contingencies to cover specific project or contractual risks and commitments

Public Health Implications:

- 5.7 There are no direct public health implications arising from this report.

Corporate / Citywide Implications:

- 5.8 The Council's financial position impacts on levels of Council Tax and service levels and therefore has citywide implications.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The provisional outturn position on council controlled budgets is an underspend of £3.831m. In addition there is an underspend of £0.539m on the NHS managed S75 budgets. As mentioned above, subject to approval underspending will release one-off resources and carry-forwards that can be used to help services manage the challenging budget and savings required in 2012/13.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 Budget monitoring is a key element of good financial management, which is necessary in order for the council to maintain financial stability and operate effectively.
- 7.2 The capital budget changes are necessary to maintain effective financial management.

SUPPORTING DOCUMENTATION

Appendices:

- 1. Service Revenue Outturn Forecasts
- 2. Carry Forward Requests
- 3. VfM Programme Benefits Realisation
- 4. Capital Outturn Summary

Documents in Members' Rooms

None.

Background Documents

None.

People - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(1,024)	Commissioner - Children's Youth & Families	16,412	15,200	(1,212)	-7.4%
(253)	Commissioner - Learning & Partnership	9,195	8,701	(494)	-5.4%
(114)	Delivery Unit - Children's & Families	38,858	38,485	(373)	-1.0%
(1,391)	Total Children's Services	64,465	62,386	(2,079)	-3.2%
(238)	Commissioner - People	247	(48)	(295)	-119.4%
(869)	Delivery Unit - Adults Assessment	48,049	46,140	(1,909)	-4.0%
18	Delivery Unit - Adults Provider	14,818	14,771	(47)	-0.3%
(1,089)	Total Adult Services	63,114	60,863	(2,251)	-3.6%
(2,480)	Total Revenue - People	127,579	123,249	(4,330)	-3.4%

Explanation of Key Variances

(Note: FTE/WTE = Full/Whole Time Equivalent)

Commissioner – Children, Youth & Families

There is an underspend of £1.016m in respect of residential agency placements resulting from lower than budgeted numbers of children placed and average unit costs. There is also an underspend of £0.410m on secure placements.

The numbers of children placed in independent foster agency (IFA) placements continues to rise. During 2010/11 there were 164.52 FTE placements representing a 23% increase on the previous year. During 2011/12 there were 186.65 FTE placements. Despite a significant reduction in the number of Parent & Baby placements the overspend is £0.686m.

Following the service review of early intervention grant funded services an underspend in 2011/12 of £0.377m has been identified.

A number of new safeguarding posts have been created in 2011/12 and these were not fully recruited until recently resulting in an in-year underspend of £0.088m.

The Children's Services Value for Money programme is effectively addressing the level of activity and spend in the placement budgets for 'looked after children'. The plan focuses on strengthening preventive services and streamlining social work processes including:

- implementing a tiered approach to the procurement of placements for looked after children, reducing the proportion of high cost placements;

- improving the commissioning of expert assessments in care proceedings, strengthening arrangements for early permanence planning and increasing the numbers of in-house foster placements and adopters;
- developing pathways from social work to early help services to systematically identify and track families who may need a Family Assessment (CAF) to prevent referral or re-referral for social work assessment and intervention;
- commissioning a transformational workforce development programme to support social work services to further improve the quality of social work practice and reduce the need for high cost interventions;
- creating a costed directory of effective interventions so that all staff/partners have clarity about all interventions delivered with evidence of effectiveness and associated costs.

The 2011/12 children's services VfM savings target was £2.019m. The final outturn figures confirmed that the programme has significantly exceeded the savings target by 163% (a total of £3.284m achieved).

Commissioner – Learning & Partnership

There are underspends of £0.301m in Home-to-School Transport, £0.054m in the School Improvement Service, £0.058m for Education Welfare, £0.058m for the Foundation Learning Engagement programme and £0.044m for SEN administration. The underspend on Home-to-School transport reflects the continued downward trend in the numbers of children being transported as well as the more favourable terms of the recently renegotiated contracts. These are partially offset by the overspend of £0.071m relating to the closure of the Learning Development Centre (LDC) at the end of January and the associated loss of booking income. This is related to planned changes across the service and links to the corporate accommodation strategy.

Delivery Unit – Children & Families

The corporate critical budget for agency disability placements overspent by £0.297m. The number of children with disabilities placed has increased over the last 12 months and now there are 15 children in placement compared with a budgeted level of 11 places.

Allowances and direct services for adopted children overspent by £0.153m. This is predominantly caused by inter-agency adoption costs where the Council belongs to a group of local authorities in an effort to obtain the best matches for adoptive parents. The net costs of these adoptions are then recharged between the group members and this year it is anticipated that BHCC will have a net liability. This is a very volatile service area and may be subject to significant changes during the year.

There is an overspend of £0.359m on social work teams. A successful advertising campaign in the spring/early summer saw the recruitment of a dozen new staff but there is continuing churn of social workers. A particular challenge remains whereby other local authorities, including London boroughs offering a significant 'golden hello', are drawing-in staff from across the south east. Front-line teams are significantly staffed by younger people who have greater mobility.

There is also an overspend of £0.060m on the corporate critical budget for services to care leavers.

The overspends mentioned above are off-set by the underspend of £0.202m in the corporate critical budget for in-house placements. The budget allowed for 416 FTE placements of differing types and the actual numbers are 17.7 FTE below this level. This is mainly due to less residence order and family & friends placements than budgeted. The average unit costs are slightly higher than budgeted mainly as a result of the mix of different placements with fewer children in the lower cost placement types (e.g. residence order & family & friends placements). There are also underspends of £0.465m for Sure Start services, £0.115m relating to the in-year review of Early Intervention Grant (EIG) related services, £0.197m on Youth services and £0.144m on the Youth Employability Service (YES). The 2011/12 budget for YES includes a one-off amount of £0.200m transition funding and £0.093m relating to the part year effect of the 2011/12 savings proposals. The underspend arose as a result of robust financial management contributing towards balancing the overall Children's Services budget. In addition, the actual transitional costs turned out to be less than initially estimated while designing the new service. As the transitional funding was one-off, it is not available to fund developments which would extend beyond 31st March 2012.

Commissioner - People

The underspend is £0.295m, largely as a result of staff savings identified and one-off income streams. This is an improvement of £0.057m from Month 9.

Delivery Unit – Adults Assessment

Assessment Services are reporting an underspend of £1.909m (an improvement of £1.040m from Month 9) due to further savings identified against the Community Care budget, over and above the challenging budget strategy savings target for 2011/12. The movement has been against Older People (£0.212m), Physical Disabilities (£0.218m) and Learning Disabilities (£0.594m). There has been evidence of changing needs of people being discharged from hospital for which appropriate funding has been agreed.

The underspend of £0.732m against Older People relates to anticipated growth trends not materialising (100 WTE clients less than budgeted); in the main this is attributed to the effectiveness of prevention services, in particular reablement. The underspend of £1.036m against Learning Disabilities relates to both net growth and costs on residential placements being less than budgeted (approximately 9 WTE clients). The position on Learning Disabilities has also been improved by a reduction in the anticipated costs of transition cases (£0.344m); a further reduction in unit costs from negotiations with providers (£0.124m) and over-achievement of the financial recovery plan from continuing health care income (£0.222m). This reflects the success of the framework contract and better use of specialised placements.

The underspends have been offset by a pressure on Physical Disabilities of £0.078m (4 WTE clients more than budgeted) and there has been a reduction in spend of £0.063m against the No Recourse to Public Funds (NRPF) budget. Against the Assessment Teams, there is an underspend of £0.157m, largely from staff savings.

Delivery Unit – Adults Provider

Provider Services are showing an underspend of £0.047m (an improvement of £0.065m from Month 9). The improvement reflects the management controls over expenditure in provider services, and staff flexibility and support to deliver challenging savings plans.

People – Capital Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Delivery Unit - Children's & Families	171	154	-17	-9.9%
0	Commissioner – Learning & Partnership	25,252	25,266	14	0.1%
0	Total Children's Services	25,423	25,420	-3	0.0%
0	Delivery Unit - Adults Provider	224	224	0	0.0%
0	Delivery Unit - Adults Assessment	303	303	0	0.0%
0	Commissioner - People	1	1	0	0.0%
0	Total Adult Services	528	528	0	0.0%
0	Total People	25,951	25,948	-3	0.0%

Critical Budget – New Primary School Places reprofile of £0.043m

At month 9 it was reported that no substantive design or building work had started on the provision of junior places related to the additional infant places at Connaught Road or the reorganisation of primary places in Portslade. As a result, £1.000m was reprofiled into 2012/13.

Negotiations are currently taking place in relation to a site in Hove for the junior expansion linked to Connaught Road and also for a site to enable the expansion of St Peter's Infant School in Portslade. The work to create a 2 form entry primary school at Benfield Primary is due to complete at the end of May 2012.

Design work has now started at St Nicolas CE Junior and Portslade Infant Schools in Portslade. Proposals are slightly further advanced at St Nicolas with a projected start on site in January 2013. The budgets available in 2012/13 for the Primary Capital Programme will fund the £0.043m reprofiled sum.

Other Variations**Commissioning – Learning & Partnership****Devolved Formula Capital (£0.155m)**

Devolved Formula Capital is a financial resource that is devolved to schools by the Local Authority. Part of the terms of this Department for Education grant provides schools with the option to accrue the money for a maximum of 3 years. However, accrued funds are normally retained by the Local Authority. The outstanding balances represent the funds that schools have chosen not to take up this year. These outstanding budgets are to be reprofiled and made available to the relevant schools in 2012/13.

Other minor variances

There are reprofiles of Fairlight Primary School IT Equipment (£0.020m), Whitehawk Co-location (£0.026m), Structural Maintenance (£0.036m) and Capital Maintenance £0.041m into 2012/13.

Delivery Unit – Children’s & Families

Short Breaks for Disabled Children (£0.058m)

The underspend is due to the fact that 2 providers are sourcing adapted people carrier vehicles funded through grant. This has taken longer than anticipated, therefore this budget will now be spent in the early part of 2012/13.

Other minor variances

There are reprofiles within Children’s Social Services of (£0.049m) and Youth Capital Fund (£0.002m).

Commissioner – Adult Services

Minor Variances

A reprofile of (£0.004m) to be agreed by Cabinet for Cromwell Road Basement Development following a (£0.145m) reprofile at TBM9.

Delivery – Adults Assessment

Adaptations for the Disabled (£0.119m)

The minor adaptations budget needs to be reprofiled to 2012/13 as the main contractor has taken considerable time to carry out and invoice for adaptations towards the latter part of the year and therefore both payments and scheduled works have had to be carried over. This contractor is no longer being used and new contractors are being sought via the Major & Minor Adaptations Framework that is currently out for tender.

Minor Variances

Reprofiling of the following schemes is required: Adult Social Care Reform Grant (£0.019m).

Delivery Unit – Adults Provider

Minor Variances

There are reprofiles for Misc Provider Adaptations and Equipment (£0.016m), Telecare Provider (£0.001m) and Beach House adaptations (£0.005m).

Slippage

Commissioning – Learning & Partnership

Brighton Aldridge Community Academy and Portslade Aldridge Community Academy (£0.562m)

There was an underspend on Brighton Aldridge Community Academy of £0.626m and this will be added to the budget of £0.391m to cover the remaining works. Similarly the Portslade Aldridge Community Academy slippage of £0.064m will reduce the budget in 2012/13 of £12.514m.

Delivery Adults Assessment

Telecare Assessment (£0.050m)

There is a relatively low take up of Telecare in relation to the potential number of households who could benefit. This is expected to change during 2012/13 as the benefits are realised from the intensive marketing and training strategy undertaken in conjunction with health and third sector partners.

International Financial Reporting Standards (IFRS) Accounting Changes

International Financial Reporting Standards (IFRS) requires expenditure that does not enhance the building or asset to be charged to revenue. These adjustments are processed at the year end and budgets and actual spend are amended accordingly alongside any additional Direct Revenue Funding (DRF) contributions where necessary. For 'People' there are changes of £(0.799m) for education and adults adaptations.

Underspends / Overspends

Within Commissioning Learning & Partnership there was a small overspend on various capital schemes totalling £0.014m. In the Delivery Unit - Children and Families there was a (£0.017m) underspend on various projects that ended in 2011/12. The total of both resulted in a small underspend of (£0.003m).

Place - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Forecast Outturn Month 12 £'000	Forecast Variance Month 12 £'000	Forecast Variance Month 12 %
72	Commissioner – City Regulation & Infrastructure	3,282	3,475	193	5.9%
(191)	Delivery Unit - City Infrastructure	17,816	17,371	(445)	-2.5%
(23)	Delivery unit - Planning & Public Protection	4,764	4,747	(17)	-0.4%
(21)	Major Projects	306	268	(38)	-12.4%
(163)	Total City Regulation & Infrastructure	26,168	25,861	(307)	-1.2%
67	Commissioner - Housing	12,066	11,560	(506)	-4.2%
231	Delivery Unit - Housing & Social Inclusion	299	504	205	68.6%
298	Total Housing	12,365	12,064	(301)	-2.4%
135	Total Revenue - Place	38,533	37,925	(608)	-1.6%

Explanation of Key Variances**Commissioner - City Regulation & Infrastructure**

Sustainable Transport has a provisional outturn overspend of £0.193m, an adverse movement of £0.121m since month 9. Of this, £0.159m relates to Transport Policy and the need to secure additional technical support for considering the transport implications of major planning applications in the city. There has been an improvement in relation to recharging officer time to projects of £0.043m.

Delivery Unit - City Infrastructure

Parking Operations has an underspend against budget of £0.250m, an improvement of £0.103m since month 9.

There is a shortfall in the level of on-street pay and display income but this is mitigated by increases in permit income, leading to an overall surplus against budget of £0.080m, which is an improvement of £0.120m since month 9. The position for the off street car parks is now an overspend against budget of £0.097m, an improvement since month 9 of £0.081m.

Income from penalty notices is £0.017m less than expected at month 9, at £0.246m higher than budget. This is due to concentrating enforcement in the areas most affected by poor parking, and through enforcement of bus lanes. Expenditure savings through efficiencies in the removals service and enforcement contract variations increased by £0.013m since month 9 to produce total savings of £0.181m. £0.340m is being used as a revenue contribution to capital for the refurbishment works at Regency Square car park, thus reducing the need for borrowing, releasing additional revenue resources in the long term.

There is no change since month 9 to the following: salary underspends total £0.080m due to vacancy management, and there is an underspend of £0.130m owing to improvements to the system of medical assessments for blue badges.

Other Traffic Budgets are showing an improvement since month 9 of £0.065m relating to staffing costs.

City Clean and City Parks have jointly achieved an underspend against budget of £0.112m representing 0.5% of the budget. After offsetting vehicle management costs within the two areas, the underspend relates primarily to efficiencies in City Parks.

Delivery unit - Planning & Public Protection

Development Planning has an underspend against budget of £0.040m, an adverse movement of £0.029m since month 9. Although there are some movements between the teams in Planning, the movement is due to a shortfall in Development Control income.

The provisional outturn for Public Protection is an overspend against budget of £0.091m, an adverse movement since month 9 of £0.045m comprising a number of minor variations, Economic Development has an underspend against budget of £0.068m. Of this £0.026m relates to LABGI funding (Local Authority Business Growth Incentive) identified after month 9 and the remainder to an underspend in the Initiatives budget.

Major Projects

There is an underspend of £0.038m relating to staffing costs and other minor variances.

Commissioner – Housing

The movement from a forecast overspend of £0.067m at month 9 to an underspend of £0.506m at outturn is mainly due to the income for emergency placements which we over-achieved on. The implementation of a rent accounting system this coming year (2012/13) will enable us to more accurately monitor the Temporary Accommodation budget. In addition, we were successful in negotiating sufficient leased accommodation at a preferential rate to offset the projected increase in more expensive spot purchase accommodation from an under spend in the Housing Options staffing budget, which was due to the difficulty in recruiting appropriate staff.

Delivery Unit – Housing & Social Inclusion

The main variance relates to the budget for Travellers, which has overspent by £0.222m during 2011/12. This is due to additional costs for security (£0.105m), rubbish clearance (£0.085m) and legal fees (£0.045m). These costs are offset by minor underspends elsewhere in the service. Additional funding has been included in the 2012/13 budget for this service area.

Place – Capital Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(22)	Commissioner - City Regulation & Infrastructure	4,987	5,148	161	3.2%
(325)	Delivery Unit - City Infrastructure	52,156	51,752	(404)	-0.8%
0	Major Projects	282	281	(1)	-0.4%
(347)	Total City Regulation & Infrastructure	57,425	57,181	(244)	-0.4%
0	Commissioner – Housing	4,714	4,715	1	0.0%
(787)	Delivery Unit - Housing & Social Inclusion (HRA Capital)	25,807	24,508	(1,299)	-5.0%
(787)	Total Housing	30,521	29,223	(1,298)	-4.3%
(1,134)	Total Place	87,946	86,404	(1,542)	-1.8%

Critical Budget – Vehicle Replacement**Place – Capital Budget Summary****Critical Budget – Vehicle Replacement reprofile of (£0.201m)**

A reprofile of (£0.076m) is requested as a result of suppliers delivering the vehicles in early April which was later than expected. A further reprofile is requested of (£0.125m) as a result of the supplier going into administration and the associated delay from finding another supplier.

Variations**Commissioner – City Regulation & Infrastructure****Minor Variations**

There are reprofiles of Cedar Gardens Roadworks (£0.016m), West Street Rottingdean (£0.008m) and King George VI Highway Works (£0.004m) are required.

Delivery Unit – City Infrastructure**Hollingdean Depot Capital Costs reprofile of (£0.126m)**

Demolition delays have resulted in additional health and safety measures being implemented to the building itself and increased health and safety monitoring.

Reprofiles under (£0.050m)

Minor reprofiles are requested for Stoneham Recreation Ground £(0.035)m and Turner Park £(0.007)m.

Commissioner – Housing

Variations to schemes over £0.050m

Renovation Grants and Energy Efficiency £(0.245m)

This carry forward request is to meet £0.245m of commitments against works approved but not yet completed under the Regulatory Reform (Housing Assistance) Order 2003 including for common parts assistance, decent homes assistance, empty property assistance, HMO licensing grant, landlords major work assistance, landlords minor heating grant and minor decent homes grant.

The Private Sector Housing Team approves expenditure in the form of loans or grants to several hundred individual applicants to assist them with improving their homes and current policy allows these applicants 12 months to complete the works; only at this stage is payment made to the property owner. The Council has no control over how quickly applicants complete the building work within the statutory time limits after the formal approval has been granted. There are therefore a large number of approved cases in the pipeline, where applicants, for a number of reasons, outside of the council's control, have not completed the actual work by year end. These reasons can include the availability of local builders, delays in service connections, additional works required, unforeseen delays due to weather, building and planning consents required.

The capital for Private Sector Housing Renewal comes in the form of grant which can be carried forward.

Disabled Facilities Grant £(0.138m)

An unanticipated in-year grant of £0.092m was received in January 2012, which was too late to defray before year-end given existing commitments, it is requested this is carried forward to 2012/13. The remaining £0.046m is a carry forward of actual commitments. This reflects those grants that were approved and committed in 2011/12, but not completed by applicants. These grants are awarded to hundreds of disabled individuals each year to help with adapting their homes under Part I of the Housing Grants, Construction and Regeneration Act 1996.

The legislation allows these individuals 12 months to complete the works following approval. Only on completion can payment be made. There are therefore a number of approved cases in the pipeline, where applicants, for a number of reasons, have not completed the actual work by year-end. The Council has no control over how quickly applicants complete the building work within the statutory time limits after the formal approval has been granted. Reasons for delay can include the availability of specialist local builders, the co-ordination of a number of different support agencies, delays in service connections, additional works required, unforeseen delays due to weather and building/planning consents required.

Major Adaptations £(0.082m)

There are a number of applicants where funding has been approved in principle during 2011/12 which is in excess of £0.100m in total, however delays occur due to the

complexity of individual cases, including issues such as client consultation regarding the design of the adaptation, and it anticipated these payments will now be made during 2012/13.

Reprofiles under (£0.050m)

Reprofiling is required for Housing Local Delivery Vehicle (LDV) on-going costs £0.019m and 'Places for Change' £(0.009m).

Delivery Unit – Housing & Social Inclusion

Variations to schemes over £0.050m

Door Entry System and CCTV (£0.279m)

The Door Entry System replacement programme has been setback due to a delay in the procurement process, where a selected framework did not satisfy the Council's standard requirements for procurement. Due to the value of the programme of works and the requirement for consultations there is not now enough time to tender for and carry out the works in this financial year.

New door entry systems have been installed in some smaller blocks and other urgent installations are being treated as priority through a mini tender process. All potential delays are communicated with residents and risk managed to ensure that any repair service delivery issues are understood and treated with sensitivity.

Health & Safety - Lift Replacement (£0.299m)

It was reported to Cabinet at month 7 that due to the timetable for procuring the long term lift maintenance and replacement contract the council had been unable to start the programmed work due under this contract. This work started in January 2012 and will take approximately 32 weeks which means that an element of these works will not be completed in the financial year 2011/12. It is now necessary for additional reprofiling of £0.299m following measurement of works completed by 31 March 2012.

Lifts will be replaced in priority order and those which will be completed in 2012/13 have been identified as relatively reliable based on expert advice from our lift consultants, therefore there are no expect adverse impacts on the service delivery.

Fire Safety (£0.253m)

Additional ventilation works that were not specified in the original programme have been identified by East Sussex Fire & Rescue Service as being required in order to conform to current regulations.

As these specially commissioned works were not in the original programme they needed to be separately priced and tendered. The time for completion of the tender process and for the manufacture of the bespoke louver vents required has meant this programme will start later than expected and is now scheduled to be completed in May 2012. There will be no negative impact on the service delivery to residents.

Empty Properties (£0.300m)

This programme targeted a relatively small number of empty properties requiring a significant amount of work, to bring homes back into use.

Due to delays in gaining access to properties caused by squatters, surveying of these properties to scope the works required have not been completed within original

timescales, which meant the majority of planned work has been unable start on site before the beginning of the new financial year.

There will be no negative impact on the service delivery to residents. Once we are able to complete these works it will have a positive impact for residents as it will bring extra properties back into use.

Structural Repairs (St James House) £0.092m

Works being carried out at St James House relating to the Car Park and structural works are being carried over 2 phases and financial years.

At month 7 the structural repairs budget of £0.753m had been reprofiled to financial year 2012/13 and this included budget provision for St James House (Phases 1 & 2).

Upon completion of phase 1 it is now required that a proportion of the reprofiled budget for structural repairs is brought back into 2011/12 to fund the outturn expenditure. It is anticipated that the overall project for both phases will remain within existing capital programme budgets.

Pre-Lease Conversion Refurbishment (£1.998m)

The time taken to set up the new company and legal sign-off of batching arrangements delayed the release of the total budget (until October 2011). The partnership had planned works and put in place resources to deliver all project sites.

Once lease agreements between the City Council and Seaside Homes were finalised, works were undertaken and have been completed at 40 Wilbury Villas. Some sites were delayed due to squatting, preventing access to sites for pre-works surveys and health & safety works.

Works are on-site at 4 College Terrace, 176 Ditchling and 40 Dyke Road. We are also ready to start 243/245 Preston Road, pending final clarifications. Service delivery is ongoing and effective communication with Seaside Homes and other interested parties, including local residents, is in place.

Pre-Lease (seaside) major voids refurbishment (£0.069m)

All the works to empty homes were completed, except for 105 Preston Road, which was delayed due to, firstly, a break-in and damage to the property, followed by the discovery of asbestos, and a collapsed drain at the rear. The project is now due to complete by the end of June 2012. As a result a reprofile of £0.069m is required.

Service delivery is ongoing and effective communication with Seaside Homes and other interested parties, including local residents, is in place.

Kitchen and Bathrooms (£0.076m)

The re-profiled funds were ring-fenced for the improvements required to the studio flats in the Evelyn Court sheltered homes scheme.

An initial feasibility study looked at all investment work required to improve this building, including a proposal to make these dwellings into self-contained one bedroom flats by knocking two dwellings into one.

Recommendations from feasibility studies will be reviewed by the Council in consultation with local tenants and other stakeholders, before proceeding with a preferred option. The preferred option may require a request for further funds.

This process will take time and potentially require the relocation of some residents therefore these works are unable to proceed in this financial year.

This project's delay has not adversely affected service delivery. A decision on further work will need to be made early within new financial year to ensure we achieve our decent homes target.

Domestic & Communal Rewire (£0.240m)

The domestic element of the re-wiring budget is dependent on stock condition survey results which require gaining access to homes to carry out the "test and report" on the electrical wiring. The test and report identify work required, which is then planned and carried out as a programme.

All works planned for this financial year have been carried out, however due to the nature of the programme and access issues a contingency amount is requested to be re-profiled.

The Budget will be required to meet the expected demand in the next financial year due to the drive to meet the decent homes standard in 2013.

This budget issue has not adversely affected service delivery. It is expected to have a positive impact for tenants and the decent homes standard in the next financial year.

Extensions (Overcrowding) (£0.183m)

Work to extend several homes is progressing with individual design consultation with each of the families, identified as most in need.

New legislation around building and construction has created new requirements before we are able to start large extensions and we are working with utility suppliers to prevent any significant delays to works beginning.

There are currently 6 projects ongoing: 3 on-site and 3 at planning stages. Service delivery is ongoing and effective communication with residents of affected dwellings is in place.

Energy Efficiency (£1.131m)

The Energy Efficiency Programme is a large programme of works and although there has been good progress over the last quarter there are some areas of work, in particular the communal heating programme, which will be continuing into the new financial year.

There have been delays in the programme for the following reasons:

- In depth feasibility studies were required to be carried out to inform a review of value for money cost-saving options with local resident and members.
- Additional technical assessments required which include the use of thermographic surveys and can only be effectively carried out at very low temperatures. These surveys identify hot and cold spots on the building, therefore alerting to areas where measures to prevent heat loss from residents' homes and help to tackle the challenge of fuel poverty can be put in place.

This comprehensive approach requires a considerable time to complete, however, the results from thermographic surveys enable the Council to demonstrate the delivery of value for money investment, by quantifying the benefits of planned work such as cladding and insulation to residents' homes. Work enables the Council and residents to save money on their utility bills and provides more accurate estimates for reductions in carbon use resulting from energy efficiency work.

Partnership Establishment Costs (£0.161m)

A proportion of the HRA Capital Programme is carried out through the Partnership contract, which includes an overhead element for delivering the works. Efficiencies in the contract for overheads amounting to £0.055m were achieved in 2011/12 and also an element of overhead expenditure is deferred to 2012/13 due to the reprofiling of some of the capital programme. The reprofile of £0.161 is required to be carried forward to meet the project delivery costs of the programme in 2012/13.

Redevelopment of HRA vacant garage sites (£0.310m) and underspend of £(0.234m)

The funding of the feasibility, design and site preparation for the vacant garage sites to be reimbursed through grant from the Homes and Community Agency (HCA) was approved by Cabinet at month 9.

At that stage the costs and funding for the project still had to be finalised. The cost of the works for the site redevelopment has been calculated at £0.441m and HCA have provided grant to cover these costs providing that work was completed by 30 April 2012.

As at 31 March 2012 expenditure is £0.131m with the balance of £0.310m to be completed by 30 April.

The budget variation is the difference between the original budget allowance and the now known estimated cost of the works/HCA funding. The original budget request had said that if the costs of the project had exceeded the grant received by the HCA, then the balance would be funded out of HRA Capital Reserves.

Variations of under £(0.050m)

There are minor variations on capital budgets for: Windows £0.046m, Dwelling Doors (£0.013m), Estate Development Budget (£0.044m), TV Aerial Works (£0.028m) and Ainsworth House New Build of £0.026m.

Commissioning – Major Projects.

Variations of over £0.050m

Open Market (£0.081m)

The council's development partner delayed the start of works on site to carry out unforeseen detailed design work following the granting of planning permission and to accommodate a request from the market traders to stay in the existing market over the Christmas period before relocating to temporary business accommodation. The original timetable was delayed by approximately 5 months.

The temporary phase of the Open Market remains for the same duration and will therefore have no additional effects on market traders beyond those originally anticipated. The project is now programmed to complete in August 2013.

Brighton Centre Redevelopment (£0.052m)

Twin track options for a full scale refurbishment of the building or for a wider redevelopment of the central area (partnership scheme with Standard Life) are both under consideration. The Major Projects Team are leading on both options in order to move toward a full and robust appraisal of the costs, risks and opportunities presented by each option. The Council had been waiting for Government announcements on funding options including Tax Incremental Financing and Business Rate Retention and the outcome of these announcements need to be reflected in the viability of the above options. The current level of funding is required in readiness for work beginning with Standard Life or to take forward a refurbishment proposal which will require significant work to areas of the building critical to its operation.

Variations under (£0.050m)

Other variations on budgets within Major Projects are for the following schemes: Development of Black Rock Site (£0.039m), Preston Barracks Site (£0.025m), Circus Street Development (£0.018m), Improvements to New England House (£0.015m), Falmer Released Land (£0.007m), i360 Project (£0.008m), Shoreham Harbour (£0.005m), and The Keep (£0.007m).

Slippage of over £0.050m

Delivery Unit – City Infrastructure

Defra Waste Performance and Efficiency (£0.081m)

Replacement recycling vehicles were not ordered pending the outcome of the communal recycling trial.

The Level Skate Park (£0.053)m and Bexhill Road Skate Park (£0.050m)

The Level skate park S106 works have been delayed following discussions of the revamp of the Level. The Bexhill Road skate park is being funded by a range of external bodies as well as our own funds and delays have occurred. Consultation and the design took longer than first anticipated which resulted in the scheme slipping into 2012/13. Construction of the site is now complete and public opening events are scheduled for 28th July at Bexhill Road Woodingdean

Communal Recycling Trial City Centre (£0.078m)

It is anticipated that the cost of the trial will be £0.122m of which there was initial expenditure of £0.044m in 2011/12. This will be funded through the PFI reserve from funds set aside for the implementation of the waste strategy. A bid for match-funding is under review by Interreg and a decision is expected in June 2012. If this bid is successful it will reduce the net cost to the PFI reserve.

Commissioner – Housing

Local Delivery Vehicle (LDV) (£0.310m)

The costs associated with this project are for the set-up costs of the Local Delivery Vehicle. Expenditure has been less than anticipated on the entire project. A review will take place in 2012/13 to see if this reprofile can be transferred in-to capital reserves.

Delivery Unit – Housing & Social Inclusion

HRA ICT Budget (£0.106m)

The IDOX (electronic document scanning and storage) project has been delayed further due to demands on ICT resources by other teams within the council; hence the delayed start date of the project from December 2011 to April 2012.

International Financial Reporting Standards (IFRS) Accounting Changes

International Financial Reporting Standards (IFRS) requires expenditure that does not enhance the building or asset to be charged to revenue. These adjustments are processed at the year end and budgets and actual spend are amended accordingly alongside any additional Direct Revenue Funding (DRF) contributions where necessary. For 'Place' there are changes of £0.088m for various social inclusion, housing and traffic schemes.

Energy Recovery Facility £48.475m

During 2011/12 the Energy Recovery Facility at Newhaven became operational. In accordance with IFRS accounting requirements, the 'fair value' of the asset must be included in the council's capital programme and the asset recognised in the council's balance sheet. The value of the asset is £48.475m. This is an accounting requirement only and does not impact on the council's capital resource position.

Underspends/overspends of over £50,000

Commissioner – City Regulation & Infrastructure

Falmer Infrastructure Works reprofile of £0.153m

In year overspend on Falmer Infrastructure Works.. A review of cost to be incurred during 2012/13 is currently being carried out and will be used to calculate the budget and spend profile.

All costs for this scheme are to be funded by Brighton and Hove Albion and will be at no cost to Brighton & Hove City Council.

Delivery Unit City Infrastructure

Gritter Vehicles (£0.101m)

Following a rigorous procurement process there is an underspend of £0.101m on this scheme. This is after £0.024m has been re-profiled into 2012/13 at month 9.

Delivery – Housing & Social Inclusion

Redevelopment of HRA vacant garage sites underspend of £(0.234m)

The underspend for Redevelopment of HRA vacant garage sites relates to the reprofile detailed earlier in the appendix.

Energy Efficiency £(0.222m)

The completion of open book audits and the rebasing of year 6 of the gas servicing and maintenance contracts has achieved efficiencies of £0.161m over the last year on the installations programme.

There is a small underspend of £0.061m upon completion of the Leach & Patching Boiler installation project.

Asbestos (£0.063m)

Due to the reactive nature of the asbestos capital programme, there were reduced requests for major asbestos removal in 2011/12. Additionally, the works that were requested were of lower costs than expected.

Disabled Adaptations £0.050m

Last year the Housing Adaptations Service completed 264 major adaptations; this year 317 have been ordered to date, including 'fast track' projects and Decent Homes works. There have also been 2 large projects completed this year totalling £0.135m.

The increase in Disabled Adaptations will be met from underspends in the HRA Capital programme that have already identified during 2011/12 through Budget Monitoring.

Underspends / overspends of under (£0.050m)

Commissioner – City Regulation & Infrastructure: A small overall overspend on various projects of £0.008m. Various schemes within the Delivery Unit – City Infrastructure have reported an overall underspend of £(0.047m). Various schemes within Delivery - Housing Social Inclusion are reporting an underspend of (£0.039m).

Previously reported underspends

The reasons for the Lanes & London Road Car park improvements (final outturn of £0.257m) and the HRA Water Tanks (final outturn of £0.790m) have already been notified to Cabinet in previous TBM reports.

Communities - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Commissioner - Communities & Equalities	3,059	3,070	11	0.4%
0	Community Safety	2,146	2,125	(21)	-1.0%
0	Commissioner - Sports & Leisure	1,158	1,153	(5)	-0.4%
0	Commissioner – Culture	2,041	2,020	(21)	-1.0%
(25)	Delivery Unit - Tourism & Leisure	3,539	3,536	(3)	-0.1%
(25)	Total Revenue – Communities	11,943	11,904	(39)	-0.3%

Explanation of Key Variances

Commissioner – Communities & Equalities

The net overspend of £0.011m compares to a break-even position reported at month 9. This includes an underspend on grants offset by an overspend on equality and community cohesion initiatives with the community & voluntary sector.

Community Safety

The net underspend of £0.021m across Community Safety relates to vacancy management. This compares to a break-even position reported at month 9.

Commissioner – Sport & Leisure

This budget relates mainly to contractual payments and Council responsibilities for sports facilities. Contracts are monitored closely and although there are individual variances, the overall outturn is a small underspend of £0.005m compared to a break-even position reported at month 9.

Commissioner – Culture

The net underspend of £0.021m across the Commissioner for Culture services compares to a break-even position reported at month 9.

These budgets relate mainly to contractual payments, such as for the Brighton Festival, and offsetting variances have been managed within the overall resources.

Delivery Unit – Tourism & Leisure

The overall outturn for the Tourism and Leisure Delivery Unit is an underspend of £0.003m compared to a projected net underspend of £0.025m at month 9. This is made up of overspends of £0.168m for Venues (£0.017m overspend at month 9) and £0.019m for Tourism and Marketing (£0.014m overspend at month 9) which have been offset by

underspends of £0.133m Seafront and Sports Facilities (£0.063m underspend at month 9), and £0.057m Royal Pavilion and Museums (£0.007m overspend at month 9).

The Venues outturn position includes income shortfalls of £0.112m for the Hove Centre and an improved £0.038m for the Brighton Centre. These shortfalls were offset by savings elsewhere including on staffing, increased recharges of costs and changes to the Ticketmaster contract. The increase in the costs since month 9 is mainly due to a revenue contribution of £0.258m to the capital overspend on the works at the Brighton Centre as detailed in the capital section of this report.

The underspend at the Royal Pavilion and Museums is due to the significant overachievement of admissions income with visitor numbers being higher than projected. This has been partially offset by additional security costs and unachieved income in the Tea Rooms.

The improved position across the Seafront and Sports Facilities is again due to the overachievement of income including in respect of the Brighton Wheel, Volks Railway and seafront events.

Communities - Capital Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Commissioner - Sports & Leisure	177	177	0	0.0%
310	Delivery Unit - Tourism & Leisure	2,305	2,868	563	24.4%
310	Total Capital Communities	2,482	3,045	563	22.7%

Communities - Capital Budget Summary

Variations to Budget

Commissioner – Sports & Leisure

King Alfred – Health & Safety Works (£0.423m)

The initial programme timeline was challenging but it was envisaged that the works could be completed by the end of the financial year. However after procuring the contractor during the Christmas period there were delays to the programme for unforeseen problems with the flooring. When works commenced the contractors discovered issues with the existing base. Sections of tiling and screed had become loose and the entire area needed to be cleared back to the concrete base and then re-screeded. This in turn affected the drainage channels and drainage runs which caused more delays. The works have now been pushed back by the contractor from the original completion date in March to the end of April.

Delivery Unit – Tourism and Leisure

New Historical Records Office (The Keep) (£0.252m)

This is a joint project in partnership with East Sussex County Council and the University of Sussex. There has been good progress on construction works that began in October 2011 and practical completion is due by May 2013. Construction and development costs are forecast to be within the overall project budget and the Council element within the agreed capital contribution.

The budget is based on cash flow forecasts provided by East Sussex County Council and although the rate of progress is good, the spending pattern has been later than anticipated.

Reprofiles under (£0.050m)

Delivery Unit – Tourism and Leisure

A reprofile of Royal Pavilion Toilet Facilities (£0.030m) is required.

Slippage over £(0.050m)**Delivery Unit – Tourism and Leisure****Volks Railway shed (£0.245m)**

The estimated cost currently exceeds the allocated budget. The scheme is being redesigned to fit the budget and it is anticipated that work will be undertaken at the end of the summer season.

International Financial Reporting Standards (IFRS) Accounting Changes

International Financial Reporting Standards (IFRS) requires expenditure that does not enhance the building or asset to be charged to revenue. These adjustments are processed at the year end and budgets and actual spend are amended accordingly alongside any additional Direct Revenue Funding (DRF) contributions where necessary. For 'Communities' there are changes of (£0.144m) for various social inclusion, housing and traffic schemes.

Museums Acquisitions (Heritage) £0.219m

Heritage assets are now separated out from other assets in the Statement of Accounts following adoption of the Financial Reporting Standard 30 in 2011/12. Heritage Assets are held principally for their contribution to knowledge or culture and in 2011/12 museums acquired a significant Turner painting from auction which is required to be added to the capital programme. This is an accounting change that does not impact on capital resources.

Overspends**Delivery – Tourism & Leisure****Brighton Centre Façade £0.565m**

There are four key reasons for the increase in capital expenditure which are as follows: Firstly the initial cost estimates undervalued the actual work. More recent estimates completed as part of ongoing major project work on the Brighton Centre estimated these works at nearly double the original value. Secondly there were additional items and variations that could not be anticipated including unforeseen excavation works and concreting costs. Thirdly there were additional direct costs incurred as a result of delays caused by the contractors, which included additional scaffold costs for example. Finally, there were additional indirect costs incurred as a result of delays which were required to avoid event cancellation and which included 24 hour working by contractors and the erection of temporary structures.

Although the project is visibly complete, not all aspects are complete to our satisfaction and a number of issues are as yet to be resolved. It is for these reasons that it is not currently possible to say whether the final costs of the project will come down as legal considerations and contractual obligations are still being considered.

Discussions are still ongoing with the contractor regarding final contract sums. In the interim, £0.307m of the additional costs has been funded from the Brighton Centre Reserve and £0.258m has been funded by a revenue contribution from the Tourism and Leisure Delivery Unit. As soon as the work is complete to the client's satisfaction and all

legal positions have been considered it is possible that the capital position may improve. Future bookings have improved significantly on the back of the work which will sustain not only the city's economy but improve the revenue position for the Centre going forward.

Underspends / overspends of under (£0.050m)

Various schemes within Delivery – Tourism and Leisure underspent by (£0.002)m overall.

Resources & Finance - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(273)	Delivery Unit – City Services	12,966	12,469	(497)	-3.8%
(355)	Housing Benefit Subsidy	(738)	(1,289)	(551)	-74.7%
357	Resources	18,349	18,317	(32)	-0.2%
(125)	Finance	6,391	6,143	(248)	-3.9%
0	Strategic Leadership Board	1,140	1,098	(42)	-3.7%
(396)	Total Revenue – Resources & Finance	38,108	36,738	(1,370)	-3.6%

Explanation of Key Variances

Delivery Unit – City Services

The City Services underspend is £0.497m which is an improvement of £0.224m since month 9

The improvement is due to increased income collection and staff vacancies within the Revenues and Benefits team in line with planning for the change in grant funding and the overachievement of land charges and other earned income.

The underspend is offset by a provision in Library Services of £0.114m against potential redundancy and severance costs associated with the delivery of planned savings in 2012/13.

Housing Benefit Subsidy

The corporate critical Housing Benefit budget has generated an additional £0.551m in subsidy, as local authority errors were held below the government threshold and therefore attracted additional subsidy. This has improved by £0.196m from month 9 largely due to more overpayments being recovered than anticipated.

Resources

The net underspend across Resources is £0.032m, of which the main variances are on the following areas: -

Human Resources (£0.111m overspend)

The overspend is £0.111m, representing an improvement of £0.149m from Month 9. The overspend is mainly as a result of the significant budget pressures in the People Centre. Human Resources have worked hard to improve the position in advance of the review of systems and services in 2012/13.

Communications (£0.057m overspend)

The overspend of £0.057m for 2011/12 is unchanged from Month 9 and represents a significant improvement in the 2010/11 overspend of £0.459m. This significant improvement is largely a result of the consolidation of communications activities now coming to fruition as originally set out in the Communications Value for Money programme.

The consolidation process has brought about greater economies of scale across communications e.g. greater management of demand, more efficient procurement and revenue

generated from greater use of in-house design, print & sign functions, and better forward planning of strategic communications activities aligned with specified budgets. This has been a complex and challenging piece of work given the scale (spanning the entire council) but the outcome has led to a more efficient service offering best practice communications.

Additionally, total spend on communications continues to reduce across the organisation as a result of the work done to focus communications, improve consistency, reduce the number of communication's suppliers and integrate communications from different parts of the council.

Property & Design (£0.178m underspend)

The underspend of £0.178m, represents an improvement of £0.231m from Month 9. NNDR Business Rate refunds for Priory house £0.094m and Bartholomew House £0.056m were approved by the valuation office in the last few weeks of the financial year. This and increases in professional fees and fortuitous rental income of £0.048m has resulted in the underspend reported.

Policy, Performance & Analysis (£0.048m overspend)

There was an overspend of £0.048m mainly relating to partnership working.

ICT

The outturn is a small overspend of £0.061m.

Legal & Democratic Services

The outturn is an under spend of £0.131m. The improvement of £0.095m from Month 9 is a combination of greater than anticipated income generation, primarily from increased recovery of court costs, one-off income from property and planning related transactions coupled with savings resulting from delaying recruitment to vacant posts.

Finance

The outturn is an underspend of £0.248m.

Internal Audit & Business Risk were previously reporting an underspend of £0.062m primarily due to staffing vacancies, which has increased by a further £0.018m at year-end. The Financial Services underspend of £0.154m has increased by £0.091m since Month 9 due to continuing vacancy management in support of a service restructure to meet 2012/13 savings requirements together with lower than anticipated bank and security carrier charges. There was also increased contract income in the latter part of the year for additional services to the Schools Forum and for interim Financial Support Services provided to South Downs National Park Authority.

Strategic Leadership Board

The outturn is an underspend of £0.042m.

Resources & Finance - Capital Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Delivery Unit - City Services	107	116	9	8.4%
-150	Resources	3,946	4,020	74	1.9%
0	Finance	51	51	0	0.0%
-150	Total Capital Resources & Finance	4,104	4,187	83	2.0%

Resources & Finance - Capital Budget Summary**Critical Budget – Accommodation Strategy (reprofile of £0.093m)**

Phase One of the Accommodation Strategy (Workstyles), which involved the vacation of Priory House and creation of the new Customer Service Centre and refurbishment of three floors of Bartholomew House had a total budget of £3.720m which was funded from a combination of borrowing and Asset Management Fund.

The project included building works, staff moves, decants, furniture, ICT and telephony and was completed £0.093m under budget. This underspend will be used in Phase Two of Workstyles in the 2012/13 financial year.

Variations**Finance – Financial Services****Replacement of FIS System (£0.139m)**

Work associated with the implementation of new features and processes surrounding the Financial System continued through 2011/12. However a number of these projects were prolonged due to complex testing requirements and working with ICT colleagues and the supplier to determine and resolve the most efficient processing solutions. Testing has been successfully concluded and the projects are now near completion. However, this has meant delays to some payments into early 2012/13.

Delivery – City Services**Replacement of Coroner's Vehicle (£0.050m)**

There have been delays in the specification being prepared and it is now anticipated that the purchase will be completed by the end of the first quarter of 2012/13, based on the manufacturers timescale for delivery of up to 12 weeks.

Resources – Property**Madeira Lift Re-roofing (£0.091m)**

Works are in progress on site but the start was delayed in January when the main contractor's specialist copper sub-contractor withdrew from the contract.

Variations under £0.050m

Minor reprofiles are requested for the following Resources projects:

- Human Resources: HR System (£0.018m),
- ICT: Information Management (£0.049m), Communications (£0.046m) and VfM Workstyles (£0.046m),
- Policy, Performance & Analysis: Interplan development (£0.010m),
- Property & Design: Portslade Town Hall (£0.046m). Brighton Town Hall Fire Evacuation Lift (£0.039m), King's House Accommodation (£0.029m), Statutory DDA works (£0.015m), HTH Flat roof works (£0.006m) Corporate fire Assessments (£0.006m),
- Delivery Unit - City Services: Replacement of library booking system of £(0.024m).

International Financial Reporting Standards (IFRS) Accounting Changes

International Financial Reporting Standards (IFRS) requires expenditure that does not enhance the building or asset to be charged to revenue. These adjustments are processed at the year end and budgets and actual spend are amended accordingly alongside any additional Direct Revenue Funding (DRF) contributions where necessary. For 'Resources' there are changes of (£0.491m) for various social inclusion, housing and traffic schemes.

Overspends under £0.050m

Various projects within the Delivery Unit – City Services and Resources areas had small overspends totalling £0.083m which were all funded by Direct Revenue Funding.

Corporate Budgets - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
100	Bulk Insurance Premia	2,678	2,920	242	9.0%
(380)	Concessionary Fares	9,660	9,252	(408)	-4.2%
155	Capital Financing Costs	5,149	5,354	205	4.0%
0	Levies & Precepts	166	167	1	0.6%
1,422	Corporate VfM Savings	(2,463)	0	2,463	100.0%
(1,746)	Risk Provisions	1,125	0	(1,125)	-100.0%
28	Other Corporate Items	(30,608)	(29,470)	1,138	3.7%
(421)	Total Revenue - Corporate Budgets	(14,293)	(11,777)	2,516	17.6%

Explanation of Key Variances

Bulk Insurance Premia

This area now shows an overspend of £0.242m compared to a forecast underspend of £0.100m at Month 9. The reason for this change is that a contribution of £0.354m was made to the Insurance Fund as part of year end accounting processes. This was because there is a potential increased liability depending on the outcome of some legal cases nationally in relation to asbestos.

Concessionary Fares

The provisional outturn is an underspend of £0.408m. This mainly relates to fixed deal agreements with Brighton & Hove Bus & Coach Company and Stagecoach South, agreed by Cabinet on 9th June, being lower than the budget provision. The underspend has increased by £0.028m since Month 9 due to final journey numbers being lower than anticipated.

Capital Financing Costs

The overall overspend is £0.205m. This is due mainly to a lower than projected recharge to the Housing Revenue Account for interest on borrowings. HRA borrowing in 2010/11 was £6.000m lower than projected and coupled with short-term interest rates remaining lower than projected at the time of agreeing the 2011/12 budget, has resulted in a reduction in the recharge. The overspend has increased by £0.050m since Month 9 due to a further reduction in the level of HRA borrowing.

Levies & Precepts

The provisional outturn is an overspend of £0.001m.

Corporate VfM Projects

A number of VfM projects relate to council-wide projects which will deliver savings across many, if not all, service areas. The associated savings targets are shown under Corporate Budgets awaiting allocation to individual service budgets as and when savings are identified and/or confirmed. If all savings had been identified and achieved in 2011/12, the Corporate VfM Projects savings target above would have reduced to zero by the end of

the financial year. At outturn, monitoring of VfM projects indicates that approximately £1.463m of corporately held VFM project savings (against a target of £3.289m) were not achieved or are still to be identified in 2012/13 as follows:

- The implementation of other initiatives including Workstyles, Customer Service changes (mainly on-line developments) and many other service changes (e.g. some emanating from other Value for Money projects) meant that the capacity to undertake Systems Thinking reviews at the same time was severely hampered in 2011/12. These reviews will now commence in 2012/13, starting in Human Resources, and rather than having a direct cash saving target, will instead be used to 'enable' services to deliver efficiency and other related savings in 2012/13, 2013/14 and beyond.
- The achievement of the Management & Administration saving was underpinned by a Voluntary Severance Scheme (VSS). The outcome of the Scheme, in financial terms, indicates that approximately £1.142m has been achieved against a target of £1.750m in 2011/12. However, services have taken other one-off recovery measures to completely offset this shortfall in 2011/12. More important is the full-year saving impact in 2012/13 which currently indicates that substantial savings of £3.086m against the target of £3.500m have been identified. Services with further savings to make will either achieve this through further service redesign or through identified financial recovery measures.
- A series of Carbon Reduction initiatives were considered and are still being pursued in some cases to reduce future energy cost pressures as prices increase. However, as previously reported, government changes to various schemes, primarily the Feed-in Tariff scheme, meant that schemes could not proceed given the high financial risks and that potential savings would not therefore materialise in 2011/12. The focus of the programme is now on reducing future energy usage and the council's carbon footprint. This links strongly to the Workstyles project and the reduction in accommodation use associated with that initiative.
- The Procurement project previously identified an increased risk resulting partly from a reduction in overall procurement activity in corporate areas due to spending constraints which reduced potential savings opportunities compared with previous years. £0.355m remains unidentified this year against corporate contract areas, however, offsetting additional procurement savings of £0.277m have been facilitated across front-line service areas which are reflected in the overall TBM position at outturn. Proposals for addressing the remaining shortfall are currently being drawn up for delivery in 2012/13.

The overspend against Corporate VfM savings includes a contribution of £1m to the Customer Access and Accommodation (Workstyles) reserve to support the transfer to the new Wide Area Network as outlined in the report to Cabinet on the 14th July 2011 which set out that funding was required to be identified for this commitment.

Risk Provisions

The overall position on Risk Provisions is an underspend of £1.125m compared to an underspend of £1.746m at Month 9. This movement of £0.621m is largely the result of contributions made to reserves of £0.350m for capital financing costs as a result of the changing profile of debt between the General Fund and HRA, £0.250m for single status costs (funded from the saving through strike pay deductions) and £0.100m for Criminal Records Bureau (CRB) check costs which were committed on a rolling basis following the Ofsted inspection in 2011/12.

There were one-off risk provisions of £0.800m and these were fully spent. Of this, the major allocations were £0.280m for costs associated with Microsoft licence requirements following an audit and £0.152m for additional costs of the Carbon Reduction Commitment (CRC) scheme implementation. Further allocations were used to fund preparatory works at the Prince Regent and Withdean Sports Complex schemes (£0.108m), the Playbuilder capital scheme following a shortfall of S106 funding (£0.098m) and costs associated with immediate CRB compliance (£0.089m).

There was a permanent risk provision of £0.750m relating to grants ending and this was not required in 2011/12. It was therefore released to support the overall position.

There was £1.250m of permanent risk provision, of which £0.625m was released to support the overall budget position. Of the remainder £0.625m was used on a one-off basis to offset the shortfall in the Advertising and Sponsorship contract income target (£0.250m), the VfM Phase 3 Stretch target (£0.250m) and VfM Management & Administration savings (£0.125m).

In addition, there was £0.400m of one-off risk provision for Children's and Adults services which was not required and was transferred to general reserves.

An underspend of £0.349m (an increase of £0.049m) has been achieved on the financing costs for the new Historic Records Centre. The budget projections assumed the majority of the capital funding would be needed in 2011/12 and as this expenditure is funded from borrowing the financing costs were set aside in contingency. It has now been confirmed that capital payments will not be made this year and no financing costs will be incurred.

There is an underspend of £0.101m on general contingency which is an increase of £0.030m since Month 9. The majority of the contingency underspend is as a result of unrequired grant pressure funding of £0.075m being identified.

Other Corporate Items

There is an overspend of £1.138m which is an increase of £1.110m compared to month 9.

Of this, £0.275m relates to actuarial costs for staff transferring under the sports and leisure contracts and £0.865m relates to dilapidations.

A number of increased or new dilapidation estimates have been received in relation to leased properties that the council is planning to vacate to reduce annual costs, reduce carbon footprint and support the Workstyles VfM projects to improve office productivity (through technology), increase flexible working arrangements and utilise space more efficiently.

Dilapidations relate to the costs of repairing or returning leased properties back to an agreed condition in accordance with the terms of the lease. For accounting purposes, under current financial reporting standards, these costs must be recognised when the financial liability is both known and can be reasonably estimated. Increased provisions are required for the following leased properties:

Priory House (Workstyles Phase 1)

A provision of £0.600m has already been set aside, however, latest estimates from the landlord are £0.850m together with costs/fees of circa £0.050m. This is still subject to

negotiation and settlement and final costs may be reduced. At this time, it is therefore recommended to increase the provision by £0.200m to give a total of £0.800m.

Workstyles Phase 2

A number of leased properties are being vacated as part of the workstyles phase 2 VFM project. Dilapidations estimates for Hove Park Mansions (£0.085m), Havesham House South and North (£0.088m) and Ovest House (£0.337m) need to be recognised in the accounts.

Denmark Villas

This building is expected to be vacated for future workstyles phases and the lease is expected to end in September 2014 with potential dilapidations costs of £0.155m. Since this liability can reasonably be estimated now, financial reporting standards require that this provision be recognised.

A total increase in dilapidations provisions of £0.865m is therefore needed to cover current and future liabilities.

NHS Trust Managed S75 Budgets - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(137)	NHS Trust managed S75 Services	14,168	13,629	(539)	-3.8%
(137)	Total Revenue - S75	14,168	13,629	(539)	-3.8%

Explanation of Key Variances

(Note WTE = Whole Time Equivalent)

S75 NHS Trust Managed Budget (£0.539m underspend)

NHS Trust managed budgets show an underspend of £0.539m, as detailed below. This results in the council contribution to these arrangements being reduced and being available for general reserves.

The underspend of £0.289m against Sussex Partnership NHS Foundation Trust (SPFT), represents 50% of the total underspend (£0.578m) against the pooled budget. The remaining 50% has been paid to SPFT in accordance with the agreed risk-share arrangements for this partnership and to reflect the positive action to manage the pressures across the Community Care budget for Mental Health services.

The financial recovery plan shows total savings of £1.212m have been delivered during the year. The savings against Community Care of £0.705m relate mainly to holding provider fees at previous levels and increased levels of Continuing Health Care funding. Mainstream services show savings of £0.507m from staff savings through vacancy management, a review of social care input into Access Services and the decommissioning of the enhanced element of the Integrated Community & Advice Support Team (EICAST).

Sussex Community NHS Trust are reporting an underspend of £0.248m, which is an improvement of £0.178m from Month 9. Positive action has been taken to both reduce costs within Intermediate Care and reduce spend on equipment within ICES. The provisional outturn shows staffing pressures within Intermediate Care service (£0.012m) and savings against the ICES budget of £0.085m. The overall position has been further improved by savings of £0.175m against the HIV budget, where client numbers are less than budgeted (£0.078m saving) together with commissioning and staffing budget underspends of £0.098m.

Housing Revenue Account - Revenue Budget Summary

Forecast Variance Month 9 £'000		2011/12 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
	Housing Revenue Account				
(463)	Employees	9,187	8,615	(572)	-6.2%
(308)	Premises – Repair	11,031	10,493	(538)	-4.9%
45	Premises – Other	3,350	3,330	(20)	-0.6%
(184)	Transport & Supplies	2,022	1,553	(469)	-23.2%
(9)	Support Services	2,210	2,143	(67)	-3.0%
3	Third Party Payments	54	77	23	42.6%
-	Revenue contribution to capital	3,498	3,498	-	0.0%
(123)	Capital Financing Costs	4,268	4,039	(229)	-5.4%
14	Subsidy Payable	14,710	14,430	(280)	-1.9%
(1,025)	Net Expenditure	50,330	48,178	(2,152)	-4.3%
37	Dwelling Rents (net)	(44,213)	(44,130)	83	0.2%
35	Other rent	(1,240)	(1,208)	32	2.6%
52	Service Charges	(3,354)	(3,353)	1	0.0%
(19)	Supporting People	(465)	(483)	(18)	-3.9%
31	Other recharges & interest	(1,058)	(1,023)	35	3.3%
136	Net Income	(50,330)	(50,197)	133	0.3%
(889)	Total	-	(2,019)	(2,019)	

Explanation of Key Variances

The Provisional Outturn for 2011/12 is an underspend of £2.019m compared to an underspend of £0.889m reported at month 9. This is in line with the commissioning framework for the Housing Revenue Account and the cost reduction strategy which aims to reduce costs to enable reinvestment in services which tackle inequality and improve homes and neighbourhoods. This is being addressed in the budget strategy for 2012/13 which includes the commissioning of new services to promote financial inclusion as well as the use of reserves to build new social housing on old garage sites.

Analysis of the provisional outturn variances are as follows:

- The employees budget underspend has increased from £0.463m at month 9 to £0.572m of which £0.227m is in relation to TUPE costs for Property & Investment staff. TUPE costs were included in the 2011/12 HRA budget but then not required as the actual costs were lower than anticipated and therefore fully paid in the last financial year. There are further underspends on vacancies and pensions costs throughout Housing Management due to the pending restructure of Housing and Social Inclusion and also underspending of £0.086m in Housing Strategy.

- The Premises Repairs budget has underspent by £0.538m compared to a projected underspend of £0.308m reported at month 9. The underspend includes the following significant variances:
 - A saving on the gas servicing and maintenance contract of £0.327m as a result of the rebasing of the open book contract value following the achievement of savings during the last financial year. This underspend has increased since month 9 by £0.111m following the completion of the gas open book audit which resulted in further savings being achieved.
 - A reduction in the overhead costs for the Repairs Partnership contract of £0.059m as a result of efficiencies in the contract.
 - An underspend on the costs of repairs to empty properties by £0.207m due to a reduction in the number of routine empty properties coming through the lettings cycle since the commencement of Brighton Seaside Homes. The on-going reduction in this expenditure is reflected in the 2012/13 budget.
 - An overspend of £0.052m for responsive repairs. This has reduced since the month 9 forecast of £0.123m due to the continued reduction in the average unit cost of repairs and mild weather up to March 2012.
- The Premises-other budget has underspent by £0.020m compared to an overspend of £0.045m forecast at month 9. This includes the following significant variances:
 - An overspend on insurance costs of £0.304m. A recent review by the Council's insurance team identified a new recharge to the HRA of £0.329m in relation to the costs of repairing homes damaged by fire, flood etc. below the insurance excess of £25k. This recharge relates to costs borne over the last three years which were in excess of the budget. Provision of £0.120m has been made for the additional on-going costs in the 2012/13 budget strategy.
 - An underspend of £0.255m in relation to the accruals for gas and electricity. Prudent accruals were made in the last financial year due to billing problems with the supplier at that time. These are no longer required under the new contractual arrangements.
 - An underspend of £0.053m on the rental cost and business rates of the Housing Centre due to it opening later than anticipated at budget setting time.
- The Transport & Supplies underspend has increased by £0.284m to £0.469m and relates to the following variances:
 - An underspend of £0.135m (£0.100m reported at month 9) in the contribution towards the provision for bad debt. This has resulted from an improvement in the collection of rent during 2011/12 which has led in turn to a reduction in the rent arrears total, year on year. There are early indications that arrears may increase over the coming months due to

the current economic climate and benefit changes so this will be closely monitored for 2012/13.

- An underspend on professional and consultancy fees within property and investment of £0.123m (£0.084m reported at month 9). These costs were anticipated at budget setting for the procurement of the new service contracts. Work on some of these contracts has been carried out in-house and some contracts will now be let during 2012/13.
 - An underspend of £0.055m in the costs associated with the transfer incentive scheme due to a reduced level of take-up to that anticipated at budget setting time. This is in large part due to the Sheltered Local Letting plan where priority for sheltered units is given to current tenants already in sheltered accommodation therefore leaving the less popular units for those tenants wanting to transfer from family size homes into sheltered accommodation.
 - An underspend on legal fees relating to leaseholders disputes of £0.038m.
 - Further underspends of £0.108m have arisen relating to professional fees, and efficiencies achieved from the consolidation of stationery and general office expenses budgets and staff embracing the cost reduction culture.
- Capital Financing costs have underspent by £0.229m compared to an underspend of £0.123m reported at month 9. The increased underspend is due to reduced costs of borrowing as a result of some capital projects being delayed (re-profiled) until the following financial year.
 - The amount of subsidy payable to the Government is underspent by £0.280 compared to an overspend of 0.014m reported at month 9. This is mainly due to an increase in the subsidy allowance for capital financing costs by the Government as a result of an increase in the consolidated rate of interest by 0.17% since the last forecast.
 - Income is less than budgeted by £0.133m due to a number of minor variances including:
 - Reduced rental income (£0.083) as a result of properties transferring or awaiting transfer to Seaside Community Homes;
 - Reduced rental income from garages and car parks (£0.035m) due to an increase in the level of empty garages/spaces in the current economic downturn. £0.018m relates to a reduction in income from St. James Street Car Park due to the closures for maintenance works this year.

Carry Forward Requests 2011/12

Strategic Budget Area	Delivery Unit	Service Area	Reason	Amount £'000
Non-Grant Areas:				
People	Delivery - Children & Families	Sure Start	Project funding for functional family therapist set aside to clear the backlog of casework as recommended by OFSTED.	65
People	Delivery - Children & Families	Education Psychology Service	One-off bursary payment to Southampton University and the Tavistock Institute to secure two trainee educational psychologist posts for the next two years. These trainees will be placed with BHCC and undertake case work and research. They will not be BHCC employees and will not create an ongoing commitment.	62
People	Delivery - Children & Families	Disability	Project funding committed to the individual budgets pilot.	50
People	Delivery - Children & Families	Sure Start	Minor building repair work in progress at year end	35
People	Commissioner - Learning & Partnership	Foundation Learning	Project funding committed to 14-19 learning programmes and for a Social Enterprise led Pre-Employment Programme Pilot.	58
People	Commissioner - Learning & Partnership	Education Business Partners	Project funding covers academic not financial years	21
People	Commissioner - Learning & Partnership	BESD (Behavioural, Emotional & Social Difficulties) Partnership	Project funding covers academic not financial years	6
Place	Delivery - City Regulation & infrastructure	Parking Services	Resources set aside to finance agreed capital works to Regency Square Car Park	292
Place	Delivery - City Regulation & infrastructure	City Clean	Contribution to City Clean Vehicle replacement Programme	174
Place	Delivery - City Regulation & infrastructure	City Parks	Contribution to City Parks Vehicle replacement Programme	53
Place	Delivery - Planning & Public Protection	Planning Projects	Project funding for the commission of an energy study	16
Place	Commissioner - Housing	Housing Options	Locata Homeless/ Options IT upgrade/ Abrisas rent account system. Budget was identified for this system and a carry forward is requested as the contract is close to being finalised.	55

Strategic Budget Area	Delivery Unit	Service Area	Reason	Amount £'000
Place	Commissioner - Housing	Private Sector Housing	Legal Fees - a £30k carry forward is requested to meet identified legal costs for the potential public enquiry relating to Chester Terrace Compulsory Purchase Order which is expected in May 2012.	30
Communities	Commissioner - Communities & Equalities	Community Development	Advice Partnership allocation (Financial Inclusion) - Carry forward is requested to support the Financial Inclusion initiatives reported to Cabinet on 15th March 2012.	350
Communities	Community Safety	Prevent Violent Extremism	Unspent funding for various Prevent projects. This funding is required to be carried forward.	130
Communities	Commissioner - Culture	Arts Programme Budgets	Various funding bodies such as Arts Council, South East England Development Agency (SEEDA), Section 106, Creative Partnerships. Some funding has not been spent this year due to festivals being held later in the year, delays in legal negotiations, some projects being linked to activity of Brighton & Hove Arts commission, agreed timetables with funders for 2012, and some funding linked to the delivery of projects rather than the financial year. Carry forward of this funding is required.	77
Resources	Delivery - City Services	Revenues & Benefits	Balance of one off funding required to expand the number of one off projects to help services automate transactions and enable savings through channel shift now. The key projects are for Telephony (Interactive Voice Response (IVR)) and the Website content management system (CMS) to improve functionality and sustainability. Carry forward is requested to enable continuation of projects.	120
Resources	Resources - Human Resources	Human Resources	£10k carry forward to enable ICT to complete backlog of IDOX (electronic document scanning and indexing) work.	10
Resources	Resources - Human Resources	Human Resources	3 year Criminal Records Bureau (CRB) check funding, year 2 of 3. This relates to the cost of undertaking CRB rechecks over a three year period. Finance is requested to be carried forward to meet recheck charges.	50

Strategic Budget Area	Delivery Unit	Service Area	Reason	Amount £'000
Resources	Resources - Property & Design	Property & Design	Planned maintenance Budget (PMB) Project for phase 1 of refurbishment of Preston Manor. This is an Improvement & Efficiency South East (IESE) framework project with phase 1 estimated at £123,000 across various PMB revenue budgets. An order was placed in February after delays in agreeing the value for money statement and cold / wet weather meaning works will span into 2012/13. Funding has been provisionally allocated for phase 2 in 2012/13.	65
Resources	Resources - Property & Design	Property & Design	A PMB contribution to the project at the King Alfred Leisure Centre to replace the wireless fire alarm system with a new hard-wired system was planned but not yet implemented.	40
Resources	Resources - Property & Design	Property & Design	PMB Hove Library Rooflights. This is an Improvement & Efficiency South East (IESE) framework project of £55k. The lead-in time for the manufacture of the rooflights is longer than anticipated & the project was only about half completed by the end of March 2012. Carry forward is requested to complete the project.	30
Resources	Resources - Property & Design	Property & Design	The underspend is a result of a mismatch between academic and financial years. The largest part being committed to an environmental education contract which is running from November to October. Carry forward is requested.	32
Resources	Resources - Property & Design	Property & Design	Planned Maintenance Budget project for replacement guttering to the grade 2 listed Old Courthouse. Despite an order being placed in January the contractor was unable to secure materials to start work in 2011/12. Carry forward is requested to enable completion.	20
Total Non Grant Areas				1,841

Grant areas

Strategic Budget Area	Delivery Unit	Service Area	Reason	Amount £'000
All	All	Grant Funding	Under current financial reporting standards, grants received by the Council that are unringfenced or do not have any conditions attached are now recognised as income in the financial year they are received rather than when they are used to support services. Prior to 2011/12 these unspent grants would have automatically rolled into the next financial year to fund the commitments against them but now they need to be agreed as part of the carry forward requests.	2,433
People	Commissioner - Learning & Partnership	Dedicated Schools Grant (DSG)	Under the Schools Finance Regulations the unspent part of the DSG (Dedicated Schools Grant) must be carried forward to support the Schools Budget in future years.	1,168
Place	Delivery - City Regulation & infrastructure	City clean	Matched funding required for purchase of vehicles relating to Food Waste trial supported by an Interreg funding bid.	160
Total Grant Areas				3,761
Total Carry Forward Requests				5,602

Items requiring specific member approval for funding in 2012/13:

Strategic Budget Area	Delivery Unit	Service Area	Details	Amount £'000
People	Delivery - Children & Families	Sure Start	ToyBox Preschool has a funding shortfall of £34.5K for the year 2012/13. Without the funding the service will have to close at the end of April 2012 and therefore will not be able to offer essential preschool childcare to women who are accessing BWC/Inspire services. Over the last year, there has been an increase in women offenders with children coming through to us and aim to prevent the likelihood of children being taken into care as a result of their mother's offending behaviour. It is proposed that the council fund this shortfall in 2012/13 and works with the Preschool to apply for other sources of funding including the disadvantaged two year old scheme.	35

Strategic Budget Area	Delivery Unit	Service Area	Reason	Amount £'000
People	Delivery - Children & Families	Sure Start	This is an ongoing budget pressure for the Play Bus. Funding is needed in order to ensure that service provision is available in 2012/13 and a permanent funding solution will need to be identified in the 2013/14 budget.	92
Place	Commissioner - City Regulation & infrastructure	Transport	The Medium Term Financial Strategy identifies resources required for the City Plan for 2013/14. However certain transport elements need resourcing in 2012/13 and funding is needed to meet that.	85
Communities	Delivery - Tourism & Leisure		The unprecedented number of events planned in the summer weeks in the city is requires additional staff capacity to manage and a contingency for risk management initiatives.	50
Resources	Resources - ICT		Specialist consultancy and legal resources are required in order to submit a deliverable bid to Government for Ultra-fast broadband for the city which could leverage in £5m investment and provide competitive advantage. The largest element of the spend would be set aside to ensure compliance with highly complex State Aid rules.	150
Resources	Resources - Policy, Performance & analysis	Sustainability	Resources to deliver specific projects and activities to support our Corporate Plan's ongoing commitment to one planet living work. This will include an allocation to conduct detailed energy audits of key buildings and investment in measures to reduce water leakages both of which should contribute to future revenue savings.	250
				662

Value for Money Programme 2011/12:

Benefits Realisation – Provisional Outturn

Projects	Target £m	Achieved £m	Uncertain £m	Achieved %
VfM Phase 2 Projects				
Adult Social Care	1.801	1.801	0.000	100.0%
Children's Services	2.019	3.284	0.000	162.7%
ICT	0.218	0.218	0.000	100.0%
Procurement	0.789	0.434	0.355	55.0%
Fleet Management	0.150	0.150	0.000	100.0%
Sustainable Transport	0.115	0.115	0.000	100.0%
Outdoor Events	0.060	0.035	0.025	58.3%
Workstyles	0.100	0.100	0.000	100.0%
Total VfM Phase 2	5.252	6.137	0.380	116.9%
VfM Phase 3 Projects	Target £m	Achieved £m	Uncertain £m	
Process Efficiencies	0.250	0.000	0.250	0.0%
Management Structures	1.150	0.794	0.356	69.0%
Admin & Business Support	0.600	0.349	0.251	58.1%
Consolidation of Spend	0.250	0.250	0.000	100.0%
Carbon Reduction Initiatives	0.250	0.000	0.250	0.0%
Total VfM Phase 3	2.500	1.392	1.108	55.7%
Total All VfM Projects	7.752	7.529	1.488	97.1%

Appendix 4

	2011/12 Approved Budget at Month 9	2011/12 Reported to Other Cabinets	2011/12 IFRS Schemes	2011/12 Schemes	2011/12 Variations	2011/12 Slippage	2011/12 Budget	2011/12 Outturn	2011/12 Underspends	2011/12 Over /
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
People	27,788	0	(799)	0	(426)	(612)	25,951	25,948	(3)	
Place	46,268	122	48,563	0	(6,329)	(678)	87,946	86,404	(1,542)	
Communities	3,357	0	75	0	(705)	(245)	2,482	3,045	563	
Resources & Finance	5,302	0	(491)	0	(707)	0	4,104	4,187	83	
Total Capital	82,715	122	47,348	0	(8,167)	(1,535)	120,483	119,584	(899)	

Subject:	Annual Update of the Council's Corporate Plan Commitments 2012/13		
Date of Meeting:	Policy & Resources Committee 14th June 2012 Council 19 th July 2012		
Report of:	Chief Executive		
Contact Officer:	Name:	Emma Mcdermott	Tel: 29-6805
	Email:	Emma.mcdermott@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 In October 2011 Full Council approved the Council's Corporate Plan for 2011-15. The Plan describes in summary the priorities of Brighton & Hove City Council as an organisation, providing clear context and direction for, principally, those who receive services from the council and those who work for and with the authority.
- 1.2 The Plan is divided into two sections. Part One sets out the council's priorities and Part Two its operational approach, both for the period 2011-2015. Under each priority are the following:
 - **Outcomes:** within each priority there are a set of outcomes the council is seeking to achieve over the life of the plan
 - **Commitments:** these are key actions being undertaken to achieve the outcomes and are updated annually to reflect budget decisions.
 - **Measures of success:** these are indicators that will demonstrate if progress is being made towards the outcomes and priorities.
- 1.3 This report presents the elements of the Corporate Plan that require annual update which are as follows:
 - Appendix 1 – Progress on the 2011/12 commitments
 - Appendix 2 – Proposed new commitments for 2012/13
- 1.4 Due to the time lag in data availability, performance data for the Corporate Plan will be presented to Policy & Resources Committee and Full Council in July.

2. RECOMMENDATIONS:

- 2.1 That the committee note the progress made on the Corporate Plan 2011/12 commitments (Appendix 1)
- 2.2 That the committee approves the new Corporate Plan commitments for 2012/13 (Appendix 2) and recommend their adoption at Full Council.

- 2.3 That the committee recommend to Full Council to authorise the Chief Executive to amend the Corporate Plan to incorporate the changes in paragraph 2.2 and other presentational changes.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 In previous years there have been certain statutory requirements which local authority corporate plans have been obliged to fulfil, based primarily on reporting and inspection of statutory performance monitoring. National Government has removed these requirements, giving greater flexibility over content. Most local authorities now produce a Corporate Plan aligned to National government funding timescales.
- 3.2 The council's constitution requires that Full Council agree the Corporate Plan including any amendments during its duration.
- 3.3 The Corporate Plan is hosted as a live, interactive document on the council's website <http://corporateplan.brighton-hove.gov.uk/> Progress of the 2011/12 commitments and the new 2012/13 commitments will be reported on the Corporate Plan website following approval at Full Council in July.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 The proposed commitments for 2012/13 are a direct result of ongoing service reviews across the council and the budget setting process for 2012/13. These commitments were discussed with all relevant managers of services, the corporate management team and the strategic leadership board as well as with appropriate senior councillors from the three political parties.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The new commitments proposed for 2012/13 are either expected to be delivered within the 2012/13 budget or for those at planning stage included within the Medium Term Financial Strategy and reported back for approval. The new commitments will be reflected in service business plans and individual business cases and monitored through the corporate project governance framework.

Finance Officer Consulted: Anne Silley

Date: 11/05/12

Legal Implications:

- 5.2 As indicated in paragraph 3.2 above, it is the responsibility of Full Council to approve and adopt the council's Corporate Plan. This includes any amendments to the originally approved document in October 2011. However, it is appropriate for Policy and Resources Committee to formulate the update for submission to Full Council; this is reflected in recommendation 2.2.

Lawyer Consulted: Oliver Dixon

Date: 14/05/12

Equalities Implications:

- 5.3 Where the new commitments proposed for 2012/13 will mean a change to council service or policy an equality impact assessment will be required as standard practice.

Sustainability Implications:

- 5.4 Sustainability implications for both council operations and city outcomes were incorporated directly into the plan, in particular under the priorities 'Creating a more sustainable city' and 'A council the city deserves'. The new commitments proposed for 2012/13 under these priorities lead from the work of teams across the council, for example, transport, parks, waste, sustainability, as well as from changes to legislation and funding availability.

Crime & Disorder Implications:

- 5.5 Crime and disorder implications have been incorporated into the plan, in particular under the priorities 'Tackling inequality' and 'Engaging people who live and work in the city'. The new commitments proposed for 2012/13 under these priorities lead from work of teams across the council, specifically the community safety partnership team, as well as changes to legislation and funding availability.

Risk and Opportunity Management Implications:

- 5.6 When identifying the new commitments for 2012/13 associated risks and opportunities were considered, most significantly deliverability and likely impact on the priorities.

Public Health Implications:

- 5.7 Crime and disorder implications have been incorporated into the plan, in particular under the priority 'Tackling Inequality'. The new commitments proposed for 2012/13 under this priority lead from work of teams across the council, specifically, public health officers, as well as changes to legislation and funding availability.

Corporate / Citywide Implications:

- 5.8 The Corporate Plan sets out the overarching priorities for the council and provides the framework for developing service level outcomes and business plans, leading to individuals' work plans and performance reviews. The new commitments proposed for 2012/13 will be included in the relevant service and team plans. It also communicates the council priorities to external audiences. The approval of the new commitments for 2012/13 informs both public and partners of some of the key actions the council will be taking this year to deliver against the priorities and outcomes of the Corporate Plan.

SUPPORTING DOCUMENTATION

Appendices:

Appendix 1 – Progress on the 2011/12 commitments

Appendix 2 – Proposed new commitments for 2012/13

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

PRIORITY 1: TACKLING INEQUALITY 2011/12 COMMITMENTS

Commitment	Status/Update	Link
1. Ensure that our children centres and nurseries are supported to provide the best start in life, having a focus on our most vulnerable families.	<p>ACHIEVED Work in our children's centres has focussed on improving outcomes for vulnerable families, for example the Triple P parenting programme and Family Learning.</p>	<p>Triple P council webpage: http://www.brighton-hove.gov.uk/index.cfm?request=c11856654</p>
2. Create a culture of collaboration between schools in order to raise standards, particularly in secondary schools.	<p>ACHIEVED A Secondary Schools Partnership is established, including all nine schools and academies in the city.</p>	-
3. Redesign the way in which youth services are delivered to ensure young people have the opportunity to be active citizens through participating in community activities.	<p>ACHIEVED A new commissioning strategy for services for young people has been produced.</p>	<p>Services for young people commissioning strategy (January 2012) http://present.brighton-hove.gov.uk/Published/C00000149/M00000320/A100023674/\$ServicesToYoungPeopleJointCommissioningStrategyversion101121.doc.pdf</p>
4. Co-produce with partners a city Child Poverty Strategy to ensure a co-ordinated approach across public, private and Community & Voluntary Sectors to reducing family poverty.	<p>ACHIEVED The Child Poverty Strategy was presented to Cabinet and the Brighton & Hove Strategic Partnership and a city working group being established.</p>	<p>Child Poverty Commissioning Strategy (January 2012) http://present.brighton-hove.gov.uk/Published/C00000120/M000003229/A100025441/\$20120201103046_001526_0005031_CabinetReport9212Appendix1.doc.pdf</p>
5. Work with the advice sector to reconfigure services to tackle financial exclusion for families and adults on low incomes, especially those subject to	<p>ACHIEVED Following the Financial Inclusion report to Cabinet a Community Banking approach has been adopted to build on proposals for</p>	<p>Financial Inclusion progress report, Cabinet (March 2012) http://present.brighton-hove.gov.uk/Published/C00000120/M000003</p>

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

<p>multiple disadvantage.</p>	<p>an advice hub and pilots with city partners.</p>	<p>230/A100026259/\$20120306161054_001798_0006169_cabinetfinancialinclusionFINAL.doc.pdf</p>
<p>6. Pay council employees a minimum living wage of £7.19 per hour and convene a commission on a living wage for the city.</p>	<p>ACHIEVED All council employees are now receiving a Living Wage of £7.19. The Living Wage Commission was convened in October 2011 and produced its final report in March 2012.</p>	<p>Living Wage Governance Committee report (September 2011) http://present.brighton-hove.gov.uk/Published/C00000119/M000003243/A100023229/\$Item32LivingWage.doc.pdf</p> <p>Living Wage Commission Final Report (March 2012) http://www.brighton-hove.gov.uk/downloads/bhcc/living_wage_commission/Living_Wage_Commission_Report_Final.pdf</p>
<p>7. Actively support the development of community networks, shared values and co-operation within communities to support vulnerable adults.</p>	<p>ACHIEVED A database of existing activities is in place and work is ongoing to identify gaps and a model to support delivery.</p>	<p>-</p>
<p>8. Ensure that major planning applications and key council decisions do not have a negative impact on the health of citizens.</p>	<p>ACHIEVED Reports to council and cabinet are required to state the public health implications of the proposals put forward.</p>	<p>-</p>
<p>9. Create an inclusive Health & Wellbeing Board providing strategic leadership for the city and political accountability.</p>	<p>ACHIEVED A Shadow Health and Wellbeing Board was agreed in January 2012.</p>	<p>Health & Wellbeing Board Council report (January 2011) http://present.brighton-hove.gov.uk/Published/C00000120/M000003228/A100024031/\$20120118103619_001017_0004719_item163DraftHWBpaperforGovernanceCommittee081212.doc.pdf</p>

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

<p>10. Reduce unauthorised encampments on sensitive sites by locating a new, permanent site for Gypsy and Roma Travellers.</p>	<p>ACHIEVED In March 2012 the Council gave landlord's consent for a new permanent traveller site at the existing transit site in Horesdean.</p>	<p>Location for a Permanent Traveller Site Cabinet report (March 2012) http://present.brighton-hove.gov.uk/Published/C00000120/M000003230/AI00025869/\$20120306094958_001668_0005968_PTSCabinetReportMarch2012.doc.pdf</p>
<p>11. Start a programme to fit solar photovoltaic panels on around 1,600 council homes to help cut Carbon Dioxide emissions and reduce residents' fuel bills.</p>	<p>NOT ACHIEVED Due to changes to national Feed-in Tariffs this commitment is no longer achievable. A business case for a smaller programme will be based on the new tariff rates.</p>	<p>Feed in Tariff Consultation Response Cabinet report (December 2011) http://present.brighton-hove.gov.uk/Published/C00000120/M000003227/AI00024687/\$20111121101450_001253_0002948_ReportTemplateCabinet.doc.pdf</p>
<p>12. Work with our council housing tenants, housing associations and co-operatives starting our four year '1000 homes programme', to help address the city's affordable housing shortage.</p>	<p>ACHIEVED Key pieces of work our '1000 homes programme' have so far identified viability for over 900 new affordable homes in the city.</p>	<p>-</p>
<p>13. Create a new Equalities and Inclusion Policy and action plan for the council to include wider social and economic inclusion.</p>	<p>ACHIEVED The new Equalities and Inclusion Policy was approved by Council in March 2012.</p>	<p>Equality and Inclusion Policy 2012-2015: http://www.brighton-hove.gov.uk/downloads/bhcc/equalities/Equality_and_Inclusion_Policy_2012-15.pdf</p>

PRIORITY 2: CREATING A MORE SUSTAINABLE CITY 2012/13 COMMITMENTS

Commitment	Status	Update
<p>1. Redraft the Core Strategy to support the new corporate priorities and outcomes,</p>	<p>ACHIEVED The strategy has been redrafted and further</p>	<p>City Plan council web page and link to Cabinet report (May 2012):</p>

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

<p>in particular sustainable transport and housing delivery.</p>	<p>consultation will take place from May to June 2012. The final City Plan will go to Council in December 2012 for submission to the Secretary of State.</p>	<p>http://www.brighton-hove.gov.uk/index.cfm?request=c1148443</p>
<p>2. With the business community create a new Economic Strategy, a blueprint for sustainable economic growth, and publish an investment prospectus.</p>	<p>PARTIALLY ACHIEVED The investment prospectus for the city is under development and will launch online in Summer 2012. The economic strategy will follow once the prospectus is complete.</p>	<p>-</p>
<p>3. Launch the city's first eco-tourism strategy.</p>	<p>PARTIALLY ACHIEVED The approach for the eco-tourism strategy was agreed in February 2012. Work on implementation is underway.</p>	<p>Culture Recreation and Tourism Cabinet Member Meeting report (February 2012): http://present.brighton-hove.gov.uk/Published/C00000152/M000003914/AI00025931/\$CMMEcotourismFEBFinal2.doc.pdf</p>
<p>4. Produce the city's Climate Change Strategy for developing a low carbon city that is adapting well to climate change.</p>	<p>ACHIEVED The Climate Change Strategy was agreed in November 2011 by the Brighton & Hove Strategic Partnership.</p>	<p>Climate Change Strategy on the Brighton & Hove Strategic Partnership website: http://www.bandhsp.co.uk/climatechangestrategy/</p>
<p>5. Reduce the Council's ecological footprint by installing solar photovoltaic panels on schools and council buildings, setting tough targets and working towards One Planet Living endorsement.</p>	<p>PARTIALLY ACHIEVED Changes to national Feed in Tariffs means that a smaller programme of installation is going ahead. The council has agreed to develop a Sustainability Action Plan toward achieving 'One Planet Council' status.</p>	<p>One Planet Council Cabinet report (April 2012): http://present.brighton-hove.gov.uk/Published/C00000120/M000003231/AI00026511/\$20120411105514_001774_0006785_CabinetReportforOnePlanetCouncildraft142.doc.pdf</p>
<p>6. Develop a 'carbon budget' for the council to be reported alongside the financial budget, providing accountability in our carbon emissions from 2012/13.</p>	<p>ACHIEVED A carbon budget was set out alongside the council's financial budget 2012/13 and will be monitored during 2012/13.</p>	<p>Carbon Budget Appendix from 2012/13 Budget Papers: http://present.brighton-hove.gov.uk/Published/C00000120/M000003</p>

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

		<p>227/AI00023295/\$20111201104650_001358_0003393_CouncilCarbonBudgetsAppendix6.doc.pdf</p> <p>2012/13 Local Transport Plan Capital Programme Cabinet report (March 201): http://present.brighton-hove.gov.uk/Published/C00000120/M000003230/AI00025611/\$20120305175135_001863_0005945_201202231825090018630005698150312CabinetLTPcapprogreportv3MPplusAp.doc.pdf</p>
<p>7. Offer greater choice in how people move about the city, prioritising action in the new Local Transport Plan to support a fairer balance between all road users.</p>	<p>ACHIEVED Nearly £6.5 million has been allocated for projects through the Local Transport Plan to maintain and renew the city's transport infrastructure and improve the transport network.</p>	
<p>8. Begin establishing a coordinated programme of 20 mile per hour speed limits in consultation with residents.</p>	<p>ACHIEVED Consultation on the programme begins in June 2012 and work on Phase 1, which includes the city centre, is anticipated for completion March 2013.</p>	<p>Environment Transport & Sustainability Cabinet Member Meeting report (May 2012): http://present.brighton-hove.gov.uk/Published/C000000637/M000003986/AI00026548/\$20120426074943_001891_0007270_ReportTemplateCabinet_v1.doc.pdf</p>
<p>9. Review the effectiveness and impact of current parking schemes on the city, for residents, businesses and visitors.</p>	<p>PARTIALLY ACHIEVED The City Wide parking Review is underway and results of public and stakeholder consultation will be reported in November 2012.</p>	<p>Environment Transport & Sustainability Cabinet Member Meeting interim report (May 2012): http://present.brighton-hove.gov.uk/Published/C000000637/M000003986/AI00027410/\$20120426114622_002017_0007298_CabinetMemberMeetingReportforCityWideParkingReviewInterimReport_v1.doc.pdf</p>
<p>10. Increase and make safer cycling in the city such as Old Shoreham Road and</p>	<p>ACHIEVED Construction of the Old Shoreham Road</p>	<p>Old Shoreham Road improvements webpage:</p>

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

The Drive/Grand Avenue.	cycle lanes are due for completion by end of May 2012. Alterations to The Drive/Grand Avenue cycle lanes are complete.	http://www.brighton-hove.gov.uk/index.cfm?request=c1259134
11. Review the Municipal Waste Strategy and develop plans for a food waste collection and communal recycling trials, and implement a community composting scheme.	ACHIEVED A revised Waste Strategy has been approved by Cabinet and consulted on. Community recycling has been trialled, twelve community composting schemes have been put in place and a bid to develop food waste collections submitted for E.U. funding.	Waste Management Strategy review, Cabinet report (December 2011): http://present.brighton-hove.gov.uk/Published/C00000120/M000003227/AI00022841/\$20111125092205_001184_0003152_CabinetReportforWasteStrategyReviewFINALDec11.doc.pdf

PRIORITY 3: ENGAGING PEOPLE WHO LIVE AND WORK IN THE CITY 2012/13 COMMITMENTS

Commitment	Status	Update
1. Improve the council's online offer to residents by expanding the range of fully web-enabled transactions and make progress towards a website that can be personalised by the customer.	ACHIEVED More transactions can now be made on line including the Housing Benefit and Council Tax Benefit calculator and claim form and library lending of e-books and e-audiobooks. Work on a more personal website has commenced and is due for completion by end of 2012/13.	Link to council website 'Do it now' online services http://www.brighton-hove.gov.uk/index.cfm?request=a11
2. Support residents to self-serve and access services more locally by widening the Council Connect services to more locations and venues across the city.	ACHIEVED The number of libraries offering Council Connect increased from three in 2010/11 to nine in 2011/12.	Council Connect webpage: http://www.brighton-hove.gov.uk/index.cfm?request=c1241654
3. Work with communities to provide them with the power to directly influence	ACHIEVED Two pilot areas have been established for	Neighbourhood Governance cabinet report (May 2012):

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

<p>services in their neighbourhood by piloting new approaches for neighbourhood governance.</p>	<p>Hollingdean and Stanmer ward and areas of Whitehawk and the Bristol estate, to begin in July 2012.</p>	<p>http://present.brighton-hove.gov.uk/Published/C00000120/M000003232/AI00026992/\$20120501093008_002126_0007356_NeighbourhoodCouncilsCabine t10thMay.doc.pdf</p>
<p>4. Work with private sector and community and voluntary sector partners, and members of the community to trial new ways of bringing community forums and online forums together.</p>	<p>ACHIEVED The development phase of the 'We Live Here' project is running in Hangleton & Knoll and Brunswick wards and across the city with Black & Minority Ethnic communities.</p>	<p>Neighbourhood Governance cabinet report (May 2012): http://present.brighton-hove.gov.uk/Published/C00000120/M000003232/AI00026992/\$20120501093008_002126_0007356_NeighbourhoodCouncilsCabine t10thMay.doc.pdf</p>
<p>5. Ensure school governing bodies are supported to engage with the council's priorities.</p>	<p>ACHIEVED A special meeting takes place each term for all school governors to discuss local and national priorities with senior council officers.</p>	<p>-</p>
<p>6. Explore how, through Scrutiny, we can improve the council's engagement with council housing tenants.</p>	<p>ACHIEVED A tenant 'innovation group' gave its recommendations for tenant scrutiny at the end of April 2012.</p>	<p>Housing Management Consultative Committee report (April 2012) http://present.brighton-hove.gov.uk/Published/C00000163/M000003304/AI00027376/\$20120420103404_002097_0007139_HMCCReportofInnovationGroupFINAL2.doc.pdf</p>
<p>7. Remove restrictive terms and conditions from the council's online planning and licensing application registers and meeting webcast system.</p>	<p>ACHIEVED Terms and conditions have been removed.</p>	<p>-</p>
<p>8. Have an open budget book.</p>	<p>ACHIEVED A significantly more detailed budget book has been published for 2011/12 and</p>	<p>Revenue Budget 2012/13 and Capital Programme 2012/13-2014/15: http://www.brighton-hove.gov.uk/Published/C00000120/M000003232/AI00026992/\$20120501093008_002126_0007356_NeighbourhoodCouncilsCabine t10thMay.doc.pdf</p>

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

	2012/13, as well as finance open data pages on the council website.	http://www.brighton-hove.gov.uk/downloads/bhcc/finance/budget2012/Budget_Book_2012-13_v.4.pdf
	Finance Open data webpages	http://www.brighton-hove.gov.uk/index.cfm?request=c1232374
9. Most inclusive Budget setting process to date for 2012/13 budget.	ACHIEVED Full proposals on the budget were published in December 2011 and were revised following scrutiny and other consultation in February 2012.	Budget Council Agenda and Draft Minutes http://present.brighton-hove.gov.uk/ie/ListDocuments.aspx?CId=117&Mid=3266

PRIORITY 4: A RESPONSIBLE AND EMPOWERING EMPLOYER 2012/13 COMMITMENTS

Commitment	Status	Update
1. To listen and reflect the views of colleagues, partners and Trade Unions in the development of the People Strategy.	ACHIEVED Widespread engagement was undertaken and commitments arising from the conversation have been published.	Corporate Plan priority 'Responsible and empowering employer': http://corporateplan.brighton-hove.gov.uk/priority/responsible-and-empowering-employer (To be updated following July Council)
2. Continue to promote equality of opportunity through the refresh of our Equality and Inclusion Policy.	ACHIEVED The Equality and Inclusion Policy has been published and an Implementation Plan for council employees is under development.	Equality and Inclusion Policy 2012-2015: http://www.brighton-hove.gov.uk/downloads/bhcc/equalities/Equality_and_Inclusion_Policy_2012-15.pdf
3. Introduce a new policy to promote Dignity at Work.	PARTIALLY ACHIEVED In response to staff feedback, we will review the 'Dignity at Work' procedure with trade unions and colleagues across the council to ensure that it is effective.	-

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

<p>4. Implement a new policy for the management of attendance.</p>	<p>ACHIEVED A new Attendance Management Procedure was agreed in March 2012.</p>	<p>Attendance Management Procedure Governance Committee report (March 2012): http://present.brighton-hove.gov.uk/Published/C00000119/M000003248/AI00026337/\$Item71AttendanceManagementProcedure.doc.pdf</p>
<p>5. Provide a minimum Living Wage for employees of the council.</p>	<p>ACHIEVED All council employees now receive a living wage of £7.19 per hour.</p>	<p>Living Wage Governance Committee report (September 2011) http://present.brighton-hove.gov.uk/Published/C00000119/M000003243/AI00023229/\$Item32LivingWage.doc.pdf</p>
<p>6. Through careful workforce planning, continue to take action to reduce the need for compulsory redundancies.</p>	<p>ACHIEVED More than 100 applications were accepted for voluntary severance in 2011/12.</p>	<p>-</p>
<p>7. Help the organisation maintain its status and recognition as an 'Investor in People'.</p>	<p>ACHIEVED The council achieved reaccreditation for Investors in People in March 2012.</p>	<p>-</p>
<p>8. Deliver, in partnership, a successful city-wide community engagement learning programme.</p>	<p>ACHIEVED The programme has been established and brings together council employees, volunteers, public sector partners and Community and Voluntary Sector Groups.</p>	<p>-</p>
<p>9. Complete the council's bi-annual staff survey.</p>	<p>ACHIEVED The staff survey was undertaken from October to November in 2011 achieving a 50% response rate, the highest response rate to date.</p>	<p>-</p>

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

<p>10. Refresh our procedure for individual performance management.</p>	<p>PARTIALLY ACHIEVED A new framework of behaviours and skills will be established for council employees and a scored system of appraisal phased from April 2013.</p>	<p>-</p>
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PRIORITY 5: A COUNCIL THE CITY DESERVES 2012/13 COMMITMENTS

Commitment	Status	Update
<p>1. Improve the council's online offer to residents by expanding the range of fully web-enabled transactions and make progress towards a website that can be personalised by the customer.</p>	<p>ACHIEVED More transactions can now be made on line including the Housing Benefit and Council Tax Benefit calculator and claim form and library lending of e-books and e-audiobooks. Work on a more personal website, has commenced and is due for completion by end of 2012/13.</p>	<p>Link to council website 'Do it now' online services http://www.brighton-hove.gov.uk/index.cfm?request=a11</p>
<p>2. Increase the integration of the council website with back office systems to manage customer information more efficiently.</p>	<p>PARTIALLY ACHIEVED A new system for managing customer information through the council's website is currently being purchased.</p>	
<p>3. First in depth consultative approach to setting council's budget for 2012/13.</p>	<p>ACHIEVED Full proposals on the budget were published in December 2011 and were revised following scrutiny and other consultation in February 2012.</p>	<p>Budget Council Agenda and Draft Minutes http://present.brighton-hove.gov.uk/ie/ListDocuments.aspx?Cid=117&Mid=3266</p>
<p>4. First open book approach to council budgeting.</p>	<p>ACHIEVED A significantly more detailed budget book has been published for 2011/12 and 2012/13, as well as finance open data</p>	<p>Revenue Budget 2012/13 and Capital Programme 2012/13-2014/15: http://www.brighton-hove.gov.uk/downloads/bhcc/finance/budge</p>

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

	pages on the council website.	t 2012/Budget Book 2012-13 v.4.pdf Finance Open data webpages http://www.brighton-hove.gov.uk/index.cfm?request=c1232374
5. Introduce a Memorandum of Understanding to share support services across public organisations in the city.	ACHIEVED The Memorandum of Understanding was agreed by the Public Service Board in November 2011.	
6. Adopt open government license and make more council data available.	ACHIEVED The license was adopted in October 2011 and implemented across the main council website.	Open Government Licence council webpage: http://www.brighton-hove.gov.uk/index.cfm?request=b1000212
7. Develop an asset map of all council owned land and buildings including all major public partners.	ACHIEVED The interactive map of council and other public sector assets is published on the council website.	Asset map on Property and Land pages on the council website: http://www.brighton-hove.gov.uk/index.cfm?request=b1145624
8. Bring all property management functions across the council together to ensure we are making the best use of all our land and buildings.	ACHIEVED The roll out of a new Corporate Landlord approach is underway and will be finalised by the end of 2012/13.	-
9. Share accommodation with two new partners.	ACHIEVED The Police are in the process of moving operations to Hove Town Hall and to share the council's new Customer Service Centre there. The Public Health team has moved into council premises at King's House, Hove.	Asset Management Fund 2012/13 Cabinet report (April 2013): http://present.brighton-hove.gov.uk/Published/C00000120/M000003231/A100025217/\$20120411120227_000578_0006830_ReportTemplateCabinet.doc.pdf

Appendix 1: Brighton & Hove City Council Corporate Plan, Progress on the 2011/12 Commitments

<p>10. Reduce the council's electricity consumption and costs through improved energy management and by fitting photovoltaic panels on certain council buildings.</p>	<p>ACHIEVED Work is underway to reduce energy consumption at King's House and Trafalgar Street and Regency car parks. Photovoltaic solar panels are being installed at the Learning Development Centre in Moulsecoomb, Hove Town Hall and Bartholomew House.</p>	<p>-</p>
<p>11. Develop further the council's ISO 14001 environmental management system to reduce costs and improve resource efficiency.</p>	<p>ACHIEVED A standard approach to environmental management is being rolled out as part of the council 'work styles' programme.</p>	<p>-</p>
<p>12. Develop more robust sustainability indicators to more accurately monitor the council's performance.</p>	<p>ACHIEVED Data and reporting on staff travel and carbon emissions has been improved. Further developments are planned for 2012/13</p>	<p>-</p>
<p>13. Adopt new sustainable and ethical procurement standards.</p>	<p>ACHIEVED Sustainable procurement policies were agreed in January 2012 and a new Code of Practice for Equalities and Diversity Monitoring.</p>	<p>Sustainable Procurement Policy: http://www.brighton-hove.gov.uk/downloads/bhcc/procurement/Sustainable_Procurement_Policy.pdf</p>
<p>14. Improve the council's internal Environmental Champions network and staff engagement in sustainability.</p>	<p>ACHIEVED The Environment Champions scheme has been re-launched as part of the 'One Planet Council' internal communications campaign.</p>	<p>-</p>

Appendix 2: Brighton & Hove City Council Corporate Plan, Proposed New Commitments 2012/13

PRIORITY 1: TACKLING INEQUALITY 2012/13 COMMITMENTS

1. Look to reorganise services to vulnerable children and adults to provide more early help, reducing the need for crisis intervention.
2. Establish a new service for families in multiple disadvantage, working with 225 families this year to help prevent them from falling into need and helping them stay out of crisis.
3. Undertake a review of places in schools and agree a strategy for ensuring we have sufficient places to meet future needs for both four and eleven year olds.
4. Improve services for vulnerable teenagers by improving access to psychological therapies and supported accommodation.
5. Consult on the design and implementation of a new local council tax support system, which is required by central government, to ensure it meets the needs of local residents.
6. Increase access to community based mental health services by reviewing how we work with partner organisations, for example NHS Sussex Partnership Foundation Trust.
7. Provide more extra care housing and accommodation to meet the needs of the growing number of people who are living longer.
8. Review our work with partners to tackle rising street homelessness and improve health and life expectancy for rough sleepers.
9. Aim for 95% of council homes to meet the decent homes standard by April 2013.
10. Develop a Health and Wellbeing Strategy for the city.
11. Improve engagement levels and take up of Information Advice and Guidance (IAG), learning, skills and personal development for disadvantaged residents through the Learning Cities Project.
12. When council contracts come up for renewal our procurement team will, on a case by case basis, require contractors to submit bids that pay their staff a Living Wage.
13. Increase participation in sport and physical activity, particularly in disadvantaged neighbourhoods, for example by reviewing pricing across council sports facilities and improving the quality and availability of indoor facilities.
14. Develop a Community Banking Partnership to increase access to financial services, such as advice, banking, credit, deposits and education, starting with council tenants this year and then rolling out the approach.
15. Formalise the Community Partnership Safety Team bringing together the council and Police Service's Community Safety Teams dealing with anti-social behaviour, hate crime and domestic violence.

Appendix 2: Brighton & Hove City Council Corporate Plan, Proposed New Commitments 2012/13

PRIORITY 2: CREATING A MORE SUSTAINABLE CITY 2012/13 COMMITMENTS

1. Review the city's economic strategy using One Planet Living principles and implement the new Eco-tourism strategy working with partners, for example hotels in the city and the South Downs National Park Authority.
2. Launch a new investment prospectus to attract business to the city at the Eco Technology show at the Amex Stadium.
3. Develop a seafront strategy for key sites from Black Rock to King Alfred, including finding a new developer for the empty Peter Pan leisure park site on Madeira Drive and supporting the i360.
4. Develop a master plan to deliver 100% broadband coverage in the city with hubs of ultra fast access for businesses that depend on high speed access.
5. Plan for the new system of business rate retention from 2013/14 and consider its impact on the council's approach to economic development, planning and major projects.
6. Promote the newly refurbished and sustainable Brighton Centre to enhance the city's status as a conference and events destination.
7. Develop proposals for the introduction of a permit scheme for all road works across the city to minimise inconvenience.
8. Begin major improvement work to the Lewes Road, following the results of consultation, creating a better, safer and healthier travel route between key sites in the city – Circus Street Market, Preston Barracks, Amex stadium, Sussex University.
9. Begin a programme to replace and upgrade street lighting making it more energy efficient.
10. Develop and carry out a recycling campaign to increase domestic household recycling.
11. Commence planning for the implementation of the revised Waste Strategy, including extension of community recycling schemes and a pilot food waste collection (both subject to external funding) and a trial of a council operated commercial waste collection.
12. Develop an Allotment Strategy with allotmenters and other partners.
13. Implement the communication and engagement plan for the Biosphere Reserve Bid and finalise the overarching management plan.
14. Refresh the city's Cultural Strategy to ensure that culture remains a key driver for the city's economy and job creation, including new ways of delivering key cultural and heritage assets, such as the Royal Pavilion.

Appendix 2: Brighton & Hove City Council Corporate Plan, Proposed New Commitments 2012/13

**PRIORITY 2: CREATING A MORE SUSTAINABLE CITY
2012/13 COMMITMENTS**

15. Develop proposals with the South Downs National Park Authority to develop Stanmer Park and its buildings as the city's gateway into the national park.
16. Redevelop parts of the New England Quarter to promote the area as the city's creative and digital media business hub.

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Appendix 2: Brighton & Hove City Council Corporate Plan, Proposed New Commitments 2012/13

PRIORITY 3: ENGAGING PEOPLE WHO LIVE AND WORK IN THE CITY 2012/13 COMMITMENTS

1. Support the community and voluntary sector to reconfigure the support available to groups and charities in the city.
2. Deliver a three year grants programme to support a range of community and voluntary organisations.
3. Establish the new council housing tenant scrutiny panel giving tenants a stronger voice in the management of council housing.
4. Implement the Travellers Commissioning Strategy 2012, seeking to balance the needs of Gypsy and Traveller communities and the city's settled communities.
5. Continue to develop libraries as hubs for community activity, and a key part of the city's advice and financial inclusion support.
6. Pilot a Young Mayor for the city.
7. Improve engagement with users and carers of adult social care services, using our learning from council tenant participation.
8. Implement the new committee system to enable all elected members to participate in formal decision making and better reflect the political make up of the council.
9. Introduce new neighbourhood governance pilots to enable people to make their voices heard on issues that matter most to them, including neighbourhood plans for new development and participatory budgeting trials.
10. Engage people in the design process to improve the public realm around Brighton Station and proposals to link up the open spaces of Valley Gardens.
11. Continue to improve how the council consults residents and businesses when setting its annual budget.
12. Hold quarterly 'Ask the Leader' interactive webcasts.

Appendix 2: Brighton & Hove City Council Corporate Plan, Proposed New Commitments 2012/13

PRIORITY 4: A RESPONSIBLE AND EMPOWERING EMPLOYER 2012/13 COMMITMENTS

The following 20 commitments have been developed with colleagues from the council as part of the People Strategy Conversation. Work to implement these commitments will begin in the 2012/13 financial year.

1. Adopt our Customer Promise for colleagues, partners and Members:
 - Be easy to reach
 - Be clear and treat you with respect
 - Listen and act to get things done
2. Introduce a framework which describes the behaviours and standards required of colleagues working at different levels across the organisation. This framework will be used as the basis for all recruitment, leadership, management and development work across the council.
3. Support early management intervention to resolve issues, disputes and conflict informally where appropriate.
4. Review the 'Dignity at Work' procedure with trade unions and colleagues across the council to ensure that it is effective.
5. Design, test and introduce a system of scored appraisals.
6. Revive the programmes of 'job shadowing' and 'back to the floor' activities and encourage greater take up.
7. Set up a programme of internal coaching support for managers.
8. Continue to work with all three current Workers' Forums to develop our organisation and people together.
9. Continue the work to develop 'Job families' as an aid to development and internal progression.
10. Ensure that all vacancies (including secondments) are openly advertised across the workforce (except from when they are ring-fenced as part of re-structuring).
11. Create ways for staff to increase their skills (e.g. skills pathways) at every level across the organisation to help staff move from one level to another and horizontally, widening skills and employment opportunities.
12. Promote, wherever possible, greater flexibility around how, when and where we work to improve efficiency and effectiveness, to improve customer service and to reduce costs.
13. Customise our employment policies to retain skills and experience and meet the needs of all generations in the workforce and all working patterns, styles and employment relationships.

Appendix 2: Brighton & Hove City Council Corporate Plan, Proposed New Commitments 2012/13

PRIORITY 4: A RESPONSIBLE AND EMPOWERING EMPLOYER 2012/13 COMMITMENTS

14. As part of our One Planet Living Council work, support our colleagues in activities to encourage active, sociable, meaningful lives and to promote good health and wellbeing.
15. Continue work in consultation with the trade unions to set out the terms of any future package that we will make available for those who choose to volunteer for severance.
16. Produce a workforce strategy that enables us to anticipate and invest in areas of demand, scarcity and growth.
17. Develop an internal two-way Communications Strategy to improve awareness and understanding of the Corporate Plan.
18. Maintain our commitment to Investors in People and use the assessments to help check and monitor our progress with implementation of the People Strategy commitments.
19. Support managers in ensuring that they find the right balance between leading, managing and supervising the work of others and progressing their own individual workload, and their own professional development.
20. Develop a simple electronic skills audit tool for colleagues to input and update their own record of skills, qualifications and experience.

Appendix 2: Brighton & Hove City Council Corporate Plan, Proposed New Commitments 2012/13

PRIORITY 5: A COUNCIL THE CITY DESERVES 2012/13 COMMITMENTS

1. Develop a sustainability action plan and work towards becoming a One Planet Living Council, reducing our water, gas and electricity consumption and increasing our resilience to climate change risks such as drought.
2. Increase the number of electric vehicles used by the council.
3. Update the Customer Access Strategy, to include emerging technologies and define the next phase of improvements.
4. Upgrade the council's telephone system to make it easier for customers to contact us and help staff to work flexibly in more places.
5. Implement Workstyles phase 2 and develop a plan to 'workstyle' the remaining services to allow staff to be more flexible and mobile in the way they work, reduce our accommodation and carbon footprint, save money and improve customer support.
6. Develop and further roll out 'systems thinking' as the way in which our staff continually improve the way they work and focus on providing excellent customer support.
7. Implement the council's agreed Carbon Budgets for 2012/13 and develop a longer-term plan.
8. Continue the council's value for money programme to make better use of resources, to include further reductions in management and administration costs and rolling out category management in procurement.
9. Expand the number of support services we share with partners across the city and with partners, including joint purchasing of a regional data network to provide better linked, more resilient and cheaper broadband across public services.
10. Continue to strengthen the way we manage projects through the development of the council's project management framework to make sure all projects are delivered on time, within budget and to the agreed standard and outcomes.

Subject:	Organisational Health Report 2011/12		
Date of Meeting:	SLB – 16th May Informal Chairs – 23rd May Opposition Pre Meet – 30th May Policy and Resources – 14th June		
Report of:	Strategic Director, Resources		
Lead Member:	Cabinet Member for Finance & Resources		
Contact Officer:	Name:	Paula Black	Tel: 29-1740
	Email:	paula.black@brighton-hove.gov.uk	
Key Decision:	No		
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The Organisational Health Report (OHR) is a set of key measures around our finance and general organisational management, our workforce and meeting the needs of our customers, and some sustainability measures. The OHR suite of indicators will support the Strategic Leadership Board and the Corporate Management Team in their management of the organisation.
- 1.2 This Organisational Health report has one appendix showing the annual performance trends over the last 3 years.
- 1.3 Appendix 1 – The Annual Organisational Health Report – showing the annual performance trends over the past 3 financial years where data is available
- 1.4 The performance indicators included in the organisational health report are under regular review and are still being enhanced. In future this report will include more outward facing customer satisfaction indicators when the results of the telephone based reputation tracking research, known as the “city tracker” are available. This will be around the end of May for the overall satisfaction with the council. The update to the Corporate Plan could also identify indicators for inclusion in future.

2. RECOMMENDATIONS:

- 2.1 That Committee notes the areas of good progress
- 2.2 That Committee considers where it feels corrective actions are required and asks officers to develop improvement plans where appropriate

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 Summary of Organisational Health performance in 2011/12

3.1.1 Performance across the current suite of indicators is in the main on or better than target. Where data is not yet available this will be reported to Committee as an addendum to the City Performance Plan reports due with Committee on 19th July..

The following indicators show off target performance for the year 2011/12:

- Workforce Data: BV011c the Percentage of the top 5% of earners who declare they have a disability
- Complaints: Total number of stage one complaints upheld or partially upheld and the Total number of complaints to the Local Government Ombudsman (LGO)

3.2 Areas of outstanding performance

3.2.1 An ambitious target to pay 80% of small and medium sized (SME) businesses within 10 days was exceeded this year this has been a dramatic improvement from 48% to 83% in two years.

3.2.2 The average monthly spend on Agency workers and numbers employed both reflect reductions on last year.

3.3 Performance Details

3.2.1 Finance:

- The budget and vfm savings results are provisional pending P&R approval. The latest position on overall VfM savings achieved is £7.529m against an original target of £7.752m – i.e. 97.1% of target achieved. This includes an over-achievement of 62.7% (£3.284m) by Children's Services against the Children's VFM target (£2.019m)
- The invoice processing measures for standard invoice payments continue to improve year on year to 94.45% paid within 30 days which is above the target for 2011/12.
- Collections of money due continue to show year on year improvement and are above target for 2011/12 (0.65% above target performance in council tax collections means £650,000 more income for the council), a significant achievement given the economic conditions. Business rates collections also came in at 98.55% above target for 2011/12 (0.25% above target performance means £250,000 though this goes to the government pool not directly to the council).

3.2.2 Workforce data:

- The workforce information is obtained from the new HR system. The sickness data shows a large drop compared to last year and analysis of the sickness reporting patterns is being undertaken which will be combined with the findings from a recent audit will help to inform improvements to the data quality. Currently this data is marked as indicative.

- Some of the workforce targets are based on 2001 census data which will be updated when information is made available from the 2011 census (this level of detail from the census will be available in November 2012). There is little movement in the top 5% of earners in the current financial climate, so any further progress on these indicators is likely to be long term.
- The council has introduced a 'Living Wage' and is working to reduce the pay gap between the highest and the lowest paid. The median pay for the council's Chief Officers is 3.17 times the median pay of all employees who are not Chief Officers. (*This is based on the 12 month period to February 2012.)

3.2.3 **Accessibility:**

- % of authority buildings open to the public with all public areas suitable for and accessible to people with disabilities shows continued year on year improvement to 85.29% which is above the target for 2011/12.

3.2.4 **Complaints:**

- Stage one complaints are down by nearly 200 cases against the previous year from 1,822 to 1,639. The most significant reductions are in Benefits & Revenues, City Clean, Sustainable Transport, City Parks and Sport & Leisure. Benefits and Revenues have reduced their complaint levels through the systems re-engineering work so that issues and concerns are dealt with at point of contact thereby preventing escalation to formal complaint. Speed of handling payments has been improved.
- The percentage upheld or partially upheld for stage two complaints has reduced against the previous year.
- There was an increase in the most complex cases that are reviewed by the Local Government Ombudsman (LGO) though it should be noted that the LGO has worked hard to make its services accessible to the public and this is thought to have contributed to the increase in complaints reaching the LGO. A provisional report from the Ombudsman states that they investigated only 40 cases and there has been a significant reduction in the number of cases where the LGO has recommended the council take action to resolve the complaint.

3.2.5 **Sustainability:**

- End of year energy consumption and carbon footprint data for 2011/12 will be available after June 2012, once our Carbon Reduction Commitment data has been prepared.
For 2012/13 carbon budgets have been set for our carbon footprint, this targets a 4% reduction across gas, electricity, oil (for civics, schools and landlord level housing), fleet, street lighting and some areas of staff travel. Action plans have been developed by the service leads for these areas.
- Water meter readings are not taken systematically across the estate and bills are based on some readings by Southern Water and some on estimated readings. Automated Meter Reading will help address this issue and procurement of this valuable service is underway. In the meantime, water meter readings at two major buildings have been taken every month since Sept 10 (Brighton Centre) and since June 11 (Hove Town Hall).

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 This is an internal performance management tool that has been developed in consultation with lead officers and the Strategic Leadership Board.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The organisational health performance indicators evidence progress against business plans and delivery against value for money targets.

Finance Officer Consulted: Anne Silley

Date: 21st May 2012

Legal Implications:

- 5.2 There are no legal implications arising from this report.

Lawyer consulted:

Elizabeth Culbert

Date: 18th May 2012

Equalities Implications:

- 5.3 The Organisational Health Report includes a number of key equalities indicators that are reported to senior officers on a regular basis.

Sustainability Implications:

- 5.4 The Organisational Health Report includes indicators taken from our Environment Management System (EMS). Some indicators in this section are lagged and will be made reported as an addendum to planned reporting to committee in July.

Crime & Disorder Implications:

- 5.5 None.

Risk and Opportunity Management Implications:

- 5.6 The Organisational Health Report is part of the councils Performance and Risk Management Framework (PRMF) but there are no specific risk management indicators reported.

Corporate / Citywide Implications:

- 5.7 The Organisational Health Report is part of the councils PRMF. The report will have specific implications for teams which will be managed at a team level through business plans.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Through consultation with CMT and SLB the Performance and Risk Management Framework is deemed to be the most suitable model.

SUPPORTING DOCUMENTATION

Appendices:

1. The Organisational Health 2011/12 annual report

Documents in Members' Rooms

None

Background Documents

None

Indicator	2009/10	2010/11	2011/12	Target	2011/12 performance
A01 - Progress towards achieving value for money savings target	£5.3m	£4.3m	£7.529m	£7.75m	● *GREEN
A02 - Percentage variance to budget	-0.10%	-1.20%	-1.93%	0%	● *GREEN
A03 - Percentage variance on corporate critical budgets	2.30%	-0.40%	-6.29%	0%	● *GREEN
BV008 - % of all supplier invoices that are paid within 30 calendar days of receipt	88.40%	90.66%	94.45%	94.00%	● GREEN
BV008 Local - % of invoices from Small or Medium Enterprises paid within 10 working days of receipt	48.39%	75.00%	83.31%	80.00%	● GREEN
BV009 - % of council tax collected	96.48%	96.90%	97.65%	97.00%	● GREEN
BV010 - % of non-domestic rates collected	97.56%	98.21%	98.55%	98.30%	● GREEN
BV011a - % of top 5% of earners that are women	54.24%	54.95%	56.72%	52.00%	● GREEN
BV011b - % of top 5% of earners who declare that they are from an ethnic minority	3.44%	3.52%	3.85%	3.50%	● GREEN
BV011c - % of top 5% of earners who declare that they have a disability	4.40%	4.62%	5.03%	5.50%	● RED
BV011d - % of top 5% of earners who declare that they are LGBT	Not reported in 09/10	15.20%	16.80%	15.20%	● GREEN
BV012a - Number of working days / shifts lost due to sickness absence (non schools)	Data not comparable	10.38	9.13	10	● *GREEN
BV012b - Number of working days / shifts lost due to short term sickness absence (non schools)	Data not comparable	4.57	3.86	none	● GREY
BV012a - Number of working days / shifts lost due to long term sickness absence (non schools)	Data not comparable	5.81	5.27	none	● GREY
BV016a - % of employees who declare that they have a disability (non schools) as a percentage of the total workforce who declare	5.01%	5.87%	6.00%	5.00%	● GREEN

Indicator	2009/10	2010/11	2011/12	Target	2011/12 performance
BV017 - % of staff who declare that they are from an ethnic minority (non schools)	5.32%	5.50%	5.49%	5.00%	● GREEN
BV017local - % of staff who declare themselves as LGBT (non schools)	Not reported in 09/10	12.30%	12.19%	12.00%	● GREEN
BV156 - % of authority buildings open to the public with all public areas suitable for and accessible to people with disabilities	75.47%	80.38%	85.29%	85.00%	● GREEN
C01 - The number of leavers from the council (permanent staff)	Not reported in 09/10	Not reported in 10/11	372	none	● GREY
C02 - The number of leavers from the council (all staff)	Not reported in 09/10	Not reported in 10/11	517	none	● GREY
C03 - The number of new starters at the council (permanent staff)	Not reported in 09/10	Not reported in 10/11	103	none	● GREY
C04 - The number of new starters at the council (all staff)	Not reported in 09/10	Not reported in 10/11	265	none	● GREY
C05 - New HR cases: Capability	Not reported in 09/10	Not reported in 10/11	10	none	● GREY
C06 - New HR cases: Disciplinary	Not reported in 09/10	Not reported in 10/11	54	none	● GREY
C07 - New HR cases: Grievance	Not reported in 09/10	Not reported in 10/11	70	none	● GREY
C08 - New HR cases: Probation	Not reported in 09/10	Not reported in 10/11	4	none	● GREY
C09 - New HR cases: Sickness	Not reported in 09/10	Not reported in 10/11	46	none	● GREY
C10 – Average monthly spend on Agency Workers (£,000's)	£428	£400	£292	£400	● GREEN
C11 – Average monthly number of posts occupied by agency workers	258	247	205	247	● GREEN

Indicator	2009/10	2010/11	2011/12	Target	2011/12 performance
D01 - Total number of Stage 1 complaints	1851	1825	1640	1825	● GREEN
D02 - % of Stage 1 complaints upheld or partially upheld	12%	26%	31%	26%	● RED
D03 - Total number of Stage 2 complaints	157	181	165	181	● GREEN
D04 - % of Stage 2 complaints upheld or partially upheld	25%	32%	25%	32%	● GREEN
D05 - Total number of LGO complaints	57	69	81	69	● RED
D06 - Number of LGO complaints upheld or partially upheld	13	18	7	18	● GREEN
D08 - Health Safety and Wellbeing - Total Incidents - including near miss reports	1060	902	854	none	● GREY
D09 - Health Safety and Wellbeing - RIDDOR reported incidents	112	76	77	none	● GREY
ICE1a - All calls answered monthly	Not reported in 09/10	617,739	556,073	none	● GREY
SU01 - Organisation Wide Electricity Usage (excluding schools) kWh	16.8 million	16.6 million	Result available in June	none	● GREY
SU02 - Organisation Wide Gas Usage (excluding schools) kWh	22.3 million	19.3 million	Result available in June	none	● GREY
SU03 - Water use in Council buildings: Hove Town Hall Site (cubic metre)	Not reported in 09/10	Not reported for all 10/11	2895 (June-Mar)	none	● GREY
SU03a - Water use in Council Buildings: Brighton Centre (cubic metre)	Not reported in 09/10	Not reported for all 10/11	10,013	none	● GREY
SU05 (NI185) – CO2 emissions (tonnes) from local authority Operations (incl schools)	32,722	31,613	Result available in June	30,348 (4 % reduction)	● GREY
Median pay for Chief Officers vs median pay for all other staff	Not reported in 09/10	Not reported for all 10/11	3.17	none	● GREY

* = indicative performance

Subject:	Quarterly Surveillance Report June 2012		
Date of Meeting:	14th June 2012		
Report of:	Director of Finance		
Contact Officer:	Name:	Jo Player	Tel: 29-2488
	Email:	jo.player@brighton-hove.gov.uk	
Key Decision:	No		
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

1.1 The purpose of this report is to apprise the Committee of the activities that have been undertaken utilising the powers under the Regulation of Investigatory Powers Act 2000 (RIPA) since the last report to Cabinet in March 2012 and to confirm that these activities were authorised in line with the necessity and proportionality rules.

1.2 The report also provides an update on the progress of the legislation needed to introduce the proposed changes to the use of surveillance activity by local authorities.

2. RECOMMENDATIONS:

2.1 That the Committee approves the continued use of covert surveillance and the accessing of communications data as an enforcement tool to prevent and detect all crime and disorder investigated by its officers, providing the necessity and proportionality rules are stringently applied.

2.2 That the Committee notes the surveillance activity undertaken by the authority since the last report to Cabinet in March 2012 as set out in Appendix 1.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 The Regulation of Investigatory Powers Act 2000 (RIPA) is the law governing the use of covert surveillance techniques by Public Authorities, including local authorities. RIPA was enacted as part of a suite of legislation flowing from the implementation of the Human Rights Act 1997. The Act requires that when public authorities need to use covert techniques to obtain private information about someone, they do it in a way that is necessary, proportionate and compatible with human rights.

- 3.2 RIPA regulates the interception of communications, directed and intrusive surveillance and the use of covert human intelligence sources (informants). Local authorities may only carry out directed surveillance, access certain communications data and use informants
- 3.3 Appendix 1 details the uses made by in the Council in the previous quarter and for the year to date. The figures reported to March Cabinet were submitted to the Office of the Surveillance Commissioner in March 2012 for inclusion in the Chief Commissioners annual report to the Prime Minister.
- 3.4 The Protection of Freedoms Act has now received Royal assent and is likely to be enacted in October 2012.
- 3.5 The Office of the Surveillance Commissioner will undertake an audit of the authority's use of surveillance at the end of June 2012. The findings from this audit will be reported to Committee in October.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 There has been no consultation in the compilation of this report.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1

Finance Officer Consulted: Karen Brookshaw Date: dd/mm/yy

Legal Implications:

- 5.2

Lawyer Consulted: Liz Culbert Date: dd/mm/yy

Equalities Implications:

- 5.3 The proper and consistent application of the RIPA powers should ensure that a person's basic human rights are not interfered with without justification. Each application will be assessed by the gatekeeper for necessity and proportionality prior to the authorisation by a restricted number of 'Authorising Officers'. This process should identify any inconsistencies or disproportionate targeting of minority groups and enable action to be taken to remedy any perceived inequality
- 5.4 An equalities impact assessment is currently being completed

Sustainability Implications

- 5.5 There are no sustainability implications

Crime & Disorder Implications:

- 5.6 If used appropriately, the activities described in the report should enhance our capacity to tackle crime and disorder

Risk and Opportunity Management Implications:

- 5.7 Any failure to comply with the provisions of the legislation could render any evidence obtained as inadmissible, resulting in a failed prosecution and have a detrimental impact on the council's reputation.

Public Health Implications:

- 5.8 There are no public health implications

Corporate / Citywide Implications:

- 5.9 Proper application of the powers will help to achieve fair enforcement of the law and help to protect the environment and public from rogue trading and illegal activity.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The only alternative is to curtail the use of RIPA, but this is not considered an appropriate step.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 It is essential that officers are able to use the RIPA powers where necessary within the new threshold, but only after excluding all other methods of enforcement. An authorisation will only be given by the relevant 'Authorising Officer' following vetting by the 'gatekeeper', therefore, it is unlikely that these powers will be abused.
- 7.2 The implementation of the Annual review and quarterly oversight has made the whole process transparent and demonstrates to the public that the correct procedures are followed.

SUPPORTING DOCUMENTATION

Appendices:

1. Details of the use of RIPA since previous report

Documents in Members' Rooms

Background Documents

**QUARTERLY REPORT TO MEMBERS ON USE OF SURVEILLANCE
ACTIVITY IN ACCORDANCE WITH THE REGULATION OF
INVESTIGATORY POWERS ACT 2000**

Year: 2012-13

Quarter 1(March - May)

	No in Quarter 1	No in Year to Date 2012(Cumulative)*	No in Quarter 1 2011	No in Year to Date 2011 (Cumulative)
Number of Directed Surveillance Authorisations Granted	1	1	3	3
Number of Directed Surveillance Authorisations Rejected	0	0	0	0
Number of Directed Surveillance Authorisations Cancelled	1	1	3	3
Number of Covert Human Intelligence Sources Authorised	0	0	0	0
Number of Juveniles or Vulnerable Persons authorised as Covert Human Intelligence Sources	0	0	0	0
Number of Applications for Covert Human Intelligence Sources Rejected	0	0	0	0
Number of Covert Human Intelligence Source authorisations Cancelled	0	0	0	0

Appendix 1

Number of Applications for Acquisition of Communications Data Approved	1	1	1	1
Number of Applications for Acquisition of Communications Data Rejected	0	0	0	0
Number of errors with regards to communications data (as defined in Statutory Code of Practice) recorded	0	0	0	0
Number of errors with regards to communications data (as defined in Statutory Code of Practice) reported to the Interception of Communications Commissioner	0	0	0	0

Have all authorisations been granted by officer of level prescribed by law?
Yes

Comments on Quarterly Activity: (to include any recommended changes to policy, and, explanations for any activity outside scope of policy).

- **Period March –May 2012**

Monitoring Officer Signature

Senior Responsible Officer Signature:
Date:

Subject: Counter Fraud Strategy Update 2012
Date of Meeting: 14th June 2012
Report of: Director of Finance
Contact Officer: Name: Ian Withers Tel: 29-1323
E-mail: ian.withers@brighton-hove.gov.uk
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report presents the Council's updated draft Counter Fraud Strategy, which has been revised in response to recent national developments including the Local Government Fraud Strategy, "Fighting Fraud Locally" and the implications of the Bribery Act.
- 1.2 The updated Counter Fraud Strategy is included at Appendix 1 and was last updated in March 2009, being approved by the Governance Committee.
- 1.3 The Audit Committee has a responsibility for ensuring the Council has in place effective counter fraud arrangements. This report and draft counter fraud strategy, was considered and noted by the Audit Committee at its meeting on the 24th April. It further recommended approval by the relevant committee under the new system of Council governance.

2. RECOMMENDATION:

- 2.1 That the Policy and Resources Committee approves the Council's updated Counter Fraud Strategy at Appendix 1

3. BACKGROUND

- 3.1 There is an increased expectation by Government that local authorities will do more to assist the fight against fraud. The Government estimates that fraud costs public services £21 billion per annum. Through a Cabinet Office Counter Fraud Taskforce, chaired by Francis Maude MP, and a national cross sector strategy, entitled "Fighting Fraud Together", the Government has indicated how seriously it considers the threat of fraud in the public sector and is taking a number of actions.
- 3.2 The National Fraud Authority (NFA) estimates that fraud currently costs local government around £2.1 billion per annum.

- 3.3 The current UK economic climate and reduced local government spending has led to an increased risk of fraud.
- 3.4 Additionally, there has been a number of other high profile reports issued which support the work of the NFA and highlight the increasing importance of effective counter fraud arrangements. These include:
- Protecting the Public Purse 2011 (Audit Commission)
 - Eliminating Fraud in the Public Sector (Counter Fraud Taskforce)
- 3.5 The Counter Fraud Strategy is supported by the Annual Counter Fraud Programme included in the Annual Internal Audit Plan for each year.
- 3.6 The Counter Fraud Strategy will be communicated to the public via the Council's Website and to employees and Members via the Wave (the Council's Intranet) and fraud awareness training.

4. THE COUNCIL'S COUNTER FRAUD APPROACH

- 4.1 In response to the above developments, the Council's Counter Fraud Strategy has been reviewed and assessed against "Fighting Fraud Locally" and other recommendations made in reports referred to above.
- 4.2 The Council's Counter Fraud Strategy was last updated in March 2009, having been approved by the Governance Committee. The main difference this revision is that it is based around the three key strands of the Fighting Fraud Locally Strategy which are: Acknowledge, Prevent and Pursue and includes actions to be undertaken by the Council. It also includes the Council's response to the Bribery Act 2010 as part of required "appropriate measures".
- 4.3 Fraud and corruption are increasing across all sectors and accordingly the updated Strategy will strengthen the Council's counter fraud arrangements and response.

5. FINANCIAL & OTHER IMPLICATIONS:

5.1 Financial Implications:

There are no direct financial implications arising from this report. A robust Counter Fraud Strategy is an essential part of the Council's counter fraud framework and clearly assists in minimising potential or actual financial losses attributable to fraud and corruption,.

*Finance Officer Consulted: Anne Silley
Head of Business Engagement*

2nd April 2012

5.2 Legal Implications:

The draft strategy is consistent with the law and best practice. There are no adverse Human Rights implications arising from the report.

There are no direct legal implications arising from this report but individual actions in the Strategy may require legal support and advice.

Lawyer Consulted: Sarita Arthur-Crow

11th April 2012

5.3 Equalities Implications:

There are no equalities implications arising directly from this report.

5.4 Sustainability Implications:

There are no substantiality implications arising directly from this report.

5.5 Crime & Disorder Implications:

Fraud is a crime and can lead to financial loss and reputational loss to the Council..

5.6 Risk and Opportunity Management Implications:

The Risk and Opportunity approach by the Council considers the risk of fraud and corruption.

5.7 Corporate / Citywide Implications:

Robust corporate governance arrangements are essential to the sound management of the City Council and the achievement of its objectives as set out in the Corporate Plan.

SUPPORTING DOCUMENTATION

Appendices:

1. Draft Counter Fraud Strategy 2012

Background Documents

1. Local Government Fraud Strategy, "Fighting Fraud Locally" 2012
2. Internal Audit Strategy and Annual Audit Plan 2012/13
3. Protecting the Public Purse (Audit Commission) 2011
4. The Bribery Act 2010



Appendix 1

Counter Fraud Strategy (Draft)

March 2012

1. Context and Purpose

- 1.1 Brighton & Hove City Council (the Council) is committed to protecting the public funds that it is responsible for. Like other large organisations, the size and nature of its services puts the Council at risk from loss due to fraud, bribery and corruption and it is determined to minimise risks from both inside and outside the organisation.
- 1.2 An effective Counter Fraud Strategy is key to the Council in directing and controlling its business with openness, integrity and accountability.
- 1.3 Far from being a victimless crime, fraud, bribery and corruption deprives vital services of the resources that they need.
- 1.4 The purpose of this Strategy is to set out clearly to Members, employees, contractors, its partners and the public:
- The Council's commitment to tackling fraud, bribery and corruption
 - Its actions to promote the prevention of fraud and corruption
 - The responsibilities of Members and employees in minimising the risk of fraud and reporting any suspicions they may have.

2. Underlying Principles

- 2.1 The Council does not tolerate fraud, bribery or corruption and is committed to reducing the opportunity to the lowest possible risk. It will ensure that:
- Everyone within the organisation or within partner organisations takes responsibility for the prevention and detection of fraud, bribery and corruption.
 - Key policies and procedures are up to date, effective, and complied with.
 - A full Fraud Risk Assessment is maintained and an Annual Counter Fraud Programme is compiled, agreed and executed.
 - All suspected cases of fraud and corruption are referred to the Head of Audit & Business Risk.
 - All suspected cases of fraud and corruption are risk assessed, investigated fairly and objectively within a clear ethical framework and where found to be present, appropriate action is taken including disciplinary, criminal, civil or regulatory proceedings and any losses recovered.
 - Cases of fraud and corruption are referred to other agencies as appropriate and work jointly including the use of fraud intelligence.
 - Any decision to refer a case (except housing benefits) to the Police will be made by the Head of Audit & Business Risk as appropriate.

- Officers, Members and partners receive proper guidance regarding anti fraud and corruption issues.
 - High standards of internal control are achieved, promoted and regularly reviewed.
 - There is a safe environment to report suspected cases of fraud and corruption.
 - Individuals and organisations, e.g. suppliers, contractors and service providers with whom it deals, will act toward the Council with integrity and without intent or action involving fraud and corruption.
- 2.2 An important part of the Council's approach is the Counter Fraud Strategy, which is aimed primarily at guiding members and employees on the Council's approach to the serious issues of fraud and corruption. It is also published on the Council's website so that residents, businesses and Council partners are fully aware of the commitment to the prevention and detection of fraud and corruption.

3. What is Fraud, Bribery and Corruption?

- 3.1 The Fraud Act 2006 created a new general offence of fraud which may be committed in three ways:
- Fraud by false representation (e.g. using a false identity to gain benefits, job or tenancy);
 - Fraud by failing to disclose information (e.g. failing to disclose income when making a claim for benefits);
 - Fraud by abusing a position of trust (e.g. misusing clients' funds).
- 3.2 The Act also created four related criminal offences of:
- Possession of articles for use in frauds;
 - Making or supplying articles for use in frauds;
 - Participating in fraudulent business;
 - Obtaining services dishonestly.
- 3.3 The Bribery Act 2010 defines bribery as "giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so." There are four key offences under the Act:
- Bribery of another person;
 - Accepting a bribe;
 - Bribing a foreign public official;
 - A corporate offence of failing to prevent bribery.
- 3.4 Genuine hospitality or similar business expenditure that is reasonable and proportionate is allowable under the Act. The Council's Members Code of Conduct and Employees Code of Conduct details the Council's approach.

- 3.5 Corruption is defined as “the offering, giving, soliciting or acceptance of an inducement or reward that may influence the actions taken by the body, its members or officers.” It may encompass a variety of wrongful acts, such as bribes, ‘kickbacks’ and abuse of public office. Like fraud, corruption is a criminal offence.
- 3.6 Theft is defined by Section 1 of the Theft Act 1968 as “dishonestly appropriating property belonging to another with the intention of permanently depriving the other of it.” It therefore includes stealing any property belonging to the Council or which has been entrusted to it including equipment, cash, data and clients’ funds.

4. Responsibilities for Counter Fraud

- 4.1 The Accounts and Audit Regulations 2011 require the Council to have appropriate control measures in place to enable the prevention and detection of fraud and error.
- 4.2 Management have the responsibility to ensure that there are sound systems of internal control. Controls should be designed and implemented to reduce the risks posed by fraud and ensure, as far as possible, its detection should it occur.
- 4.3 Audit & Business Risk are responsible for corporate counter fraud including reactive investigations and proactive preventative and detection work.

5. The Council’s Approach to Counter Fraud

- 5.1 The Council is committed to an effective anti-fraud approach designed to reduce losses to fraud. This is based on 3 key strands as follows:

<p>Acknowledge</p> <p>That fraud happens and understanding fraud risks</p>	<ul style="list-style-type: none"> • The Council acknowledges and understands fraud risks and takes appropriate actions to mitigate • Continually reviewing and updating fraud risk assessment • Maintain a robust anti-fraud response • Committee support • An Annual Counter Fraud Programme • Fraud awareness training
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<p>Prevent</p> <p>Committed to preventing fraud happening</p>	<ul style="list-style-type: none"> • Maintaining and continually improving an effective counter fraud culture including communication of zero tolerance • Use of information and technology to prevent and detect fraud • Building in stronger fraud prevention measures • Inter-related policies and procedures in line with legislative requirements and best practice • Ensuring effective system processes and fraud controls • Providing an effective Internal Audit service • Using and sharing intelligence to detect fraud • An effective training programme for staff and Members in fraud awareness and understanding of their duties with regard to preventing and reporting fraud, bribery and corruption
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<p>Pursue</p> <p>Committed to punish fraudsters and recovery of losses</p>	<ul style="list-style-type: none"> • A consistent and supportive law enforcement response • Maintaining capability to investigate and sanction fraud • Taking immediate action when fraud is detected including disciplinary, civil and criminal action • Collaborating with other organisations such as the Police, Government Departments (e.g. Home Office, DWP) NAFN and other local authorities • Effective use of fraud recovery processes and recovering as far as possible, any loss suffered as a result of fraud, bribery or corruption
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6. Reporting Fraud

- 6.1 Although prevention is the most efficient and effective way to address fraud, bribery and corruption, it is however acknowledged that, despite our best attempts, determined fraudsters may succeed.
- 6.2 If fraud, bribery or corruption is suspected, it should be reported without delay to the Head of Audit & Business Risk or the Council's confidential corporate fraud line 01273 291700 or email fraud@brighton-hove.gov.uk.

7. Investigation of Fraud

- 7.1 The investigation of fraud, bribery and corruption is often a complex and specialised area and will usually be undertaken by staff in Audit & Business Risk or, for less complicated cases, managers, under advice from Audit & Business Risk. This is necessary to ensure that the correct procedures are undertaken; evidence is collected in a way that complies with relevant legislation and does not compromise actions to be taken if fraud is established.
- 7.2 To facilitate audit work and investigations, Internal Audit Staff are accorded access rights by the Council's Financial Regulations to all necessary documents, records and information.
- 7.3 Any decision to refer an investigation to the Police will be taken by the Head of Audit & Business Risk or authorised deputies, in consultation with others, as appropriate.

8. Conclusion

- 8.1 This strategy is aimed at reducing the Council's actual and potential losses due to fraud, bribery and corruption to maximise resources are protected for the delivery of its services.
- 8.2 The strategy fully supports the Council's desire to maintain a culture of openness, fairness, trust and dignity.
- 8.3 The Council has in place a clear framework of systems and procedures to deter and investigate fraud and corruption. It will ensure that these arrangements are fair, monitored and updated to keep pace with future developments in preventative, deterrent and detection techniques.

Subject:	Civil Marriage		
Date of Meeting:	14th June 2012		
Report of:	Strategic Director Resources		
Contact Officer:	Name:	Martin Warren	Tel: 29-0555
	Email:	martin.warren@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report offers a response to a consultation run by the Government Equalities Office in regard to 'Civil Marriage'.
- 1.2 The introduction of a new decision making system and the timing of the consultation meant a debate at Council was not possible, so a letter was requested that could be signed by the Leaders of the council's political groups.
- 1.3 The letter – attached as appendix 1 – has been agreed in principle by Group Leaders and is submitted to Policy & Resources for approval.

2. RECOMMENDATIONS:

- 2.1 That Policy & Resources Committee approve the letter attached at appendix 1 as the agreed response to the Government consultation on Civil Marriage.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The Government Equalities Office began a 12 week consultation on civil marriage in April 2012. The closing date for the consultation is 14th June.
- 3.2 Government Equalities Office is aware that Brighton & Hove City Council will be meeting on 14th June to determine their response.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 Community engagement and consultation are not required in relation to this exercise. The consultation is an open one and any persons or organisations are able to respond. The council would not wish to fetter the discretion of any local body by implying a response on behalf of a third party.
- 4.2 Brighton & Hove has a large LGBT population, the council respects and supports this community of persons and appreciates its leadership role in respect of them. In this regard the response to the consultation is drafted to echo the long

expressed majority view of the local LGBT populous that equality is to be pursued and promoted.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are no direct financial implications as a result of the recommendation.

Finance Officer Consulted: Name Anne Silley Date: 08/05/12

Legal Implications:

- 5.2 There are none.

Lawyer Consulted: Elizabeth Culbert Date: 020512

Equalities Implications:

- 5.3 The ability for persons to formally and publicly declare their union is an important social and cultural moment. Legal and cultural permissions have been argued and granted over recent years that have allowed for a Civil Partnership to be recognised for same sex couples.

- 5.4 Arguments have been made and generally accepted that a form of union closer to traditionally appreciated notions of marriage would be fairer and more equitable for same sex couples. Concerns raised by some faith communities have been recognised in the consultation and balanced without diminishing established practice of protocol.

Sustainability Implications:

- 5.4 There are none.

Crime & Disorder Implications:

- 5.5 There are none.

Risk and Opportunity Management Implications:

- 5.6 There is a reputational risk to the council were it unable to respond to the consultation in a timely fashion and in a way that reflected the LGBT community at large.

Public Health Implications:

- 5.7 There are none

Corporate / Citywide Implications:

- 5.8 The council promotes and pursues equality as a core function, this consultation and its intended consequences fit neatly with the aspirations of the council.

SUPPORTING DOCUMENTATION

Appendices:

1. Draft letter in response to consultation on civil marriage

Background Documents

1. Government Equalities Office. Equal civil marriage: a consultation. Available online <http://www.homeoffice.gov.uk/publications/about-us/consultations/equal-civil-marriage/>

Government Equalities Office
3rd Floor Fry
2 Marsham Street
SW1P 4DF

X June 2012

Dear Minister,

We write to offer our support for your civil marriage proposals.

Given the timing of the consultation full Council is unable to move a formal motion in response, but we write on behalf of our members. In short, we are fully supportive of the proposals laid out in the document from the Government Equalities Office.

The proposals are a significant further step to full equality and offer a strong message that adapting traditions can produce better outcomes for all without denigrating long held beliefs. We welcome the point that religious institutions will not be compelled to adopt practices at odds with their traditions and hope in time, that the facility to do so should be available if deemed appropriate.

The proposals recognise the changing nature of the secular and the sacred within our society; valuing both without questioning the validity of either, they also offer a space that allows for same-sex couples to marry.

We welcome the central value of this consultation that the commitment made by couple is key, rather than the cultural value placed on the type of union. It takes a common sense approach to making practical solutions where possible. In this light we wholeheartedly welcome the proposal to allow transsexual people to change their legal gender without having to legally end their existing marriage or civil partnership. It is a move that will remove a significant area of distress and does so within accepted legal and moral boundaries.

Further, we full support the proposal to 'convert' current civil partnerships into civil marriage.

Brighton & Hove has a large LGBT community, one that respects and is respected by the faith community. As elected members we view these proposals as eminently sensible, pragmatic and respectful of the various views that have already been made known. We hope that it will bolster commitments to equalities and act as a springboard to reducing inequalities across all communities.

Yours sincerely,

Cllr Jason Kitcat
Leader Brighton & Hove
City Council

Cllr Geoffrey Theobald
Leader
Conservative Group

Cllr Gill Mitchell
Leader Labour &
Co-operative Group

Subject:	Supported Bus Services Network		
Date of Meeting:	14 June 2012		
Report of:	Strategic Director, Place		
Contact Officer:	Name:	Nick Mitchell	Tel: 29-2481
	Email:	Nick.mitchell@brighton-hove.gov.uk	
Ward(s) affected:	All		

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The majority of bus services in the city are operated commercially and registered with the Traffic Commissioners but under the 1985 Transport Act bus operators cannot run loss-making services and cross-subsidise them from profitable routes. This part of the Act was intended to ensure there was healthy competition amongst bus operators. It is for this reason that local authorities are empowered to contract with bus operators for the provision of bus services which meet the needs of the general public but which are not provided commercially. The role of the local authority is thus to review the commercial network to identify missing links which are socially desirable but not commercially viable, and, subject to budget availability, to seek tenders to operate these supported routes.
- 1.2 Before the financial crisis in 2009 the council had been able to expand the network over the years in response to requests from passengers. The difficult financial challenges the council now faces means that it has had to review its continued financial commitment to supporting the network and seek efficiencies where possible and to maintain the majority of the most important services. In terms of bus passenger numbers across the entire network (including commercial) the council supports 3% of overall patronage. Within the proposed service changes in this report the council has ensured that only 0.35% of total bus passengers will be affected.
- 1.3 The pressures on local authorities' ability to continue to financially support bus networks is reflected nationally with some authorities reducing their budgets by 50% in some cases.
- 1.4 A comprehensive Network Area Review, including consultation with passengers and user groups, was carried out before the tenders were drawn up in the summer of 2011. The commercial operators were also approached to participate in a more detailed re-design of the existing network but were unable to provide support at the time.
- 1.5 The current batch of contracts for supported bus routes expires in September 2012 and, due to the value of the contracts, the process for letting new contracts is governed by the EU procurement rules. Permission to go out to tender for continuing these services was granted at a meeting of the Environment, Transport & Sustainability Cabinet Members Meeting on 04 October 2011.

- 1.6 Initial tender returns revealed cost increases up to 35% for continuing to provide the current service levels. Combining tenders and securing discounts through packaging routes with existing and new operators reduced this cost increase to 10% (£113,000). The cost increases are mainly due to a rise in diesel costs and a further 20% reduction in the rate of Bus Service Operators' Grant announced by Government.
- 1.7 At the council budget meeting on 23 February 2012 it was agreed that £113,000 savings from the supported bus network would be required as part of the council's need to meet its savings targets. The difference between the new tender prices and the available budget is thus £226,000.
- 1.8 Should the Committee accept the recommendation set out below, a high proportion of supported routes will be protected, even though for some services there have been higher tender increases than for others. The recommendation is for most School Bus services to be protected in recognition of the value of transport to educational establishments. The continuation of the award winning Breeze up to the Downs services is dependent on the current partnership arrangement with the National Trust, who contribute financially to their operation, and the South Downs National Park, from whom we are actively seeking funding.
- 1.9 The market for supported bus services has been stimulated to derive competition through the tendering process. The council is now able to award routes to more than one service provider and, for the first time in 8 years, there will be competition in the city for supported bus routes. The council will continue to review and monitor these services and further consider the possibility of re-designing the supported bus network to increase patronage and legibility. There will also be a strong emphasis on trying to simplify map information and promote the destinations of bus routes in a more clear manner.
- 1.10 With school services starting on 05 September and other services on 16 September, combined with a statutory standstill period and a 56 day notice period required by the Traffic Commissioners for changes to or cancellations of bus services, the deadlines required for this report are extremely tight.

2. RECOMMENDATIONS:

- 2.1 That the Policy & Resources committee award contracts for the supported bus routes as set out in Appendix 1 in Agenda item 14 which is a Part Two Report.
- 2.2 That contracts for the additional services, shown in paragraph 3.14, are not awarded on the grounds of insufficient budget.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

Paragraphs 3.1 to 3.8 contain information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended) and are therefore set out in the Part Two Report relating to this item (Agenda item 14).

- 3.9 The routes which are currently financially supported by the council comprise some entire routes (for example Routes 37B, 47, 52, 56 and 57), in addition to extensions to the time of operation, or diversions from the route, for routes otherwise provided commercially.
- 3.10 The process undertaken to secure supported bus services has been validated by Procurement & Legal departments.
- 3.11 A detailed analysis of all the services currently supported by the council has been created which takes into account cost per passenger, journey purpose, value for money and ranks the services in order (see Appendix 2). This analysis has been used to inform proposed service changes. Where possible the council has sought to protect services or shorten the routes to link up to other services to ensure people are still able to make their journey. For example the Number 52 can terminate at the Marina and passengers can pick up the Number 7 which has a 7 minute service frequency into the city centre. The number 74 school bus is duplicated by the 75 which with double Decker capacity can offer an alternative.
- 3.12 The council has also sought funding from external partners for the three 'Breeze up to the Downs' services which provides an important link to the South Downs National Park. The council is currently seeking contributions from partners and central government as part of the government's Local Sustainable Transport Fund tranche 2 bids. It will therefore not be included in the proposed service changes. The council will also be working with its potential partners to market and promote these services.
- 3.13 The council undertook an equalities impact assessment to try and ensure that proposed services changes do not overtly affect certain groups. The survey also focused on journey purpose to try and ensure that routes where the majority of people are travelling to work are protected as journey to work is the highest scoring purpose on the scoring matrix. Therefore routes that are predominately used for leisure (where external funding is not an option) are considered less of an impact and subject to the service changes, as leisure has been ranked as the lowest scoring priority on the matrix.
- 3.14 The service changes recommended are:
 Winter Sunday evening services (21B, 27 , 81A, 26, 22, 24) no longer funded
 These services run after 6pm on Sundays between September and May.

SAVING: £51,000 pa

Service 74. School day service from Lewes Road to Patcham no longer funded

SAVING: £34,000 pa

Service 52 Currently operates from City Centre to Ovingdean & Woodingdean.
 New contract would operate from the Marina to Ovingdean & Woodingdean.

SAVING: £63,000 pa

Service 81 Monday – Saturday evenings. Old Steine to Goldstone Valley no longer funded
SAVING: £43,000 pa

Service 96. Schoolday service from Carden Avenue to Blatchington Mill School no longer funded.

SAVING £38,000pa

TOTAL SAVING: £229,000 pa

3.15 The routes affected in 3.14 above serve the following areas:

Winter Sunday evening 21B Frequency: Hourly	Churchill Square – Queens Park – Marina
Winter Sunday evening 22 Frequency: Hourly	Churchill Square – Open Market – Race Hill – Woodingdean
Winter Sunday evening 24 Frequency: Hourly	Churchill Square – Lewes Road – Coldean – Hollingbury
Winter Sunday evening 26 Frequency: Hourly Alternative service: 46. Hourly frequency	Churchill Square – Open Market – Hollingbury – Coldean
Winter Sunday evening 27 Frequency: Hourly	Brighton Station – Rottingdean – Saltdean
Winter Sunday evening 27 Frequency: Hourly	Brighton Station – Seven Dials – Dyke Road – Westdene
Winter Sunday evening 81A Frequency: Hourly	Meadowview – Lewes Road – Old Steine

The above services run after 6pm on Sundays between September and May.

Service 74. Schoolday service from Lewes Road to Patcham via Lower Bevendean & Coldean. One return service per day. The majority of this route is also duplicated by school service 75.
Alternative service: 75

Service 52 Currently operates from City Centre to Ovingdean & Woodingdean. New contract would operate from the Marina to Ovingdean & Woodingdean.
Frequency: Hourly
Alternative service: 7 (change at Marina)

Service 81 Monday – Saturday evenings. Old Steine – Hove Station - Goldstone Valley.

Frequency: Hourly

Service 96 Schoolday service from Carden Avenue – Westdene - Blatchington Mill School. One return service per day.
Alternative service: 5B (via city centre)

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 The council's Public Transport Team maintains a database of consultees on matters relating to public transport. There are 380 entries on this list, comprising residents' associations, community groups, affinity groups, ward councillors, MPs and user groups. The input from these groups has been sought to inform the Area Network Review. The consultation period lasted from 20 July 2011 to 09 September 2011.
- 4.2 The council received responses from around 100 individuals to the consultation document and these responses have informed the Area Network Review. The comments in the consultation replies, which were received by e-mail, telephone and by council officers at public meetings, were extremely varied, with reference made both to individual bus services and the supported bus network as a whole.
- 4.3 The council has an adopted methodology that is applied to the current supported network. This methodology consists of weighted scoring criteria to help ensure that supported bus routes meet the needs of the user and provide best value to the council and the wider community.
- 4.4 The methodology contains a range of criteria including historic services, cost per passenger, journey purpose, external funding used and interchange points on route.
- 4.5 The council has liaised with all commercial bus operators serving the City, in order to ensure that the supported bus network supplements and enhances the commercial network, to provide the best possible journey options for residents and visitors and to ensure the council does not duplicate or support any commercially viable routes.
- 4.6 The next steps are to engage with Bus Users UK and our list of consultees to ensure that they are fully aware of all the changes. Officers will also develop an information campaign so that those affected are fully aware of the situation.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The Public Transport budget is planned to make a part-year saving of £66,000 in 2012/13, rising to £113,000 in a full year. The cheapest bid price for all the services (a combination of Brighton & Hove and Compass Travel) is £113,000 greater than the current contracts. Therefore a total of £226,000 needs to be saved from the total for new bids and other current ongoing contracts. The

proposed service changes set out in paragraph 3.10 show total savings of £229,000.

Changes to supported bus route providers also impacts on the concessionary fares budget as providers have individually negotiated agreements. The financial impact of these changes could result in increased costs of a maximum of £100,000 in 2012/13 however this will be monitored through the Targeted Budget Management process during 2012/13 and taken into account when setting the 2013/14 concessionary fares budget.

Finance Officer Consulted: James Hengeveld

Date: 17/05/12

Legal Implications:

- 5.2 Under section 63 of the Transport Act 1985, the council has a duty to provide subsidised bus services in part or parts of its areas where there are no commercial services *and* where it thinks it appropriate for such services to be provided. Services are tendered and let to commercial operators in return for payment from the council.

The powers of local authorities to subsidise public passenger transport services are subject to detailed tendering provisions laid down in the 1985 Act and Regulations made under the 1985 Act. In addition, where contracts exceed specified thresholds (as in this case) the EU procurement rules must be followed.

CSO 12.6 requires that any contract with a value over £75,000 must be in a form approved by the Monitoring Officer and must be made under Seal.

In deciding which contracts to award (and which services to provide), the council is required to have regard to the transport needs of members of the public who are elderly or disabled. When entering into agreements for bus subsidies, the council must have regard to the interests of the public and of persons using and providing public passenger services in the Brighton & Hove area. Due consideration of these factors is therefore required before any decision to amend or withdraw subsidised services.

Lawyer Consulted:

Name: Jill Whittaker

Date: 22/05/2012

- 5.3 Equalities Implications:

The provision of safe, accessible, affordable, and reliable public transport provides travel opportunities for all sectors of the community without access to private transport. The contracts specify that, where a whole route is funded, the vehicles used must be wheelchair accessible.

Equalities Impact Assessments have been conducted on the supported bus routes to gain knowledge of the profile of bus passengers using the service.

- 5.4 Sustainability Implications:

The provision of council supported bus services in areas where there is no commercial bus provision provides a sustainable alternative to car use, with

benefits to congestion and air quality. The contracts specify that, where a whole route is to be provided, the vehicles used must meet Euro 3 emissions levels. The council will continue to promote bus services to increase bus patronage which will result in improved carbon efficiency.

5.5 Crime & Disorder Implications:

It is not considered that there are any adverse implications for crime and disorder arising from the recommendations in this report.

5.6 Risk and Opportunity Management Implications:

It is not considered that there are any risks to the city council associated with this report. The successful contractor(s) will be paid four-weekly in arrears for services already delivered.

5.7 Public Health Implications:

It is not considered that there are any Public Health Implications from arising from the recommendations arising from this report.

5.8 Corporate / Citywide Implications:

The availability of safe, accessible, affordable, reliable and frequent public transport services are key to meeting each of the city council's core objectives. Most of the bus routes covered in this report represent the only routes serving certain communities, and without these routes there would be significant social exclusion.

SUPPORTING DOCUMENTATION

Appendices:

1. Appendix 1. Suggested tenders to award – Contained in Part Two Report
2. Appendix 2. Route analysis spreadsheet – Contained in Part Two Report

Documents in Members' Rooms

- 1.
- 2.

Background Documents

- 1.
- 2.

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