





Brighton & Hove
City Council

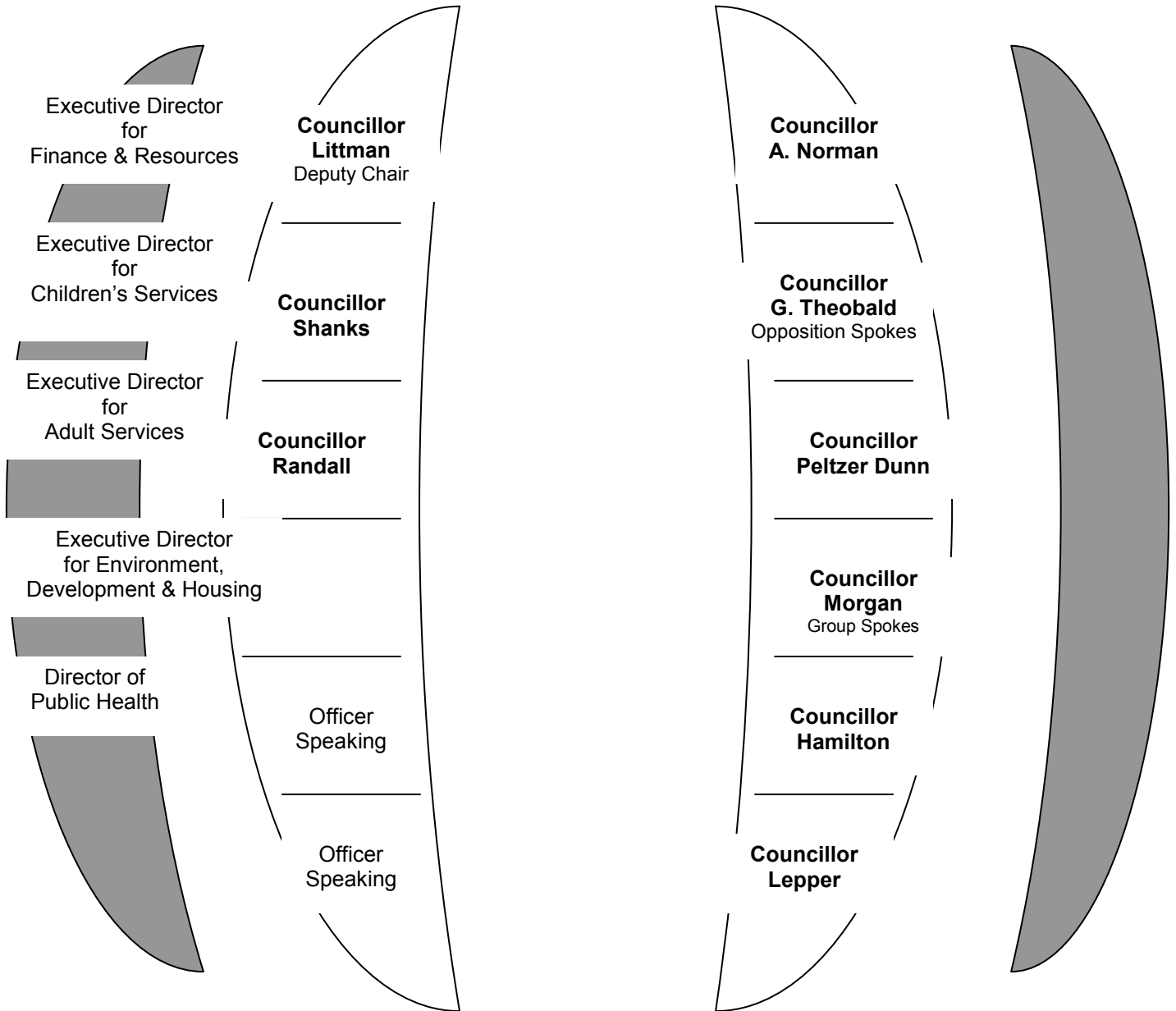
Policy & Resources Committee

| | |
|----------|--|
| Title: | Policy & Resources Committee |
| Date: | 17 October 2013 |
| Time: | 4.00pm |
| Venue | Council Chamber, Hove Town Hall |
| Members: | Councillors: J Kitcat (Chair), Littman (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Hamilton, Lepper, A Norman, Peltzer Dunn, Randall and Shanks |
| Contact: | Mark Wall Head of Democratic Services 01273 291006 mark.wall@brighton-hove.gov.uk |

| | |
|---|---|
|  | The Town Hall has facilities for wheelchair users, including lifts and toilets |
|  | An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter and infra red hearing aids are available for use during the meeting. If you require any further information or assistance, please contact the receptionist on arrival. |
| | FIRE / EMERGENCY EVACUATION PROCEDURE If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions: <ul style="list-style-type: none">• You should proceed calmly; do not run and do not use the lifts;• Do not stop to collect personal belongings;• Once you are outside, please do not wait immediately next to the building, but move some distance away and await further instructions; and• Do not re-enter the building until told that it is safe to do so. |

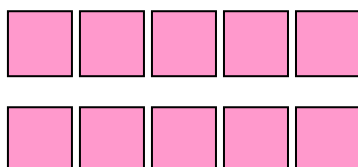
Democratic Services: Policy & Resources Committee

| | | | |
|--------------------|-------------------------------|-----------------|-----------------------------|
| Monitoring Officer | Councillor J. Kitcat Chair | Chief Executive | Head of Democratic Services |
|--------------------|-------------------------------|-----------------|-----------------------------|



| | |
|----------------|---------------------|
| Public Speaker | Councillor Speaking |
|----------------|---------------------|

Public Seating



Press

AGENDA

PROCEDURAL MATTERS

50. PROCEDURAL BUSINESS

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

(b) **Declarations of Interest:**

- (a) Disclosable pecuniary interests not registered on the register of interests;
- (b) Any other interests required to be registered under the local code;
- (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare

- (i) the item on the agenda the interest relates to;
- (ii) the nature of the interest; and
- (iii) whether it is a disclosable pecuniary interest or some other interest.

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

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

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

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

51. MINUTES

To consider the minutes of:

- (a) the last Ordinary meeting held on 11th July 2013 (copy attached),

POLICY & RESOURCES COMMITTEE

- and
(b) the Special Meeting held on the 12th September 2013 (copy attached).

Contact Officer: Mark Wall
Ward Affected: All Wards

Tel: 29-1006

52. CHAIR'S COMMUNICATIONS

To receive the Chair's communications.

53. CALL OVER

- (a) Items (56 – 62) will be read out at the meeting and Members invited to reserve the items for consideration.
- (b) Those items not reserved will be taken as having been received and the reports' recommendations agreed.

GENERAL MATTERS

54. PUBLIC INVOLVEMENT

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

- (a) **Petitions:** to receive any petitions presented by members of the public to the full council or at the meeting itself;
- (b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 10th October 2013;
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 10th October 2013.

55. MEMBER INVOLVEMENT

To consider the following matters raised by councillors:

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

FINANCIAL MATTERS

56. TARGETED BUDGET MANAGEMENT (TBM 5)

29 - 86

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

Contact Officer: Jeff Coates
Ward Affected: All Wards

Tel: 29-2364

POLICY & RESOURCES COMMITTEE

57. FINANCIAL INCLUSION - DEBT COLLECTION AND RECOVERY POLICY 87 - 124

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

Contact Officer: Nigel Manvell

Tel: 29-3104

Ward Affected: All Wards

STRATEGIC & POLICY MATTERS

58. IMPROVING THE CUSTOMER EXPERIENCE 125 - 134

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

Contact Officer: Rachel Conway

Tel: 01273 293883

Ward Affected: All Wards

59. GREATER BRIGHTON CITY DEAL AND ECONOMIC BOARD 135 - 154

Report of the Executive Director for Environment, Development & Housing (copy attached).

Contact Officer: Nick Hibberd

Tel: 29-3756

Ward Affected: All Wards

REGENERATION & PROPERTY MATTERS

60. FALMER RELEASED LAND & SITE ADJACENT TO COMMUNITY STADIUM 155 - 162

Joint report of the Executive Director for Environment, Development & Housing and the Executive Director for Finance & Resources (copy attached).

Contact Officer: Richard Davies

Tel: 296825

Ward Affected: All Wards

61. RAMPION OFFSHORE WINDFARM 163 - 196

Report of the Executive Director for Environment, Development & Housing (copy attached).

Contact Officer: Alan Buck

Tel: 29-2287

Ward Affected: All Wards

POLICY & RESOURCES COMMITTEE

GENERAL MATTERS

62. FIFA UNDER 20 FOOTBALL WORLD CUP 2017 197 - 202

Report of the Assistant Chief Executive (copy attached).

Contact Officer: Toby Kingsbury

Tel: 29-2701

Ward Affected: All Wards

63. ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 24th October 2013 Council meeting for information.

In accordance with Procedure Rule 24.3a, the Committee may determine that any item is to be included in its report to Council. In addition, each Group may specify one further item to be included by notifying the Chief Executive no later than 10.00am on 14th October 2013 (the eighth working day before the Council meeting to which the report is to be made), or if the Committee meeting takes place after this deadline, immediately at the conclusion of the Committee meeting.

PART TWO

Page

PROCEDURAL MATTERS

64. PART TWO MINUTES 203 - 204

To consider the part two minutes of the meeting held on the 11th July 2013 (circulated to Members only).

Contact Officer: Mark Wall

Tel: 29-1006

Ward Affected: All Wards

65. 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 and deputations to committees and details of how questions and deputations 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.

Agendas and minutes are published on the council's website www.brighton-hove.gov.uk. Agendas are available to view five working days prior to the meeting date.

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.

WEBCASTING NOTICE

This meeting may be filmed for live or subsequent broadcast via the Council's website. At the start of the meeting the Chair will confirm if all or part of the meeting is being filmed. You should be aware that the Council is a Data Controller under the Data Protection Act 1988. Data collected during this web cast will be retained in accordance with the Council's published policy (Guidance for Employees' on the BHCC website).

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

ACCESS NOTICE

The lift cannot be used in an emergency. Evac Chairs are available for self-transfer and you are requested to inform Reception prior to going up to the Public Gallery. **For your own safety please do not go beyond the Ground Floor if you are unable to use the stairs.** Please inform staff on Reception if this affects you so that you can be directed to the Council Chamber where you can watch the meeting or if you need to take part in the proceedings e.g. because you have submitted a public question.

Date of Publication - Wednesday, 9 October 2013

BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES COMMITTEE

2.00pm 11 JULY 2013

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor J Kitcat (Chair) Councillors Littman (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Bowden, Davey, Mitchell, A Norman, K Norman and Shanks.

PART ONE

11. PROCEDURAL BUSINESS

(a) Declarations of Substitutes

11.1 Councillors Mitchell, Davey, Bowden and K. Norman declared that they were attending the meeting as substitutes for Councillor Hamilton, Randall, West and Peltzer Dunn respectively.

(b) Declarations of Interest

11.2 There were no declarations of interest.

(c) Exclusion of the Press and Public

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

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

12. MINUTES

12.1 The minutes of the last meeting held on the 13th June 2013 were approved as a correct record of the proceedings and signed by the Chair.

13. CHAIR'S COMMUNICATIONS

- 13.1 The Chair informed the meeting that he had recently attended LGA Conference and been afforded the opportunity to address a meeting on future of local government and he also attended the 'State of the City' event on Tuesday.
- 13.2 The Chair reported that he was due to attend the Long Service Awards tomorrow (Friday) and welcomed the opportunity to recognise the dedication and contributions of staff to the council.
- 13.3 He was pleased to note the council's second place award from Stonewall for its work with schools on challenging homophobia and celebrating diversity.
- 13.4 He welcomed the fact that the council had been highly commended in the "Innovation Award" category at the Constructing Excellence in London and the South East Awards held in June, which was for the implementation of the UK's first Food Planning Advice Note, which had been written in collaboration with Food Matters. The document also reached the final of the National Royal Town Planning Institute Awards and has been short listed for an RTPI regional award.
- 13.5 The Chair stated that as there was a deputation about the King Alfred today, he wished to propose to bring the report on the item forward so that the committee could debate the issue immediately after it had been moved and include the points raised by the deputation during the debate.
- 13.6 The Chair stated that the report on Shoreham Airport had been deferred to a future meeting as discussions were ongoing with interested parties.
- 13.7 Finally, he noted that the by-election in Hanover & Elm Grove was currently taking place and therefore as such Members remained in purdah.

14. CALL OVER

- 14.1 The following items on the agenda were reserved for discussion:

| | |
|---------|---|
| Item 17 | Circus Street – Landowner's Consent |
| Item 18 | Brighton Bathing Pavilion – Lease Agreement |
| Item 19 | Article 4 Direction – Removal of Permitted Development Rights Office to Residential |
| Item 20 | Preston Barracks Development |
| Item 21 | King Alfred Development |
| Item 25 | Annual Performance Update 2012/13 |
| Item 27 | Economic Strategy and Action Plan 2013-18 |
| Item 28 | Greater Brighton City Deal |
| Item 29 | Treasury Management Policy Statement 2012/13 – End of Year Review |
| Item 30 | Targeted Budget Management (TBM2) |
| Item 31 | Budget Update and Budget Process 2014/15 |
| Item 33 | Highway Works Framework Agreement |
| Item 38 | Workforce Equalities Plan |
| Item 41 | Brighton Bathing Pavilion – Lease Agreement – Exempt Category 3 |
| Item 42 | King Alfred Development – Exempt Category 3 |

- 14.2 The Head of Democratic Services confirmed that the Items listed above had been reserved for discussion; and that the following reports on the agenda with the recommendations therein had been approved and adopted:

| | |
|---------|---|
| Item 22 | New Historic Records Office & Resource Centre |
| Item 24 | Annual Public Health Report |
| Item 26 | Development of a Policy & Prospectus for Community and Third Sector Development 2012-2017 |
| Item 32 | Renewal of Public Health Service Contracts |
| Item 34 | Procurement and Award of the Highway Maintenance Contract |
| Item 35 | Procurement of the Corporate Building Cleaning Contract (July 2013) |
| Item 36 | Waiver of Contract Standing Orders |
| Item 37 | Metro Wireless Network Concession Extension |
| Item 39 | Information Security Policy Briefing. |

15. PUBLIC INVOLVEMENT

(a) Petitions

- 15.1 The Chair noted that there were no petitions due for presentation at the meeting.

(b) Written Questions

- 15.2 The Chair noted that there were no petitions to be presented at the meeting.

(c) Deputations

- 15.3 The Chair noted that there was one deputation to be presented at the meeting and invited Mr. M. Weatherly MP and Mr. Cannon to come forward and present the deputation to the meeting.

- 15.4 Mr. Weatherley thanked the Chair and presented the following deputation; “My constituents and I were incredibly disappointed by several elements of the King Alfred report that is going before the Policy & Resources Committee. It was abundantly clear from the public meeting that I recently held that residents and sports groups overwhelmingly support a 50m pool. It appears that the Project Board has not applied appropriate weight to residents’ views on this point. Indeed, residents have not even been consulted.

Furthermore, the Project Board is using flawed research on the subject of costs of a 50m pool. There is no need to rule on the subject of pool size at this very early stage of the project; especially without discussing the matter with our local swimming clubs, including Shiverers. I am requesting that the Policy & Resources Committee embraces much of the good work of the Project Board, but simply holds off on any decision at this time on pool size – in the spirit of embracing our Olympic legacy.”

- 15.5 Mr. Cannon stated that as a representative from the Shiverers Swimming Club he wished to echo the points made by Mr. Weatherley, and to say that the flexibility of a 50m pool should be taken into consideration as part of the proposals for the development. He noted that competitive swimming galas were all moving to 50m pools

and that Sport England were offering grants to assist with the introduction of 50m pools. He hoped that due consideration would be given to the inclusion of such a pool at King Alfred and the benefits that it would bring both for swimming and the local economy.

15.6 The Chair thanked both Mr. Weatherley and Mr. Cannon for presenting the deputation and stated that he expected the points raised to be considered as part of the debate on the report. He therefore proposed that the deputation be noted.

15.7 **RESOLVED:** That the deputation be noted.

16. MEMBER INVOLVEMENT

16.1 The Chair noted that there were no items to be raised under Member Involvement.

17. CIRCUS STREET: LANDOWNER'S CONSENT

17.1 The Head of City Regeneration introduced the report which detailed the design progress for the regeneration of the former Circus Street Municipal Market site and sought approval for the scheme to progress to the planning application stage. The scheme provided a high quality mixed use development and there had been an extensive consultation exercise undertaken. He believed that the social and economic benefits for the council and the city were significant and hoped that it could progress.

17.2 Councillor Bowden welcomed the report and stated that he wished to commend the developers for taking on board the comments received as part of the consultation process. He also welcomed the provision of a library and dance studio on the site.

17.3 Councillor G. Theobald stated that he was a member of the Project Board and as such was very pleased to see the scheme coming forward and he wished to thoroughly endorse the proposals.

17.4 Councillor Morgan stated that he was also a member of the Project Board and welcomed the regeneration of the site and the area and was pleased to see progress being made after such a delay.

17.5 The Chair noted the comments and put the recommendations to the vote.

17.6 **RESOLVED:**

- (1) That the committee approves the RIBA Stage D design for the Circus Street site and The Dance Space as shown at Appendix 1, and authorises the Executive Director Environment Development & Housing and Executive Director Finance & Resources to agree any subsequent minor design changes in keeping with the principle of development and mix of uses.
- (2) That the committee gives landlord's consent for the developer, Cathedral (Brighton) Limited, to submit a planning application for the site.
- (3) That the committee nominates South East Dance to be the tenant of The Dance Space to be constructed on the site, and approves the heads of terms for the

Agreement to Lease at Appendix 2 and authorises the Head of Legal Services in consultation with the Executive Director Environment Development & Housing, Assistant Chief Executive and Executive Director Finance & Resources to finalise and enter into all documentation required in connection with the overall development of the site by the developer and the Agreement to Lease to South East Dance.

18. BRIGHTON BATHING PAVILION - LEASE AGREEMENT

- 18.1 The Assistant Chief Executive introduced the report which sought approval for the disposal of the former Peter Pan site for the proposed Brighton Bathing facility. She noted that the results of the marketing exercise had been reported to the Economic Development & Culture Committee in June 2012, where it had been agreed to present the Heads of Terms with the preferred bidder to the Policy & Resources Committee for approval.
- 18.2 Councillor Bowden welcomed the report and stated that the site had been derelict for too long and he hoped that the proposed development could be delivered and needed regeneration brought to the area.
- 18.3 Councillor G. Theobald welcomed the investment in the area and hoped that it would be delivered.
- 18.4 Councillor Morgan also welcomed the report and stated that he hoped the facility would be inclusive and open to all residents of the city.
- 18.5 The Chair welcomed the level of investment that was being made and stated that he believed it would be open to all. He then put the recommendations to the vote.
- 18.6 **RESOLVED:**
- (1) That the disposal of the site as shown on Plan 2 attached on a 60 year lease to the preferred bidder, the Karma Royal Group, at a ground rent for 21 years and a market rent thereafter be agreed, and the other terms of which shall be in a form agreed by the Executive Director Finance & Resources, the Assistant Chief Executive and the Head of Law;
 - (2) That it be noted that the tenant will redevelop the site for leisure use to a specification to be agreed by the Council; and
 - (3) That the Head of Law be authorised to enter into all associated documentation in a form to be agreed with the Executive Director Finance & Resources and the Assistant Chief Executive.

19. ARTICLE 4 DIRECTION – REMOVAL OF PERMITTED DEVELOPMENT RIGHTS OFFICE TO RESIDENTIAL

- 19.1 The Head of Planning & Public Protection introduced the report which sought authority for making an Article 4 direction to remove the government's recently introduced temporary permitted development rights under planning legislation for changes of use

from offices (B1a) to residential uses (C3), in certain parts of the local authority area. He outlined the areas to be included and noted that it would not come into effect for a year and that there were already a number of pre-applications in the system.

- 19.2 The Chair welcomed the proposal and the defined area which he hoped would help to ensure that Brighton and Hove did not become a dormitory city. He then put the recommendations to the vote.
- 19.3 **RESOLVED:** That Policy & Resources Committee authorises the making of a non-immediate direction under article 4 of the Town and Country Planning (General Permitted Development) Order 1995 (as amended) to remove the permitted development right to change the use from offices (B1a) to a dwelling house (Class C3) in the areas identified in Appendix 2 for the reasons outlined in this report.

20. PRESTON BARRACKS DEVELOPMENT

- 20.1 The Head of City Regeneration introduced the report which provided an update on the progress made in relation to the development opportunities for the Preston Barracks site and land owned by the University of Brighton. He wished to thank the Members of the Project Board for their support and contributions over the past months and stated that it was hoped to bring final recommendations to the Board later in the year, taking into account best consideration arrangements.
- 20.2 Councillor Bowden welcomed the report which had been a long time in coming forward and he hoped that a further report could be brought to committee before the end of the year.
- 20.3 Councillor K. Norman stated that it had been a lengthy period of time in regard to finding a solution for the development of the site and he hoped that the University of Brighton would be able to deliver on any part of a future development that came forward. With this in mind, he suggested that it may be helpful to work with any other developers who could be interested in the site rather than just the university at this stage.
- 20.4 Councillor Morgan welcomed the report and stated that he was pleased to see the reference to the co-operative housing element for any development.
- 20.5 Councillor G. Theobald stated that he believed the economy was improving and therefore suggested that other potential developers should not be precluded from the process, albeit that the University was the obvious choice.
- 20.6 The Chair noted the comments and stated that they would be taken on board and noted that there was also a need to give consideration to a number of uncertainties e.g. City Deal which relied on government actions. He then put the recommendations to the vote.
- 20.7 **RESOLVED:**
- (1) That the work to date summarised in Section 3 of the report, and the cross-party Project Board's recommendations to proceed accordingly be noted;

- (2) That the Project Board's view, that the partnership with the University of Brighton and alignment with the Greater Brighton City Deal 'Growth Hub' proposals presents the preferred route to successful delivery of the regeneration of the Preston Barracks site; and
- (3) That the Executive Director Finance & Resources, Executive Director Environment Development & Housing and Head of Law be authorised to enter into further negotiations to actively consider disposal of the Preston Barracks site to the University of Brighton and/or its development partner to enable delivery of the mixed use scheme, subject to a further report to the Project Board and Policy & Resources Committee being required to detail the proposed terms of such a disposal.

21. KING ALFRED DEVELOPMENT

- 21.1 The Head of Planning and Public Protection introduced the report and stated that the cross-party Project Board had made rapid progress over the last few months having had a clear ambition and commitment to proceed. He believed that a viable proposition had been reached and that some pragmatic compromises had been required in order to bring the project forward. He referred to the maximum specifications detailed in appendix 1 to the report and noted that there was a need to remain cost neutral in capital terms. He also noted that consideration had been given to retaining the development at the King Alfred site and also to enabling an alternative site to be used. It was therefore hoped that an open day for potential developers could be held in October with a preferred developer being identified early next year.
- 21.2 Councillor Bowden stated that he wished to thank the other members of the Project Board for their support and that he felt the project was at a stage where it could be taken forward. He noted that an amendment to the recommendations had been circulated by the Conservative Group and stated that he was happy to accept it. In regard to the need for a 50m pool, he stated that discussions had been held with Sport England and it was not seen as being a requirement of any new development, however it could be part of the consideration during any competitive dialogue with potential developers.
- 21.3 Councillor G. Theobald welcomed the report and the acceptance of the amendment, which he moved, as he felt it was better to keep the option of having either a 25m or 50m pool at this point.
- 21.4 Councillor Morgan stated that as a member of the Project Board he believed the project could now be taken forward and wished to thank the officers for their work. He hoped that the project would be supported by all Groups and that its fruition would be realised in the near future.
- 21.5 Councillor A. Norman welcomed the report and thanked the officers for their work. She believed it was appropriate to include the possibility of a 50m pool and formally seconded the amendment.
- 21.6 The Chair noted the comments and stated that he believed the majority of residents in the city wanted to have a state of the art leisure centre and whilst the option of a 50m

pool could be considered, it should not prevent the realisation of a new leisure centre. He therefore put the recommendations as amended to the vote.

21.7 RESOLVED:

- (1) That the Project Board be thanked for the work undertaken to date, the main findings of which summarised in Sections 3.9 to 3.44 of the report be noted, and the Project Board's recommendations to proceed be supported;
- (2) That the Board's view that the project's primary objective remains the delivery of a new, modern sports facility in the west of the city, either on the King Alfred site or another appropriate site to be identified as part of the procurement process by a preferred developer be supported;
- (3) That it be agreed that the proposed sports centre specification shown at Appendix 1 provides the appropriate range and mix of facilities demanded in the city, and approve the specification as the basis for taking the project forward, whilst not at this stage ruling out a 50m swimming pool and provision for diving should a developer come up with a viable proposal to incorporate this in a scheme;
- (4) That the forecast revenue costs for the proposed sports centre, the potential saving this provides when compared with the costs to the council of the current centre, and the potential this has to support council borrowing to enable direct investment towards the capital cost of the new facility;
- (5) That the findings of the development viability advice, which suggests financially viable solutions, are possible, but that pragmatic compromises are likely to be required be noted;
- (6) That the appointment of appropriate external advisers to support the procurement and evaluation process and approve the allocation of existing financial resources to enable this be agreed; and
- (7) That it be agreed that the Council should seek a preferred developer for the sports centre and enabling development by way of the Competitive Dialogue process and note the indicative programme leading to this, including a proposal for an open day with potential developers, and that a further report leading to the appointment of a preferred developer will return to a future meeting of this committee.

22. NEW HISTORIC RECORDS OFFICE & RESOURCE CENTRE

22.1 RESOLVED:

- (1) That the considerable progress of this major partnership project, with Practical Completion achieved and building handover completed, so that the partners' collections can be decanted into the building with a view to going operational in November of this year be noted;
- (2) That it be noted that the partnership and legal arrangements between the partners are at an advanced stage, but not yet in their final form and that a stakeholder

account has been set up as an interim measure pending the finalisation of the legal documents;

- (3) That the planned triggers for the release of staged payments from the Council to East Sussex County Council out of the stakeholder account be agreed;
- (4) That the Assistant Chief Executive, the Executive Director Finance & Resources and the Head of Law be authorised to conclude negotiations to enable (i) the decanting and other partnership arrangements to take place and (ii) the Head of Law to complete all necessary documents;
- (5) That it be agreed that the finalised arrangements, when completed, be reported to the Economic Development & Culture Committee for information.

23. BRIGHTON SHOREHAM AIRPORT

23.1 The item had been withdrawn.

24. ANNUAL PUBLIC HEALTH REPORT

24.1 **RESOLVED:** That the report be noted.

25. ANNUAL PERFORMANCE UPDATE 2012/13

- 25.1 The Assistant Chief Executive introduced the report which detailed the three major performance management areas for the city and the council; the City Performance Plan, the Corporate Plan and the Organisational Health Report. She noted that in regard to the City Performance Plan and the Corporate Plan, 72% and 76% of the plans' respective targets had been achieved and work towards the remaining targets was progressing. She also drew attention to the error in the dates listed for the CO2 emissions in appendices 2 and 3 which had been rectified and amended pages circulated and should have referred to 2010 and not 2013.
- 25.2 The Chair welcomed the report and noted the direction of travel in regard to achieving the aims and objectives that had been identified in the plans.
- 25.3 Councillor Mitchell welcomed the improvements for school attainment and placements for looked after children but expressed concern in relation to the increase in reporting of domestic violence incidents and the reduction in recycling rates.
- 25.4 The Chair acknowledged the concern for domestic violence and noted that the recently appointed Chief Superintendent, Nev Kemp had highlighted the need to focus on tackling the issue. In regard to the recycling rates, he accepted that levels had reduced but hoped that these figures would improve and noted the support for communal recycling and composting which should be welcomed.
- 25.5 Councillor Shanks noted that there was a need to improve children's attainment levels in relation to those on free school meals and was pleased that officers were working with those schools that had been successful to work with and support other schools with a view to improving results.

- 25.6 Councillor A. Norman welcomed the report and referred to appendix 1 on page 155 and queried how many plans/reports were required from a statutory basis. She noted that the amount of waste going into landfill had gone down and suggested that it was because of the beneficial impact of the incinerator. She also queried whether the planning application for the proposed travellers' site at Horsdean had been delayed because of the quality of ground water listed on page 202 and expressed concern over the level sickness and queried whether any support was available to staff.
- 25.7 The Chair noted the comments and suggested that it was helpful from a performance management perspective to measure various aspects and therefore did not see the need to review the number of indicators that were in use.
- 25.8 The Head of City Regeneration stated that the planning application in regard to the Travellers' Site at Horsdean was being held pending the obtaining of information in regard to water treatment requirements to support the proposed site.
- 25.9 Councillor Littman referred to the levels of staff sickness and stated that these were monitored regularly and support provided in a number of ways to help staff. He also noted that there had been a flu spike earlier in the year which may have affected the levels.
- 25.10 Councillor Morgan stated that it was important for the council to do all it could to reduce sickness rates and levels of domestic violence and hoped that improvements could be made.
- 25.11 The Assistant Chief Executive stated that a Board covering Violence Against Women and Girls was due to be launched, which would look at how such incidents could be prevented and support provided to those affected.
- 25.12 The Chair then put the recommendations to the vote.
- 25.13 **RESOLVED TO RECOMMEND:**
- (1) That the areas of good progress be noted;
 - (2) That the Executive Leadership Team be requested to use the resources at their disposal, including officers in the local authority and thematic partnerships to maintain progress and tackle issues of concern highlighted in the CPP;
 - (3) That the arrangements for review of the Performance and Risk Management Framework be noted;
 - (4) That the content of the new Organisational Health report be noted; and
 - (5) That the report and appendices be recommended to full Council for information.

26. DEVELOPMENT OF A POLICY & PROSPECTUS FOR COMMUNITY AND THIRD SECTOR DEVELOPMENT 2014-2017**26.1 RESOLVED:**

- (1) That the development of a Corporate Policy and Commissioning Prospectus for Community and Third Sector Development 2014 – 2017 be approved;
- (2) That the approach and timescale for developing the policy and prospectus including final agreement of the approach at December Policy & Resources Committee noted; and
- (3) That officers be instructed to bring a report for decision on neighbourhood governance to Policy and Resources Committee in December 2013 to align this work to the development of the policy and commissioning prospectus.

27. ECONOMIC STRATEGY AND ACTION PLAN 2013-18

27.1 The Head of City Regeneration introduced the report which detailed the refresh of the Economic Strategy and Action Plan for 2013-2018. He stated that there were five strategic objectives set out in the action plan and that there had been an extensive consultation process. It was intended to take the report to the Economic Partnership in September and then onto Council in October.

27.2 Councillor Bowden welcomed the report and stated that he wished to thank the Economic Partnership for their involvement in the process and he believed it was a robust document that should be commended.

27.3 Councillor Morgan welcomed the report and stated that he wished to thank all those involved in developing the strategy and stated that there was a need to create jobs at all levels across the city.

27.4 The Chair stated that there had been a need for a refresh and the collective approach to the new plan should be welcomed and referred to as a good example of partnership working. He then put the recommendations to the vote.

27.5 RESOLVED TO RECOMMEND:

- (1) That the refresh of the Economic Strategy and Action Plan 2013 -2018 be approved and recommended to the Full Council in October 2013;
- (2) That the Economic Partnership and other business and voluntary sector partners be thanked for their contribution to the creation of the new Economic Strategy for the city;

- (3) That the Executive Director for Environment, Development & Housing be authorised to make any minor amendments relating to the report following further consultation with the Economic Partnership in September 2013; and
- (4) That the work taking place to align the Economic Strategy with the Greater Brighton City Deal proposals and emerging Coast to Capital Local Enterprise Partnership (LEP) Growth Strategy be noted.

28. GREATER BRIGHTON CITY DEAL

- 28.1 The Head of City Regeneration introduced the report which provided an update on the Greater Brighton's bid for a Wave 2 City Deal and the work taking place with partners to develop a sustainable growth strategy for a prosperous Greater Brighton City Region. He noted that it was hoped to get final agreement to the bid in the autumn.
- 28.2 Councillor G. Theobald welcomed the report and hoped that the progress to date would result in the bids success later in the year. He also welcomed the work with neighbouring authorities and believed that the region was well positioned in regard to future economic growth.
- 28.3 Councillor Morgan stated that it was a complex matter and wished to thank the officers concerned for the recent briefing that they had provided.
- 28.4 The Chair stated that the feedback on the bid to date had been positive and it had been helpful to build relations with the neighbouring authorities and to be able to access other funding streams as a result of making the bid. He then put the recommendation to the vote.
- 28.5 **RESOLVED:** That the progress to date be noted and the work being undertaken by officers to secure a Wave 2 City Deal for the Greater Brighton City Region be endorsed.

29. TREASURY MANAGEMENT POLICY STATEMENT 2012/13 - END OF YEAR REVIEW

- 29.1 The Executive Director for Finance & Resources introduced the report and noted that the council had not exceeded its borrowing limits. She also noted that interest levels had not been achieved and that the council was not currently investing with the Co-operative bank following its recent down-grading.
- 29.2 Councillor A. Norman asked that the Committee's thanks to Peter Sargent for his management of the investment portfolio be placed on record and noted that in view of the changes affecting the Co-op Bank that the council was not currently investing in it.
- 29.3 The Chair stated that he had written to Peter Sargent and was happy to record the Committee's thanks for his services to the council. He then put the recommendations to the vote.
- 29.4 **RESOLVED:**

- (1) That the key actions taken during the second half year to meet the treasury management policy statement and practices (including the investment strategy) as set out in this report be endorsed;
- (2) That it be noted that the approved maximum indicator for investment risk of 0.05%, authorised borrowing limit and operational boundary have not been exceeded.

30. TARGETED BUDGET MANAGEMENT (TBM 2)

- 30.1 The Executive Director for Finance & Resources introduced the report which set out the forecast outturn position as at Month 2 on the council's revenue and capital budgets for the financial year 2013/14. She noted that an overspend was currently forecast, which was partly due to the pressures identified on the community care budget and under-achievement in regard to the voluntary severance scheme and because of the early period of the financial year.
- 30.2 Councillor Littman stated that it was an early forecast and it was likely to change as the year progressed. He noted that there was good news in regard to the level of capital receipts and that it was intended to be as open and transparent about the budget position as possible.
- 30.3 Councillor A. Norman questioned the fact that there had been a significant change from an underspend to a projected overspend within a couple of months and whilst pressures such as those on the community care budget were known, and the unachieved savings from the voluntary severance scheme disappointing, it was concerning to be forecasting an overspend at this stage.
- 30.4 Councillor Mitchell stated that it was unusual to have an overspend in one area so early into the financial year and she had questioned the level of savings that could be achieved in Adult Care. She also queried where the funding of £4m referred to on page 435 of the agenda was going in regard to new pupil places. She also noted that capital funding of £420k had been received and asked if any more would be available in relation to two-year olds.
- 30.5 Councillor Shanks stated that she believed the funding was in relation to the purchase of Hove Police Station in order to provide additional pupil places. She also stated that she would provide a written response in regard to the funding of for two-year olds.
- 30.6 The Executive Director for Finance & Resources noted that estimates had been made at Budget Council in relation to new pupil places because of the government's delay in providing the necessary information. She stated that the Children & Young People Committee would have considered options in regard to allocations of spend and she would ensure that information on that would be made available to the members of the Policy & Resources Committee.
- 30.7 The Chair then put the recommendations to the vote.
- 30.8 **RESOLVED:**

- (1) That the forecast outturn position for the General Fund, which is an overspend of £3.388m be noted;
- (2) That the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.123m be noted;
- (3) That the forecast outturn position for the Dedicated Schools Grant which is an underspend of £0.208m be noted;
- (4) That the forecast outturn position on the capital programme be noted;
- (5) That the following changes to the capital programme be approved
 - (i) The new schemes as set out in Appendix 3.

31. BUDGET UPDATE AND BUDGET PROCESS 2014/15

- 31.1 The Executive Director for Finance & Resources introduced the report which set out the financial context the Council was working in, following major national changes to local government finance which had been introduced from the 1st April 2013. She noted that further information was anticipated from the government but in the meantime officers were working on the premise of a 2% council tax increase for 2014/15. It was also intended to bring together the Corporate Planning and Financial Planning processes to enable a more co-ordinated approach to the budget process. It was intended to bring a report to the December committee meeting on the outline proposals and a final report to the February meetings of the committee and full council.
- 31.2 Councillor Littman welcomed the report and the proposed process for consultation and involvement in the budget setting process. He noted that it was going to be a challenging process and that difficult decisions would have to be taken.
- 31.3 Councillor A. Norman stated that she wished to thank the officers for the report and noted that a 2% council tax rise was being considered rather than maintaining a council tax freeze and utilising government support. She also noted that it was intended to improve the scrutiny review aspects for the budget setting process.
- 31.4 Councillor Morgan expressed concern over the scale of financial savings anticipated at paragraph 3.41 and stated that there was a need to maintain services provided by democratically elected bodies and not privatised organisations.
- 31.5 The Chair stated that the council faced a huge challenge in terms of its future finances and savings that would have to be found and urged all Members to support the LGA campaign for the future of local government. He then put the recommendations to the vote.
- 31.6 **RESOLVED:**
- (1) That the resource and expenditure projections for 2014/15 set out in the body of the report and appendix 1, and the Medium Term Financial Strategy (MTFS) projections set out in appendix 2 be noted;

- (2) That the Executive Leadership Team be instructed to develop budget proposals for 2014/15, for submission to Policy & Resources Committee for consideration, on the basis of:
 - a 2% council tax increase;
 - the purpose, ambition and priorities set out in the corporate plan and principles set out in paragraph 3.44 of the report;
 - the consultation and engagement approach set out in paragraph 4 of the report.
- (3) That the Executive Leadership Team be instructed to identify options to meet the 2014/15 savings target of £23.6m and expand the proposals currently contained in the MTFs to provide more detail over the subsequent 4 year period; and to report such options and proposals to Policy & Resources Committee for consideration.
- (4) That the proposed approach to reviewing the Council Tax Reduction Scheme as set out in paragraphs 3.24 to 3.26 of the report be agreed; and
- (5) That the resource projections for the capital investment programme as shown in appendix 3 to the report be noted.

32. RENEWAL OF PUBLIC HEALTH SERVICES CONTRACTS

32.1 RESOLVED:

- (1) That the proposals for the renewal of public health contracts as set out in paragraphs 3.6 – 3.9 of the report be approved;
- (2) That the procurement of the lifestyle weight management and the stop smoking services contracts described in Appendices D and E respectively to the report be approved;
- (3) That a twelve month extension of the existing contracts for sexual health and substance misuse and alcohol services referred to in paragraphs 3.7.4 - 3.7.5 of the report and described in Appendices F and G respectively to the report be agreed; and
- (4) That the Director of Public Health be granted delegated authority to:
 - (i) conduct a competition through a mini-prospectus for the mental health promotion contracts referred to in paragraph 3.9.1 and described in Appendix H to the report.
 - (ii) award contracts for the lifestyle weight management and the stop smoking services on the basis of price and quality evaluation criteria.

33. HIGHWAY WORKS FRAMEWORK AGREEMENT

- 33.1 The Lead Commissioner for City Regulation & Infrastructure introduced the report which sought approval for the tendering of a highway works framework agreement to provide for the structural maintenance of the highway and to provide the civil engineering element of environmental enhancement projects, road safety projects, traffic management works and traffic signal alterations. He noted that the current contract expired in December 2014 with an annual spend of £4.5m.
- 33.2 Councillor G. Theobald queried whether any discussions had been held with other authorities in the SE7 Group in regard to sharing services and or having joint contracts.
- 33.3 The Lead Commissioner stated that partner organisations within the SE7 Group had been approached about having a joint framework agreement; however they had declined as they felt that they had much larger contracts. However officers were actively engaged in working with their SE7 partners for future arrangements.
- 33.4 The Chair noted the information and stated that there was also a need to balance the ability of local contractors to bid for the work available. He then put the recommendations to the vote.
- 33.5 **RESOLVED:**
- (1) That the procurement of a framework agreement for highway works with a term of four years from 1 January 2015 to 31 December 2018 and an option to extend for a further two years to 31 December 2020 be approved;
 - (2) That delegated authority be granted to the Executive Director Environment, Development and Housing –
 - (i) to carry out the procurement of the framework agreement referred to in (1) above including the award and letting of the framework agreement; and
 - (ii) to grant an extension to the framework agreement referred to in (1) above of two years should he/she consider it appropriate at the relevant time.

34. PROCUREMENT AND AWARD OF THE HIGHWAY SAFETY MAINTENANCE CONTRACT

- 34.1 **RESOLVED:**
- (1) That the procurement of a contract for the provision of highway safety maintenance for a 4 year period, with an option to extend for a further 2 years be approved;
 - (2) That delegated authority be granted to the Executive Director, Environment, Development & Housing –
 - (i) to award the contract for 4 years following the recommendations of the evaluation panel and the results of the tendering process; and
 - (ii) to extend the contract for up to 2 years, subject to satisfactory performance of the contractor.

35. PROCUREMENT OF THE CORPORATE BUILDING CLEANING CONTRACT (JULY 2013)

35.1 **RESOLVED:** That the Executive Director for Finance & Resources be authorised to:

- (i) Extend of the existing corporate building cleaning contract by one (1);
- (ii) Carry out a tendering process for the new corporate building cleaning contract in accordance with full of EU Procurement legislation together with the Public Contracts Regulations 2006, the Council's Standing Orders and Financial Regulations;
- (iii) In consultation with the Chair of Policy & Resources, to award the OJEU procured corporate building cleaning contract referred to in section 2.2 above for a term of four (4) years; and
- (iv) In consultation with the Chair of Policy & Resources, to grant a two (2) year extension to the corporate building cleaning contract referred to in section 2.2 above at the relevant time, subject to satisfactory performance.

36. WAIVERS OF CONTRACT STANDING ORDERS

36.1 **RESOLVED:** That the number of waivers authorised under Contract Standing Orders 18.2, 18.3 and 18.4 during financial years 2011/12 and 2012/13 be noted.

37. METRO WIRELESS NETWORK CONCESSION EXTENSION

37.1 **RESOLVED:**

- (1) That approval be given to let a service concession for the use of council owned assets (primarily street furniture) to deliver a Wireless Network for a 7 year initial period with the option to extend for 2 years plus a further period of up to 12 months (7 plus 2 plus 1);
- (2) That the Executive Director Environment, Development & Housing be granted delegated authority to award a service concession contract to deliver a Metro Wireless network and, subject to satisfactory performance of the appointed contractor, to extend the 7-year contract by a maximum of 3 years (2 years, then 12 months); and
- (3) That the Executive Director Environment, Development & Housing be authorised to agree any minor amendments to the draft contract deemed necessary and to conclude the contract accordingly.

38. WORKFORCE EQUALITIES ACTION PLAN

38.1 The Executive Director for Finance & Resources introduced the report which detailed the findings of Global HPO in relation to their assessment of race equality in employment in the Council and the action plan that had been drawn up as a result of the

findings. She noted that a number of the findings went across the organisation and also included aspects affecting partner organisations. She wished to put on record her thanks to all those that took part in the review and stated that she believed significant progress had been made.

38.2 Councillor Littman welcomed the report and stated that it was an important step in moving forward and enabling the council to meet a number of very challenging aspects that were part of the HPO report.

38.3 The Chair endorsed the comments and stated that he wished to thank the Executive Director for leading on what had been a huge piece of work and stated that he believed the organisation was on the right path, albeit that there were challenges to be tackled in order to achieve the objectives.

38.4 Councillor A. Norman welcomed the report and the action plan. She stated that over the years the organisation had tried a number of ways to address the issues highlighted and it did now appear that a considered approach could be taken forward and results achieved.

38.5 Councillor Morgan welcomed the report and stated that it was essential to ensure that all staff were treated with respect.

38.6 The Chair thanked the Members for their comments and put the recommendations to the vote.

38.7 **RESOLVED:**

- (1) That the findings of the Global HPO report on race equality in employment at Appendix 1 to the report be noted;
- (2) That the progress made to date on the issues identified in that report as set out in paragraph 3.3 be noted;
- (3) That the Workforce Equalities Action plans set out in Appendix 2 and 3 to the report be approved; and
- (4) That the ongoing monitoring and reporting arrangements set out in Appendix 4 to the report be noted.

39. **INFORMATION SECURITY POLICY BRIEFING**

39.1 **RESOLVED:**

- (1) That the Information Security Policy framework attached as Appendix 1 to the report be agreed; and
- (2) That the Executive Director, Finance & Resources, be granted delegated powers to approve ICT related policies, protocols and guidance subject to compliance with the Information Security Policy Framework.

40. ITEMS REFERRED FOR COUNCIL

40.1 No items were referred to the Council meeting on the 18th July 2013.

PART TWO SUMMARY

41. BRIGHTON BATHING PAVILION - LEASE AGREEMENT - EXEMPT CATEGORY 3

41.1 **RESOLVED:** That the information contained in the appendix to the report listed at Item No.18 on the agenda be noted.

42. KING ALFRED DEVELOPMENT - EXEMPT CATEGORY 3

42.1 **RESOLVED:** That the information contained in the appendix to the report listed at Item No.21 on the agenda be noted.

43. PART TWO PROCEEDINGS

43.1 **RESOLVED:** That the items contained in Part Two of the agenda and the decisions thereon remain exempt from disclosure to the press and public.

The meeting concluded at 4.25pm.

Signed

Chair

Dated this

day of

2013

BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES COMMITTEE

4.00pm 12 SEPTEMBER 2013

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

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

PART ONE

44. PROCEDURAL BUSINESS

(a) Declarations of Substitutes

44.1 Councillor Mitchell declared that she was attending the meeting as substitutes for Councillor Lepper.

(b) Declarations of Interest

44.2 There were no declarations of interest.

(c) Exclusion of the Press and Public

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

44.4 **RESOLVED:** That the press and public not be excluded from the meeting during consideration of the items contained in agenda.

45. CHAIR'S COMMUNICATIONS

45.1 The Chair welcomed everyone to the meeting and noted that he was being shadowed by a television crew from BBC South-East and had therefore given permission for them to film and record the meeting.

45.2 The Chair noted that it was the committee's first meeting since July and stated that a lot had happened in the interim. He then outlined a few highlights:

- **Pride** was a great success and raised over 40K for local charities. We are already working with the organisers to ensure next years event is just as successful – if not more so.
- Just before Pride we were recognised for our work on tackling homophobia in schools and I'm pleased to report we have just submitted our Stonewall submission for this year. I'm keen that we remain amongst the very top employers in relation to our LGBT staff and that we maintain Brighton's position and international reputation as a diverse, celebratory and supportive city for LGBT peoples
- In matters related to our **city's heritage**; over the summer we unveiled blue plaques; one celebrating the work of John Constable and the other recognising the pleasure that Hove held for King Edward the Seventh.
- And looking ahead; we are developing plans to **commemorate the First World War** in a way appropriate to the city and in partnership with civil and military organisations. This is at a very early stage but has already generated a lot of interest; we look set to be recognising the event both formally and informally, utilising the very best the city has to offer in terms of its history, culture, arts, partnerships and community groups.
- We have made use of **new technologies** by upgrading some parking meters so that drivers can use mobile phones to pay. And I've been delighted by the reaction to the Digital Festival which has showcased many artists, developers and IT experts locally and from further afield
- In relation to **our local environment**; we were awarded six green flags over the summer for the quality of our local parks and we also re-opened the renovated Rock Garden and part of our - already highly regarded – re-design of The Level.

45.3 The Chair then stated that the committee would recall that following a report on home to school transport prepared by Children's Services it was resolved to cease to support the 96 bus service which runs from the Westdene area to Hove Park and Blatchington Mill Schools at the beginning and end of the school day, and to consult with schools and parents on possible alternative arrangements. Following this consultation, officers recommended that the service should be supported for one further year, as the number of children involved exceeded any minibus arrangements the schools were able to arrange. This recommendation was agreed by the Executive Director of Children's Services in consultation with him and parents had been informed. The number of children travelling from the Westdene area to these two schools will decrease further in 2014, and the schools themselves will be responsible for discussions with the parents about future arrangements.

45.4 He noted that the Committee had also resolved that there should be a change in the pick up points and routes at the end of the school day for the 94 bus service, a commercial service which serves Dorothy Stringer and Varndean Schools. Following consultation with the two schools the officers recommended that this change could be too disruptive for the large number of Dorothy Stringer students using this service. Some safety improvements have been made in Ditchling Road to help address the

concerns about Varndean students crossing this road, and officers will discuss further with the schools whether better arrangements for the end of the day can be achieved. Again, the officers' recommendation was agreed by the Executive Director of Children's Services in consultation with him.

46. PUBLIC INVOLVEMENT

- (a) Petitions**
- (b) Written Questions**
- (c) Deputations**

45.1 The Chair noted that there were no matters to be taken under the Public Involvement item.

47. BUSINESS RATES EMPTY PROPERTY RE-OCCUPATION INCENTIVE

47.1 The Committee considered a report of the Executive Director for Finance & Resources which detailed a proposed scheme for the creation of a localised Empty Property Occupation Discount. She stated that there had been positive feedback from various organisations and local businesses on the proposed scheme and it was intended to introduce the scheme for a period of 6 months and to then report back to the committee on its implementation.

47.2 Councillor Littman welcomed the report and stated that he hoped the proposed scheme would benefit small to medium businesses in the city and see the use of empty properties increasing and therefore bring added benefits to the local economy. He also wished to thank the officers concerned for their work in bringing the scheme forward.

47.3 Councillor G. Theobald welcomed the report and stated that it was an excellent example of enabling local businesses to benefit and develop.

47.4 Councillor A. Norman also welcomed the report and queried what would happen if the scheme proved to be successful and the funding set aside to support it ran out.

47.5 The Executive Director for Finance & Resources stated that if the scheme proved to be a success then it should become self-financing as it would generate business rate income in the long-term. It was also a reason for the proposal to review the scheme and report back to the committee in 6-months time.

47.6 Councillor Hamilton welcomed the opportunity to encourage job creation in the city and hoped that it would see an increase in the number of small businesses that came into operation.

47.7 The Chair noted the comments and stated that property agents would be a key factor in highlighting the scheme and the opportunity to benefit from utilising an empty property. He then put the recommendations to the vote.

47.8 **RESOLVED:**

1. That the business rates Empty Property Occupation Discount scheme described in the report and specified in full at paragraphs 3.1 – 3.13 and Appendix 1 to the report be approved;
2. That delegated authority be granted to the Executive Director for Finance & Resources:-
 - (i) to implement, manage and operate the scheme from 1 October 2013 or as soon as practicable thereafter, until 31 March 2015; and
 - (ii) to take such measures in connection with the scheme as are needed to comply with relevant legislation and statutory guidance.
3. That the Executive Director for Finance & Resources be instructed to review the effectiveness of the Discount Scheme after six months of operation and to report the findings to the Policy & Resources Committee, together with any recommended amendments.

48. MODERNISING THE COUNCIL - WORKSTYLES PHASE THREE

- 48.1 The Committee considered a report of the Executive Director for Finance & Resources which detailed the proposed third stage of the council's Workstyles programme. She stated that the third phase followed on from the previous two and continued to develop the Council's corporate priority to modernise the council and provide up to date technological support and an appropriate working environment for its employees. She noted that the committee had previously agreed to the two options detailed in the report being refined and brought back to the committee for consideration. She also noted that the option to do nothing had associated costs for ICT and maintenance of the buildings that had no identified funding. She stated that in bringing forward the two options, officers had concluded that there were no obvious alternative premises in the city that could be purchased and that the sale of Kings House and the improvement works to Hove Town Hall were the best way forward. It was a complex project and as much information as possible had been placed in the public domain.
- 48.2 Councillor Littman welcomed the report and stated that she believed it enabled the council to modernise its infrastructure and serve the community more effectively by investing in its workforce and IT and thereby achieving savings in the long-term.
- 48.3 Councillor G. Theobald referred to the amendment from the Conservative Group that had been circulated and which sought to change the recommendations listed in the report. He formally moved the amendment and stated that the need to modernise and the Workstyles project was supported by the Conservative Group, along with the sale of Kings House. However, the Conservative Group believed that there was a pressing need for a new primary school in Hove to meet the demand for school places, and the use of the rear of Kings House for such a school was an opportunity to be taken. He hoped that this opportunity would not be overlooked and that the provision of a new school in an excellent position to serve the residents of Hove could be considered as a priority.

- 48.4 Councillor A. Norman formally seconded the amendment and stated that the provision of a primary school on the Kings House site would mean that it had excellent accessibility, the traffic movement was likely to be no greater than that currently and there were no other sites anywhere nearby that could accommodate the a new school.
- 48.5 The Chair noted the comments and asked the Executive Director for Children's Services to clarify the position in regard to the number of school places that were being sought.
- 48.6 The Executive Director for Children's Services stated that for the last school year, a total of 52 children who resided within a 1 mile radius of Kings House had been directed to schools elsewhere across the city. It was anticipated that numbers would fall over the next few years and that a peak had been reached. He acknowledged that there was still a pressure for places in Hove and that this would be given further consideration.
- 48.7 The Executive Director for Finance & Resources stated that the proposed amendment would require officers to undertake further work and report back to a future meeting. The current recommendations contained in the report were based on market research and income generated from the sale of the whole site; whereas the provision of a school at the rear of the building would mean a lower capital receipt and that would impact on the implementation of the Workstyles Phase Three proposals. She also noted that from some provisional investigations into the proposed use of the building for a school, the need to provide a double-height hall meant that it could affect the available open play space that could be provided.
- 48.8 Councillor Morgan stated that he believed the decision before the committee was a key corporate decision and one with such significance since the decision to purchase Kings House in 1996. There was a clear corporate priority to modernise and this had to include making the best use of assets. The improvements to Hove Town Hall would provide a modern flexible working environment and the sale of Kings House would enable the provision of much needed affordable housing in the city. He questioned whether the provision of a school would be achieved in time to meet the demand and therefore could not support the amendment. He believed that further work was required to identify how the demand for school places could be met but felt that it was imperative to enable the provision of more housing in the city. He also suggested that the changes would provide an opportunity to take meetings out of the city to different locations across the city and thereby open up the decision-making process and engage residents.
- 48.9 Councillor Mitchell thanked the officers involved in bringing the report forward and for the work that had been undertaken. She was aware that the changes to date in relation to phases 1 and 2 had not been easy and noted that staff affected had managed these and continued to provide services. She believed that it was right for the council to reduce in size and have a fit for purpose building in Hove Town Hall and realise the benefits from the sale of Kings House. The question of the provision of school places was difficult to grapple with and needed further consideration but it was not one that should be associated with the modernisation of the council. She therefore fully supported the recommendations and could not support the amendment.
- 48.10 Councillor Shanks stated that the question of the use of Kings House as a school building had been raised previously but it was felt that it was not the most appropriate use and would not enable the council to realise the necessary capital for investment into

Hove Town Hall and the IT infrastructure that was needed. She stated that there were a number of very good schools in the city which had capacity to take more children and therefore parents should be encouraged to use these. She also noted that the forecast for pupil places was showing that a peak had been reached and that numbers were likely to decline at primary level. She therefore hoped that the recommendations contained in the report would be agreed,

- 48.11 Councillor Littman stated that he believed the amendment would result in a council asset being effectively handed over to the Government without any benefit to the council. He could not support the amendment.
- 48.12 Councillor G. Theobald stated that the need for school places was recognised by all the Groups and that the sale of Kings House provided an opportunity to address the demand and enable residents to send their children to a local school. The proposed development at the King Alfred was likely to add to the number of children seeking school places and therefore increase demand in the locality.
- 48.13 Councillor Hamilton drew the committee's attention to the number of schools and places available in Portslade and suggested that those parents living in Hove should be encouraged to use the schools in Portslade. He suggested that it would be beneficial for officers to look at the number of 4-year olds in Hove and Portslade requiring places in September next year and the number of available places that existed and to then consider if demand could be met by the existing provision.
- 48.14 Councillor Peltzer Dun referred to the report and queried whether there was a discrepancy in the proposed marketing of the site in 2014 as detailed on page 30 and in appendix 6 to the report. He also queried whether there had been any community consultation bearing in mind that the proposed changes to Hove Town Hall would result in the loss of a community facility that had been available for over 100 years and whether there would be any changes in regard to the Police accommodation.
- 48.15 The Chair stated that the Police facilities would remain in situ and that there were no proposed changes to their accommodation. He also stated that Hove Town Hall would remain as a community facility and should prove to have more flexibility as a venue. He noted that there was a need to market Kings House as an office building and that the information contained in the report and the appendix gave an indicative time frame.
- 48.16 The Executive Director for Finance & Resources stated that it was intended to retain the council chamber at Hove Town Hall, albeit that it would be a more flexible space to accommodate varied uses. It was intended to undertake consultations as matters progressed and as services were affected and it would include both staff and residents on a service by service basis.
- 48.17 The Chair stated that it was a fundamental project and he believed any delay given the budgetary pressures was questionable and he welcomed the opportunity to provide much needed affordable housing in the city. He thanked all the staff involved with the project to date and looked forward to its completion.
- 48.18 The Chair then put the Conservative amendment to the vote which was lost. He then put the recommendations as listed in the report to the vote which was carried.

48.19 RESOLVED:

1. That the findings of the updated business case and options appraisal for the two previously shortlisted options for implementing Workstyles Phase Three (Option A and B) as detailed in the report be noted;
2. That the risks and financial liabilities associated with the “no change” Option C as detailed in the report be noted;
3. That the implementation of Workstyles Phase Three through Option A which incorporates the refurbishment of Hove Town Hall to modern environmental and technological standards and the re-location of the remaining services and staff from Kings House be approved;
4. That delegated authority be granted to the Executive Director for Finance & Resources to commence appropriate engagement and communications and to implement the works associated with Option A in full;
5. That the following be agreed:
 - i) the disposal of the freehold of Kings House;
 - ii) the grant of long leases in respect of 76-79 and 80 Buckingham Road; and
 - iii) lease areas of Hove Town Hall associated with Option A, on terms to be negotiated by the Valuer and Head of Law.
6. That the Executive Director for Finance & Resources be authorised to use her delegated authority to approve the detailed terms of the disposals referred to in recommendation (5) above, provided that they are certified to be the best consideration obtainable by the Valuer and that the Head of Law be authorised to complete all necessary documentation required in connection with such disposals.

Note: Councillors G. Theobald, A. Norman and Peltzer Dunn wished their names recorded as having voted for the amendment and then against the recommendations contained in the report.

49. ITEMS REFERRED FOR COUNCIL

- 49.1 Councillor G. Theobald requested that Item 48, Modernising the Council – Workstyles Phase Three be referred to the Council meeting in October for information.
- 49.2 **RESOLVED:** That Item 48 on the agenda and the decision taken be referred to the Council meeting on the 24th October 2013 for information.

The meeting concluded at 5.00pm

Signed

Chair

Dated this

day of

2013

| | | | |
|--------------------------|---|---|---------------------|
| Subject: | Targeted Budget Management (TBM) 2013/14 Month 5 | | |
| Date of Meeting: | 17 October 2013 | | |
| Report of: | Executive Director of Finance & Resources | | |
| Contact Officer: | Name: | Jeff Coates | Tel: 29-2364 |
| | Email: | Jeff.coates@brighton-hove.gov.uk | |
| Ward(s) affected: | All | | |

FOR GENERAL RELEASE

1 SUMMARY AND POLICY CONTEXT:

- 1.1 The Targeted Budget Monitoring (TBM) report is a key component of the council's overall performance monitoring and control framework. This report sets out the forecast outturn position as at Month 5 on the council's revenue and capital budgets for the financial year 2013/14.
- 1.2 Early forecasts for the year indicated significant potential pressures and forecast overspending. Month 5 shows the position to be improving overall as we approach the mid-point of the year but there remain significant pressures and forecast risks to manage across the General Fund Revenue Budget.

2 RECOMMENDATIONS:

- 2.1 That the Committee note the forecast outturn position for the General Fund, which is an overspend of £2.413m.
- 2.2 That the Committee note the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.150m.
- 2.3 That the Committee note the forecast outturn position for the Dedicated Schools Grant which is an underspend of £0.309m.
- 2.4 That the Committee note the forecast outturn position on the capital programme.
- 2.5 That the Committee approve the following changes to the capital programme.
 - i) The variations and reprofiles in Appendix 3 and the new schemes as set out in Appendix 4.

3 RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

Targeted Budget Management (TBM) Reporting Framework

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

General Fund Revenue Budget Performance (Appendix 1)

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

| Month 2 Forecast Variance £'000 | Directorate | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|------------------------------------|---------------------------------------|---|--|--------------------------------------|
| (1,311) | Children's Services | 59,166 | 57,697 | (1,469) | -2.5% |
| 2,890 | Adult Services | 62,221 | 64,808 | 2,587 | 4.2% |
| 373 | Environment, Development & Housing | 46,723 | 47,201 | 478 | 1.0% |
| 221 | Assistant Chief Executive | 12,757 | 12,908 | 151 | 1.2% |
| 0 | Public Health | 1,807 | 1,815 | 8 | 0.4% |
| 130 | Finance, Resources & Law | 39,485 | 38,886 | (599) | -1.5% |
| 2,303 | Sub Total | 222,159 | 223,315 | 1,156 | 0.5% |
| 1,085 | Corporate Budgets | 11,728 | 12,985 | 1,257 | -10.7% |
| 3,388 | Total Council Controlled Budgets | 233,887 | 236,300 | 2,413 | 1.0% |

- 3.4 The General Fund includes general council services, corporate budgets and central support services. Corporate budgets include centrally held provisions and budgets (e.g. insurance) as well as some cross-cutting value for money savings targets. General Fund services are accounted for separately to the Housing

Revenue Account (Council Housing). Although part of the General Fund, financial information for the Dedicated Schools Grant is shown separately as this is ring-fenced to education provision (i.e. Schools).

Corporate Critical Budgets

- 3.5 There are a number of budgets that carry potentially higher financial risks and therefore could have a material impact on the council's overall financial position. These are significant budgets where demand or activity is difficult to predict and where relatively small changes in demand can have significant implications for the council's budget strategy. These therefore undergo more frequent and detailed analysis.
- 3.6 They are based on current activity levels and commitments but these can fluctuate significantly over the year. Mitigating recovery actions can change the financial outlook substantially, even for small changes in activity levels but the opposite also applies, hence the reason for closer scrutiny of these areas.

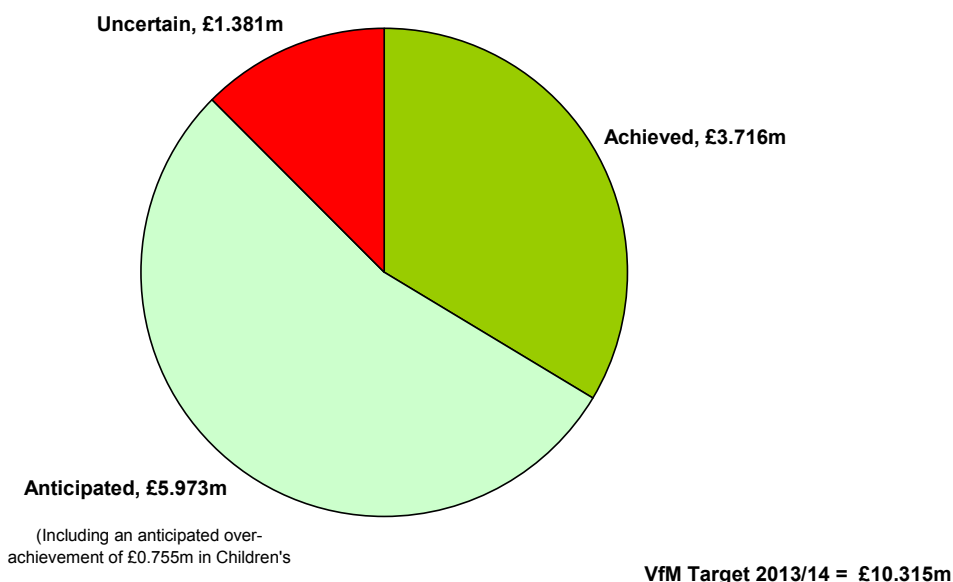
| Month 2 Forecast Variance £'000 | Corporate Critical | 2012/13 Budget Month 5 £'000 | Provisional Outturn Month 5 £'000 | Provisional Variance Month 5 £'000 | Provisional Variance Month 5 % |
|--|----------------------------|---------------------------------------|--|---|---|
| (857) | Child Agency & In House | 19,471 | 18,448 | (1,023) | -5.3% |
| 2,153 | Community Care | 41,427 | 43,268 | 1,841 | 4.4% |
| (175) | Sustainable Transport | (15,781) | (16,026) | (245) | -1.6% |
| 303 | Temporary Accommodation | 1,372 | 1,574 | 202 | 14.7% |
| 0 | Housing Benefits | (569) | (569) | 0 | 0.0% |
| 1,424 | Total Council Controlled | 45,920 | 46,695 | 775 | 1.7% |

Value for Money (VfM) Programme (Appendix 2)

- 3.7 TBM reports also provide updates on the council's Value for Money programme. The VfM programme contains a number of large, complex projects which include additional temporary resources (e.g. Project Managers) to ensure they are properly planned and implemented. Projects can have significant financial and non-financial targets attached to them and their successful implementation is therefore important to the overall financial health of the authority.
- 3.8 Some VfM 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 quantifies progress in terms of those savings that have been achieved, those that are anticipated to be achieved (i.e. low risk) and those that remain uncertain (i.e. higher risk). Those that are uncertain are given greatest attention and details of mitigating actions are given wherever possible.
- 3.9 At this stage there are two key areas of risk regarding Accelerated Service Redesign, which was supported by a Voluntary Severance Scheme, and category spend on IT hardware and software outside of the ICT service.

Accelerated Service Redesign has so far underachieved by £1.126m (£1.295m full year) while there is a pressure of £0.229m on IT category spend. Further information about the risks and actions relating to uncertain savings is given in Appendix 2.

Value for Money Programme (All Phases) - 2013/14 Monitoring



Housing Revenue Account Performance (Appendix 1)

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

| Month 2 Forecast Variance £'000 | HRA | 2013/14 Budget £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|---------------------------------|-------------|----------------------|--------------------------------|---------------------------------|-----------------------------|
| (153) | Expenditure | 56,289 | 56,175 | (114) | -0.2% |
| 30 | Income | (56,289) | (56,325) | (36) | -0.1% |
| (123) | Total | - | (150) | (150) | |

Dedicated schools Grant Performance (Appendix 1)

3.11 The Dedicated Schools Grant (DSG) is a ring-fenced grant which can only be used to fund expenditure on the schools budget. The schools budget includes elements for a range of services provided on an authority-wide basis including early years education provided by the Private, Voluntary and Independent (PVI) sector, and the Individual Schools Budget (ISB) which is divided into a budget

share for each maintained school. The current forecast is an underspend of £0.309m and more details are provided in Appendix 1. Under the Schools Finance Regulations any underspend must be carried forward to support the schools budget in future years.

NHS Managed S75 Partnership Performance (Appendix 1)

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

| Month 2 Forecast Variance £'000 | | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|--|---------------------------------------|---|--|--------------------------------------|
| 212 | Section 75 NHS Trust managed S75 Services | 12,071 | 12,360 | 289 | 2.4% |

Capital Programme Performance and Changes

- 3.14 The table below provides a summary of capital programme performance by Directorate and shows that there is an overall underspend of £0.284m.

| Month 2 Forecast Variance £'000 | | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Outturn Month 5 % |
|--|---|---------------------------------------|---|--|-------------------------------------|
| 0 | Capital Budgets | | | | |
| 0 | Children's Services | 26,304 | 26,304 | 0 | 0.0% |
| 0 | Adult Services | 3,470 | 3,470 | 0 | 0.0% |
| 0 | Environment, Development & Housing – General Fund | 23,671 | 23,671 | 0 | 0.0% |
| 0 | Environment, Development & Housing - HRA | 33,576 | 33,452 | (124) | -0.4% |
| 0 | Assistant Chief Executive | 12,589 | 12,429 | (160) | -1.3% |
| 0 | Finance, Resources & Law | 10,552 | 10,552 | 0 | 0.0% |
| 0 | Total Capital | 110,162 | 109,878 | (284) | -0.3% |

- 3.15 Appendix 3 shows the changes to the budget and Appendix 4 provides details of new schemes to be added to the capital programme which are included in the budget figures above. Policy & Resources Committee's approval for these changes is required under the council's Financial Regulations. The following table shows the movement in the capital budget since approval in the Month 2 report.

| Capital Budget Movement | 2013/14 Budget £'000 |
|--|-------------------------------------|
| Summary | |
| Budget approved at Month 2 | 107,429 |
| Reported at this Committee since Month 2 | 1,160 |
| New Schemes (to be approved) | 2,367 |
| Variations (to be approved) | 968 |
| Reprofiles (to be approved) | (1,762) |
| Slippage (to be approved) | 0 |
| Total Capital | 110,162 |

Implications for the Medium Term Financial Strategy (MTFS)

- 3.16 The council's MTFS sets out resource assumptions and projections over a longer term. It is periodically updated including a major annual update which is included in the annual revenue budget report to Policy & Resources Committee and Full Council. This section highlights any potential implications for the current MTFS arising from in-year TBM monitoring above and details any changes to financial risks together with any impact on associated risk provisions, reserves and contingencies. Details of Capital Receipts and Collection Fund performance are also given below because of their potential impact on future resources.
- 3.17 Details of risk provisions currently held are given in the Corporate Budgets section of Appendix 1. At this stage of the year no risk provisions have been deployed as mitigating actions and recovery plans continue to be implemented. The financial position and the level of forecast risk will be reviewed for Month 7 and the potential use of risk provisions will be considered alongside a Budget Update and Progress report to the December Policy & Resources Committee.

Capital Receipts Performance

- 3.18 Capital receipts are used to support the capital programme. Any changes to the anticipated level of receipts during the year will impact on future years' capital programmes and may impact on the level of future investment for corporate funds and projects such as the Strategic Investment Fund, Asset Management Fund, ICT Fund and the Workstyles VFM projects. For 2013/14 £9.896m capital receipts have been received to date including the completed disposal of Amex House, the disposal of the Ice Rink at Queens Square and the sale of the Council's civic car number plate. These receipts are already assumed within the planned resources expected to be available to fund the current capital programme.
- 3.19 The forecast for the 'right to buy' sales 2013/14 (after allowable costs, repayment of housing debt and forecast receipt to central government) is that an estimated 60 homes will be sold with a maximum useable receipt of £0.428m to fund the

corporate capital programme and net retained receipt of £2.975m available to re-invest in replacement homes. To date, 31 homes have been sold in 2013/14.

Collection Fund Performance

- 3.20 The collection fund is a separate account for transactions in relation to council tax and business rates. Any deficit or surplus forecast on the collection fund relating to council tax is distributed between the council, Sussex Police and East Sussex Fire Authority whereas any forecast deficit or surplus relating to business rates is shared between, the council, government and East Sussex Fire Authority.
- 3.21 The projected collection fund surplus position at 31st March 2014 on council tax is (£1.459m) and the council's share of this (£1.246m). This includes the brought forward surplus from 2012/13 of (£0.497m). There is a lower than budgeted caseload on council tax reduction discounts which accounts for (£0.976m) of the surplus, there is a higher level of new properties than estimated of (£0.264m) which is offset by a higher level of Single Person Discounts £0.278m. The projected surplus at 15th January 2014 will be incorporated into the 2014/15 budget. An updated position on business rates is due to be produced using data at the 30th September and will be reported in the next TBM report and budget report.

Comments of the Director of Finance (S151 Officer)

- 3.22 The month 5 position is clearly showing improvement and this is expected to continue across most services over coming months. The Adult Social Care position is of most concern and options are being considered for partial mitigation of this, working together with Housing colleagues. The Accelerated Service Redesign VFM forecast risk remains problematic as the Voluntary Severance Scheme has now ended, however, options for further service redesign are being explored. As mentioned above, the potential use of risk provisions to mitigate some of these pressures will be considered at Month 7 alongside the Budget Update report to the December committee meeting.
- 3.23 Executive Directors will continue to keep the position under close scrutiny and will take appropriate action to reduce spending, manage vacancies and develop financial recovery plans where necessary.
- 3.24 Members should also note that it has recently come to light that there is dispute between local authorities and Public Health England in relation to prescribing costs. The ring-fenced transfer of £18.2m does not include provision for certain additional prescription costs and services but Public Health England are indicating that this is now the responsibility of local authorities. The potential financial risk to this council is circa £1.0m. Discussions are being held at a regional level to resolve this dispute.

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.

Finance Officer Consulted: Jeff Coates

Date: 21/09/13

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.
- 5.3 As regards the proposed unsupported borrowing for Longhill School detailed in Appendix 4, arrangements for loan repayments in the event of conversion to an academy would follow established principles and guidance issued by the Department for Education and other relevant bodies.

Lawyer Consulted:

Oliver Dixon

Date: 21/09/13

Equalities Implications:

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

Sustainability Implications:

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

Crime & Disorder Implications:

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

Risk and Opportunity Management Implications:

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

Public Health Implications:

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

Corporate / Citywide Implications:

- 5.9 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 overspend of £2.413m. Any underspend at year-end would release one off resources that can be used to aid budget planning for 2014/15. Any overspend will need to be funded from general reserves which would then need to be replenished to ensure that the working balance did not remain below £9.000m.

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

Documents in Members' Rooms:

None.

Background Documents

None.

Appendix 1 – Revenue Budget Performance

Children’s Services - Revenue Budget Summary

| Month 2 Forecast Variance £'000 | Service | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|--|---------------------------------------|---|--|--------------------------------------|
| 0 | Director of Children's Services | 177 | 205 | 28 | 15.8% |
| (105) | Education & Inclusion | 4,886 | 4,753 | (133) | -2.7% |
| (742) | Children's Health, Safeguarding and Care | 33,278 | 32,652 | (626) | -1.9% |
| (464) | Stronger Families, Youth & Communities | 20,825 | 20,087 | (738) | -3.5% |
| (1,311) | Total Revenue - Children | 59,166 | 57,697 | (1,469) | -2.5% |

Explanation of Key Variances

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|--|--------------------------|--|---|
| Director of Children’s Services | | | |
| 28 | Other | Minor overspend variance relating to staff recruitment costs and staffing. | Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible |
| Education & Inclusion | | | |
| (205) | Home to School Transport | The underspend reflects the latest number of children being transported. The number of pupils transported to/from school for May/June was 445, July 421 and September 449. A detailed analysis has been undertaken with the budget holder for each area of the budget and these will continue to be monitored monthly. | |
| 72 | Other | Minor overspend variances | Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|---|-------------------------|--|--|
| | | | bring these budgets back in balance where possible |
| Children's Health, Safeguarding & Care | | | |
| (387) | Social Work Teams | The Social Work Teams are currently projected to underspend due to a number of vacant posts within the teams. | |
| 281 | Care Leavers | Based on the spend to date in 2013/14 there would be an overspend on care leavers of £0.281m . There is currently on-going work to link services with housing to achieve better value for money in this service. | Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring this budget back in balance where possible. There is an ongoing project to look at cost reductions through better partnership working between Children's and Housing services. Increased activity in care leavers is linked to reductions in Looked After Children so spend in this area is supporting the VFM savings above. |
| (30) | Legal Fees | At this stage in the financial year there is insufficient information to produce an accurate forecast. However, early estimates indicate a potential underspend based on quarter 1 expenditure. | |
| (60) | Adoption Payments | The government have instituted a number of changes and new requirements for the adoption service. Linked to this, a new Adoption Reform grant has been made available partly to fund increases in fees for inter-agency adoptions and partly to facilitate the required changes in processes. It is not yet known what the net impact this will have on inter-agency adoption costs and therefore no budget variance has been included at this stage. The underspend relates to regular adoption support payments and allowances which are currently running slightly below budgeted levels. | |
| (428) | Corporate Critical - In | Part of the VFM budget strategy is to switch the emphasis of fostering placements from IFA to in-house carers. The budgets | Continuing the implementation of a tiered approach to the procurement of |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|---|---|--|--|
| | House Foster Payments | are based on an increased number of in-house placements with a corresponding reduction in IFA numbers. This has not progressed as quickly as anticipated resulting in the overspend in IFAs (above) and an underspend of £0.428m in in-house placements. | placements, reducing the proportion of high cost placements. |
| (185) | Contact Service | The underspend in this service is predominantly due to the use of sessional and agency staff being considerably less than anticipated in the budget. | |
| 150 | Data Retrieval | There is a potential budget pressure of £0.150m relating to work being commissioned to improve data retrieval systems within Children's services. | There are mitigating underspends across Children's Services and every effort will be made to keep the cost of this work to a minimum. |
| (111) | Prevention | The underspend in this service mainly relates to the costs of housing and payments to family & friends carers. | |
| 144 | Other | Minor overspend variances | Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible |
| Stronger Families, Youth & Communities | | | |
| (595) | Corporate Critical - Children's Agency Placements | <p>The current projected number of residential placements (27.53FTE) is broken down as:</p> <ul style="list-style-type: none"> • 23.02 FTE social care residential placements (children's homes), • 3.94 FTE schools placements, • 0.57 FTE family assessment placements, and • FTE substance misuse rehabilitation placements. <p>The budget allows for 22.20 FTE social care residential care placements, 6.00 FTE schools placements, 1.50 FTE family assessment placements and 0.60 FTE substance misuse rehab placements. The number of projected children's home</p> | <p>Agency Placement budgets. In particular, the Children's Services Value for Money (VFM) project is effectively addressing the level of activity and spend in IFAs. The plan focuses on strengthening preventive services and streamlining social care processes including:</p> <ul style="list-style-type: none"> • implementing a tiered approach to the procurement of placements for looked after children, reducing the proportion of high cost placements • improving the commissioning and |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|------------------------|---------|--|--|
| | | <p>placements is in line with the budget although 1.30 FTE of these are in 'semi independence' with a considerably reduced unit cost. Other residential placement types remain low compared with historic averages. Overall the number of placements is currently 2.77 FTE below the budgeted level, and this combined with the unit cost savings described above result in an estimated underspend of £0.681m.</p> <p>The numbers of children placed in independent foster agency (IFA) placements began to fall during 2012/13 and that trend appears to be continuing in 2013/14. Currently there are 164.65 projected FTE placements. Although this represents a reduction of 11.4% on last year, the budget strategy included a target for switching the emphasis from IFA to in-house carers which has not yet been achieved. On that basis, budget for IFA placements is 154.00 FTE which is currently being exceeded by 10.65 FTE placements resulting in an anticipated overspend of £0.102m.</p> <p>The current projected number of disability placements is 18.88 FTE with an average unit cost of £1,755.59. The number of placements is 5.38 FTE above the budgeted level. The average weekly cost of these placements is £462.68 lower than the budgeted level and the combination of these two factors together with a projected underspend of £0.050m on respite placements, results in an overspend of £0.117m.</p> <p>It is currently anticipated that there will be 1.08 FTE secure (welfare) placements and 1.26 FTE secure (justice) placements in 2013/14. The budget allows for 1.25 FTE welfare and 0.75 FTE justice placements during the year. There is currently one child in a secure (welfare) placement and three in a secure (criminal) placement resulting in a projected underspend of £0.133m.</p> | <p>procurement of expert assessments in care proceedings, strengthening arrangements for early permanence planning and increasing the numbers of in house foster placements able to provide tier 1 care.</p> <ul style="list-style-type: none"> strengthening early intervention and preventive services and commissioning a transformation change programme to support the re-structuring of social work services in the Children's Delivery Unit. |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|------------------------------------|----------------|--|--|
| (143) | Other | Minor underspend variances | |

Appendix 1 – Revenue Budget Performance

Adult Services – Revenue Budget Summary

| Month 2 Forecast Variance £'000 | Service | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|---------------------------|---------------------------------------|---|--|--------------------------------------|
| 2,153 | Adults Assessment | 48,112 | 49,946 | 1,834 | 3.8% |
| 737 | Adults Provider | 13,593 | 14,355 | 762 | 5.6% |
| 0 | Commissioning & Contracts | 516 | 507 | (9) | -1.7% |
| 2,890 | Total Revenue - Adult | 62,221 | 64,808 | 2,587 | 4.2% |

Explanation of Key Variances

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|---------------------------|---|--|--|
| | | The key variances across Adult Social Care are as detailed below: | Further plans are being developed and mitigating action is being taken to reduce these forecast overspends which are improving. |
| Adults Assessment | | | |
| see below | Assessment Services | Assessment Services are showing an overspend of £1.834m (3.8% of net budget) at Month 5, broken down as follows: | |
| 1,318 | Corporate Critical - Community Care Budget (Older People) | The pressure on the Older People community care budget relates to the Supported Living and Extra Care Housing savings target of £1.64m jointly commissioned with Housing which is now not expected to be delivered in year. The target includes options around Sheltered Housing, Shared Lives and other accommodation. These options are complex and there are significant service, legal, financial and commissioning considerations to work through for each option that will require a greater lead-in time than originally anticipated. Currently, there is a significant risk that units and/or alternative options will | Corporate strategic work is ongoing to deliver the extra care units required and explore/develop the other options-this is unlikely to deliver cost savings until 2014/15 or beyond. Placements are being managed to contain the potential overspend in 2013/14. |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|--------------------------------|--|---|--|
| | | not be deliverable in time to achieve the savings target for 2013/14. | |
| (153) | Corporate Critical - Community Care Budget (Learning Disabilities) | Learning Disabilities are now reporting an underspend of £0.153m at Month 5 following a detailed review of growth assumptions for transition cases. The improvement from Month 2 is £0.486m. It should be noted that the potential impact from Ordinary Residence (OR) claims against the budget is £0.755m full year effect, of which £0.270m is included in the forecast. All OR applications need to be reassessed by B&H and are prioritised against risk, therefore there can be a delay in acceptance. Although the majority of applications are legally sound, some are disputed successfully. | |
| 730 | Corporate Critical - Community Care Budget (Under 65's) | Under 65's are currently showing an overspend of £0.730m (an increase of £0.354m from Month 2 due to several large packages of care being agreed). The underlying pressure is largely due to the full-year effect of the increased complexity (e.g. Acquired Brain Injury) in small numbers of high cost placements against homecare and direct payments. | Continuing to explore alternative models of provision and funding. |
| (54) | Community Care Budget (HIV) | The underspend is a continuation of the activity and spending levels experienced over the last 2 financial years. Consideration needs to be given to realigning the budget, given the pressures on other areas described above. | |
| (7) | Support & Intervention Teams | There is a risk around the delivery of the £0.340m savings target in respect of joint commissioning provider arrangements. | Planning service redesign, however this is unlikely to achieve savings in 2013/14. One off funding relating to a legal case on funding a learning disability placement should cover the pressure for 2013/14 only. |
| Adults Provider | | | |
| 762 | Adults Provider | The forecast overspend includes an assessed risk of £0.500m against the achievement of savings targets totalling £1.640m (2013/14 targets and unachieved targets in 2012/13). Achievement of the savings is dependent on the commissioning | The services are working to implement the changes required to deliver the savings and to identify further opportunities to make |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|--------------------------------------|---------------------------|---|--|
| | | <p>review of day options, the corporate VFM programme on transport, the review of options for different service models led by a corporate working group, and the Learning Disabilities accommodation review, all of which are underway.</p> <p>The forecast overspend also includes additional pressures on Adults Provider budgets due to increased staffing in the Resource Centres for Older People (£0.460m) which has been partly offset by one off and recurrent Department of Health Social Care funding (£0.262m), projected shortfalls on Residents Contributions (£0.068m) and other areas are underspent by £0.004m.</p> | <p>efficiencies across all the services.</p> |
| Commissioning & Contracts | | | |
| (9) | Commissioning & Contracts | There is a pressure of approximately £0.040m against delivery of the Community Meals savings target, which is offset against vacancy management savings across the service. | |

Environment, Development & Housing - Revenue Budget Summary

| Month 2 Forecast Variance £'000 | Service | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|--|---------------------------------------|---|--|--------------------------------------|
| (101) | Transport | (4,025) | (4,081) | (56) | 1.4% |
| 3 | City Infrastructure | 28,602 | 28,606 | 4 | 0.0% |
| 23 | City Regeneration | 1,078 | 1,118 | 40 | 3.7% |
| 133 | Planning & Public Protection | 4,527 | 4,625 | 98 | 2.2% |
| 58 | Total Non Housing Services | 30,182 | 30,268 | 86 | 0.3% |
| 315 | Housing | 16,541 | 16,933 | 392 | 2.4% |
| 373 | Total Revenue - Environment, Development & Housing | 46,723 | 47,201 | 478 | 1.0% |

Explanation of Key Variances:

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|---------------------------|--|---|---------------------------------------|
| Transport | | | |
| (245) | Corporate Critical – Parking Operations | <p>Overall the corporate critical parking budget is forecast to underspend by £0.245m. The main components of this are:</p> <ul style="list-style-type: none"> London Road car park is expected to achieve additional income of £0.221m largely as a result of letting an additional 220 season ticket spaces to a large local business. Surplus permit income of £0.124m. This has been caused by increased demand for permits, partially trader permits where | |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|------------------------|----------------------|--|--|
| | | <p>removal of the waiting list has increased demand and also a general migration from on-street parking to permits.</p> <ul style="list-style-type: none"> • An expected £0.113m surplus on leased car park income. • On-street parking, income received to date and the forecast tariff model suggests a potential over achievement of income by approximately £0.028m. • There is a forecast under-achievement of income of approximately £0.219m relating to other off street car parks. It is possible that changes in prices have resulted in greater movement to on-street parking. Details of customer activity are being investigated to identify potential reasons for income being significantly less than anticipated in the tariff model. • There is a forecast under achievement of £0.053m relating to Penalty Charge Notice (PCN) income. | |
| 60 | Highways | Forecasted pressures totalling £0.060m have been indentified within the Highways division. A potential pressure of £0.065m has been highlighted with regards to staff funding and agency costs; with another pressure of £0.005m in relation to counsel costs. These have been partially offset by additional income of approximately £0.024m. | The Highways team will continue to explore options to reduce its forecast revenue overspend. |
| 128 | Highways Engineering | The £0.128m variance relates to Highways Engineers' costs rechargeable to capital. The expected works rechargeable to capital is less than the budgeted recovery target. The current forecast has been based on a high level analysis of the | Following a review of the scope to further capitalise revenue costs against capital transport projects, it has been concluded that there is no further scope within the current transport capital programme to do this. The forecast revenue |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|---|----------------------|---|--|
| | | expected works during the year. | spend is nonetheless required to support the transport capital programme and hence the revenue deficit will be met from any surplus parking revenues. |
| City Infrastructure | | | |
| 4 | City Clean | There have been some minor variances reported by budget holders but these are expected to be managed within existing budgets. Potential material budget variances, such as the impact of industrial action and service redesign should be noted and detailed forecasts will be developed for future months once the implications are known. | |
| City Regeneration | | | |
| 20 | Economic Development | This relates to a contribution to the Coast to Capital LEP which is above what was originally budgeted. | Other spending will be kept under review to try and manage this within the overall resources of the division. |
| 20 | Sustainability | Pressures have been identified with regards to maternity pay cover (£0.005m) and potentially unachievable income (£0.015m). | An exercise is being carried out to establish whether the sustainability budget could be better aligned to reflect actual activity with the regards to the unrecoverable income. |
| Planning & Public Protection | | | |
| 35 | Development Planning | There is a forecast income shortfall within the Development Management budget of £0.100m. The income forecast for the year is based on the anticipated number of applications, and includes an assessment of the likelihood of receiving income from major applications. There is a predicted income drop of approximately £0.040m compared to previous years as a consequence of the prior approval legislation changes in May 2013 which has increased the scope of change of use development rights. A further £0.019m pressure has been identified | Pre-application advice charges for Major Schemes in development control are to be introduced in the autumn. Work to improve income forecasting, supported by the finance team, means that income forecasts are now considerably more accurate. A bid for delivery of ICT database and migration projects should assist with ongoing and unplanned software upgrade and maintenance costs. Use of some agency staff is also due to come to an end by October. |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|------------------------|--|--|---|
| | | within the Fee-Earning Building Control service. This is a forecasted net position of the service, after considering underspending on the salary budget and underachievement on income. These variances are offset to an extent by a shorter than expected 'Examination in Public' into the City Plan reducing the forecast spend by £0.80m. | |
| 63 | Public Protection | The forecast variance has improved by £0.070m since Month 2. It reflects an anticipated £0.030m shortfall on licensing income budgets where there is little scope to generate additional income, and a £0.033m overspend on the employee budget. | Detailed forecasting across all budgets will be carried out regularly to determine potential for additional income and cost reductions to offset the forecasted overspend. |
| Housing | | | |
| 202 | Corporate Critical Temporary Accommodation & Allocations | As identified at Month 2, the forecast pressure is due to lower than expected income on Block & Spot Purchase Bed and Breakfast placements due to voids and collection rates. Some Bed & Breakfast contracts have been reviewed and appropriate action taken to reduce the level of voids. | Additional leased properties will reduce the impact of lower income for B&B accommodation. A rent accounting system for B&B is being implemented which will enable us to collect income from working people. Income collection for leased properties has been better than anticipated and voids have been lower, which will offset potential overspend. |
| 202 | Travellers | £0.092m overspend on Horsdean site due to remedial/improvement works, increased security costs and income loss due to the site being closed. £0.055m overspend on unauthorised encampments due to fly-tipping waste removal costs, increased legal costs and increased costs for the removal and storage of vehicles. There is a £0.055m overspend on additional staffing required to run this reactive service. | Financial recovery processes are in place; all expenditure is being scrutinised and contracts renegotiated. The option of a temporary office at Horsdean is being explored and improved CCTV which would reduce security costs. Options to prevent expenditure on unauthorised encampments are being considered. |
| 15 | Housing Support | The £0.015m overspend at month 5 relates to staffing costs. | All expenditure is being scrutinised to mitigate this pressure. |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|--------------------------------|----------------|--|--|
| | Services | | |
| (27) | Other Housing | Further underspends on staffing budgets in Housing Options have been identified. | |

Appendix 1 – Revenue Budget Performance

Assistant Chief Executive - Revenue Budget Summary

| Month 2 Forecast Variance £'000 | Service | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|---|---------------------------------------|---|--|--------------------------------------|
| 0 | Communications | 790 | 790 | 0 | 0.0% |
| 100 | Royal Pavilion, Arts & Museums | 3,727 | 3,727 | 0 | 0.0% |
| 121 | Tourism & Venues | 1,512 | 1,663 | 151 | 10.0% |
| 0 | Policy, Civic, Performance & Communities | 5,854 | 5,854 | 0 | 0.0% |
| 0 | Sport & Leisure | 874 | 874 | 0 | 0.0% |
| 221 | Total Revenue - Assistant Chief Executive | 12,757 | 12,908 | 151 | 1.2% |

Explanation of Key Variances

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|---|--------------------------------|--|---|
| Communications | | | |
| 0 | Communications | Break-even position reported at Month 5. | |
| Royal Pavilion, Arts & Museums | | | |
| 0 | Royal Pavilion, Arts & Museums | The service was showing an overspend of £0.100m at Month 2, but has been able to reduce this to a break-even position by reviewing all areas of spend across the service and identifying savings from vacancy management to help improve the overall financial position. | |
| Tourism & Venues | | | |
| 151 | Tourism & Venues | Tourism & Venues are reporting a pressure of £0.151m at Month 5, which is broken down as follows: Venues had an overspend of £0.422m last financial year due mainly to reduced bookings for | Further action will be taken to secure further bookings and maximise future business opportunities. |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|---|---|--|---------------------------------------|
| | | entertainments. As a result of the action taken to help secure further bookings and maximise future business opportunities the overall pressure reported at Month 5 is much reduced at £0.116m (reduction of £0.004m from Month 2). There is a pressure of £0.018m relating to the full-year savings target applied to the Visitor Information Centre which is not actually closing until October and a further £0.017m against Marketing from reduced advertising receipts. | |
| Policy, Civic ,Performance & Communities | | | |
| 0 | Policy, Civic Performance & Communities | Break-even position reported at Month 5. | |
| Sport & Leisure | | | |
| 0 | Sport & Leisure | Sport & Leisure are reporting a break-even position at Month 5. However there is a risk in respect of liabilities for Saltdean Lido until a lease is granted to an external operator. This is nearing completion. | |

Public Health – Revenue Budget Summary

| Month 2 Forecast Variance £'000 | Service | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|-------------------------------|---------------------------------------|---|--|--------------------------------------|
| 0 | Public Health | 35 | 35 | 0 | 0.0% |
| 0 | Community Safety | 1,595 | 1,595 | 0 | 0.0% |
| 0 | Civil Contingencies | 177 | 185 | 8 | 4.5% |
| 0 | Total Revenue - Public Health | 1,807 | 1,815 | 8 | 0.4% |

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|---------------------------|---------------|---|---------------------------------------|
| Public Health | | | |
| 0 | Public Health | <p>This is a ring-fenced grant of £18.2m from the Department of Health, which is being provided to give local authorities the funding needed to discharge their new public health responsibilities. The expectation is that funds will be utilised in-year, but if at the end of the financial year there is any underspend this can be carried over, as part of a public health reserve, into the next financial year. In utilising those funds next year, the grant conditions will still need to be complied with.</p> <p>It has recently come to light that there is dispute between local authorities and Public Health England in relation to prescribing costs. The ring-fenced transfer of £18.2m does not include provision for certain additional prescription costs and services but Public Health England are indicating that this is</p> | |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|----------------------------|---------------------|--|--|
| | | now the responsibility of local authorities. The potential financial risk to this council is circa £1.0m. Discussions are being held at a regional level to resolve this dispute. | |
| Community Safety | | | |
| 0 | Community Safety | Community Safety are forecasting a break-even position at Month 5. | |
| Civil Contingencies | | | |
| 8 | Civil Contingencies | There is a small pressure being reported due to slightly increased staff costs. | Non-pay budget areas will be closely reviewed and savings generated where possible to cover identified pressure. |

Appendix 1 – Revenue Budget Performance

Resources & Finance and Law - Revenue Budget Summary

| Month 2 Forecast Variance £'000 | Service | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|-------------------------------------|---------------------------------------|---|--|--------------------------------------|
| 0 | City Services | 13,424 | 12,987 | (437) | -3.3% |
| 0 | Housing Benefit Subsidy | (569) | (569) | 0 | 0.0% |
| 0 | HR & Organisational Development | 4,253 | 4,253 | 0 | 0.0% |
| 130 | ICT | 6,724 | 6,864 | 140 | 2.1% |
| 0 | Property & Design | 5,864 | 5,646 | (218) | -3.7% |
| 0 | Finance | 6,479 | 6,404 | (75) | -1.2% |
| 0 | Legal & Democratic Services | 3,310 | 3,301 | (9) | -0.3% |
| 130 | Total Revenue - Resources & Finance | 39,485 | 38,886 | (599) | -1.5% |

Explanation of Key Variances

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|---------------------------|---------------|---|---------------------------------------|
| City Services | | | |
| (437) | City Services | Revenues and Benefits are forecasting significant underspends of £0.668m relating to payments from the Local Discretionary Social Fund (£0.457m) and Council Tax Relief (£0.245m) due to initial take up being lower than anticipated. However this is expected to increase over time and Discretionary Payments – forecast last month to underspend - are now expected to be on target. Other variances amount to a cost of £0.034m due mainly to supplies and services costs and some shortfalls in | |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|--|--|--|---|
| | | <p>income recovery.</p> <p>Life Events are forecasting an overspend of £0.231m, a small improvement from last month's figure of £0.249m. Pressures from the crematorium, mostly due to the impact of the Mercury Abatement scheme, are forecast at £0.060m, with further income pressures at Woodland Valley Burial Site of £0.050m. The Registrars service is also expected to cause a pressure of £0.090m (due to projected salary overspends of £0.055m and unachieved income of £0.035m). There were other minor overspends elsewhere in the service amounting to £0.031m.</p> | <p>A financial recovery plan for Life Events has been drawn up within the service and it is hoped this will reduce the overspend further in due course.</p> |
| Housing Benefit Subsidy | | | |
| 0 | Corporate Critical - Housing Benefit Subsidy | Break-even position reported at Month 5. | |
| HR & Organisational Development | | | |
| 0 | HR & Organisational Development | Human Resources & Organisational Development continue to forecast an on-target position. Following an analysis of the service's budget to re-base staffing estimates and income targets, a pressure of £0.124m was identified. This pressure has now been partially dealt with for 2013/14 and it is expected that the service will be able to come in on target this year, and also agree a balanced budget for 2014/15. | |
| ICT | | | |
| 140 | ICT | Our forecast at Month 5 remains at an | The service is developing a financial recovery |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|--|-----------------------------|--|---|
| | | estimated overspend of £0.140m. We have continued to make savings through vacancy management however we still expect that there will be a shortfall on the anticipated VFM savings on the Microsoft Enterprise agreement and telephony contract. There are also pressures on our contracts budgets due to ongoing ICT security issues. | plan in the context of planning the delivery of the ICT Investment Plan and meeting new demands for increased information security following the government's recent announcement of a 'zero tolerance' approach. |
| Property & Design | | | |
| (218) | Property & Design | The commercial rent forecasts are being maintained despite the difficult economic climate for rental properties on the high street. | |
| Finance | | | |
| (75) | Finance | The underspend results partially from vacancies and partially from lower than anticipated implementation costs for service developments relating to banking, income and e-Budgeting. | |
| Legal & Democratic Services | | | |
| (9) | Legal & Democratic Services | Minor underspends. | |

Appendix 1 – Revenue Budget Performance

Corporate Budgets - Revenue Budget Summary

| Month 2 Forecast Variance £'000 | Unit | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|-----------------------------------|---------------------------------------|---|--|--------------------------------------|
| 0 | Bulk Insurance Premia | 3,167 | 3,017 | (150) | -4.7% |
| 0 | Concessionary Fares | 10,144 | 10,198 | 54 | 0.5% |
| 0 | Capital Financing Costs | 9,721 | 9,696 | (25) | -0.3% |
| 0 | Levies & Precepts | 158 | 158 | 0 | 0.0% |
| 1,085 | Corporate VfM Savings | (1,258) | 97 | 1,355 | 107.7% |
| 0 | Risk Provisions | 4,761 | 4,761 | 0 | 0.0% |
| 0 | Other Corporate Items | (14,965) | (14,942) | 23 | 0.2% |
| 1,085 | Total Revenue - Corporate Budgets | 11,728 | 12,985 | 1,257 | -10.7% |

Explanation of Key Variances

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|------------------------------|-----------------------|---|--|
| Bulk Insurance Premia | | | |
| (150) | Bulk Insurance Premia | The underspend relates to a lower level of insurance claims expected to be paid during this year. | |
| Concessionary Fares | | | |
| 54 | Concessionary Fares | There is a projected overspend of £0.054m on concessionary bus fares. Of this, £0.029m relates to increased journey numbers and higher than estimated average fares on services between Brighton and destinations in Mid-Sussex, as well as the impact of an improved service from the end of May on a route to / from Crawley. The remaining £0.025m overspend relates | Underspends on other corporate budgets, notably bulk insurance premia, will be used to mitigate this pressure. |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|--------------------------------|-------------------------------|---|--|
| | | to supported bus routes within the city boundaries where there has been a significant increase in journey numbers and slightly higher than anticipated average fares from April. In comparison with earlier years the increased journey numbers are likely to be linked to the good weather experienced over the summer. | |
| Capital Financing Costs | | | |
| (25) | Capital Financing Costs | There is a forecast £0.025m contribution to the Financing Costs Reserve due to higher than anticipated net cash flows for the year resulting in higher investment income and lower short term borrowing costs. This has been partly offset by lower than anticipated investment returns due to lower interest rates in the money markets. | |
| Corporate VFM Projects | | | |
| 1,355 | Corporate VFM Projects | Overspend relates to the level of uncertain savings resulting from Accelerated Service Redesign (voluntary severance (VSS) scheme) process and IT category spend outside of the ICT service. Details are provided in Appendix 2 (VFM Programme). | Please see Appendix 2 for information. |
| Risk Provisions | | | |
| 0 | Risk Provisions & contingency | <p>The risk provision budget includes the following main items:</p> <ul style="list-style-type: none"> ○ Pay and Pension provisions of £2.4m; ○ Risk provisions of £1.5m; ○ Contingency and other items, including energy inflation provisions | |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|--------------------------------|-----------------------|---|--|
| | | <p>of £0.86m.</p> <p>A break-even position is reported at Month 5 on this budget. This includes the use of £0.800m on a one-off basis to support investment at Hollingdean Depot as outlined in Appendix 3. The overall TBM position at Month 5 indicates a number of forecast risks which may result in a call on risk provisions if these cannot be mitigated by recovery actions. The use of risk provisions to support the overall position will be considered further at Month 7 alongside a Budget Update report to the December committee meeting.</p> | |
| Other Corporate Items | | | |
| 23 | Other Corporate Items | Variances on unringfenced grants. | |

Appendix 1 – Revenue Budget Performance

Housing Revenue Account - Revenue Budget Summary

| Month 2 Forecast Variance £'000 | Housing Revenue Account | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|---------------------------------|---------------------------------------|---|--|--------------------------------------|
| 2 | Employees | 8,629 | 8,659 | 30 | 0.3% |
| 0 | Premises – Repair | 11,028 | 10,991 | (37) | -0.3% |
| 0 | Premises – Other | 3,443 | 3,439 | (4) | -0.1% |
| 0 | Transport & Supplies | 2,201 | 2,240 | 39 | 1.8% |
| 100 | Support Services | 1,979 | 2,071 | 92 | 4.6% |
| (5) | Third Party Payments | 147 | 144 | (3) | -2.0% |
| 0 | Revenue contribution to capital | 20,774 | 20,774 | - | 0.0% |
| (250) | Capital Financing Costs | 8,088 | 7,857 | (231) | -2.9% |
| (153) | Net Expenditure | 56,289 | 56,175 | (114) | -0.2% |
| | | | | | |
| 0 | Dwelling Rents (net) | (49,235) | (49,218) | 17 | 0.0% |
| 0 | Other rent | (1,269) | (1,333) | (64) | -5.0% |
| 25 | Service Charges | (4,932) | (4,908) | 24 | 0.5% |
| 0 | Supporting People | (465) | (480) | (15) | -3.2% |
| 5 | Other recharges & interest | (388) | (386) | 2 | 0.5% |
| 30 | Net Income | (56,289) | (56,325) | (36) | -0.1% |
| (123) | Total | - | (150) | (150) | |

Explanation of Key Variances

| Key Variances £'000 | Service | Description | Mitigation Strategy (Overspends only) |
|--------------------------------|-------------------------|--|---|
| Housing Revenue Account | | | |
| 92 | Support Services | Additional Legal support, £0.070m and Human Resources, £0.030m, is required by Housing Services due to additional work requirements resulting from welfare reform, capital programme major projects and a review of various Housing management services. This has been offset by a small underspend in the charge for the community alarm service. | This is currently being managed within the service by underspends elsewhere in the HRA. |
| (231) | Capital Financing Costs | This forecast underspend is due to a reduction in interest costs as a result of lower levels of borrowing than budgeted. | |
| (64) | Rents-Other | This over-achievement of income relates to an increase in car park income from private users and more income from commercial rents due to rents being revised after the budget was set. | |

Dedicated Schools Grant - Revenue Budget Summary

| Month 2 Forecast Variance £'000 | Dedicated Schools Grant (DSG) | 2013/14 Budget Month 5 £'000 | Provisional Outturn Month 5 £'000 | Provisional Variance Month 5 £'000 | Provisional Variance Month 5 % |
|--|---|---------------------------------------|--|---|---|
| 0 | Individual Schools Budget (ISB) <i>(This does not include the £7.114m school balances brought forward from 2012/13)</i> | 125,167 | 125,167 | 0 | 0.0% |
| 0 | Private Voluntary & Independent (PVI) <i>(Early Years 3 & 4 year old funding for the 15 hours free entitlement to early years education)</i> | 8,857 | 8,857 | 0 | 0.0% |
| (208) | Central Schools Budget <i>(This includes £1.089m central underspend brought forward from 2012/13)</i> | 20,874 | 20,565 | (309) | -1.5% |
| 0 | Grant Income | (153,809) | (153,809) | 0 | 0.0% |
| (208) | Net DSG Budget | 1,089 | 780 | (309) | -28.4% |

Explanation of Key Variances

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|-------------------------------|-----------------------------------|--|---------------------------------------|
| Central Schools Budget | | | |
| (159) | Exceptions | This central budget is held to meet historical commitments, for example, schools' equal pay and combined services costs, together with other statutory items paid on behalf of schools. The allocation of the Exceptions budget is approved by the Schools Forum. This small underspend relates to currently unallocated exceptions budgets. | |
| (130) | Carbon Reduction Commitment (CRC) | £0.130m relates to the CRC underspend in 2013/14. | |
| (48) | Admissions & | Staff Savings | |

Appendix 1 – Revenue Budget Performance

| Key Variances £'000 | Service | Description (Note: FTE/WTE = Full/Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|--------------------------------|------------------------------------|--|--|
| | Transport | | |
| (18) | Education of Looked After Children | Costs in children’s education agency placements being less than anticipated. | |
| 46 | Various | Other minor overspends | |

NHS Trust Managed S75 Budgets - Revenue Budget Summary

| Month 2 Forecast Variance £'000 | S75 Partnership | 2013/14 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|--|---------------------------------------|---|--|--------------------------------------|
| 147 | Sussex Partnership Foundation NHS Trust (SPFT) | 11,430 | 11,658 | 228 | 2.0% |
| 65 | Sussex Community NHS Trust (SCT) | 641 | 702 | 61 | 9.5% |
| 212 | Total Revenue - S75 | 12,071 | 12,360 | 289 | 2.4% |

Explanation of Key Variances

| Key Variances £'000 | Service | Description (Note WTE = Whole Time Equivalent) | Mitigation Strategy (Overspends only) |
|--|---------|---|---|
| Sussex Partnership Foundation NHS Trust | | | |
| 228 | SPFT | Sussex Partnership NHS Foundation Trust are reporting an overspend of £0.456m at Month 5 (an increase of £0.274m from Month 2), reflecting growth pressures and an increase in need and complexity in Adult Mental Health and forensic services within residential and supported accommodation. In line with the agreed risk-share arrangements for 2013/14 any overspend will be shared 50/50 between SPFT and BHCC and this has been reflected in the overspend of £0.228m reported here. | There is ongoing scrutiny at Panel and identification of appropriate funding streams. The BHT Start project has been extended. Move on activity will remain a key element of work for Transitions team and Recovery services. |
| Sussex Community NHS Trust | | | |
| 61 | SCT | The pressure of £0.061m against the Integrated Community Equipment Store (ICES) budget reflects the continued increased demand for equipment and is a continuation of the trends seen in last financial year. | Options on service models will be reported to Adult Care & Health Committee in September. |

Value for Money Programme Performance

| Projects | Savings Target £m | Achieved £m | Anticipated £m | Uncertain £m | Achieved % |
|---|----------------------|----------------|-------------------|-----------------|---------------|
| Adult Social Care | 2.284 | 0.770 | 1.514 | 0.000 | 33.7% |
| Children's Services | 2.660 | 1.423 | 1.992 | 0.000 | 53.5% |
| ICT | 0.410 | | 0.181 | 0.229 | 0.0% |
| Procurement | 1.396 | | 1.396 | 0.000 | 0.0% |
| Workstyles | 0.440 | | 0.440 | 0.000 | 0.0% |
| Business Process Improvement | 0.320 | | 0.320 | 0.000 | 0.0% |
| Accelerated Service Redesign (VS Scheme) | 2.500 | 1.374 | | 1.126 | 55.0% |
| Additional Management Savings 2012/13 (FYE) | 0.175 | 0.149 | 0.000 | 0.026 | 85.1% |
| Client Transport | 0.130 | | 0.130 | 0.000 | 0.0% |
| Total All VfM Projects | 10.315 | 3.716 | 5.973 | 1.381 | 36.0% |

* These savings are retained by the service areas in which they occur.

Explanation of 'Uncertain' VfM Savings:

| Key Variances £'000 | Description | Mitigation Strategy for Uncertain Savings |
|-------------------------------------|---|--|
| Accelerated Service Redesign | | |
| 1,126 | Accelerated Service Redesign required services to identify opportunities to accommodate staffing reductions through applications to a Voluntary Severance Scheme (VSS). The savings target of £3m (full year) was known to be challenging and at the conclusion of the process, there is a forecast shortfall. All VSS applicants have been considered and decisions agreed through a corporate panel set up to oversee the process - 98% of accepted applicants have signed | Options for addressing the in-year and full-year shortfalls are being considered and possible further service redesign opportunities are being looked at. However, if the saving cannot be achieved in full, this may require the use of risk provisions which were built into the approved budget in recognition of the level of risk inherent in achieving this saving and other complex or higher risk savings. |

| Key Variances £'000 | Description | Mitigation Strategy for Uncertain Savings |
|--|--|---|
| | agreements. The process included an appeals procedure which has been completed and therefore it is not anticipated that any further savings will be generated directly through the VSS process. | |
| ICT | | |
| 229 | A review of spending across all IT hardware and software categories in all services outside of the ICT service identified that spending has not always been consistent with corporate ICT strategy and also that potential procurement economies could be achieved. A full analysis of spend (and budgets) has now been undertaken across the council and a potential method of allocation identified. However, it has become clear that the method of allocation needs to be more sophisticated and will need to align with opportunities for cost reduction, which generally means understanding when IT contracts and licences are next up for renewal or review. | A more detailed piece of work is now being undertaken to gather information about patterns and timing of IT spend across services and the timing of potential reviews and renewals to ensure that this saving can be achieved without a detrimental impact on services. |
| Additional Management Savings 2012/13 | | |
| 26 | There is a small shortfall against the £0.400m Additional Management Savings 2012/13 of which the full-year effect of £0.175m is due to be achieved in 2013/14. The achieved savings of £0.374m resulted from two senior management restructures implemented by the Interim Chief Executive and subsequently completed and refined by the newly appointed permanent Chief Executive. The restructures resulted in a considerable number of changes which were originally estimated to meet the savings target in full but which after all posts and costs are now and in place and known has resulted in a small shortfall, mainly due to variances in estimated on-costs. | As these restructures are now closed and the new structure was implemented in April 2013, this small shortfall will be met from unallocated contingency. |

Children's Services – Capital Budget Summary

| Forecast Outturn Month 2 £'000 | Service | 2013/14 TBM 2 Budget £'000 | Reported at other Meetings £'000 | New Schemes (Appendix 3) £'000 | Variation, Slippage / reprofile £'000 | 2013/14 Budget Month 5 £'000 | Provisional Outturn Month 5 £'000 | Provisional Variance Month 5 £'000 | Provisional Variance Month 5 % |
|-----------------------------------|----------------------------------|-------------------------------|-------------------------------------|-----------------------------------|--|---------------------------------|--------------------------------------|---------------------------------------|-----------------------------------|
| 0 | Child Health Safeguard and Care | 630 | 0 | 0 | 326 | 956 | 956 | 0 | 0.0% |
| 0 | Education and Inclusion | 17,585 | 0 | 0 | (222) | 17,363 | 17,363 | 0 | 0.0% |
| 0 | Schools | 7,943 | 0 | 42 | 0 | 7,985 | 7,985 | 0 | 0.0% |
| 0 | Total Children's Services | 26,158 | 0 | 42 | 104 | 26,304 | 26,304 | 0 | 0.0% |

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

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|--|-------|------------------------------------|--|---------------------|
| Child Health Safeguard and Care | | | | |
| Budget Variation | 326 | Short Breaks for Disabled Children | Since April 2011 local authorities have been under a duty to provide a range of short breaks services for disabled children, young people and their families. This variation is the remaining part of the 2012/13 grant not yet allocated from the balance sheet, as delays have occurred due to the complexity of assessment for adaptations. A number of options are being explored as to how to use this allocation, including acquiring a property that could be used as a venue / residential place for the children. | |
| Education and Inclusion | | | | |
| Budget Variation | (222) | Various school projects | There are 4 projects to be completed by Highways that will be funded from school planning agreements. These are: St Nicholas School £0.054m, St Peter's School £0.020m, Aldrington School £0.060m and West Hove Primary Annexe at Holland Road £0.088m. | |

Appendix 3 – Capital Programme Performance

Adult Services – Capital Budget Summary

| Forecast Outturn Month 2 £'000 | Service | 2013/14 TBM 2 Budget £'000 | Reported at other Meetings £'000 | New Schemes (Appendix 3) £'000 | Variation, Slippage / reprofile £'000 | 2013/14 Budget Month 5 £'000 | Provisional Outturn Month 5 £'000 | Provisional Variance Month 5 £'000 | Provisional Variance Month 5 % |
|---|---------------------------------|-------------------------------------|---|---|--|---------------------------------------|--|---|---|
| 0 | Adults Assessment | 274 | 0 | 0 | 0 | 274 | 274 | 0 | 0.0% |
| 0 | Adults Provider | 1,815 | 0 | 200 | 0 | 2,015 | 2,015 | 0 | 0.0% |
| 0 | Commissioning and Contracts | 401 | 0 | 780 | 0 | 1,181 | 1,181 | 0 | 0.0% |
| 0 | Total Adult Services | 2,490 | 0 | 980 | 0 | 3,470 | 3,470 | 0 | 0.0% |

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

None

Appendix 3 – Capital Programme Performance

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

| Forecast Outturn Month 2 £'000 | Service | 2013/14 TBM 2 Budget £'000 | Reported at other Meetings £'000 | New Schemes (Appendix 3) £'000 | Variation, Slippage / reprofile £'000 | 2013/14 Budget Month 5 £'000 | Provisional Outturn Month 5 £'000 | Provisional Variance Month 5 £'000 | Provisional Variance Month 5 % |
|---|--|-------------------------------------|---|---|--|---------------------------------------|--|---|---|
| 0 | City Infrastructure | 3,142 | 0 | 835 | 300 | 4,277 | 4,277 | 0 | 0.0% |
| 0 | City Regeneration | 4,079 | 0 | 0 | 250 | 4,329 | 4,329 | 0 | 0.0% |
| 0 | Planning & Public Protection | 18 | 0 | 0 | 0 | 18 | 18 | 0 | 0.0% |
| 0 | Transport | 9,740 | 0 | 0 | 222 | 9,962 | 9,962 | 0 | 0.0% |
| 0 | Housing | 5,085 | 0 | 0 | 0 | 5,085 | 5,085 | 0 | 0.0% |
| 0 | Total Environment, Development & Housing GF | 22,064 | 0 | 835 | 772 | 23,671 | 23,671 | 0 | 0.0% |

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

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|----------------------------|-------|-----------------------------|---|------------------------|
| City Infrastructure | | | | |
| Budget Variation | 300 | The Level Project – Café | <ul style="list-style-type: none"> The café building was designed to be founded on a chalk layer (which was identified as present by a ground survey of the surrounding area). However the conditions varied from this under the old mess room building, which meant that the design of the foundations needed to be changed to pilings. This led to higher construction costs, increased professional fees and increased preliminary costs due to the delay in programme to both café and landscape contractors. Unplanned works to remediate the north lawns which have become very compacted over years of use and were suffering drainage problems. The | |

Appendix 3 – Capital Programme Performance

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|--------------------------|-------|-------------------|--|---------------------|
| | | | <p>extent of this only became obvious once the grass had been removed to allow seeding.</p> <ul style="list-style-type: none"> • Unplanned works to close off a damaged underground culvert, which did not show up in any service plans or ground survey, and put in new drainage. • Contingency (10%) was allowed, as is typical for these types of schemes, which has covered all unexpected costs except those detailed above. These are essential to the scheme, provide a long term benefit and/or are more cost effective to complete now rather than wait until the next financial year. <p>It is proposed to borrow against the income generated by the new café premises, which is ring fenced for The Level. The annual rent is £0.029m and repayments will be made over the duration of the 15 year lease term. This will ensure operational revenue budgets are protected for parks maintenance.</p> | |
| Budget Variation | 0 | Hollingdean depot | <p>Budget Council in February 2013 agreed an allocation of £1m over 2013/14 and 2014/15 towards the replacement of the vehicle maintenance workshop at Hollingdean Depot. Detailed plans have been drawn up and the latest estimate for build costs provided by the quantity surveyor, replacement equipment and ICT costs is £1.5m. There is a further option to incorporate a mezzanine within the workshop to provide office accommodation to replace the current portacabins and avoid ongoing leasing costs and this is estimated at £0.3m. It is proposed to earmark £0.8m of the 2013/14 corporate risk provision on a one off basis to fund these additional works, this will avoid borrowing that would incur ongoing financing costs. £0.3m of this allocation for the mezzanine is subject to final agreement with the corporate property officer over the accommodation use across the depot site. This allocation will be added to the 2014/15 capital programme as the timing of the expenditure will not fall in this financial year however for the scheme to progress the funding needs to be in place.</p> | |
| City Regeneration | | | | |
| Budget | 250 | Major Projects | In the 2013/14 capital budget presented at Budget Council there was £0.250m for | |

Appendix 3 – Capital Programme Performance

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|------------------|-------|----------|---|---------------------|
| Variation | | | <p>Major Projects from the Strategic Investment Fund. This funding needed to be split over the projects and this has now been allocated as follows:</p> <ul style="list-style-type: none"> • Improvements to New England House £0.020m, • Development of Black Rock Site £0.038m, • Preston Barracks £0.034m, • Circus Street development £0.029m, • Open Market £0.034m, • Falmer Released Land £0.016m, • The Keep £0.049m, • Falmer Community Stadium £0.012m, • i360 project £0.015m, • Redevelopment of King Alfred Swimming Pool £0.002m, and • Brighton Centre Development £0.001m. | |
| Transport | | | | |
| Budget Variation | 222 | Highways | See Education and Inclusion under Children's Services above for an explanation of this budget variation | |

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

| Forecast Outturn Month 2 £'000 | Service | 2013/14 TBM 2 Budget £'000 | Reported at other Meetings £'000 | New Schemes (Appendix 3) £'000 | Variation, Slippage / reprofile £'000 | 2013/14 Budget Month 5 £'000 | Provisional Outturn Month 5 £'000 | Provisional Variance Month 5 £'000 | Provisional Variance Month 5 % |
|---|---|-------------------------------------|---|---|--|---------------------------------------|--|---|---|
| 0 | City Regeneration | 1,600 | 0 | 0 | 0 | 1,600 | 1,600 | 0 | 0.0% |
| 0 | Housing | 33,500 | 0 | 0 | (1,524) | 31,976 | 31,852 | (124) | -0.4% |
| 0 | Total Environment, Development and Housing HRA | 35,100 | 0 | 0 | (1,524) | 33,576 | 33,452 | (124) | -0.4% |

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

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|----------------|-------|--------------------|---|---|
| Housing | | | | |
| Variance | 393 | Communal Gas | After completing and reviewing the feasibility study carried out on Lindfield Court and Jubilee Court, more works were required than were originally budgeted for in 2013/14. The savings from the structural repairs capital budget will fund the budget shortfall. | Savings from other projects will finance these additional funding requirements. |
| Variance | (701) | Structural Repairs | Savings have been identified against the structural repairs capital budget for the Nettleton and Dudeney project. This major project has been undertaken over two financial years, 2012/13 and 2013/14, and the procurement led to significant cost savings compared to the original budget. These savings will be used to fund the additional resources required for the Communal Gas projects at Lindfield Court and Jubilee Court £(0.393m), increasing the fire safety HRA revenue budget for | Savings to be used to fund other project variations. |

Appendix 3 – Capital Programme Performance

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|----------------------|-----------------|-----------------------------------|---|---|
| | | | surveys £(0.200m), and funding various other commitments within the capital programme identified within this report. | |
| Variance | 280 | Establishment Costs - Apprentices | An agreement with the Repairs and Improvement Partnership was reached to contribute towards the costs of training apprentices. These costs will be allocated to the relevant capital programme projects during 2013/14. | Savings from other projects will finance these additional funding requirements. |
| Variance | 200 | Fire Safety | A recent review of Fire Risk Assessments with the Fire Brigade in 2 areas (Craven Vale & Bates Estate) has resulted in a new programme of assessments and works which will require additional budget of £0.200m. | Savings from other projects will finance these additional funding requirements. |
| Variance | 200 | Domestic Rewire | An increased level of work has been identified in order to ensure meeting the Decent Homes target by 2013 and an increase in the level of mutual exchanges & empty properties requiring rewiring. | Savings from other projects will finance these additional funding requirements. |
| Reprofile | (147) | Windows | The windows project at Essex Place is part of the major cladding project and the impact of the extensive consultation has delayed the commencement of these works. | |
| Reprofile | (31) | Condensation and damp works | Condensation and damp works reprofile of £(0.031m). | |
| Reprofile / Variance | (1,346) / (372) | Cladding | The reprofiling of a proportion of the cladding budgets for Bristol Estate £(0.687m) and Essex Place £(0.659m) is required following feasibility studies which have highlighted additional works required and due to extensive stakeholder consultation with tenants and leaseholders. Extensive consultation with leaseholders, tenants and members at Essex Place relating to enclosed balconies has delayed the commencement of this project. Savings have been identified following the completion of the Kingfisher Court project which are being used to fund other commitments within this report. | There are sufficient resources available to cover any emergency repairs that may arise in the intervening period. |

Appendix 3 – Capital Programme Performance

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|--------------------|--------------|----------------|--|----------------------------|
| Underspend | (124) | Various | Minor underspend relate to: Roofing £(0.048m), Citywide Loft Conversions and external projects £(0.018m), Asbestos £(0.026m), Solar PV £(0.010m), Domestic Rewire £(0.008m), Portslade Police station £(0.007m) and other small underspend of £(0.007m). | |

Appendix 3 – Capital Programme Performance

Assistant Chief Executive - Capital Budget Summary

| Forecast Outturn Month 2 £'000 | Service | 2013/14 TBM 2 Budget £'000 | Reported at other Meetings £'000 | New Schemes (Appendix 3) £'000 | Variation, Slippage / reprofile £'000 | 2013/14 Budget Month 5 £'000 | Provisional Outturn Month 5 £'000 | Provisional Variance Month 5 £'000 | Provisional Variance Month 5 % |
|---|--|-------------------------------------|---|---|--|---------------------------------------|--|---|---|
| 0 | Corporate Policy Performance & Communities | 10 | 0 | 0 | 0 | 10 | 10 | 0 | 0.0% |
| 0 | Royal Pavilion Arts & Museums | 4,702 | 0 | 0 | 0 | 4,702 | 4,702 | 0 | 0.0% |
| 0 | Sports & Leisure | 3,093 | 0 | 0 | (238) | 2,855 | 2,695 | (160) | -5.6% |
| 0 | Tourism & Venues | 4,512 | 0 | 510 | 0 | 5,022 | 5,022 | 0 | 0.0% |
| 0 | Total Assistant Chief Executive | 12,317 | 0 | 510 | (238) | 12,589 | 12,429 | (160) | -1.3% |

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

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|-----------------------------|-------|--------------------------|--|------------------------|
| Sports & Leisure | | | | |
| Reprofile | (238) | Volks Railway Shed | <p>The train sheds have significantly deteriorated and water ingress is a regular occurrence. This makes repairs and restoration of the trains extremely difficult and causes them to deteriorate more rapidly. If the trains cannot be maintained to the required standard set by Her Majesty's Railway Inspectorate then this will ultimately lead to the trains being taken out of service. This would affect the level of service provided by the council and have a negative impact on income generation and budget targets.</p> <p>The budget estimate for the project currently exceeds the allocated funding. The scheme has been redesigned and value engineered but still far exceeds the budget. A funding bid to the Coastal Communities Fund was submitted last September in an attempt to finance the new sheds however this bid was</p> | |

Appendix 3 – Capital Programme Performance

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|--------------------|--------------|--------------------------|--|----------------------------|
| | | | unsuccessful. A new bid to the Heritage Lottery Fund is currently being developed, however this process will take a further 2 years before a decision is made. Therefore, the budget should be reprofiled to financial year 2015/16. | |
| Underspend | (160) | Withdean Athletics Track | The project manager of the Withdean Athletics Track has reported that there is an expected underspend of £(0.160m) on this scheme. | |

Appendix 3 – Capital Programme Performance

Finance, Resources and Law - Capital Budget Summary

| Forecast Outturn Month 2 £'000 | Service | 2013/14 TBM 2 Budget £'000 | Reported at other Meetings £'000 | New Schemes (appendix 3) £'000 | Variation, Slippage / reprofile £'000 | 2013/14 Budget Month 5 £'000 | Provisional Outturn Month 5 £'000 | Provisional Variance Month 5 £'000 | Provisional Variance Month 5 % |
|---|---|-------------------------------------|---|---|--|---------------------------------------|--|---|---|
| 0 | City Services | 2,301 | 0 | 0 | 92 | 2,393 | 2,393 | 0 | 0.0% |
| 0 | HR Organisational Development | 208 | 0 | 0 | 0 | 208 | 208 | 0 | 0.0% |
| 0 | ICT | 1,826 | 0 | 0 | 0 | 1,826 | 1,826 | 0 | 0.0% |
| 0 | Property & Design | 4,938 | 1,160 | 0 | 0 | 6,098 | 6,098 | 0 | 0.0% |
| 0 | Finance | 27 | 0 | 0 | 0 | 27 | 27 | 0 | 0.0% |
| 0 | Total Finance, Resources and Law | 9,300 | 1,160 | 0 | 92 | 10,552 | 10,552 | 0 | 0.0% |

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

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|--------------------------------------|-------|---|--|------------------------|
| Delivery Unit – City Services | | | | |
| Variation | 92 | Woodvale Cremators for Mercury Abatement | <p>There needs to be additional works to the Woodvale Cremators for Mercury Abatement project and to improve the customer experience at Woodvale in a number of important areas. The additional sums will be from borrowing repaid from revenue over 15 years.</p> <p>The key additional works and rationale for each are as follows:</p> <ul style="list-style-type: none"> Hearing loop system – in response to lobbying by a local campaigner, upgrades to the existing provision for people with hearing difficulties have been identified. Hearing loops are being installed in all three of the | . |

Appendix 3 – Capital Programme Performance

| Detail Type | £'000 | Project | Description | Mitigation Strategy |
|-------------|-------|---------|---|---------------------|
| | | | <p>Woodvale chapels, ensuring that we comply fully with our obligations under the Disability Discrimination Act at a cost of £0.012m.</p> <ul style="list-style-type: none"> • Music System – we are also taking the opportunity to upgrade our music system in the North and South Chapel and Woodvale. The existing system has been the source of complaints and we will also take the opportunity to integrate the music and hearing loop systems. This will help to provide an improved customer experience at funeral services, particularly for those with hearing loss. The cost of this will be £0.016m. • Chimney flues – due to the condition of the existing flues serving the cremators at Woodvale, we need to replace them. Rather than spend a significant portion of the project contingency on this work at this stage of the project, we would propose to extend the budget to accommodate the works. These works are essential to ensure the new cremators can be commissioned and operational. The estimated cost of this is £0.016m. • Roof Repairs – the flat roof to the crematory at Woodvale requires some repairs to ensure it remains water-tight into the future. Rather than undertake limited repairs at this stage, we would like to take the opportunity to re-cover the roof with a liquid-applied coating to prevent deterioration and future disruption and expenditure. The cost of this is estimated to be £0.016m • Generator – the generator needs to be moved out of its current storage location, as it is damp and causing rust. The proposal is to construct a building near to the mortuary to house the generator. Also a cable connecting the generator to the mortuary needs upgrading to ensure that the power supply will be reliable in the event of it being required. The cost of this will be £0.032m. | |

| New Capital Project Approval Request | | | | |
|--|---|---------|---------|-------|
| Unit: | Children’s Services (Education and Inclusion) | | | |
| Project title: | Longhill School ICT Equipment | | | |
| Total Project Cost (All Years) | £41,910 | | | |
| Purpose, benefits and risks: | | | | |
| The purpose of the unsecured borrowing is to purchase the school's annual computer replacements. The school’s computers are replaced every five years and the annual payment is planned for within the budget. | | | | |
| Capital expenditure profile (£'000): | | | | |
| Year | 2013/14 | 2014/15 | 2015/16 | TOTAL |
| Unsupported Borrowing | 42 | 0 | 0 | 42 |
| Total estimated costs and fees | 42 | 0 | 0 | 42 |
| Financial implications: | | | | |
| The purchase of IT equipment for Longhill School will be funded by unsupported borrowing over a 5 year term. Longhill School ended the 2012/13 financial year with an underspend of £0.274m and has factored the future repayments of £0.042m into their multi-year budget plan submitted to the Schools Finance Team. Should the school convert to an academy during the lifetime of the loan, liability for any outstanding repayments would normally transfer to the academy, subject to the necessary terms and conditions being contractually agreed between the parties. | | | | |

Appendix 4 – Capital Programme Changes

New Capital Project Approval Request

| | |
|---------------------------------|--|
| Unit: | Adult Services (Adults Provider & Commissioning and Contracts) |
| Project title: | Environment of Care for People with Dementia Programme |
| Total Project Cost (All Years): | £980,000 |

Purpose, benefits and risks:

Brighton and Hove has significant numbers of people over 85 with dementia, both diagnosed and undiagnosed, and high numbers of people with alcohol related dementia. This means that, despite having lower prevalence of dementia in early old age than the national average, the care environment is particularly important. As part of a national funding programme by Department of Health, Brighton & Hove City Council has been successful in securing £0.980m of capital funding to support the following care pathways:

- (1) Prevention/community based services - Services that support people in the community, promote health and wellbeing and minimise the need for more intensive support.
- (2) Acute Hospital services, provided by Sussex Partnership NHS Trust (SPFT) and Brighton and Sussex University Hospitals NHS Trust (BSUH).
- (3) Community Short Term Services - Short term, care home and community services that provide rehabilitation and enablement following a crisis or are put in place to prevent a crisis.
- (4) Residential Care Homes - 'Traditional' providers of care to older people.

In each of these care settings, tangible physical improvements will be introduced with the aim of significantly improving the experience and outcomes of people with dementia.

Capital expenditure profile (£'000):

| Year | 2013/14 | 2014/15 | 2015/16 | TOTAL |
|--|------------|---------|---------|------------|
| Environment of Care for People with Dementia Grant | 980 | | | 980 |
| Total estimated costs and fees | 980 | | | 980 |

Financial implications:

The grant is from the Department of Health and must be used in the 2013/14 financial year. Any officer time involved in supporting the programme will be met from within existing revenue budgets.

New Capital Project Approval Request

| | |
|---------------------------------|---|
| Unit: | Environment, Development & Housing GF (City Infrastructure) |
| Project title: | City Centre Communal Recycling project |
| Total Project Cost (All Years): | £684,741 |

Purpose, benefits and risks:

The city centre has a high housing density and a high turnover of population with many properties lacking outside space, leading to lower recycling rates using the black box collection scheme. Where residents do use this scheme, the boxes tend to be used as litter bins by passers by, resulting in contaminated contents and wind blown litter. After a consultation, the residents showed a strong preference for communal recycling bins. Communal recycling would lead to revenue savings and more efficient use of staffing resources.

Capital expenditure profile (£'000):

| Year | 2013/14 | 2014/15 | 2015/16 | TOTAL |
|--------------------------------|---------|---------|---------|-------|
| DCLG Weekly Collection Grant | 685 | | | 685 |
| Total estimated costs and fees | 685 | | | 685 |

Financial implications:

The capital set up costs of the scheme will be funded from the Department of Communities & Local Government Weekly Collection Support Scheme grant, which has been awarded to the council to specifically fund the provisions associated with the communal recycling scheme.

| New Capital Project Approval Request | | | | |
|--|---|---------|---------|-------|
| Unit: | Environment, Development & Housing GF (City Infrastructure) | | | |
| Project title: | Redevelopment of Brighton Household waste Recycling Site (HWRS) | | | |
| Total Project Cost (All Years): | £150,000 | | | |
| Purpose, benefits and risks: | | | | |
| <p>Brighton HWRS is located on Wilson Avenue. The main site building was destroyed by fire several years ago. This was the second time it had burnt down. This project seeks to use the insurance money to change the layout of the site and make it split level. A split level site is easier for residents to use as they do not need to walk up steps to throw waste into containers. It reduces the risk of trip hazards and separates the residents from the site operation. Layout will be improved to improve recycling rates and reduce the amount of time the site is closed while skips are moved on site.</p> | | | | |
| Capital expenditure profile (£'000): | | | | |
| Year | 2013/14 | 2014/15 | 2015/16 | TOTAL |
| External contribution (including S106) | 75 | | | 75 |
| Waste PFI Reserve | 75 | | | 75 |
| Total estimated costs and fees | 150 | | | 150 |
| Financial implications: | | | | |
| <p>The cost of creating a split level site is £0.150m more than the insurance money available. It is proposed that the shortfall is funded equally between the contractor and the Waste PFI Reserve.</p> | | | | |

| New Capital Project Approval Request | | | | |
|---|---------|---|---------|-------|
| Unit: | | Assistant Chief Executive | | |
| Project title: | | Retail Units West of West Pier (Seafront) | | |
| Total Project Cost (All Years): | | £510,000 | | |
| Purpose, benefits and risks: | | | | |
| <p>The structure of these arches is maintained by the council as the Highway Authority and several years ago they were closed as they were assessed to be structurally unsound. The Highways Authority has funded the rebuild of the structure and the project requires unsupported borrowing to fund the fit-out cost of these arches in order to create new retail units for small businesses. The completion of these units will provide a new retail quarter which will regenerate this underutilised section of the seafront. There has already been significant interest received, and there is confidence in obtaining full occupancy and a total annual rental income of £0.100m.</p> | | | | |
| Capital expenditure profile (£'000): | | | | |
| Year | 2013/14 | 2014/15 | 2015/16 | TOTAL |
| Unsupported Borrowing | 510 | | | 510 |
| Total estimated costs and fees | 510 | | | 510 |
| Financial implications: | | | | |
| <p>The financing costs associated with borrowing £0.510m over a 10 year period will be met from the income stream associated with letting the units estimated at £0.1m per annum. The additional income after repaying borrowing costs will be used to support maintenance budgets including costs the council may incur for the upkeep of the arches and units.</p> | | | | |

| | | | |
|--------------------------|--|--|---------------------|
| Subject: | Financial Inclusion – Debt Collection and Recovery Policy | | |
| Date of Meeting: | 17 October 2013 | | |
| Report of: | Executive Director of Finance & Resources | | |
| Contact Officer: | Name: | Nigel Manvell | Tel: 29-3104 |
| | Email: | nigel.manvell@brighton-hove.gov.uk | |
| Ward(s) affected: | All | | |

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The council collects and recovers well over £300 million of income including Council Tax, Business Rates, fees and charges for services, housing and property rents, licenses, permits and fines. The prompt and efficient collection and recovery of income is therefore critical to the financial stability of the council and its ability to resource and maintain services on behalf of citizens.
- 1.2 Managing the collection and recovery of income is complex, is often surrounded by legislation, and deals with a wide variety of individuals and businesses with very differing financial and/or personal circumstances. While external collection agencies and factoring firms can take a robust approach to recovery, this is not appropriate for the council when dealing with vulnerable people or groups. Inappropriate recovery actions could cause hardship or exclusion that would not only be contrary to the council's priorities but could lead to even greater long term costs for the council. To assure members, the proposed policy sets out the approach to be adopted by collection units for the recovery and collection of income.
- 1.3 The proposed policy may require further updating following monitoring of the impact of welfare reforms and the outcome of piloting in specific areas.

2. RECOMMENDATIONS:

- 2.1 That the Policy & Resources Committee approves the Corporate Debt Collection & Recovery Policy at Appendix 1.
- 2.2 That the Policy & Resources Committee approves the proposed Action Plan at Appendix 2.
- 2.3 That the Policy & Resources Committee note that the policy and its effectiveness will be the subject of ongoing review and any necessary amendments reported back to the committee for consideration.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 For any organisation collecting multiple sources of income, potentially from the same person or business, good practice demands a co-ordinated approach to the management, collection and recovery of debts. For local authorities, this is often made complex by the different legislative requirements covering the collection and recovery of various types of income but this should not stop sound principles being applied wherever possible.
- 3.2 The council recognises that people and businesses do, from time to time, get into financial difficulty and may have difficulty paying all of their debts, including those owing to the council, even where these have been means-tested. Where this is the case, the council aims to deal with outstanding debt fairly and sensitively, having regard to financial inclusion and ensuring that people and businesses can obtain the right advice to help them manage.
- 3.3 The approach to collection and recovery was encapsulated in a 'Corporate Debt Collection & Recovery Policy' which was first approved by members in September 2007. Although this policy has been revised from time to time, recent changes across local government mean it is now outmoded and requires a major review. The aim of the review is to ensure that it aligns with the recently approved Financial Inclusion Strategy, recognises changing economic conditions for individuals and businesses, reflects changes in practice across the collection and recovery teams, particularly in relation to Welfare Reforms, and supports the council's current Corporate Plan Priorities.
- 3.4 The collection and recovery of income links closely to Financial Inclusion and all collection teams are acutely aware of the need to signpost individuals to good quality financial advice to avoid debt problems becoming severe. The policy has therefore focused on individuals and businesses who get into difficulty and how the council can help them to manage the situation - including signposting to appropriate advice - while balancing this with its duty to collect. To this end, resources were identified through the budget setting processes for both the Housing Revenue Account and the council's General Fund to support financial inclusion work and advice agencies.
- 3.5 Although the council has previously approved a policy in respect of income collection and recovery, it should be noted that this is not a key policy document and has no force in law. It is more akin to a 'Practice Statement' and sets out the approach that the council aims and expects to adopt. Some aspects of the policy are also aspirational and depend on Information Technology enhancements and data sharing capabilities in future to enable full implementation.
- 3.6 The review of the policy needs to take into account the following considerations:
 - i) Extant collection and/or recovery legislation;
 - ii) The council's Financial Inclusion Strategy and commissioning approach;
 - iii) The council's Corporate Plan Priorities, in particular, 'tackling inequality' and 'creating a more sustainable city';

- iv) Data protection and information security, particularly when sharing information about multiple debts across collection teams;
- v) Potential impacts on equality groups and vulnerable groups;
- vi) Potential impacts on income collection and the council's financial position.

3.7 Taking these factors into account, a lead group of officers has reviewed the policy's aims and objectives and considers that with some minor revisions, they remain relevant. The policy's broad aims and objectives should be as follows:-

- To ensure a professional, consistent and timely approach to recovery action across all of the council's income functions.
- To develop a council-wide approach towards sharing debtor information across collection teams and managing multiple debts owed to the council, whether business or personal debt.
- To use prompt, cost effective and fair collection and recovery practices in the pursuance of all debts owed to the council, ensuring that those with the means to pay do pay.
- Where their ability to pay is compromised, to consider debtors' circumstances on a case-by-case basis, taking into account all debts where possible, and providing appropriate signposting, support and advice to promote financial inclusion.
- To treat individuals consistently and fairly in accordance with equality legislation and ensure that individual's rights under Data Protection and Human Rights legislation are protected.
- Through good practice and promoting financial inclusion, to improve the levels of income collected by the council and reduce levels of arrears (debt).

3.8 In simple terms, the thrust of the proposed policy is as follows:

- i) To task the collection teams to work effectively together in dealing with collection and recovery so that they share good practice, and share data and information wherever appropriate. The core principle is that the teams work together to help people and businesses who get into arrears by taking into account *all* of their debts rather than acting on them in isolation.
- ii) In doing so, to be mindful of financial inclusion, equality of treatment and the relevant legal requirements for the debts involved.
- iii) For *individuals* who notify us of difficulties, as far as practicable, to help to avoid the debtor's financial failure, which can create potentially greater long term costs for the council.
- iv) For *businesses* who notify us of difficulties, to help them to avoid failure or insolvency wherever possible, particularly where there may otherwise be a significant economic impact for the council and/or the city.
- v) Where financial or personal difficulties are not apparent or the debtor refuses to communicate with the council, to pursue recovery as normal.

Generally, the actions that would be taken when a debtor notifies us of difficulties would include:

- Suspending normal recovery action and discussing with them alternative payment arrangements;
- Signposting debtors to relevant financial inclusion or money advice services;
- Where appropriate, signposting personal debtors to relevant discretionary payments or funds for which they may qualify.

3.9 There have been very significant changes in both the economic situation and in the welfare system that are having a considerable impact on individuals and businesses. The collection teams are very responsive to such changes and have always adjusted their services and responses to match prevailing conditions. Not to do so would result in significantly greater debtor and business failure and greater economic cost to the council and the city. However, the extent of recent changes and their complexity require a more fundamental review of the response across the council.

3.10 The key difficulty is that the full impact of changing conditions and welfare reforms is not yet understood and clear patterns are yet to emerge. There are also further changes to come. Similarly to the Financial Inclusion Strategy, it is therefore proposed to undertake a series of planned activities to further inform the policy and revise the response as needed over the coming financial year.

3.11 Planned activities will cover the following broad areas:

- Working alongside the Financial Inclusion Strategy to review and inform associated advice and financial services;
- Engaging expert advisers to assist in identifying practice improvements in relation to collection and recovery;
- Piloting approaches for managing multiple debts across collection teams and capturing and analysing associated data;
- Developing improved information and analysis of debtors to inform the Equality Impact Assessment and further improve the service response and approach;
- Reviewing the legal position in relation to 'integrated recovery', data sharing and information security;
- Reviewing best practice across local authorities for integrating the collection and recovery of different types of debt;
- Reviewing payment methods and availability to ensure that a wide range of suitable payment methods are available for all types of debt.

The proposed Action Plan is at Appendix 2.

3.12 In relation to the piloting approach referred to above, a joint working pilot between Housing and Council Tax (Revenues & Benefits Service) has already

commenced and although in the early stages is proving to be very beneficial. The synopsis of this pilot is as follows:

- Housing and Council Tax staff discuss the best ways of progressing individual cases, particularly those where tenants are affected by the under-occupancy charge and council tax contribution for the first time.
- Important information is exchanged and tenants are reassured through contact with officers who are aware of their overall situation and able to take joint action to assist the tenant. Where appropriate, tenants can be offered the chance to renegotiate payments and recovery action can be put on hold to allow the tenant to receive specialist help and guidance. In some instances, tenants may also be able to qualify for a Discretionary Housing Payment or benefit from advice from Financial Inclusion Officers, a Housing Money Adviser or the Money Advice Community Service.
- Staff within Housing and Council Tax are gaining knowledge and expertise of each other's recovery processes and are already seeing the benefits of joint working and taking a more holistic and co-operative approach to income collection. In the longer term the project should lead to fewer summons, possessions, evictions¹, and legal costs and means that tenants will have more confidence in the officers who contact them to discuss monies owed.

3.13 The importance of the link of this policy to financial inclusion work was highlighted in the Financial Inclusion Strategy report approved by Policy & Resources Committee on 21 March 2013. This set out a business case for investment in financial inclusion and gave examples of the positive benefits of avoiding 'financial exclusion' as described in the Table below.

| Potential Cost of Financial Exclusion | Potential Benefit of Financial Inclusion |
|--|--|
| Arrears recovery | A reduction in the level of rent arrears and sustained income generation and cash flow for the council. A reduction in the number of bailiff visits, court and other actions as a result of rent or council tax arrears. A reduction in the number of failed tenancy rates, abandoned properties and housing void costs. |
| Legal costs and challenges | A reduction in the number of court cases and therefore costs associated with this. Reduced demand on 'high end' expensive statutory services. Increased resilience leading to reduction in demand for support services. |
| Transactional | Increase in use of the most efficient collection methods e.g. |

¹ Note that at its meeting on the 8th May 2013 and in relation to the risk of evictions caused by the Housing Benefit Social Rented Sector Size Criteria, the Housing Committee approved: "that for a transitional period until 1st April 2014, where (i) all other avenues have been explored, and (ii) transfer is the only option but there are no suitable properties to transfer to, and (iii) where it is possible to clearly identify that arrears are solely due to the under-occupancy penalty; officers will use all means other than evictions and bailiffs to recover rent due."

| | |
|----------------------------------|---|
| costs | direct debit and other automated payments. |
| Rising debt levels | Access to basic banking facilities and improved skills and knowledge in relation to money management. |
| Costs of temporary accommodation | A reduction in the number of people presenting as homeless. |

The approach outlined in the proposed debt collection and recovery policy can clearly support and enhance these potential benefits.

3.14 In summary, the main changes to the previous 2007 policy are as follows:

- Stronger emphasis and links to the council’s Corporate Plan priorities;
- Clearer links to the Financial Inclusion approach and the recently approved Financial Inclusion Strategy;
- A clearer distinction between the treatment of ‘personal debt’ and ‘business debt’;
- A commitment to apply the council’s ‘Customer Promise’ across debt collection and recovery work;
- Greater clarity about when the council considers that a debtor is not co-operating and therefore where recovery action will need to continue;
- Technical updating for legal changes and changing communication channels (e.g. increasing use of Text/SMS messaging).

4. COMMUNITY ENGAGEMENT AND CONSULTATION

4.1 A Corporate Debt Management Group comprising all the major collection units across the council has worked together to review policy and practice and make recommendations. The group has links to the Financial Inclusion Board and has taken soundings from the board on development of the policy including the planned engagement of expert advisers to help with the ongoing review of practice.

4.2 There is also significant feedback and research available from the work undertaken to develop the Housing Management Financial Inclusion Strategy which consulted with the ASSG (Advice Services Strategy Group) and other stakeholders.

4.3 During the ongoing review process, we will continue to consult with and take feedback from relevant stakeholders, groups, individuals and businesses to inform both policy and practice developments.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 As stated in the report summary, collection and recovery of income is vital to the council’s financial stability given that hundreds of millions of pounds are collected. Two of the policy’s key aims are to: improve overall collection through

helping people and businesses to manage debt more effectively, and; to collect income promptly, efficiently and fairly. These aims ensure that the policy continues to focus on supporting improved collection performance, alongside other objectives, and will not, of itself, jeopardise the council's financial position.

- 5.2 The associated Action Plan includes potential engagement of expert advisers, Toynbee Hall. This is not expected to exceed £5,000 and will be funded from the resources identified in the Financial Inclusion Strategy report to Policy & Resources Committee in March 2013, namely through: "using both the remaining 2011 financial inclusion budget allocation and the additional financial inclusion budget allocation of £300,000 approved through the 2013/14 budget process".

Finance Officer Consulted: Michelle Herrington Date: 07/06/13

Legal Implications:

- 5.3 All types of income to be collected or recovered by the council are subject to statutory rules and time limits for recovery which the collection teams must have regard to. As stated in the report, the proposed policy sets out aims and expectations with the intention of ensuring a consistent approach to collection – it does not replace the legislative requirements. Each case must be looked at on its own individual merits and any relevant circumstances.

Lawyer Consulted: Elizabeth Culbert Date: 11/06/13

Equalities Implications:

- 5.4 The availability of equality data for debtors is generally very limited. Collection units are required to collect and recover debts that are often raised by other service units. For example, the Corporate Debt Management Team collects Home Care Charges from clients on behalf of the Adult Social Care service. The team will usually only have information about name, address, service provided and amount due. They will not have personal information, including equality data, about the client which will be held elsewhere in the social care system (CareFirst). This is common, and the various systems used to manage debts, rents, etc. are often separate from the client information aspects of the system. Similarly, other systems or processes simply do not capture or hold equality information, for example, council tax.
- 5.5 Developing equality information about debtors will therefore be complex and will require joining up data from different systems and/or within systems. The Corporate Debt Management Group will therefore work on developing and gathering this information as far as practicable. However, for some groups e.g. Council Tax payers, this information will not be available and it may be necessary to use proxy data (e.g. census information) to help identify potential equality impacts. A full equality impact assessment cannot therefore be undertaken at present but will be developed as part of the ongoing review and implementation of the policy. An initial screening document is provided at Appendix 3.

Sustainability Implications:

- 5.6 The approach to business debt within the policy (and practice) enhances the link to the council's Corporate Plan Priority of 'creating a more sustainable city'. The policy will ensure that wider factors will be considered in collecting and recovering debt, in particular, helping businesses to manage debt and thereby avoiding business failures that could have an economic impact for the city or an economic cost to the council.

Crime & Disorder Implications:

- 5.7 There are no crime and disorder implications arising from the report.

Risk and Opportunity Management Implications:

- 5.8 Key risks concern the sharing of data across collection units. This will be closely monitored and relevant data protection and information security requirements will be determined and tested before any change to current procedures is implemented.
- 5.9 A collection and recovery policy that introduces overly complex processes and/or decision-making, risks damaging collection performance. The policy approach therefore aims to keep processes simple and effective and minimise the risk of impacting on performance and consequently the resources available to the council.

Public Health Implications:

- 5.10 There are no direct public health implications arising from the report. However, financial difficulties are a cause of stress and distress for individuals and therefore the focus on a financial inclusion approach may be a contributor to maintained or improved public health.

Corporate / Citywide Implications:

- 5.11 The collection of income is important to enable the council to resource and provide essential services to citizens across the city. The policy aims to maintain and improve collection performance while taking a balanced approach.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The authority is not required to have a collection and recovery policy but not to do so could mean that collection units take different and possibly counter-productive approaches to collection and recovery. Good practice requires that a corporate approach is adopted and endorsed by members.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 Effective Income collection and recovery is critical to the council's financial resilience and enables it to resource and provide essential services. However, members will want to know that the approach and ethics that are applied when collecting income, particularly in relation to vulnerable groups and or those in

financial difficulty, supports the council's Corporate Plan Priorities. The approach has been developed in the proposed policy statement that will be used by the income collection teams across the council and which requires the committee's approval.

SUPPORTING DOCUMENTATION

Appendices:

1. Corporate Debt Collection & Recovery Policy
2. Action Plan
3. Equality Impact Initial Screening Document

Documents in Members' Rooms

None

Background Documents

None

FINANCIAL INCLUSION STRATEGY

CORPORATE DEBT COLLECTION & RECOVERY POLICY

Date: 17/10/2013



**Brighton & Hove
City Council**

CONTENTS

| | Page |
|--|-------------|
| 1 INTRODUCTION..... | 3 |
| 2 POLICY AIMS..... | 3 |
| 3 SUPPORTING THE COUNCIL'S PRIORITIES..... | 4 |
| 4 FAIR DEBT COLLECTION..... | 5 |
| 5 DEBTS COVERED BY THIS POLICY..... | 6 |
| 6 THE LEGAL AND POLICY FRAMEWORK..... | 8 |
| 7 THE POLICY IN PRACTICE..... | 9 |
| 8 LIMITATIONS ON DEBT RECOVERY..... | 14 |
| 9 MONITORING..... | 14 |
| APPENDIX – DEBT AND MONEY ADVICE AGENCIES..... | 15 |

1 INTRODUCTION

- 1.1 The council has a duty to ensure that all monies owed to the council (debts) are collected efficiently and effectively for the benefit of all council taxpayers.
- 1.2 In striving to continually improve collection and recovery performance, the council recognises that some people may be unable to pay their debts for a variety of reasons. This may include poverty or other reasons for financial exclusion, which the council will endeavour to balance against its duty to collect. Clearly, the council must collect amounts due wherever possible on behalf of its residents and tax payers and will pursue all available recovery routes where it is clear that individuals or businesses have the means and ability to pay.
- 1.3 The need for people or businesses in debt to communicate their financial status is important. Where a person or business makes contact with us, their circumstances will be considered with a view to agreeing a reasonable payment arrangement (except in the case of statutory timescales), minimising recovery action and helping to alleviate hardship or potential insolvency. Where people or businesses fail to make contact or maintain agreed arrangements, recovery action will continue. However, in doing so, the council will ensure that its debt collection and recovery policy and practice is fair to everyone notwithstanding their age, race, gender, disability, sexuality or religious belief.
- 1.4 This policy details the council's corporate approach to recovery including how it prioritises debt outstanding. Where possible, best practice will be applied to all debt collection and recovery activities within appropriate legal powers. Clearly, this policy is aimed primarily at individual debtors ('Personal Debt') but wherever possible and where legislation allows, the principles and objectives of this policy will also be applied to businesses from all sectors ('Business Debt').

2 POLICY AIMS

- 2.1 The key aims of this policy are as follows:
 - To develop a council-wide approach towards sharing debtor information across collection teams and managing multiple debts owed to the council, whether business or personal debt.

- To use cost effective and fair collection and recovery practices in the pursuance of all debts owed to the council, ensuring that those with the means to pay do pay.
- To ensure a professional, consistent and timely approach to recovery action across all of the council's functions.
- Where their ability to pay is compromised, to consider debtors' circumstances on a case-by-case basis, taking into account all debts where possible, and providing appropriate signposting, support and advice to promote financial inclusion.
- To improve the levels of income collected by the council and reduce levels of arrears (debt).
- To treat individuals consistently and fairly in accordance with equality legislation and ensure that individual's rights under Data Protection and Human Rights legislation are protected.

3 SUPPORTING THE COUNCIL'S PRIORITIES

3.1 'Tackling inequality' is a key priority for the council and Financial Inclusion is an important aspect of this. This policy therefore aims to support this priority and Financial Inclusion by:

- Ensuring that this policy remains commensurate with any Financial Inclusion Strategy and actions approved by the council.
- Requiring that income collection and recovery procedures and practice across the council are aligned with this policy.
- Ensuring that individual debtors in financial hardship are provided with advice on relevant welfare rights and benefits, discounts, relief and exemptions to prevent a worsening situation.
- Where individuals may qualify, to signpost people to relevant discretionary payments or funds.
- Considering longer-term payment arrangements for debtors suffering genuine hardship, although this may not be available for some debts with statutory timescales, such as Penalty Charge Notices (parking tickets).
- Considering referral to discretionary funds for debtors suffering genuine hardship or where recovery action would lead to

potentially greater costs for the council. Note, this may not be available for some debts with statutory timescales, such as Penalty Charge Notices (parking tickets)

- Ensuring that all debts owed to the council are taken into account, with the debtor's consent, to ensure that the council does not increase hardship where different council services may be seeking to recover debts.

3.2 'Creating a more sustainable city' is also a key council priority. The council will therefore take into account the wider potential impact of debt recovery actions. This applies particularly to business debtors where the failure of a business can have wider economic and sustainability implications for the locality.

4 FAIR DEBT COLLECTION

4.1 This policy aims to adopt fair debt collection and recovery practices including:

- Ensuring that bills are accurate, timely and clear.
- Providing appropriate and easy payment methods.
- Encouraging people and businesses who fall into arrears to contact us and agree to payment arrangements appropriate to their circumstances.
- Helping to reduce the effect of debt on people on low incomes by informing people about welfare benefits and helping them to achieve maximum benefit take-up.
- Advising people and businesses where they can get independent advice with financial problems (e.g. Citizens Advice Bureau or the Money Advice & Community Support).
- Developing 'standard' recovery practices that are fair and reasonable;
- Once debts have moved beyond standard recovery procedures, treating outstanding debts on a case-by-case basis and applying the principles of this policy in determining the treatment and recovery of the debt.

5 DEBTS COVERED BY THIS POLICY

5.1 All debts are covered by this policy. The main areas of income and debt are shown below together with the council service responsible for collection and recovery:

Personal Debts:

Council Tax

Housing Rents

Temporary Accommodation

Overpaid Housing Benefit

Sundry Debts (Personal)

Adult Social Care Fees & Charges

Penalty Charge Notices (parking tickets)

Collected/Recovered by:

City Services – Revenues & Benefits Service

Housing Management – Housing Rents Section

Housing Management – Temporary Accommodation Credit Control

City Services – Revenues & Benefits Service

Corporate Debtors Unit (CDU)

Corporate Debtors Unit (CDU)

Parking Management

Business Debts:

National Non Domestic Business Rates (NNDR)

Commercial and Periodic Rents

Sundry Debts (Business)

Penalty Charge Notices (parking tickets)

Collected/Recovered by:

City Services – Revenues & Benefits Service

Corporate Debtors Unit (CDU)

Corporate Debtors Unit (CDU)

Parking Management

Note, Sundry Debts include the following items:

- Commercial Property Rents
- Adult Social Care charges
- Life Events charges (Registrars, Crematorium and other services)
- Library Service charges and fines
- Planning and Building Control fees
- License fees

- Highways fees and fines (excludes Parking)
- Leaseholder, Garage and other Service Charges
- Royal Pavillion, Museums and other Venues charges
- Trading Standards and Environmental Health charges
- Educational facilities and lettings charges

- 5.2 For housing rent, statutory Housing Benefits are provided upon application, which are designed to offset the effects of low income on ability to pay. The Council Tax Reduction Scheme also provides for reduced Council Tax liability for pensioners and working age people on low incomes. Every effort will also be made to identify benefits and other welfare rights that may be payable or available to people liable to pay toward the cost of personal social care services.
- 5.3 Charging policies, statutory or discretionary, can never completely remove the difficulties faced by some people and families on low incomes. The approach to recovery will therefore be sensitive to individual circumstances and take into account multiple debts owed within statutory limitations.
- 5.4 All income collection and recovery services adhere to the council's 'Customer Promise' which is a customer service commitment to everyone who uses council services.

6 THE LEGAL AND POLICY FRAMEWORK

- 6.1 This policy is in addition to existing legislation and is designed to enhance the procedures already in place to collect debt.
- 6.2 This policy is concerned primarily with the recovery of debts prior to legal action being taken but the principles will still be applied wherever appropriate, even if litigation has commenced.
- 6.3 The setting of fees, charges, rents, licences or fines is not covered by this policy. Some of these are statutory (e.g. Council Tax) while others are discretionary and are set and approved locally by the council (e.g. Library Service charges and fines). However, once determined, all are legally collectable and recoverable. However, the collection and recovery of some categories may also be covered by specific legislation and/or regulations for collection and recovery including:

- Council Tax
- National Non-Domestic Rates (Business Rates)
- Housing Benefit Overpayment recovery
- Council Housing Rents
- Penalty Charge Notices (Parking and Bus Lane enforcement)
- Leaseholders
- Residential Care charges

Collection and recovery of all other categories is covered by general legislation or common law.

7 THE POLICY IN PRACTICE

- 7.1 Full names, contact address and a phone number will be established wherever possible prior to service provision or invoicing/billing.
- 7.2 All council bills and invoices will be raised as soon as relevant systems allow and will include clear, relevant and full information as to:
- What the bill is for including date or period of service covered and amount
 - When payment is due
 - How to pay
 - How to contact us if there is a query in relation to the bill or in relation to making payment
 - Where information in other languages can be accessed
- 7.3 All letters and reminders will:
- Be written in plain English standard
 - Explain fully what has been agreed and the consequences of non-payment
 - Include appropriate contact details
 - Be commensurate with appropriate legislation
- 7.4 Debtors will be encouraged to make prompt contact if they disagree with a bill or have difficulty in making payment on time. Contact can be made via:
- Web Site
 - Text/SMS
 - Telephone
 - Letter
 - Email
 - Fax
 - In person or through an advocate or intermediary

Full contact details are available on bills and the council's web site.

PERSONAL DEBTS

- 7.5 For Personal Debts, debtors seeking help due to financial difficulties will, where appropriate:

- be asked if they have other debts owing to the council that they also wish to be considered to avoid them falling into the situation of paying one debt only to build up arrears on another;
- be given the opportunity to have their ability-to-pay assessed by the relevant collection unit and be invited to provide details of their means by listing their income and outgoings (evidence to confirm the accuracy of the means statement will be requested if necessary);
- be encouraged to use the money advice services listed on the council's website and be signposted to welfare rights advice, where appropriate.
- where they may qualify, to signpost them to appropriate discretionary payment schemes (e.g. Discretionary Housing Payments) or discretionary funds (e.g. Council Tax Reduction Scheme Discretionary Fund) for further assessment.

7.6 If a debtor takes up the offer to deal with all council debts collectively, the various collection units will communicate the debtor's details confidentially between themselves and will endeavour to take a holistic approach to collection without prejudice to their own collection unit. The collection units will agree who will be the appropriate lead team responsible for managing each case. This will often be the collection unit handling the largest outstanding debt. The collection units will also agree the priority allocation of any payments to outstanding debts using a guiding set of principles.

7.7 Where there is no continuous liability, a special long-term arrangement may be made according to the ability to pay and the existing recovery provisions, for example, an attachment of earnings. Where liability is continuous e.g. Council Tax, any arrangement made will normally require payments over and above the ongoing monthly liability. Future instalments must be paid when due as a condition of the arrangement.

- *For example, someone owing Council Tax arrears of £600 in March has a new bill issued requiring monthly instalments of say £75.00 from April. They must pay the £75.00 each month, but could be allowed to spread the arrears of £600.00 plus any other council debts over an agreed period. The £75.00 per month would be taken into account when assessing their ability to pay the £600 arrears. If the period agreed was, say, 10 months to match the instalment period*

for the new bill, the monthly Council Tax payment would be £135.00 (£75.00 plus £60.00).

- 7.8 If only the current year's bill is owed, arrangements should normally require payment within the financial year wherever possible. Longer-term arrangements for older arrears will be strictly monitored and reviewed. If there is no improvement by the review date and if the amount payable cannot be reduced, the council will reserve the right to continue with legal action, and in the case of Local Taxation, obtain a liability order from the magistrates' court. This is to protect the council's interests and prevent the debt from becoming statute barred and irrecoverable. Nevertheless, regular contact with the debtor will be undertaken and part payments will be accepted to reduce the overall debt.
- 7.9 Debtors given time to pay will be advised to contact the council immediately should they experience a change of circumstances affecting their ability to pay. This is to discuss the options available to prevent recovery action and additional costs.
- 7.10 If a debtor chooses not to co-operate by:
- refusing to provide details of their income or expenditure, and/or;
 - not consenting to multiple debts being dealt with together, and/or;
 - failing to pay a special arrangement on time without contact,
- then the council must immediately continue recovery action in the normal way.

BUSINESS DEBTS

- 7.11 For Business Debts, debtors seeking help due to financial difficulties will, where appropriate:
- be considered for alternative payment plans on a case-by-case basis taking into account all debts owed to the council;
 - be signposted to relevant advice agencies where appropriate.
- 7.12 If legal proceedings have already commenced, consideration will be given to the priority of the debts owed and the level of repayments currently being made.
- 7.13 If a specific recovery action has already commenced e.g. bailiff action, the action taken will usually continue. However, any arrears not included

in the action will be considered in line with existing arrangements and this policy and relevant legal constraints.

- 7.14 If it is found that the business has the ability to pay, but refuses to pay, then recovery action will continue promptly within the existing arrangements for the type of debt.
- 7.15 If a business takes up the offer to deal with all council debts collectively, the various collection units will communicate the debtor's details confidentially between themselves and will endeavour to take a holistic approach to collection without prejudice to their own collection unit. The collection units will agree who will be the appropriate lead team responsible for managing each case. This will often be the collection unit handling the largest outstanding debt. The collection units will also agree the priority allocation of any payments to outstanding debts.
- 7.16 Where there is no continuous liability, a special long-term arrangement may be made according to the ability to pay and the existing recovery provisions. Where liability is continuous e.g. Business Rates (NNDR), any arrangement made will normally require payments over and above the ongoing monthly liability. Future instalments must be paid when due as a condition of the arrangement.
- *For example, a business owing Business Rate arrears of £600 in March has a new bill issued requiring monthly instalments of say £75.00 from April. They must pay the £75.00 each month, but could be allowed to spread the arrears of £600.00 plus any other council debts over an agreed period. The £75.00 per month would be taken into account when assessing their ability to pay the £600 arrears. If the period agreed was, say, 10 months to match the instalment period for the new bill, the monthly Business Rate payment would be £135.00 (£75.00 plus £60.00).*
- 7.17 If only the current year's bill is owed, arrangements should normally require payment within the financial year whenever possible. Longer-term arrangements for older arrears will be strictly monitored and reviewed. If there is no improvement by the review date and if the amount payable cannot be reduced, the council will reserve the right to continue with legal action. This is to protect the council's interests and prevent the debt from becoming statute barred and irrecoverable. Nevertheless regular contact with the debtor will be undertaken.

- 7.18 Businesses given time to pay will be advised to contact the council immediately should they experience a change of circumstances affecting their ability to pay. This is to discuss the options available to prevent recovery action and additional costs.
- 7.19 If a business fails to co-operate by:
- not consenting to multiple debts being dealt with together, and/or;
 - failing to pay a special arrangement on time without contact,
- then recovery action will be taken promptly in the normal way.

8 LIMITATIONS ON DEBT RECOVERY

- 8.1 All in-house or external bailiffs appointed will be given a code of conduct requiring them to refer to the council, before proceeding to take action, and will be used according to approved procedures.
- 8.2 Referrals to bailiffs for levying distress will normally only be undertaken where there is reasonable likelihood of recovery. This covers Local Taxation debts where the power to remove goods is granted by the Magistrates Court.
- 8.3 Unless otherwise authorised, referrals to collection agencies or bailiffs for debts where there is no power to levy distress, will not be made where this is uneconomic.
- 8.4 Existence of disputed debts must be fully evidenced before litigation can proceed.
- 8.5 Vulnerable debtors and those lacking mental capacity may need a designated "litigation friend" to deal with the proceedings.
- 8.6 In some instances, for example insolvency or bankruptcy of a debtor, it may be necessary to write off debt. The write off of any debt is governed by the council's Financial Regulations and requires Chief Finance Officer (\$151) approval.

9 MONITORING

- 9.1 Each unit/section will be responsible for ensuring that this policy is adhered to and effective. Management information will be required for each debt stream on a monthly basis. The numbers of long-term arrangements, money advice referrals and multiple-debt management arrangements will be recorded.
- 9.2 The council's Internal Audit team will test compliance with this policy in future reviews and will report thereon to management.
- 9.3 Regular meetings between responsible officers nominated by each collection unit/section, known as the Corporate Debt Management Group, will be held at least quarterly to ensure that best practice is kept under review.

APPENDIX – DEBT AND MONEY ADVICE AGENCIES

Debt Advice Agencies

The agencies listed below may be able to offer you advice and assistance in dealing with money and debts.

StepChange Debt Charity (formerly Consumer Credit Counselling Service)

Registered charity offering free, impartial, confidential advice and support to anyone who is worried about debt. Dealing with debt can be a stressful experience but it need not be a challenge you face alone. Step Change Debt Charity (CCCS) has been providing free [debt help](#) to people across the UK for over 15 years. The services they can offer include debt counselling, personal budgeting, advice on borrowing and advice on setting up realistic debt repayment plans. StepChange can also help with identifying your highest priority debts and living expenses and can help you negotiate with your creditors. Use their online tool, [StepChange Debt Remedy](#), for an instant assessment of your situation with free advice tailored to your individual needs.

- Website: www.stepchange.org
- [StepChange Debt Remedy](#) (on-line debt counselling service)
- StepChange Guide to [debt management plans](#)
- Tel: **(0800) 138 1111**

Opening Times: Monday-Friday 8am-8pm; Saturday 9am-4pm

Brighton & Hove Citizens Advice Bureau (CAB)



Offers free, confidential, impartial, and independent advice on managing your finances, including opening bank accounts, problems with bank accounts, benefit overpayments, council rent arrears, budgeting and general debt problems.

- Office based at Hove Town Hall, 1 Tisbury Road, Hove, BN3 4AH
- Drop-in advice times (held at the CAB offices at Hove Town Hall): Mon-Fri: 9.15am-11.15am.
- Tel: **(01273) 223951**

- Phone line open Monday, Wednesday & Thursday: 9.30am-12 noon & 1pm - 3.30pm. Tuesday & Friday: 9.30am - 12 noon.
- Website: www.brightonhovcab.org.uk

National Debtline



Free, confidential and independent telephone helpline service on debt issues. Offers specialist advice, self-help materials and individually tailored Debt Management Plans. Language Line, an interpreter service, is available offering professional telephone interpreters in over 100 languages to translate what you and the adviser are saying to each other.

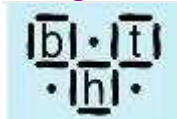
- Tel: **(0808) 8084000**
- Line open: Monday-Friday 9am - 9pm. Saturday 9.30am - 1pm
- Website: www.nationaldebtline.co.uk

My Money Steps

Struggling to pay credit cards, loans or household bills? My Money Steps is a free and easy to use online debt advice service from National Debtline. It will give you a personalised action plan to manage your debts and help get rid of the stress that goes with them.

- Website: www.mymoneysteps.org

Brighton Housing Trust Advice



Brighton Housing Trust (BHT) can provide specialist legal advice on housing, immigration, welfare benefits and debt at their advice centre in Brighton. BHT also has an advice centre in Eastbourne. See their website for more details.

- Address: Community Base, 113 Queens Road, Brighton, BN1 3XG
- Tel: **(01273) 234737**
- Email: advice@bht.org.uk
- Website: www.bht.org.uk

Money Advice Service



**the Money
Advice Service™**

The Money Advice

Service provides clear, impartial information about UK financial services to help you manage your money better and make more informed financial service choices. The website contains a section devoted to [getting free debt advice](#). The Money Advice Service was set up by the government, is funded by the UK financial services industry and is run by an independent chair and board, appointed by the UK Financial Conduct Authority.

- Tel: **(0300) 500 5000** - calls should cost no more than 01 or 02 UK-wide calls and are included in inclusive mobile and landline minutes. You can also ask to be called back.
- Opening Times: Monday-Friday 8.00am-8.00pm. Saturday 9.00am-1.00pm
- Website: www.moneyadviceservice.org.uk

St Luke's Advice Service



Provides help with completing welfare benefit forms, appeals, correspondence with creditors and can offer legal representation at tribunals. Specialises in debt solutions such as agreeing suitable repayments and negotiating with creditors. Also offers help with income and expenditure forms, and advice on Individual Voluntary Arrangement (IVA) or Bankruptcy.

- Address: 18 Exeter Street, Brighton, BN1 5PG
- Opening times: Monday, Wednesday & Thursday 10am - 4pm. Friday 10am - 1pm
- Tel: **(01273) 549203**
- Email: info@stlukesadvice.org.uk
- Website: www.stlukesadvice.org.uk

Debt advice from Shelter

Shelter, the housing charity offers [advice on dealing with debts](#) and advice on [where to get expert help](#).

- Website: http://england.shelter.org.uk/get_advice
-

Debt Advice Foundation



Registered UK **debt advice** charity offering free, confidential support and advice to anyone worried about debt. Can offer you information on what options are available to you based on your own personal circumstances.

- Tel: **(0800) 043 40 50**
 - Lines Open: Monday-Friday 8am - 8pm. Saturday 9am - 5pm
 - If you're calling from a mobile phone, you can ask to be called back.
 - Website: www.debtadvicefoundation.org
-

Debt Support Trust



The Debt Support Trust is a national charity offering advice on dealing with debts, including the use of debt management plans, Individual Voluntary Arrangements (IVAs), Bankruptcy, Protected Trust Deeds* and Sequestration* (*for people living in Scotland).

- Website: www.debtsupporttrust.org.uk
 - Helpline: **0800 085 0226**
 - Opening times: Monday-Friday 8am - 7pm
-

Money Advice and Community Support



Charity providing a welfare benefit and debt advice telephone line. The service is impartial and confidential and the advice is free.

- Office address: 24 Old Steine, Brighton, BN1 1EL
 - Advice line: **(01273) 664040**
 - Line Open: Monday, Wednesday & Thursday 10am - 12 noon. Tuesday & Friday 2pm - 4pm. Outside of these hours you can call and leave a message to request a call-back.
 - Email: info@macss.org.uk
 - Website: www.macss.org.uk
-

East Sussex Credit Union



East Sussex Credit Union is a not-for-profit savings and loans co-operative focusing on the needs of those on low incomes. The credit union offers easy-to-access savings accounts and affordable, flexible loans. It is authorised and regulated by the Financial Services Authority with savings 100% guaranteed by the FSA Compensation Scheme.

If you are in debt and are looking for ways to raise some money or if you've been refused loans by the high street banks, East Sussex Credit Union can offer an alternative to the high-cost loans offered by predatory lenders or doorstep lenders, sometimes referred to as [loan sharks](#).

- Address: Community Base, 113 Queens Road, Brighton, BN1 3XG
- Help Point at Community Base: Mon-Fri 10am - 3pm (call for details of help points outside of Brighton & Hove City Council's area.)
- Tel: **(01273) 234 858** open Mon-Fri 10am - 4pm
- Email: info@eastsussexcu.org.uk
- Website: www.eastsussexcu.org.uk

Knoll Advice Centre



Advice on housing, debts and benefits for residents of Hangleton and Knoll estates and bordering areas.

- Open Mondays 10.00am-1.00pm (except bank holidays)
- Tel: **(01273) 410 383**
- Address: St Richard's Church & Community Centre, Egmont Road, Hove, BN3 7FP

Business Debtline



The Business Debtline provides a free telephone debt counselling service for the self-employed and small businesses facing financial hardship.

- Tel: **(0800) 197 6026**
- Lines open: Monday-Friday 9am - 5pm
- Website: www.bdl.org.uk

Payplan



Offers free, impartial debt solutions tailored to meet personal circumstances such as Debt Management Plans (DMPs) and Individual Voluntary Arrangements (IVAs). Payplan is part-funded by donations from the UK credit industry. It is not a registered charity.

- Tel: **(0800) 280 2816**
- Lines open: Monday-Friday 8am - 9pm, Saturday 9am - 3pm
- Website: www.payplan.com

Online resource: Gov.uk guide to dealing with debt problems



Step-by-step guidance provided by the UK Government's public services access website: www.gov.uk/options-for-paying-off-your-debts

Money Matters Online



A collection of links vetted by Brighton & Hove Library Service and designed to help you with money and finances.

- Website: www.brighton-hove-rpml.org.uk/Libraries/MoneyMattersOnline

Online resource: Citizens Advice Bureau (CAB) Advice Guide



Online help provided by the Citizens Advice Bureau:

www.adviceguide.org.uk

Online resource: Brighton & Hove NHS ~ Information Prescriptions



The Information Prescriptions website has been developed to help people with long term health conditions or social care needs. The website offers information and links to support organisations that can help people manage their conditions better and live longer, healthier and more independent lives. The site includes tips on where to look for financial advice and benefits advice, both locally and nationally - go to: www.ipbh.org.uk/financial-advice-and-benefits

Online resource: Martin Lewis ~ Money Saving Expert



Guidance on [dealing with debt](#), including budgeting advice, a useful budgeting tool and ways to make your money go further. There's also a [guide to mental health & debt](#). The website is run by Martin Lewis. It is not a registered charity. Website:

www.moneysavingexpert.com

Legal Aid



Legal Aid can help you pay for legal advice, mediation or representation in court if you can't afford it. This could include help for housing or debt problems. The Gov.uk website has an [online Legal Aid checker](#) to help you find out if you are entitled to this help.

- Legal Aid on the Gov.uk website: www.gov.uk/legal-aid

Online resource: Gov.uk Benefits Adviser



Many people are missing out on benefits and tax credits by not knowing that they may be entitled to them. The Benefits Adviser is an online questionnaire to help you find out which benefits and tax credits you and your family may be entitled to. No personal information is required. The Benefits Adviser tool is provided by Gov.uk, the UK government's public services access website: www.gov.uk/benefits-adviser

talk about debt

talkaboutdebt

The talkaboutdebt website provides useful information and tips on dealing with debts and suggestions on which of the national debt help organisations might be more suited to help you, based on your circumstances. The website also has some reviews of debt management companies and debt help charities from people who have used them. The website is run by Talk About Holdings Limited. It is not a registered charity. Website: www.talkaboutdebt.co.uk

**Financial Inclusion – Corporate Debt Collection & Recovery Policy
Action Plan 2013/14**

| No | Action | Lead Responsibility | Status | Resources | Timescales | Notes | Priority High/Medium/Low |
|----|---|--|--|--|---|---|--------------------------|
| 1 | The Corporate Debt Management Group (CDMG) will work alongside the Financial Inclusion Strategy to review and inform associated advice and financial services | Nigel Manvell, Head of Financial Services | Started | Existing officer support | Ongoing | Ensures that the policy remains linked to the Financial Inclusion Strategy and Actions. Nigel Manvell chairs the CDMG and is a member of the Financial Inclusion Board | H |
| 2 | Engaging expert advisers, Toynbee Hall, to assist in identifying practice improvements in relation to collection and recovery | Nicky Cambridge, People & Place Co-ordinator | Not started. Engagement meeting planned for 22 July. | Toynbee Hall plus existing officers. Financial Inclusion Board has one-off funding to support this action. | Engagement and scoping - July. Delivery timescale dependent on scope. | This is in accordance with action no. 6 of the Financial Inclusion Organisational Change Implementation Plan (Appendix 3 of March 2013 P&R Report) | H |
| 3 | Piloting approaches for managing multiple debts across collection teams and capturing and analysing associated data. In particular, understanding the impact on collection of other debts if recovery of one type of debt places a debtor into hardship or a business into insolvency, etc. Pilot areas to be identified and planned. | CDMG | Started | Generally, existing officer support from within collection units but may use service budgets to flex resources and provide other temporary support if necessary. | Trialling will occur over the financial year 2013/14. | Data and information will be gathered and analysed to inform potential changes to policy and practice and will be reported back to Policy & Resources Committee if appropriate. | H |

| No | Action | Lead Responsibility | Status | Resources | Timescales | Notes | Priority High/Medium/Low |
|----|---|---------------------|----------------------------------|--|---|--|--------------------------|
| 4 | Developing improved information and analysis of debtors to inform the Equality Impact Assessment and further improve the service response and approach | CDMG | Started | Existing resources | Equality Impact Assessment completed September 2013 | The EIA will identify significant data gaps and therefore the focus will be on identifying the means to close the gaps. | H |
| 5 | Reviewing the legal position in relation to integrated recovery, data sharing and information security | CDMG | Started in first pilot area only | Requires ICT and legal services support which may be subject to other priorities | Support needs to align with planned pilots | Data Protection and information security are an important aspect of debt management and the council must ensure that the way in which it uses and shares data is consistent with the purposes for which it is gathered and held. | H |
| 6 | Reviewing best practice across local authorities for integrating the collection and recovery of debt and developing or procuring appropriate technology and/or services | CDMG | Started | CDMG officers | Ongoing | This is an ongoing area of work for the CDMG. However, the potential integrated management of debt that has reached advanced stages of recovery (i.e. beyond standard letters, etc) is being looked at in the first instance. | M |
| 7 | Reviewing payment methods and availability – e.g. are a wide range of suitable payment methods available for all types of debt? | CDMG | Not started | CDMG officers | September 2013 | This CDMG workstream will review current availability and best practice and identify options for new or improved facilities. | M |

Equality Impact Assessment – Initial Screening

| | |
|--|---|
| Policy: | Corporate Debt Collection & Recovery Policy |
| Lead Executive Director: | Executive Director of Finance & Resources |
| Summary of Policy: | The Corporate Debt Collection & Recovery Policy (CDCRP) details the council's approach to income collection and recovery including how it prioritises debt outstanding. The emphasis is on sharing data and information across collection teams and to adopt a financial inclusion approach in helping debtors who get into difficulty to manage their debts effectively, particularly where they have multiple debts owing to the council. |
| Summary of impacts: | An overly robust approach to collection and recovery applied across all debt with no account taken of differing circumstances may not only impact adversely on specific groups but would also be likely to increase their financial exclusion and hardship. The proposed approach aims to minimise the impact of collection and recovery activity in this respect but will need to be monitored, piloted and reviewed on an ongoing basis to fully understand impacts across all groups. |
| Key actions to reduce negative impacts: | Collection Teams do not work in isolation from their respective service areas and are cognisant of the general characteristics of the client groups that they are dealing with and the associated equalities considerations. However, this policy is about working across teams, which may introduce new challenges and considerations. It is also about strengthening the approach and links with the Financial Inclusion Strategy. As stated above, this will need to be tested on an ongoing basis and appropriate data and information collected to enable a full Equality Impact Assessment to be developed. |

Details of potential impacts on specific equality groups to be considered in the full Equality Impact Assessment:

| Equality Group | Possible impact on group/s? Yes/No | Potential impact | Actions Planned |
|---|------------------------------------|---|--|
| Age (people of all ages) | Yes | Older People, particularly frail people receiving care services, can find financial transactions and communications confusing and may not act on them appropriately, causing potential financial difficulties for them. The EIA for the Financial Inclusion Strategy also identified that financial exclusion increases with age, therefore impacting on ability to manage financial affairs. | <p>A Full EIA will need to be completed taking into account relevant actions already identified in the Financial Inclusion Strategy, Council Tax Reduction Scheme, and other relevant EIAs.</p> <p>Wherever possible, good and innovative policy and practice will be identified through consulting relevant groups, joint working across teams, and reviewing equality responses by other providers and authorities. Expert advisers, Toynbee Hall, may also be able to assist with</p> |
| Disability (a person is disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on ability to carry out normal day-to-day activities) | Yes | Many disability groups may be disproportionately affected by financial exclusion making it harder for them to manage their money effectively. Similarly, some disabilities may lead to general difficulties in managing financial affairs and/or in understanding financial transactions and communications. Those with hearing or visual impairments may also have other requirements. | |
| Ethnicity/Race (this includes ethnic or national origins, colour or nationality, including refugees and migrants; and Gypsies and Travellers) | Yes | Technical financial terms and language can cause difficulties and may be difficult to interpret into other languages. There is also significant evidence that some groups face higher unemployment, poverty and financial exclusion which all impact on ability to manage financial affairs and debt. | |
| Gender (both women and men are covered under the Act) | Yes | There may be issues related to women living alone and lone parents (predominantly women) that need to be considered by recovery services, e.g. Bailiff Services. Lone parents are also disproportionately | |

| Equality Group | Possible impact on group/s? Yes/No | Potential impact | Actions Planned |
|--|---------------------------------------|---|--|
| | | <p>impacted on by poverty and financial exclusion, affecting their ability to manage money and/or debts.</p> <p>Domestic abuse can extend to control over finances by a partner or spouse and collection units may need to be aware of this potential and liaise with other services if this is apparent.</p> <p>During pregnancy and statutory maternity leave, women may have specific protections.</p> | <p>this aspect of the EIA.</p> <p>A piloting approach to debt recovery will be adopted, identifying specific groups or debts to focus on, ensuring effective monitoring of outcomes and using the learning and feedback to inform corporate policy and practice and the EIA.</p> |
| <p>Gender reassignment (a transsexual person is someone who proposes to, starts or has completed a process to change his or her gender. A person does not need to be under medical supervision to be protected)</p> | <p>Yes</p> | <p>Trans people face significant barriers to employment and discrimination in the work place and as a result may be more likely to be on lower incomes and be reliant on benefits and therefore also experience financial exclusion, and problems related to debts and benefits.</p> | <p>The EIA will link to other related workstreams, for example, Welfare Reform and Digital Exclusion.</p> |
| <p>Religion or Belief (religion includes any religion with a clear structure and belief system. Belief means any religious or philosophical belief. The Act also covers lack of religion or belief.)</p> | <p>Yes</p> | <p>There may be cultural issues in terms of some groups' willingness to seek financial help and/or advice from charities or local authorities rather than from their community or religious leaders.</p> | |
| <p>Sexual Orientation (the Act protects bisexual, gay, heterosexual and lesbian people)</p> | <p>Yes</p> | <p>The Financial Inclusion Strategy identified that single LGB people under the age of 35 are more likely to be particularly affected by the change to housing benefit entitlement as many choose to live alone due to family breakdown or discrimination or harassment. This may impact on financial inclusion.</p> | |

| Equality Group | Possible impact on group/s? Yes/No | Potential impact | Actions Planned |
|--|---------------------------------------|---|-----------------|
| <p>Other groups relevant to this policy:</p> <ul style="list-style-type: none"> Non-working families Social housing tenants Homeless people Substance misusers Those on low pay or insecure income ('working poor') Those on benefits Those families affected by child poverty Those living in costly private sector housing Digitally excluded people or groups | Yes | <p>The groups listed will have a greater propensity to financial exclusion and consequently find it more difficult to manage their financial affairs and may have problems with debt and/or welfare rights.</p> | |

Subject: Improving the Customer Experience
Date of Meeting: 17 October 2013
Report of: Executive Director of Finance & Resources
Contact Officer: Name: Rachel Conway Tel: 29-3883
Valerie Pearce Tel: 29-1850
Email: rachel.conway@brighton-hove.gov.uk
valerie.pearce@brighton-hove.gov.uk
Ward(s) affected: All

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT:

- 1.1 Customer Access is an integral and cross cutting part of the Modernisation agenda. The Programme sits alongside Workstyles and Business Process Improvement under the fourth priority in the Corporate Plan to Modernise the Council. The outcomes under this priority are:
- Good governance and leadership;
 - A high performing workforce;
 - Excellent customer service; and
 - Value for money.
- 1.2 We are embedding the Customer Promise in services and improving the customer experience by focusing on a range of work to make it easier for people in the city to access services. Results from the 2013 City Tracker survey confirm an increase in customer satisfaction with the council since the Customer Access Programme began.
- 1.3 This report sets our approach to invest in projects so our customers experience is enhanced whether they prefer to contact the council online, in person or by telephone. The investment needed to improve the customers experience is part of the council's agreed ICT strategy and builds on our existing infrastructure and redesigned website. Making the best use of technology is essential if we are to ensure excellent access to services in the context of overall budget reductions.

2. RECOMMENDATIONS:

That Policy & Resources Committee –

- 2.1 Approve a £273,000 “invest to save” customer access project to make it easier to access parking services online and through smart phones.

- 2.2 Grants delegated authority to the Executive Director Finance & Resources to authorise further customer access invest to save projects within the parameters set out in paragraph 7.2.

3. CONTEXT / BACKGROUND INFORMATION:

- 3.1 Our work on Customer Access and feedback from residents has told us we need to make it easier for people to access information and use council services. We are working hard to simplify processes for the customer across all access channels (face to face; telephone and digital) by using technology to be more responsive to customer needs. Some examples of achievements are our Customer Service Centre in Brighton, the joint Customer Service Centre with the police in Hove, our website redesign, and our award winning Council Connect service in Libraries.

Access to Parking Services

- 3.2 Our initial investment in a customer access project will be in Parking Services who have a high volume of customers that want to undertake transactions quickly and efficiently. Currently, permits require a form to be completed which can be posted or taken to Hove Town Hall. Residents can also renew permits online providing there are no changes. The service aims to process applications within five working days. The investment will be used to provide a single online application and payment process for customers to purchase visitor, resident and business parking permits. It will enable the provision of virtual parking permits which can be processed on the same day. We will redesign the website pages so it can be easily used at the customer's convenience or by council staff on their behalf. The technology will be used to create a simple and quick process for customers and staff.
- 3.3 This investment will generate total annual savings of £100,000 per annum from stationery, printing and postage costs associated with printing physical permits and efficiency savings as processing time is reduced. There is potential for the efficiency savings to be realised over time.
- 3.4 This programme of work responds to people's demands and the way most now want to access our services particularly our more transactional services. As the programme rolls out, customer information across services will help us to provide them with a more joined up experience. We will be better placed to answer customer queries at the point of contact and to plan future services to meet the city's needs.
- 3.5 This is one strand of the council's Modernisation Programme, alongside Workstyles and Business Programme Improvement, to use technology to improve the way we work. It can improve business processes and service delivery as well as meeting customer expectations. This gives the council significant opportunities for financial savings and efficiencies.

Online Services

- 3.6 Customer insight work shows that many of our residents want to be able to do more online with two thirds of our population being open to self serve on the web.

Brighton & Hove is a digitally active city and it is important that our services respond to this. The investment will also be used to build on the improvements that we have made to our website by further enhancing the experience and, creating more automated web forms that integrate to and retrieve data from the back office. These are currently being used in Environment to report a missed bin or get information on waste collection days. Online services like these ensure that we are not out of step with the digital expectations of our city.

- 3.7 Digital Inclusion is an integral part of this work and we will continue to ensure that council services are available in person and on the telephone and not just digitally. We recognise online access is not something that everyone feels able or confident to use. Following the recommendations of the City Management Board, we are working with partners across the city to optimise digital inclusion. The Council Connect service in libraries to help people get online is one successful example of how we are doing this.

Customer Experience Management

- 3.8 Customer Experience Management (CEM) is the software that supports the customer interface with council services and databases – this could be through a web transaction but can equally be used on the telephone and at reception points. It is already supporting our staff in the Environment call centre to access information immediately and enables quicker processing of enquiries. More joined up services for the customer will emerge as more services begin to use CEM. Ultimately, it will lead to a 'My Account' facility, which provides customers with single and secure access to council services and assures their identity. As we move towards this we will work in line with the best practice from the Government Digital Service work on ID Assurance Programme.
- 3.9 A CEM system was procured by the council in 2012 to replace the system used by the Environment contact centre. The system is flexible enough to use across a range of services dealing with customer queries or transactions. This proposal will maximise the use of the system across a number of different council services. The CEM system includes three products known as 'Achieve';
- Achieve Forms – web forms which integrate with back office systems
 - Achieve Service – a system that provides access to and manages customer information
 - Achieve Self Service – a common interface which includes the ability for customers to complete transactions on line and enables a 'my account' facility.
- 3.10 The use of the Achieve products has been implemented by several teams within our customer access priorities. We are now at a stage where we want to establish corporate support for services and consistently deliver them through a programme of work over three years, with benefits emerging from year two. Case studies are provided in the Appendix 1.
- 3.11 After the project in Parking, work will begin with Council Tax to enhance their online services; create an open and transparent way to invite Customer Feedback (Complaints & Compliments); make it easier for services to use capture and share Equalities monitoring data to minimise the need to keep

asking customers for this information. We also continue to aim to make council services consistent on the website. Each project will be supported by a business case to payback investment in a timely period and to deliver annual savings and efficiencies within services.

- 3.12 The programme will retain capacity to deliver tactical projects to meet current service demands and close collaboration with the two other main council modernisation cross cutting programmes (Business Process Improvement and Workstyles). The skills created through this work will ensure that our digital solutions are sustainable and will avoid the cost of buying in skills or technical systems in the long term.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 Four delivery options have been considered; the preferred option is to develop a programme of work service by service. Option One was to do nothing or deliver a smaller programme, this would require fewer resources, but would not deliver benefits within the timeframe or scale required. Doing the minimum would deliver some benefits, but would not optimise the corporate potential of cross service transactions or consistent governance to deliver CEM consistently for customers.

- 4.2 The second and preferred option will bring a wide variety of benefits by making frequent customer transactions easier and more efficient for the customer however they choose to access services. As more services use the CEM it will reduce the need for customers to follow up queries. The customer experience will be enhanced by a better website that is easier to navigate for use by both customers and staff. Moving through services establishes an approach and new skills that will be repeated. It will also allow us to develop and build a corporate view of shared customer information including equalities and customer feedback. This option will ensure each project has a sound business case and create sufficient resources to ensure the implementation of projects and ongoing support.

- 4.3 The third option is to provide holistic services through common transactions like a bereavement or change of address, and proactively join up services around customer groups. This would tackle the problem of customers repeating information and reduces duplication between services. It would offer small savings across many services that are likely to result in efficiencies and would lead to a longer period to pay back investment as savings emerge over time.

- 4.4 The final option was to combine two and three and prioritise services with frequent customer transactions and develop customer information for use across the board. However this would require an increased level of investment and added risks and complexities to deliver a larger programme of work.

5. COMMUNITY ENGAGEMENT AND CONSULTATION

- 5.1 The new website underwent thorough user testing before going live in May 2013. This gave us valuable insights into the user experience which we have responded to in the new design. User testing will be a fundamental part of the way that we design online services in the future in line with the Community Engagement Framework.

5.2 Community engagement is an important element of the Customer Promise and we are working with frontline services and the Communities and Equality team to make better use of the feedback we receive. This will mean we are better informed to design services with citizens in mind.

6. CONCLUSION

6.1 This report requests the approval of invest to save to deliver a programme of work to enhance access to services. This investment will result in savings and efficiencies both to individual services and the council as a whole, whilst improving and modernising the customer experience.

6.2 Projects will be assessed on individual merit through a governance framework, and delegated authority to the Executive Director of Finance & Resources is requested to make further investments for customer experience projects that result in savings.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications

7.1 The roll-out of the CEM platform to support these projects requires technical development on a service by service basis and this comprises a significant proportion of the costs for the project. While these are one off investment costs they do not meet the accounting definition of capital expenditure and therefore need to be funded from revenue sources.

7.2 It is proposed to have a split funding model for these projects, part funded through one off contributions from the council's Modernisation Fund and part funded from service efficiencies. The business cases will take into account both cashable direct savings and non cashable efficiency gains. The maximum period to recover the service funded investment through cashable savings will be five years.

7.3 For the parking project one off costs of £0.273m are to be funded through a contribution from the Modernisation Fund of £0.150m, with the remainder of £0.123m to be met by internal financing and repaid by the service over five years. Some of the investment will include equipment and software which can be used for future CEM projects subject to individual business cases.

7.4 The revenue financial savings are expected to offset the internal financing repayments, and would generate additional cashable savings of £0.028m from 2018/19 onwards. However, from year 1 there would also be staff efficiency savings of £0.075m each year which are currently being treated as non-cashable but this will be kept under review to ensure that additional financial savings are delivered to support the council's budget wherever possible.

Finance Officer Consulted: Peter Francis

Date: 26/09/13

Legal Implications:

- 7.4 The council's general power of competence, granted under section 1 of the Localism Act 2011, provides sufficient authority for the invest to save programme recommended in this report.

Lawyer Consulted: Oliver Dixon

Date: 13/09/13

Equalities Implications:

- 7.5 An Equalities Impact Assessment has been completed for the Website Phase 2 Project and the recommendations will be incorporated into the Digital Customer Experience Programme.
- 7.6 Equalities Impact Assessment will be carried out for each project based on the customer needs and the service offer.
- 7.7 The work has made links to the Digital Inclusion work with partners in the city that is being overseen by the City Management Board (CMB).

Sustainability Implications:

- 7.8 The move to more customer self service and remote access will have positive effects on the amount of paper forms and incoming post to council services, and the number of people travelling to and from council offices.

Crime & Disorder Implications:

- 7.9 The ability to share customer data across services offers an opportunity to minimise fraud, giving services more options to verify check identification.

SUPPORTING DOCUMENTATION

Appendices:

1. Case Studies

Documents in Members' Rooms

None

Background Documents

None

Case Studies using Achieve Products

The Achieve Products were procured in 2012 to meet Customer Access priorities for the organisation. This initial project was to replace the existing customer database in the Environment Contact Centre. The system has subsequently been implemented in other services including Private Sector Housing to enhance their online services for landlords. Case studies for these two projects are given below.

1. **Environment Contact Centre; Achieve Service to manage customer calls**

This project replaced the Customer Relationship Management system in the contact centre with Achieve Service. The contact centre process in the region of y 8,000 customer queries (calls, e-mails, letters and online forms) per month which can rise to 12,000 per month in peak periods. The queries span recycling, refuse and street cleaning; parks, countryside areas, trees and allotments parking permits, highways, abandoned vehicles and street lighting; and environmental health, food safety and anti-social behaviour.

Achieve Service replaced the old system and in doing so the team reviewed the way they worked to improve the efficiency, effectiveness and adaptability of the team. The project sought to improve overall service levels whilst reducing operating costs.

It provides frontline officers with a dashboard through which they can easily search for customers and details of previous contacts. They can initiate processes and refer to back office teams whilst keeping all the information visible to allow tracking of queries. When an officer signposts customers to other services they can log these as quick calls and note whether this could be avoidable to inform future improvements. Procedures, FAQs and documents are all accessed on one system, providing the officer with all the tools they need.

The Contact Centre started using Achieve Service in June 2013, and has been met with positive feedback from staff. The trends on call answering are being monitored and it is felt that calls are being answered more quickly as the team no longer have to view many screens or key depressions to retrieve or input customer data.

The benefits that are being realised are;

- Ease of use as there are fewer steps to create a customer record and service request
- Intuitive system that enables officers to focus on the customer as the system takes you through the process and each step logically

- Customer history we log all their service requests against a customer record, it takes a little extra time to create the customer record when they call for the first time, but invaluable once it has been done and the need to create records will reduce
- New starters have been able to start using the system very quickly and reducing training times.
- Officers no longer have to access numerous data bases or records to look up information to enable them to answer an enquiry as the system holds relevant data and automatically populates cases. (Another system is used to answer some calls about Parking Permits and staff are always referring to the BHCC website (and encouraging customers to use this).

The team have started moving their online forms to Achieve Forms, so that these queries will be linked to the customer records on Achieve Service.

2. Private Sector Housing; On-line HMO licensing application using Achieve Forms

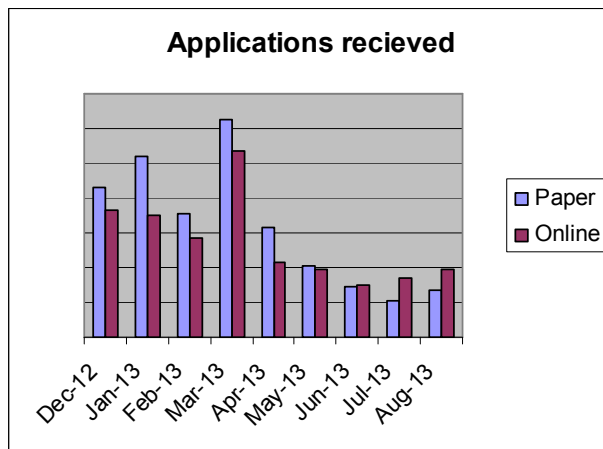
The project in Private Sector Housing was to deliver an on-line application form to support the new HMO additional licensing scheme in five wards of the city. This saves time for officers to process the applications. The introduction of the on-line application has been managed in 2 phases.

Phase 1 created an on-line application using Achieve Forms, so landlords do not have to print a lengthy form to return to us. The form has intelligent questions so only relevant ones are revealed as the landlord complete the form and they can attach supporting documents rather than bringing or sending them to the office. It also has the facility to look up addresses to avoid typing them in, reducing the risk of errors and the form can be saved if it not convenient to complete in one go.

The form delivers a PDF version of the application and any supporting documentation directly to officers in the back office. Officers then manually input the application to the back office system. A number of refinements have been made to this original form and we are now on version 4.

The application went live in the winter of 2012 and we are seeing a shift towards the online form. There was an initial influx of applications when the additional HMO licensing scheme began, both as paper copies and on-line. In June the balance shifted and we reached the position

where we receive more applications via the on-line route. This shift continues to rise in favour of on-line applications and is seeing a reduction in printing and paper.



Phase 2 is to create a version of the application where the data is automatically integrated into our back office system. This will result in a time saving for officers.

We are close to completion but further work then needs to be done to achieve automatic storage of supporting documentation and to ensure the on-line payments link is routed so it streamlines the payments process for the customer. We hope that as we make further improvements it will attract more Landlords to making applications online and the shift will continue.

Future development of the form will be to offer customers the ability to create an account (using Achieve Self). One of the reasons we received so many paper applications in the early months is that managing agents acting on behalf of landlords were reluctant to complete the on-line form because they had to enter the some of the same information into each form. The way they got round this was to enter that information into the relevant sections on one paper form then photocopy this and complete the remaining sections. With Achieve Self they will be able to set up an account which would automatically complete common sections like the agents name and address. This will provide a more efficient service for both landlords and officers.

| | | | |
|--------------------------|--|--|---------------------|
| Subject: | Greater Brighton City Deal & Economic Board | | |
| Date of Meeting: | 17 October 2013 | | |
| Report of: | Executive Director Environment, Development & Housing | | |
| Contact Officer: | Name: | Nick Hibberd | Tel: 29-3756 |
| | Email: | nick.hibberd@brighton-hove.gov.uk | |
| Ward(s) affected: | All | | |

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The purpose of this report is to provide an update on the Greater Brighton City Deal bid and associated negotiations with Government, to ensure that Members are kept abreast of the latest proposals and direction of travel. This report outlines the progress that has been made since the 11 July 2013 report to Policy & Resources Committee and provides detail on the proposed Growth Hubs at Preston Barracks and New England House, which form a core part of the Greater Brighton City Deal proposals.
- 1.2 This report also provides an overview of the proposed Greater Brighton Economic Board (GBEB) and seeks Policy & Resources Committee endorsement of the planned governance arrangements for the Greater Brighton City Region, prior to their being presented to Full Council for approval.

2. RECOMMENDATIONS:

- 2.1 That Policy & Resources Committee:
- (1) Notes the contents of this report and continues to endorse the work of the City Deal Project Boards, to secure a City Deal agreement for the Greater Brighton City Region.
 - (2) Agrees that, through the City Deal negotiation process, the Executive Director Environment Development & Housing in conjunction with the Director of Finance & Resources should enter into detailed negotiations with Government in relation to the New England House and Preston Barracks sites, in order to facilitate their development as Growth Hubs and to report back to Policy & Resources Committee on the implications and any necessary asset management and investment decisions.
 - (3) Recommends to Full Council on 30 January 2014 the establishment of the Greater Brighton Economic Board, details of which are set out in Appendix 2 of this report, to 'go live' in April 2014.

3. CONTEXT/ BACKGROUND INFORMATION

The New Framework for Economic Development

- 3.1 The direction of travel for the Greater Brighton City Region's approach to local growth over the next decade is outlined in the 10-Year Vision to create an Innovation Technology Super City Region, within a functional economic area that covers Brighton & Hove, Lewes, Adur, Worthing and the Burgess Hill area of Mid Sussex. The vision has an emphasis upon stimulating sustainable economic growth in high value industries, such as the Creative Digital Media and environmental technologies sectors, and is attuned to Government's 'Plan for Growth', which sets out ambitions for a better-balanced and more internationally focused economy that strengthens technological innovation and builds on the UK's world-class research base and nimble labour markets.
- 3.2 Government's response to the Heseltine Review confirms the central role that Local Enterprise Partnerships (LEPs) will have in developing sub-national economic strategies and driving sustainable economic growth. From 2014, the Coast to Capital LEP area will receive £8.2m of European Union (EU) Structural Funds each year and from 2015, it could expect to receive substantially more through the a Single Growth Fund or 'Growth Deal' that it negotiates with Government. The 10-Year Vision and the City Deal proposals are firmly aligned with the Coast to Capital LEP's emerging Strategic Economic Plan.
- 3.3 The relocation of Business Rates, Tax Increment Finance (TiF), the New Homes Bonus and the Community Infrastructure Levy (CiL) provide new incentives for local areas to take a pro-active approach to supporting economic growth in their areas. Government has introduced City Deal agreements to unlock local growth and potential; devolving the additional powers, responsibilities, flexibilities and freedoms needed by cities to better support economic growth in their areas. They are a pre-cursor to the future devolution of funds through the Growth Deals that Local Enterprise Partnerships will negotiate with Government during 2014.
- 3.4 In July 2012, Government agreed the first wave of City Deals with the eight largest cities (excluding London) and in October 2012 it announced that a further 20 cities and their wider economic areas would complete for City Deals. Brighton & Hove was invited to participate in this second wave and political leaders and senior officers from the City Region subsequently collaborated on an expression of interest, which was submitted to Government on 15 January 2013.
- 3.5 On 18 February 2013, Government announced that Greater Brighton was successful in progressing to the next stage of the City Deal negotiation process. Second wave City Deal agreements are expected to be signed in Autumn 2013, with negotiations on the 'commitments' and 'asks' taking place in the months immediately preceding this. Government has introduced competition to the process, to ensure high-levels of ambition and innovation, and has clearly articulated that agreements are not guaranteed. City Deals are *deals* with Government and the 'asks' must be proportionate to the 'commitments'.
- 3.6 An overview of Government's framework and timetable for decentralisation to promote growth is attached in Appendix 1 of this report. The mechanisms –

Single Local Growth Fund, EU Structural Funds, Local Transport Major Project Funding and City Deals – represents new ways of promoting economic growth, which are more entrepreneurial and local in their focus and less reliant on central government grants and local authority general funds. They provide an opportunity to promote sustainable growth across the Greater Brighton City Region, building on its locational advantages and its natural and human capital assets.

The draft Greater Brighton City Deal Proposals

- 3.7 A consultant team, Marshal Nairne Ltd in partnership with Ecorys UK Ltd and Democratic Society, was appointed on 23 May 2013, to support the project's partnership boards and team with the development of the Greater Brighton City Deal proposals and Negotiation Document. This has been an iterative process; the proposals and Negotiation Document continue to be reviewed and refined to reflect input from partners and feedback from the Cabinet Office's Cities Policy Unit.
- 3.8 The Cabinet Office has recommended that City Deals be narrow in focus, striving to address "a specific local economic problem". Set within the context of the City Region's 10-Year Vision, the Greater Brighton City Deal proposals have therefore been refined to concentrate on the current mismatch between our residents' high skill levels and our economy's relatively low productivity levels. A lack of 'high value' businesses and jobs, and the consequent 'commuting out' of much of the City Region's talent, has been a key contributing factor to this productivity gap.

Network of Growth Hubs across the City Region

- 3.9 The Greater Brighton City Deal proposes to improve productivity and promote high value sustainable growth across the City Region by unlocking development and regeneration sites to create a network of Innovation Technology Growth Hubs for ambitious, high-tech businesses in a range of sectors, to attract investment and talent.
- 3.10 The sites currently identified for the network of growth hubs are:
1. Creative, Digital and Information Technology (CDIT) Growth Hub, New England Quarter, Brighton & Hove
 2. Creative Hub, Guildbourne Centre, Worthing
 3. Cleantech Growth Hub, Newhaven
 4. Environmental Technologies Growth Hub, Shoreham Harbour and Airport, Shoreham
 5. Central Research Laboratory, Preston Barracks, Brighton & Hove

Business Innovation and Skills Support Programme

3.11 The City Deal proposals put forward a programme of business and skills support, to assist high value businesses to grow. This element is being progressed via the Wave 2 Business Growth Programme, which makes £32m of Regional Growth Funding available to second wave cities. The aim of the Programme is to boost economic performance and increase growth and jobs by focusing on three main areas of activity:

- Creating bespoke business, innovation and trade support;
- Management and strategic coordination, and;
- Establishing a one-stop shop to raise awareness and increase update of public and private business support.

Final proposal applications must be submitted by 08 November 2013 and applicants will be notified of the outcome by 29 November 2013.

The City Region's Innovation & Skills Support programme will build on the success of the models at the Sussex Innovation Centre (SinC) and the Brighton Fusebox, but it will be adapted to the specific needs of businesses within each Growth Hub. The proposals will also include extending the work placement scheme developed for the CDIT sector by Wired Sussex and the University of Brighton.

3.12 In addition, the Greater Brighton City Deal Negotiation Document includes:

- Founding a City Region Innovation Panel, with UK Trade & Investment (UKTI) and Technology Strategy Board (TSB) involvement, to provide strategic direction to the City Region's approach to Innovation & Skills Support decisions.
- Establishing a Greater Brighton Economic Board (see point 3.25 – 3.40 of this report), to develop and oversee a single pot City Region Investment Fund, aimed at drawing resources from EU and Government, and grant and prudential loan financing from local authorities to support local physical infrastructure developments.
- Creating a business-led City Region Employment & Skills Group, to develop a co-ordinated approach to addressing local skills needs and to influence national programmes so that they reflect the City Region's circumstances.

3.13 The City Region's universities are fully embedded in these proposals, they will drive innovation and knowledge exchange and commercialise academic expertise. The aim for that the universities will develop a high profile physical presence in each of the growth hub areas.

3.14 The Greater Brighton City Deal Negotiation Document provides the full detail of the City Region's proposals and the related 'commitments' and 'asks', the latest version of which will be placed in the Members Rooms prior to the committee meeting.

New England House Growth Hub

- 3.15 New England House (NEH) is presented in the draft City Deal proposals as the Greater Brighton City Region's flagship project, located within the New England Quarter Growth Hub. NEH is one of the major hubs for Brighton's thriving Creative, Digital and Information Technology (CDIT) sector. NEH is an 11,370m² office block that is owned by Brighton & Hove City Council. It accommodates 96 businesses, mainly from the CDIT sector. There are approximately 1,000 people employed by companies based in NEH and many more are employed by others who form part of those businesses' supply chains.
- 3.16 It is extremely popular with businesses in the CDIT sector because of its affordable and flexible leases, its close proximity to Brighton Station and the clustering of similar companies in the building. It is the base for Wired Sussex, the well-respected and influential sector representative organisation; and is the location for the pilot Fusebox project that is identifying new ways to help drive business growth within the sector. There are 65, mainly CDIT businesses on the waiting list for space at NEH, but there is an identified market failure in the provision of move-on space, both in NEH and the city generally.
- 3.17 There are three critical elements that, delivered together, form an integrated strategy to significantly improve NEH's value to the local and regional economy and sustain and accelerate the growth and development of Brighton's CDIT sector:
- 1 **Workspace.** Refurbishing and expanding the building (cladding, lifts, access points and sanitation, building additional floor space in the car park)
 - 2 **Business support.** Specifically designed for small, innovative businesses in the CDIT sector. This will expand and develop existing work through roll out of the emerging FuseBox model.
 - 3 **High capacity connectivity.** Providing affordable, high capacity ultra fast broadband connectivity and hosting for businesses that are located in the building through the proposed creation of a Brighton Digital Exchange (BDX).

In the delivery of this integrated strategy, it is recognised that Brighton & Hove City Council and Wired Sussex can do more for the success of the NEH initiative and the development of the city's CDIT sector than either can do separately. It is therefore proposed that the City Council enters into a Memorandum of Understanding with Wired Sussex to acknowledge their influential involvement and to outline how both parties will work together on the City Deal and NEH proposals.

- 3.18 Options are being explored to reconfigure and possibly extend NEH so that it becomes a credible and highly visible hub for Greater Brighton's CDIT sector businesses; and provides a balanced range of offices to accommodate start ups and to retain larger businesses within the digital quarter.
- 3.19 The City Deal consultant team is working with colleagues in the City

Regeneration Unit, Finance, and Property & Design to develop a business case for reconfiguration and to establish what the appropriate 'ask' of government might be for the City Deal negotiation. The aim is to ascertain what contribution we need from Government to offset any projected loss over a ten to fifteen year period, and the level of commitment required from the City Council.

Preston Barracks Growth Hub

- 3.20 At 11 July 2013 Policy & Resources committee, Members agreed that the partnership with the University of Brighton and the alignment with the Greater Brighton City Deal Growth Hub proposals present the preferred route to successful delivery of the regeneration of the Preston Barracks site. Together with potential EU funding and City Deal opportunities, further re-engineering of the master planning work is underway with the University of Brighton to finalise a deliverable scheme. The proposals include developing part of the site as an Innovation Growth Hub aligned to the City Deal proposals, which may provide a mechanism for de-risking the employment element of the scheme through access to cheaper loan financing.
- 3.21 The aim of the Preston Barracks Growth Hub is to develop a Central Research Laboratory (CRL) that will become a magnet for innovation, connecting the University of Brighton, SMEs and entrepreneurs with investors, underpinned by high quality innovation support to incubate high-tech, design-led manufacturing start-ups. The focus will be upon university specialisms, linked to the key technologies that have been identified as future drivers of sustainable economic growth: big data; nanotechnology/nanostructured smart materials; regenerative medicine; musculoskeletal/degenerative disease; and recycling of economically critical materials.
- 3.22 The CRL will be part of a much larger proposed mixed use regeneration scheme that would include new homes, student accommodation, retail space, a health centre, a new academic business school.
- 3.23 Through the City Deal process, officers will enter into detailed negotiations in relation to the NEH and Preston Barracks sites in order to facilitate their development as Growth Hubs and report back to Policy & Resources Committee on the final business case and implications, and any necessary asset management and investment decisions.
- 3.24 The next step of the City Deal process is the submission of the final version Negotiation Document and related presentation to Government by mid-October 2013, confirming the City Region's ambition, investment commitment, governance and delivery arrangements. The proposals will then be pitched to Greg Clark MP and the 'commitments' and 'asks' negotiated. If it is felt by Government that there is a deal to be done, the agreement will be presented to an Ad-Hoc Ministerial Group for endorsement. Second wave City Deal agreements are expected to be signed in Winter 2013.

The Greater Brighton Economic Board (GBEB)

- 3.25 The development of effective decision-making processes across the economic area is a 'commitment' required by Government of all City Deals, which regards

these as the pre-cursors to future devolutionary settlements in relation to economic policy.

- 3.26 The Greater Brighton City Region's success in accessing funds and freedoms in the future therefore depends on its ability to collaborate across the economic area, to commit assets and resources and to develop a clear, shared vision that involves the private sector and which transcends local authority boundaries.
- 3.27 The City Deal High Level Project Board, which consists of local authority Leaders and Chief Executives and the Chairs of the Coast to Capital LEP and Brighton & Hove Economic Partnership, agreed to the development of a formal decision making structure in January 2013, with the over-arching purpose of bringing about sustainable economic development and growth across Greater Brighton by coordinating economic development activities and investment at the regional level.
- 3.28 The governance arrangements considered by first and second wave City Deals were subsequently reviewed and found to largely follow either a joint committee or a combined authority model, the latter of which tends to include an integrated transport authority for the area. A combined authority is appropriate where there is a clear and simple geography; where a city region is co-terminus with the LEP and Local Transport Board boundaries. As this is not the case for the Greater Brighton City Region, it was recommended that a joint committee model be adopted.
- 3.29 Proposals for the Greater Brighton Economic Board (GBEB) were consequently developed and the Board's proposed Heads of Terms are attached in Appendix 2 of this report.
- 3.30 The GBEB will comprise the Greater Brighton Economic Joint Committee (GBEJC), on which the local authorities of the Greater Brighton City Region will be represented, and the Greater Brighton Business Partnership (GBBP), on which the Coast to Capital LEP, business, and university and further education sectors will be represented. Meetings of the Board comprise concurrent meetings of GBEJC and GBBP. The Board is structured in this way to allow the coming together of different organisations with varying legal structures, powers and constraints on the way they operate.
- 3.31 The GBEJC will be a joint committee appointed by two or more local authorities represented on the Board, in accordance with section 102(1)(b) of the Local Government Act 1972. In accordance with section 102(1)(c) of the 1972 Act, GBEJC may appoint one or more sub-committees.
- 3.32 The Chair of GBEJC will, by virtue of their democratic mandate, also be Chair of the GBEB. It is proposed that the Board initially be chaired by the Leader of Brighton & Hove City Council but that, following the first year of its operation, this role be rotated annually between its members.

- 3.33 Each of the local authority members will be represented at the Board by one person save for Brighton & Hove City Council which, by reason of it being a unitary authority, will be represented by two persons. Each local authority member will be represented by its elected Leader and in the case of Brighton & Hove City Council, by its Leader and Leader of the Opposition. We will seek the future participation and commitment of Mid Sussex District Council and the South Downs National Park Authority.
- 3.34 The GBEB will be the investment agency to work in parallel with the Coast to Capital LEP, to set and agree the City Region's growth priorities and to negotiate and secure funding from government.
- 3.35 It is proposed that the responsibilities of the GBEB will include:
- To make long-term strategic decisions concerning economic development and growth of the Greater Brighton City Region, including the delivery of the LEP's Strategic Economic Plan priorities for the city region;
 - To work with national, sub-national (in particular the Coast to Capital LEP) and local bodies to support a coordinated approach to economic growth across the City Region;
 - To establish and administer the Single Pot City Region Investment Fund;
 - To advise on and recommend grant and prudential loan financing from constituent local authorities, to support local physical infrastructure developments;
 - To agree and oversee the delivery of a 10 year strategy for economic growth for the City Region;
 - To develop a City Region Housing Investment Plan;
 - To pool physical assets, so that they are used to best promote economic growth across the City Region;
 - To lead on applications for EU Structural and other funds to support physical infrastructure developments;
 - To develop the strategy and lead the delivery of the Single Local Growth Fund for the City Region;
 - To recommend and take binding decisions on where to invest dedicated funds for infrastructure/service provision;
 - To develop and establish special purpose vehicles for the purposes of promoting economic growth and to lead the economic appraisal of potential investments, drawing on private sector expertise
 - To establish and oversee the City Region Employment and Skills Group and relevant sub-committees to drive the delivery of specific funds or programmes;

- To ensure that the governance and management of the Board include all the necessary arrangements for the proper discharge of the functions, including appropriate financial standing orders, rules of procedure as well as codes of conduct to ensure legality, probity, financial prudence and avoidance of maladministration.
- 3.36 The GBEB will not be able to impose financial obligations on its members. Rather, decisions of the Board would relate to pooled assets and funds.
- 3.37 Brighton & Hove City Council will be the lead authority for the Board for years 1 and 2 and will therefore provide the necessary financial, legal, scrutiny and administrative support. It has been estimated that this cost approximately £40,000 per annum (on the assumption that there will be 4 meetings plus 2 special meetings per year) and reasonable financial contributions from partner organisations are currently being agreed.
- 3.38 Officer support to the GBEB will be provided from within the existing resources of the economic development and regeneration teams of each the local authority members.
- 3.39 These governance proposals are to be presented to each of the local authorities' respective Committees, Cabinets and Full Council's in January 2014. Once approved, a scheme for the new body will be drawn up that sets out the detail of the proposed constitutional and operating arrangements. This scheme will be published, to allow the Secretary of State for Communities and Local Government to consider whether creating the GBEB meets the tests set out in the Local Democracy, Economic Development and Construction Act (2009).
- 3.40 It is the intention to establish the GBEB by April 2014.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 Brighton & Hove City Council was not obliged to bid for a City Deal but it was judged to offer the potential for considerable economic benefits to the City and the wider economic area. City Deal agreements are the mechanism for harnessing the additional powers, responsibilities, flexibilities and freedoms needed at a local level to unlock growth.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The recommendations of both the Brighton & Hove City Employment & Skills Plan 2011 – 2014 and the Brighton & Hove Economic Strategy Refresh 2013 – 2018 have shaped the focus of the City Deal and its proposals. As part of their preparation, both underwent extensive consultation.
- 5.2 As part of the development of the City Deal proposals and Negotiation Document, the following groups and boards have been regularly consulted and/or engaged:
- Brighton & Hove Strategic Partnership
 - Brighton & Hove Economic Partnership

- Adur & Worthing Business Partnership
- Brighton & Hove City Employment & Skills Group
- City Deal Officer Project Board
- City Deal High Level Project Board

The above groups and boards include representatives from the business community and public and voluntary sectors, who have therefore contributed directly to the development of the proposals.

6. CONCLUSION

- 6.1 Due to the economic benefits that are anticipated to come from the City Deal, Policy & Resources Committee is asked to endorse the continued work of officers to secure an agreement for the Greater Brighton City Region. Based on the available data, it is estimated that successfully establishing the Innovation Technology Growth Hubs could deliver up to 5,000 net new jobs and an annual GVA impact of up to £230m to the City Region.
- 6.2 The establishment of the Greater Brighton Economic Board will not only stand the City Region in good stead for accessing funds and freedoms from Government in the future but, it will also bring together sustainable economic development and growth across the functional economic area by coordinating economic development activities and investment at the regional level. This approach will be more strategic and streamlined, efficient and effective. Policy & Resources Committee is therefore asked to recommend the establishment of the Board to Full Council, as the formal decision-making arrangement for economic development for Greater Brighton.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 Each local authority partner has made a financial contribution of £10,000 towards the commissioning of specialist and technical support for the development of the City Deal proposals and Negotiation Document (see section 3.8 of this report). As the lead partner, Brighton & Hove City Council has allocated £20,000 to the project from existing resources within the City Regeneration Unit.
- 7.2 The 'commitments' made to Government by Brighton & Hove City Council as part of the City Deal are summarised in section 3.14 of this report.
- 7.3 Detailed proposals (encompassing business cases and financial implications) for the proposed Growth Hubs at New England House and Preston Barracks will be the subject of future reports to Policy & Resources Committee. The proposals will be drawn up on the basis that the council's existing net income stream from New England House is at least maintained.
- 7.4 Brighton & Hove City Council shall be the lead authority for the Greater Brighton Economic Board for years 1 and 2 and will therefore provide the necessary financial, legal, scrutiny (including call-in) and administrative support to the Board. It is estimated that this cost approximately £40,000 per annum (based on the assumption that there will be 4 meetings plus 2 special meetings per year)

and reasonable financial contributions from partner organisations are currently being agreed.

- 7.5 It is anticipated that the development of a coherent and coordinated approach to economic development across the City Region, via the establishment of a shared governance structure and joint economic development and regeneration functions, will result in the sharing of assets, resources and expertise and thereby reduce duplication and costs. Such measures have the potential to deliver significant budget savings to partners, while also developing a more strategic and less territorial approach to prioritising projects that will demonstrably support economic growth across the City Region.

Finance Officer Consulted: Name Mark Ireland

Date: 4/10/13

Legal Implications:

- 7.6 The legal implications of this report are integrated into the main text in section 3. Any proposed changes to the Board's constitution set out in Appendix 2 will require approval of the partnership bodies.

Lawyer Consulted: Bob Bruce

Date: 20/09/13

Equalities Implications:

- 7.7 The City Deal forms part of the wider economic strategy, which aims to tackle barriers to employment and create employment opportunities for all. An equalities impact assessment of the City Deal proposals will be undertaken as these are finalised.

Sustainability Implications:

- 7.8 The aim of the City Deal is for Greater Brighton to become a high performing City Region that prioritises sustainable economic growth in innovative low carbon, high-tech and creative businesses.

Risk and Opportunity Management Implications:

- 7.9 The risks relating to the creation of the network of Innovation Technology Growth Hubs are contained within the Section 2 of the Greater Brighton City Deal Negotiation Document, which is attached as Appendix 3 of this report.

Any Other Significant Implications:

- 7.10 None in relation to this report.

SUPPORTING DOCUMENTATION

Appendices:

1. Government Framework and Timetable for Future Decentralisation to Promote Growth (taken from Government's Response to the Heseltine Review, 18 March 2013)
2. Greater Brighton Economic Board Draft Heads of Terms

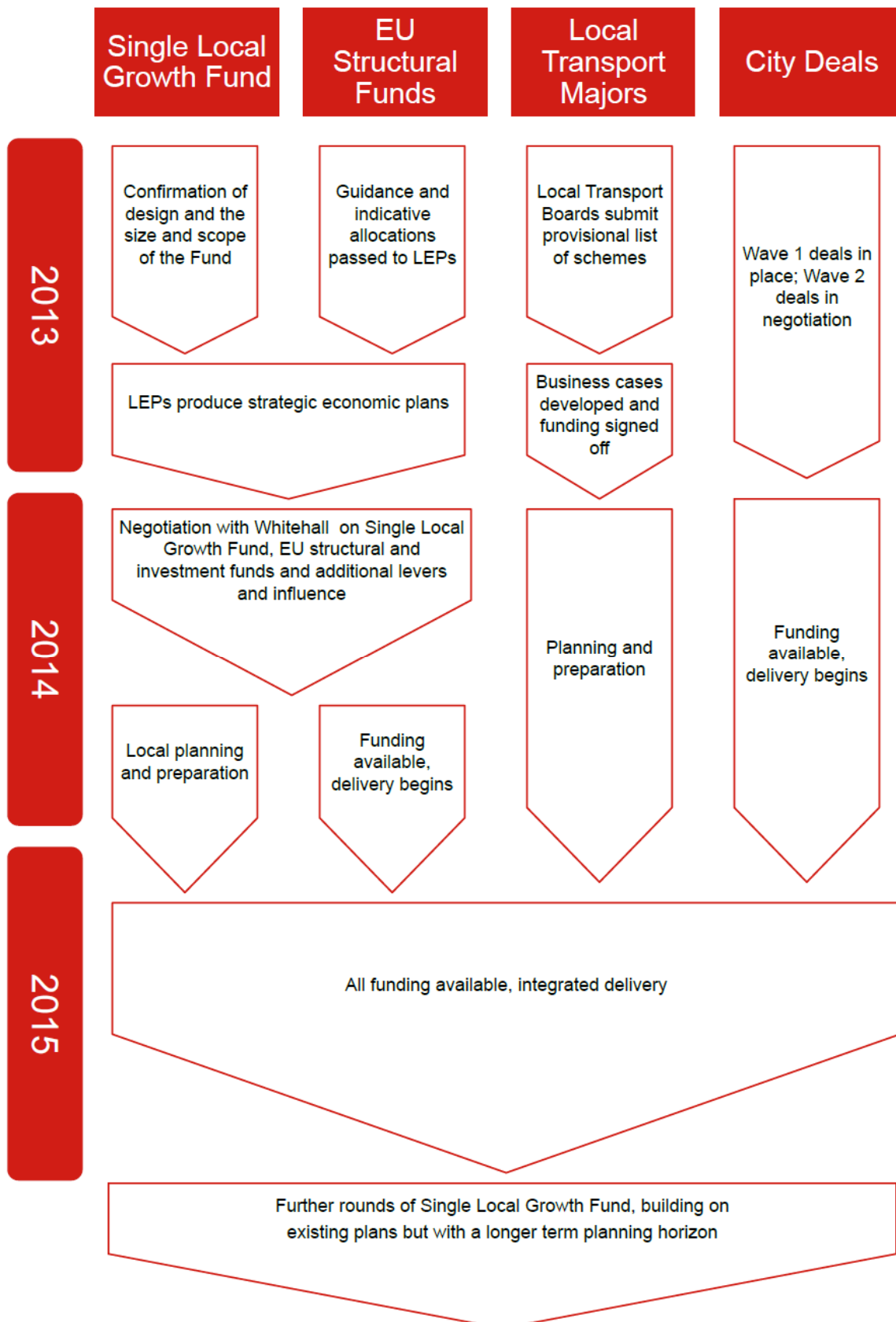
Documents in Members' Rooms

1. Greater Brighton – Towards a Super City Region, City Deal Draft Negotiation Document

Background Documents

1. Greater Brighton City Deal Progress Update, Policy & Resources Committee 11 July 2013: [http://present.brighton-hove.gov.uk/Published/C00000689/M00004685/AI00034853/\\$20130702103528004268_0017313_GreaterBrightonCityDealProgressUpdatePR11July13v1.docA.ps.pdf](http://present.brighton-hove.gov.uk/Published/C00000689/M00004685/AI00034853/$20130702103528004268_0017313_GreaterBrightonCityDealProgressUpdatePR11July13v1.docA.ps.pdf)
2. Government's Plan for Growth, March 2011: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/31584/2011budget_growth.pdf
3. No Stone Unturned: In Pursuit of Growth, Lord Heseltine Review 31 October 2012: <https://www.gov.uk/government/publications/no-stone-untuned-in-pursuit-of-growth>
4. Government's Response to the Heseltine Review 18 March 2013: <https://www.gov.uk/government/publications/governments-response-to-the-heseltine-review-into-economic-growth>
5. Brighton & Hove City Employment & Skills Plan 2011 – 2014: <http://www.brighton-hove.gov.uk/content/business-and-trade/support-businesses/brighton-hove-city-employment-and-skills-plan>
6. Brighton & Hove Economic Strategy Economic Strategy Refresh 2013 – 2018: [http://present.brighton-hove.gov.uk/Published/C00000705/M00004661/AI00034419/\\$BHESR011Jun13.pdfA.ps.pdf](http://present.brighton-hove.gov.uk/Published/C00000705/M00004661/AI00034419/$BHESR011Jun13.pdfA.ps.pdf)

Appendix 1: Government Framework and Timetable for Future Decentralisation to Promote Growth (taken from Government’s Response to the Heseltine Review, 18 March 2013)



Appendix 2: Draft Heads of Terms of Greater Brighton Economic Board

Draft Heads of Terms Greater Brighton Economic Board

1. Establishment, Purpose and Form

- 1.1 The Greater Brighton Economic Board (“the Board”) shall be established from the Commencement Date.
- 1.2 The over-arching purpose of the Board is to bring about sustainable economic development and growth across the Greater Brighton region. To achieve this, the principal role of the Board is to co-ordinate economic development activities and investment at the regional level.
- 1.3 The Board comprises the Greater Brighton Economic Joint Committee (“GBEJC”), on which the local authorities will be represented; and the Greater Brighton Business Partnership (“GBBP”), on which the Coast to Capital Local Enterprise Partnership, business, and university sectors will be represented.
- 1.4 Meetings of the Board comprise concurrent meetings of GBEJC and GBBP.
- 1.5 GBEJC shall be a joint committee appointed by two or more local authorities represented on the Board, in accordance with section 102(1)(b) of the Local Government Act 1972.
- 1.6 The Board may appoint one or more sub-committees.
- 1.7 For the two years starting with the Commencement Date, the lead authority for the Board shall be Brighton & Hove City Council (“BHCC”), whose functions in that capacity shall include the provision of scrutiny (see paragraph 4.3), management of the call-in and review process (see paragraph 8), and financial, administrative and legal support (see paragraph 12) .
- 1.8 Before the start of the third year following the Commencement Date, and every two years thereafter, the Board shall review the lead authority arrangements and invite each of the local authorities represented on the Board to submit an expression of interest in fulfilling the role of lead authority for the subsequent two year period. The Board shall then instigate a procurement exercise to select the most appropriate authority for that role.

2. Interpretation

- 2.1 In these Heads of Terms –
 - (i) ‘Commencement Date’ means such date as is approved by the local authorities represented on the Board. *[note – commencement day proposed to be 01.04.14]*

- (ii) 'the Region' means the area encompassing the administrative boundaries of BHCC, Adur District Council, Worthing Borough Council, and Lewes District Council, as lie within the Coast to Capital Local Enterprise Partnership area; and 'regional' shall be construed accordingly;
- (iii) 'economic development' shall bear its natural meaning but with particular emphasis given to:
 - employment and skills;
 - infrastructure and transport;
 - housing;
 - utilisation of property assets;
 - strategic planning;
 - economic growth.

3. Functions

3.1 The functions of the Board are specified in paragraph 3.2 below and may be exercised only in respect of the Region.

3.2 The functions referred to in paragraph 3.1 are as follows:

- (i) To make long-term strategic decisions concerning regional economic development and growth;
- (ii) To be the external voice to Government and investors regarding the management of devolved powers and funds for regional economic growth;
- (iii) To work with national, sub-national (in particular the Coast to Capital Local Enterprise Partnership) and local bodies to support a co-ordinated approach to economic growth across the region;
- (iv) To secure funding and investment for the Region;
- (v) To ensure delivery of, and provide strategic direction for, major projects and work streams enabled by City Deal funding and devolution of powers;
- (vi) To ensure good governance of projects relating to regional economic development and growth arrangements;
- (vii) To enable those bodies to whom section 110 of the Localism Act 2011 applies to comply more effectively with their duty to co-operate in relation to planning of sustainable development.
- (viii) To incur expenditure on matters relating to economic development where funds have been allocated directly to the Board for economic development purposes; and for the avoidance of doubt, no other expenditure shall be incurred unless due authority has been given by each body represented on the Board.

4. Reporting and Accountability

- 4.1 The Board shall submit an annual report to each of the bodies represented on the Board.
- 4.2 The City Region Officer Group shall report to the Board and may refer matters to it for consideration and determination.
- 4.3 The work of the Board is subject to review by an ad hoc joint local authority scrutiny panel set up and managed by the lead authority.

5. Membership

- 5.1 The following bodies shall be members of the Board:

- (i) BHCC
- (ii) Adur District Council
- (iii) Worthing Borough Council
- (iv) Lewes District Council
- (v) Mid-Sussex District Council (*to be confirmed*)
- (vi) West Sussex County Council
- (vii) East Sussex County Council (*to be confirmed*)
- (viii) University of Sussex
- (ix) University of Brighton
- (x) Further Education Representative (*to be confirmed*)
- (xi) Coast to Capital Local Enterprise Partnership
- (xii) Brighton & Hove Economic Partnership
- (xiii) Adur & Worthing Business Partnership
- (xiv) Coastal West Sussex Partnership

- 5.2 GBEJC shall comprise the bodies specified in paragraphs 5.1(i) to (vii); and GBBP shall comprise the bodies specified in paragraphs 5(viii) to (xiv).

- 5.3 Each of the bodies listed in paragraph 5.1 shall be represented at the Board by one person, save for BHCC which, by reason of it being a unitary authority, shall be represented by two persons (as further specified in paragraph 5.4).

- 5.4 Each local authority member shall be represented at the Board by its elected Leader; and in the case BHCC, by its Leader and Leader of the Opposition.

- 5.5 Each business sector member shall be represented at the Board by a director of that member.

- 5.6 Each university member shall be represented by a Vice Chancellor or Pro Vice-Chancellor of that university.

6. Chair

- 6.1 The Chair of GBEJC shall, by virtue of his/her democratic mandate, be Chair of the Board.

- 6.2 If the Chair of GBEJC is unable to attend a Board meeting, the Board shall elect a substitute from its local authority member representatives, provided that no such member representative attending in the capacity of a substitute shall be appointed as Chair of GBEJC / the Board.
- 6.3 The Chair of GBEJC for its first year of operation shall be the Leader of BHCC.
- 6.4 Following GBEJC's first year of operation, its Chair shall rotate annually between its members, with the new Chair being appointed at the first meeting of the Board in the new municipal year.
- 6.5 GBEJC shall decide the order in which their members shall chair that body.

7. Voting

- 7.1 Each person representing a member of GBEJC, and each person representing a member of GBBP, shall be entitled to vote at their respective meetings.
- 7.2 Voting at each of the concurrent meetings of GBEJC and GBBP shall be by show of hands, and voting outcomes reached at those those meetings shall be on a simple majority of votes cast.
- 7.3 Where voting at a meeting of GBEJC results in an equal number of votes cast in favour and against, the Chair of GBEJC shall have a casting vote.
- 7.4 Where voting at a meeting of GBBP results in an equal number of votes cast in favour and against, the motion/proposal/recommendation under consideration shall fall in relation to GBBP.
- 7.5 Where the respective voting outcomes of GBEJC and GBBP are the same, that shall be taken as the agreed Board decision and the Board may pass a resolution accordingly.
- 7.6 Where the respective voting outcomes of GBEJC and GBBP differ, the Board –
- (i) may not pass a resolution relating to that matter; and
 - (ii) may refer the matter to the Chief Executive of the lead authority, who may consult with members of the Board or such other persons as are appropriate, with a view to achieving agreement on the matter between GBEJC and GBBP by discussion and negotiation.
- 7.7 Where, pursuant to paragraph 7.6(ii), agreement is reached the matter at issue shall be remitted to, and voted upon at, the next meeting of the Board.
- 7.8 Where, pursuant to paragraph 7.6(ii), no agreement is reached the motion/proposal/recommendation at issue shall fall.

8. Review of decision

- 8.1 Decisions of the Board will be subject to call-in and review by the lead authority in the following circumstances:
- (i) where a local authority voted to agree a recommendation at a GBEJC meeting, but the decision of the Board was against the recommendation;
 - (ii) where a local authority voted against a recommendation at a meeting of the GBEJC but the decision of the Board was to agree the recommendation;
 - (iii) where any Board member considered that the interests of the body they represent had been significantly prejudiced; or
 - (iv) where any Board member considered that the Board had made a decision beyond its scope of authority.
- 8.2 The procedure for requesting, validating, and implementing a call-in and review is specified in Appendix 1.
- 8.3 Where a request for call-in is accepted, the Board decision to which it relates shall be stayed pending the outcome of the call-in.
- 8.4 Following call-in, the panel convened to review a Board decision may refer the decision back to the Board for re-consideration. Following referral, the Board shall, either at its next scheduled meeting or at a special meeting called for the purpose, consider the panel's concerns over the original decision.
- 8.5 Having considered the panel's concerns, the Board may alter its original decision or re-affirm it. Paragraph 8.1 shall not apply to the Board's follow-up decision. In consequence, the latter decision may be implemented without further delay.

9. Substitution

- 9.1 Subject to paragraph 9.2, where a representative of a member of the Board is unable to attend a Board meeting, a substitute representative of that member may attend, speak and vote, in their place for that meeting.
- 9.2 A substitute member must be appointed from a list of approved substitutes submitted by the respective member to the Board at the start of each municipal year.

10. Quorum

- 10.1 No business shall be transacted at any meeting of the Board unless at least one third of all member bodies are present, and both GBEJC and GBBP are quorate.
- 10.2 Quorum for GBEJC meetings shall be three member bodies.

10.3 Quorum for GBBP meetings shall be three member bodies.

11. Time and Venue of Meetings

11.1 Ordinary meetings of the Board shall be convened by the lead authority and normally take place in the geographical area of that authority.

11.2 The Chair of the Board may call a special meeting of the Board at any time, subject to providing members with minimum notice of two working days.

12. Administrative, financial and legal support

12.1 The lead authority shall provide administrative, financial and legal support to the Board, such legal support to include Monitoring Officer and Proper Officer functions in relation to GBEJC meetings.

12.2 Other members of the Board shall contribute to the reasonable costs incurred by the lead authority in connection with the activities described in 12.1, at such time and manner as the Memorandum of Understanding shall specify – see further at paragraph 13 below.

13. Memorandum of Understanding

13.1 Members of the Board may enter into a memorandum of understanding setting out administrative and financial arrangements as between themselves relating to the functioning of the Board.

13.2 The memorandum may, in particular, provide for –

13.2.1 Arrangements as to the financial contributions by each member towards the work of the Board, including:

- (i) the process by which total financial contributions are calculated;
- (ii) the process for determining the contribution to be paid by each member;
- (iii) the dates on which contributions are payable;
- (iv) which body shall be responsible for administering and accounting for such contributions;

13.2.2 The terms of reference for the City Region Officer Group.

14. Review and Variation of Heads of Terms

14.1 The Board shall keep these Heads of Terms under review to ensure that the Board's purpose is given full effect.

14.2 These Heads of Terms may be varied only on a resolution of the Board to that effect, and subject to the approval of each body represented on the Board.

| | | | |
|--------------------------|--|--|---------------------|
| Subject: | Falmer Released Land & Site Adjacent to Community Stadium | | |
| Date of Meeting: | 17 October 2013 | | |
| Report of: | Executive Director Environment Development & Housing and Executive Director Finance & Resources | | |
| Contact Officer: | Name: | Richard Davies | Tel: 29-6825 |
| | Email: | richard.davies@brighton-hove.gov.uk | |
| Ward(s) affected: | All | | |

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT:

- 1.1 This report presents two proposals for consideration by Members that have been submitted to the council by The Community Stadium Limited (TCSL). These are for the redevelopment of the Falmer Released Land (FRL) and the construction of a new hotel on a different site adjacent to the Community Stadium.
- 1.2 To progress the long term redevelopment of the FRL and contribute to the area's wider regeneration, it is proposed that the council enter into negotiations with TCSL regarding the proposed redevelopment of the land as shown on the annexed plan and that proposed Heads of Terms are brought back to this Committee for final approval.
- 1.3 It is also proposed that the council enters into negotiations with TCSL regarding a proposed hotel on a different and separate site, being land adjacent to the Community Stadium shown on the annexed plan and to agree that proposed Heads of Terms are brought back to this Committee for final approval.

2. RECOMMENDATIONS:

- 2.1 That Policy & Resources Committee authorise the Executive Director Environment Development & Housing, Executive Director Finance & Resources and Head of Legal Services to enter into negotiations with The Community Stadium Limited ("TCSL") regarding the proposed redevelopment of the Falmer Released Land, as shown on the annexed plan, with TCSL and to agree that proposed Heads of Terms are brought back to this Committee for final approval.
- 2.2 That Policy & Resources Committee authorise the Executive Director Environment Development & Housing, Executive Director Finance & Resources and Head of Legal Services to enter into negotiations with TCSL regarding the proposed construction of a hotel on the land adjacent to the Community Stadium shown on the annexed plan and to agree that proposed Heads of Terms are brought back to this Committee for final approval.

3. CONTEXT/ BACKGROUND INFORMATION:

Falmer Released Land

- 3.1 The land identified on the plan, as the Falmer Released Land (“FRL”) is so described, as when Falmer School became Brighton Aldridge Community Academy (“BACA”), the academy stated that they did not require this former school site and consent was given by the Secretary of State for its disposal. It was therefore “released” from education use. In accordance with a previous Cabinet decision, the former building on the FRL site has been demolished and laid out to provide match and event day parking for the Amex Community Stadium, so that the football club can meet the parking requirements in the planning permission. The Bridge Community Adult Education Centre (“the Bridge”) has also been provided with temporary accommodation on the site.
- 3.2 Recommendation 2.3 of the FRL Cabinet report on 9th February 2011 agreed that a Development Brief be prepared to test the market and procure a development partner for the long term redevelopment of the site, with the outcome of that marketing exercise to be reported to Cabinet, so that Members may approve the long term solution for the FRL. This was to be carried out following agreement and installation of the temporary stadium parking on the site.
- 3.3 The February 2011 Cabinet report allowed for Members and key stakeholders including TCSL, the Bridge and BACA, to have the opportunity to agree and prioritise strategic objectives for the site, which would then be set out in a Development Brief and be delivered by the redevelopment.
- 3.4 TCSL submitted a Joint Venture (“JV”) proposal paper to the council on 29/01/13 and a further proposal paper on 05/09/13 for the redevelopment of the FRL, covering the inclusion of match day and event parking for the Community Stadium, agreement for a permanent home for the Bridge and the potential for student accommodation.
- 3.5 TCSL paper proposes that the JV vehicle includes TCSL, a developer funder and an end user. This proposed JV does not include the council.

Hotel Proposal

- 3.6 The latest TCSL proposal submitted to the council also includes a new element, being the construction of a hotel on a separate and different site adjacent to the Community Stadium. This separate proposal would include a 4 star 150 bedroom hotel, a new ticket and box office and a private gym for hotel guests, BHAFC players and staff. It is proposed that meals for the hotel guests will be provided via a new bridge link to the stadium’s East Stand hospitality areas. The scheme would include dedicated parking places.
- 3.7 TCSL do not believe that the hotel would compete with existing hotels in the area and will undertake an independent hotel and economic impact study as part of the planning application.

- 3.8 Part of the proposed site is within the existing lease of the stadium. The site is partly in Brighton & Hove and partly in Lewes.
- 3.9 In order for TCSL to invest significant funds to develop the proposal further, it is seeking agreement to the scheme in principle.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 A number of options are available for the council to consider that involve the following issues:

- § value of the sites and the capital receipt that the council might reasonably expect to achieve or the potential to generate revenue;
- § whether to work in partnership with TCSL to realise the regeneration opportunities for the Falmer area;
- § whether the council considers it necessary to market the FRL to establish its market value or that this can be done through a comprehensive valuation assessment; and
- § whether the council wishes to support: inclusion of the Stadium event and match day parking in any redevelopment of the FRL and re-providing accommodation for the Bridge, and the direct and indirect costs of these items.

4.2 In the long term, to achieve the redevelopment of FRL and wider strategic aspirations for the Falmer area, the council may consider the following options:

- i. The council invites expressions of interest from the market for the redevelopment of FRL against an agreed Development Brief, which would incorporate the Planning Brief and set out more specific requirements for the FRL, including match day and event parking for the Community Stadium, a permanent home for the Bridge and the potential for student accommodation, in order to test the market and procure a development partner.
- ii. The council disposes of the FRL to TCSL on terms to be agreed.
- iii. The council enters into discussions with TCSL, with a view to reaching an agreement on a Joint Venture Vehicle where the council is part of the JV, whereby the JV vehicle delivers the redevelopment of the FRL so as to provide match day and event parking, replacement accommodation for The Bridge and potentially student accommodation.
- iv. The council agrees a leasehold arrangement with TCSL for the site adjacent to the Community Stadium for the development of the proposed new hotel.

4.3 In seeking to redevelop the FRL, the council is obliged to satisfy the requirements of s123 Local Government Act 1972 regarding obtaining the best consideration that can reasonably be obtained. If the council is minded to receive less than market value in order to deliver benefits for stakeholders, then if the reduced capital receipt is £2,000,000 or more below market value, an application to the Secretary of State for agreement is required.

- 4.4 To satisfy the s123 rules the council would normally issue an invitation to developers to bid to deliver the scheme. A valuation exercise will then be undertaken in respect of the best offer, to assess what amount would be deemed to be foregone within the meaning of the s123 provisions as a result of specifically requiring match and event day parking for TCSL and re-provision of The Bridge. This will not be a simple exercise and the outcome will be influenced by the planning assumptions.
- 4.5 In the event of the council wishing to dispose of the FRL directly to TCSL, a valuation exercise would need to be undertaken to establish the market value. Subject to the outcome of this valuation, an application under section 123 to the Secretary of State may be required.
- 4.6 In proposing a hotel development on the different site adjacent to the Community Stadium, TCSL wish to provide additional facilities for itself, both Universities, business users and visitors to the National Park amongst others. TCSL would undertake an independent hotel and economic impact study to verify that it does not compete with existing leisure market hotels in the city centre as part of the planning process.
- 4.7 If the council supports the proposal to develop a hotel adjacent to the Community Stadium to complement its activities, those of both Universities and other users, then it is proposed to bring back Heads of Terms for a leasehold agreement, yet to be negotiated, to this Committee for approval.

5. COMMUNITY ENGAGEMENT AND CONSULTATION

- 5.1 Further consultation with Members, officers and external stakeholders will be carried out in taking forward the report recommendations.

6. CONCLUSION

- 6.1 Disposal of the FRL to TCSL would provide a focused approach that may offer a quicker route to redevelopment, rather than seeking a preferred developer through a tender process. However, whilst TCSL may be seeking freehold ownership of the site, it is recommended that in negotiations with TCSL, the council explore all options with them, including disposal and a Joint Venture vehicle where the council retains an investment stake and revenue stream. It is therefore, recommended that the council enter into negotiations with TCSL for Heads of Terms for the redevelopment of the FRL.
- 6.2 This approach would also provide a structure for early engagement of key stakeholders in the redevelopment process and offer the possibility of an earlier capital receipt or revenue stream for the council than through a tender process for a preferred developer.
- 6.3 Reassurance that the council is satisfying its section 123 obligations and maximising any revenue stream or capital receipt will be gained through an independent valuation to be commissioned by the council following member agreement of the Heads of Terms.

- 6.4 This recommended approach would continue the council's previous support for providing match day and event parking on FRL and a permanent home for the Bridge, whilst also protecting the council's financial position regarding any lease or disposal to TCSL.
- 6.5 The land adjacent to the Community Stadium being proposed for the hotel development is in the ownership of the council and part of it is included within the existing stadium lease to TCSL. Previously, this site was identified for development to provide accommodation for City College. However, this proposal was withdrawn in the light of a change to the previous further education capital funding programme.
- 6.6 It is unlikely that an alternative user could be found for the proposed hotel site as it is intricately linked to the Community Stadium's operation and for this reason it is recommended that the option to dispose of or lease the land to TCSL for a hotel development should be explored further through discussions of Heads of Terms.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The development will generate a land value to the Council for both sites and the council will instruct a valuer to agree the value of both areas of development with TCSL. TCSL will provide income projections and construction costs to enable the land value to be agreed. The cost of the independent valuation will be funded from the proceeds of the disposal. The value may be paid to the Council as either a single premium following the relevant planning consent or in the form of annual rent payments. Any premium would be paid prior to commencement of construction of the development. Any net capital receipts would be used to support the Council's corporate capital strategy and any rental income would be used to support the Council's revenue budget.
- 7.2 The council will need to satisfy the requirements of section 123 of the Local Government Act 1972 and ensure that best consideration can be obtained and if the council is minded to receive less than best consideration by £2.0m or more below market value than an application to the Secretary of State for agreement will be required.
- 7.3 In negotiating Heads of Terms the Council will seek to ensure that no direct costs associated with the development are incurred by the Council.

Finance Officer Consulted: Rob Allen

Date: 23.09.13

Legal Implications:

- 7.4 The legal position regarding disposal is not clear cut as the FRL has not yet been permanently disposed of and legislation which came into effect after the original consent requires additional approval to dispose of ex-education land. Officers are however confident that either consent is not required or will be readily given,

taking into account the history of the temporary use and the previous position regarding BACA.

- 7.5 The proposals regarding the hotel scheme would require the existing lease of the stadium to be varied and a further lease to be granted.
- 7.6 In the event of the recommendations being agreed further detailed legal implications will be set out in the report seeking approval to the Heads of Terms.

Lawyer Consulted: Bob Bruce Date: 19.09.13

Equalities Implications:

- 7.7 The development of the FRL offers the potential to provide improved community facilities for Moulsecoomb, which is recognised as an area that experiences high levels of multiple deprivation. Support for the continuation of the Bridge would benefit local residents in this area as well as city wide services. An Equality Impact Assessment will be carried out prior to any redevelopment proceeding.

Sustainability Implications:

- 7.8 Sustainability implications will be a significant part of the assessment of any scheme that is brought forward for the Released Land and consideration of these will be a normal part of any planning application for the site, as for all development proposals

Any Other Significant Implications:

- 7.9 A risk register has been prepared for this project and will be updated as the project progresses.

SUPPORTING DOCUMENTATION

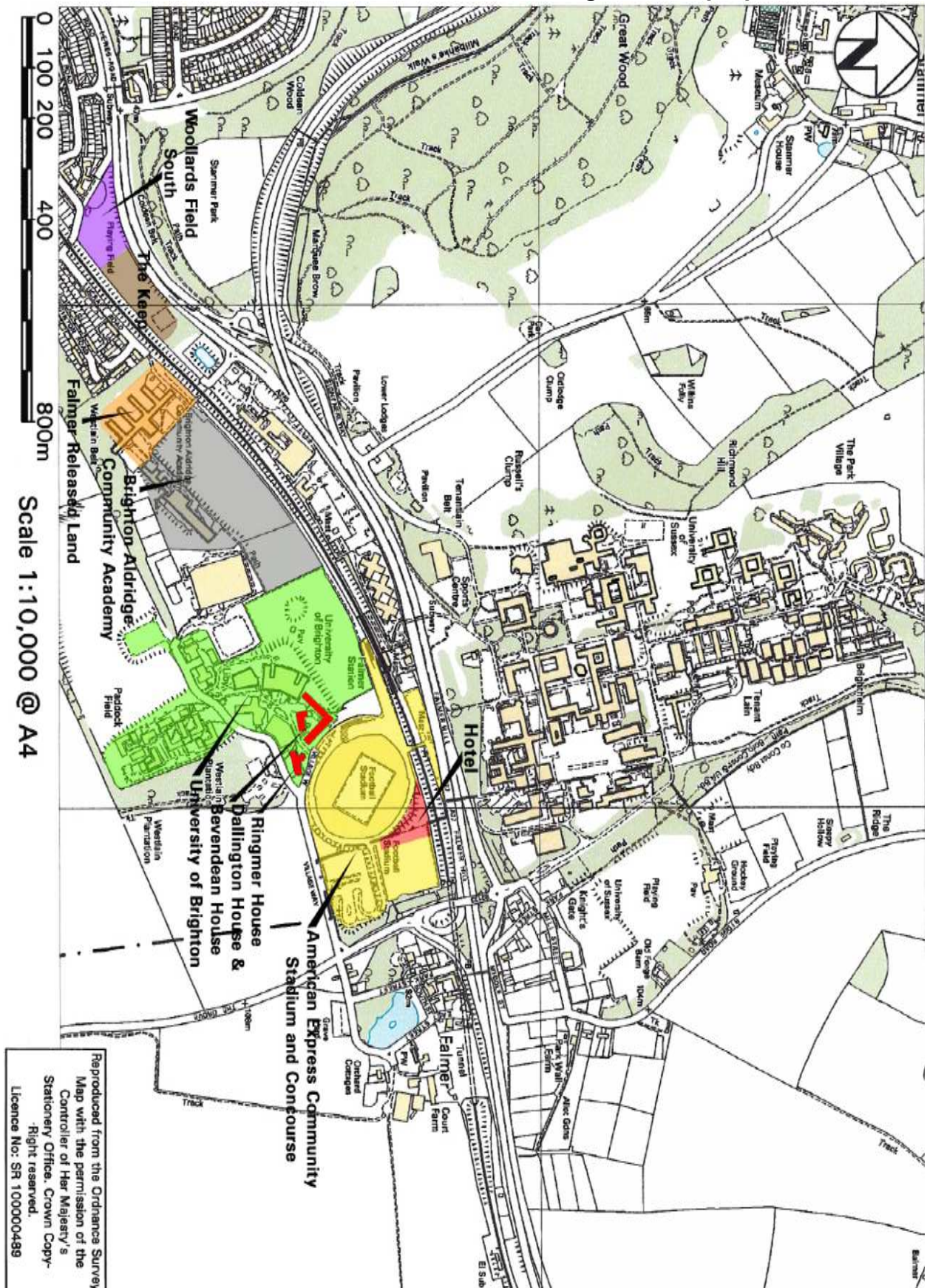
Appendices:

1. Site plan

Background Documents

1. Falmer Released Land Cabinet report, February 2011.

Plan of Falmer Area showing FRL and proposed hotel site



| | | | |
|--------------------------|--|---------------------------------------|---------------------|
| Subject: | Rampion Offshore Windfarm | | |
| Date of Meeting: | 17 October 2013 | | |
| Report of: | Executive Director Environment, Development and Housing | | |
| Contact Officer: | Name: | Alan Buck | Tel: 29-2287 |
| | Email: | alan.buck@brighton-hove.gov.uk | |
| Ward(s) affected: | All | | |

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 In August this year the council submitted representations to the Planning Inspectorate in respect of EON's application for development consent for the Rampion Offshore Windfarm, to be located in the English Channel and which would be visible from Brighton & Hove and other local authority areas to the east and west.
- 1.2 This report has been prepared to inform the committee of the council's representations and to request that these be endorsed as representing the corporate view of Brighton & Hove City Council with regard to the Rampion Offshore Windfarm.

2. RECOMMENDATIONS:

- 2.1 That the committee notes the council's representations (appendices 1 and 2 of this report) to the Planning Inspectorate on the Rampion Offshore Windfarm and endorses these as representing the council's formal response to the Planning Inspectorate.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 EON submitted their planning application (ref. EN010032) to the Planning Inspectorate (PINS) earlier this year. In common with large infrastructure projects of this nature, the application will be determined by PINS following an Examination into the proposal.
- 3.2 On 25 June 2013 Brighton & Hove City Council was formally notified by PINS that as a local authority it falls within the categories of s88(3) of the Planning Act 2008 and was invited to submit a Local Impact Report with regard to its administrative area by 8 August.

- 3.3 The Examination process is handled largely through written representations and commenced in the summer. In order to meet the PINS timetable, in early August this council submitted a Local Impact Report and written representations into the issues that this council deemed should be taken into account in the examination process. The committee timetable has meant that Policy & Resources Committee on 17 October has presented the first practicable opportunity for the views of the council, as reflected in the above documents, to be formally endorsed at Policy & Resources Committee.
- 3.4 Both of the above documents were compiled by council officers, with input from relevant service areas from across the council. In essence, the representations that have been submitted are as follows:
- 3.5 Overall the council supports the principle of the windfarm, which will provide the following benefits:
- 3.6 Environmental
- An important contribution in helping tackle climate change.
 - Locally raising the profile, understanding and acceptability of renewable energy – in line with the council's Zero Carbon ambition for all energy to come from renewable sources.
 - Positively contributing to the city's One Planet Living objectives and international Biosphere Reserve aspirations for the city region.
- 3.7 Economic
- A modest creation of jobs and associated spin-off benefits for the local economy.
 - Helping secure Newhaven port's future and role, in line with area's proposed City Deal and vision for the Greater Brighton Area economy
 - Potential economic benefits through boat trips from Brighton Marina to the windfarm for sight seeing and fishing.
 - Benefits for local supply chains with estimates of 700 sub-contractors in the city region potentially involved.

Concerns

- 3.8 The seafront is fundamental in determining the city's role as a major visitor attraction (as has recently been reflected in the results of public consultation for the council's draft Seafront Strategy). The seafront continues to attract investment for new facilities such as the Brighton Bathing Pavilion proposal in Madeira Drive, the Brighton Wheel, and the i360 observation tower project. The council therefore requests that consideration of the planning application fully explores the issues below:
- 3.9 Noise and Visual
- A precautionary approach should be taken to ensure that this application does not negatively affect by way of noise and visual intrusion the assets and benefits that the seafront brings to the city.

3.10 Community Mitigation & Engagement

Options should be explored to:

- Involve people in a local share offer/community ownership of a turbine in the array through a community energy scheme.
- Provide a visitor / interpretation /education centre with potential links with the city's proposed i360 seafront observation tower as the best place to view the array. Great Yarmouth's interpretation / visitor centre attracts 40,000 visitors per year for 30 small turbines; with 8 million visitors to the city annually and a much larger array, a centre for Brighton & Hove could be expected to have larger visitor numbers and a bigger impact.

3.11 Shoreham Port

- Further discussion with Shoreham Port Authority is strongly encouraged to minimise any adverse impact to commercial shipping using the port arising from the siting of turbines.

3.12 Other issues

- Concerns regarding marine ecology should continue to be taken up with Sussex Wildlife Trust. Concerns regarding the cable route impact on the South Downs National Park should continue to be addressed with the Park Authority and other key local stakeholders. The impact on Heritage Coast views should also be reduced further if possible.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

4.1 Public consultation has been carried out by the applicant EON at the pre-submission stage and by PINS since accepting the application.

4.2 Internal officer consultation has been carried out in compiling the council's responses. The Chair's of P&R, Environment, Transport & Sustainability, and Economic Development and Culture Committees have been kept informed and consulted on the council's submitted representations.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 There are no direct financial implications arising from the recommendation in this report.

Finance Officer Consulted: Jeff Coates

Date: 16/09/2013

Legal Implications:

- 5.2 As stated in the body of the report the jurisdiction to determine the planning application lies with the Planning Inspectorate under the provisions of the Planning Act 2008. Although the Council is not the local planning authority for this matter the Planning Inspectorate has invited the Council to submit representations and these must be considered in the determination process.

It is not considered that there are any adverse human rights implications arising from the report.

Lawyer Consulted: *Name Hilary Woodward* *Date: 25/09/13*

Equalities Implications:

- 5.3 None.

Sustainability Implications:

- 5.4 As reflected in the council's response to PINS, assuming that the windfarm receives consent and is constructed, it will:
- make an important contribution in helping tackle climate change,
 - locally raise the profile, understanding and acceptability of renewable energy – in line with the council's Zero Carbon ambition for all energy to come from renewable sources,
 - positively contribute to the city's One Planet Living objectives and international Biosphere Reserve aspirations for the city region.

Crime & Disorder Implications:

- 5.5 None apparent.

Risk and Opportunity Management Implications:

- 5.6 None for the council.

Public Health Implications:

- 5.7 Positive long term benefits associated with a reduced reliance on fossil fuels.

Corporate / Citywide Implications:

- 5.8 These are covered in the council's representations to PINS (see paras 3.5 - 3.12 of this report).

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The alternative option would have been to submit no representations to PINS, which would have meant that any views from this council would not have been considered in the Examination.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 In order to ensure that the submissions that have been made to PINS properly reflect the corporate views of the council.

SUPPORTING DOCUMENTATION

Appendices:

1. Rampion Windfarm – Brighton & Hove City Council Representation to Planning Inspectorate
2. Local Impact Report for Rampion Windfarm by Brighton & Hove City Council

Background Documents

1. Planning application by EON for Rampion Offshore Windfarm

Rampion Wind Farm: Brighton & Hove City Council Representation

Brighton & Hove City Council has already submitted a detailed Local Impact Report, which sets out technical information related to the anticipated positive, negative and neutral effects of the scheme on the city. This representation does not duplicate the detailed technical commentary contained in the LIR, and should be read in conjunction with it.

The City Council supports the principle of the wind farm. With the production capacity of up to 7000MW of renewable wind energy, saving nearly 1 million tonnes of CO2 emissions per year, and the ability to provide power for the equivalent of 450,000 homes, the proposal positively contributes to Brighton & Hove's 'One Planet City' aim of using one planet's worth of resources rather than the current equivalent use of three and a half. Development of renewable energy and associated infrastructure is supported by paragraph 93 of the National Planning Policy Framework (NPPF), and the economic and environmental benefits of the development are considered to contribute towards the achievement of sustainable development as set out in NPPF paragraph 7.

BHCC considers that the scheme could have a number of positive economic impacts for the city. The operations and maintenance base in Newhaven, although outside the council's administrative area, will benefit the economy of the wider city region. It will enhance the port's future and is also positive for the Greater Brighton City Deal bid. There will be economic benefits from contractors eating, drinking and staying in the city over the next 25 years. This is estimated to result in modest direct job creation of approximately 65-85 jobs.

An estimate of 700 local sub-contractors could be involved in the construction phase of the scheme. This is a significant number and would provide a positive impact to the economy of the city region.

However BHCC has also identified areas of concern over certain aspects of the development which will require mitigation and/or a precautionary approach requiring further discussion and agreement with relevant bodies reflected in the final layout and design. These are set out in detail in the Local Impact Report, with the most pertinent summarised below.

Although the Offshore Array is not located within or immediately adjoining the city boundary, due to its size and the nature of its offshore location this proposal is considered to have a material visible and potential audible impact upon the city in general and the seafront in particular. There has not been sufficient information presented at this

design stage that definitively states that the noise impact from the off-shore activities will not be audible to shoreline receptors. It is suggested that all potential noise impacts are subject to further information and monitoring within a Development Consent Order (DCO) obligation. It is imperative that the developer provides the appropriate audible data before development commences to provide further details for reassurance that the cumulative impact of these off shore turbines and substations is not likely to be a problem. If such issues were not raised; once the turbines were built and operational there is little, if any, going back and additionally, there would be little if any mitigation measures that may be applied to lessen any impact. If further data shows there would be an unacceptable audible impact with the current scheme at design stage, the developer should be obliged to include the appropriate mitigation at design stage wherever possible, or at the earliest possibility, thereby enabling a successful scheme in terms of noise.

Development out to sea, where currently there is none, may be perceived by some to bring a detrimental sense of enclosure to the seascape. Given the importance of the seafront to the tourist appeal of Brighton & Hove, the City Council urges that the developer is required to support a new eco-tourism / eco-education schemes through appropriate DCO obligations to enable the proposal to be a positive new offer for seafront visitors and investors. This would seek to offset any perceived negative effect on the appeal of the seafront caused by the development. Options should be explored to provide a visitor / interpretation / education centre with potential links with the city's proposed i360 seafront observation tower as the best place to view the array.

Chapter 19 of the Environmental Statement at 19.9.10 notes "that there will be an increase in vessel movements (particularly during construction phases of the project), which will impact coastal human receptors. This will be particularly noticeable in the ports." If Shoreham port was the proposed hub for construction activities, an assessment should be made of the impact of potentially 24/7 working and vessels departing to supporting a continuous workload. This might also include HGV deliveries to the area concerned for both raw materials and personnel, which could cause traffic, noise and air quality impacts within Brighton & Hove. The construction period is noted to be approximately 3 years. It is noted from the text that this could well be 24/7/365 and as such strong control measures need to be in place to minimise any impacts.

The submitted application document 6.4 'Non-technical summary', paragraph NTS.7.2 states 'Due regard will also be given to other national, regional and local planning policy documents as part of the

decision-making process'. However, it is noted that the submitted application document '6.1.4 ES Section 4 – Planning Policy' does not give regard to or include consideration of the Brighton & Hove Local Plan 2005 or the emerging Brighton & Hove City Plan Part 1 as part of the application process. Although it is recognised that no part of the proposed wind farm works would be physically located inside the administrative area of Brighton & Hove, it is considered by BHCC that both these development plans as well as other documents and strategies produced by BHCC and partners should be included as material considerations when considering this application due to the effect of the Offshore Array upon the city and in the situation where the offshore development is not subject to a development plan that would usually be expected to be considered with regard to all relevant aspects at a local level.

Local Impact Report for Rampion Windfarm by Brighton and Hove City Council

Our Reference: 10017313

Introduction

On 25 June 2013 Brighton & Hove City Council (BHCC) was sent notice by The Planning Inspectorate of Application ref. EN010032 by E.ON Climate & Renewables UK Rampion Offshore Wind Ltd (E.ON) for Rampion Offshore Wind Farm. BHCC was further notified that as a local authority it falls within the categories of s88(3) of the Planning Act 2008.

In response to this notification, BHCC has considered the local impacts of this application upon the city, which are set out within this Local Impact Report dated 23 July 2013.

At the outset BHCC would like to state support for the principle of the Windfarm. However BHCC has identified areas of concern over certain aspects of the development which will require mitigation and/or a precautionary approach requiring further discussion and agreement with relevant bodies reflected in the final layout and design.

Project Proposals

The proposed Rampion Offshore Windfarm comprises both offshore and onshore development.

Offshore Array

The offshore aspect of the proposal details 100 – 175 turbines (size dependant) with a site area of approximately 139 sq km. The final project details (e.g. the precise siting and turbine class, type of foundation etc) are not yet determined. However, the project will have a maximum installed capacity of 700MW and will comprise up to 175 three bladed, horizontal axis wind turbines.

Onshore works and cabling

The onshore aspect details works and cabling to be located within West Sussex with landfall to the east of Worthing. An onshore cable corridor would run between the onshore transition pits and the new onshore substation located at Bolney in West Sussex. The route is approximately 26.4 km long in a predominantly northerly direction from Worthing, passing through mainly agricultural land and part of the South Downs National Park.

Windfarm Location in relation to the City of Brighton and Hove

Offshore development

The proposed offshore development area lies in the English Channel off the Sussex Coast within Crown Estate land. This development area will house the proposed Offshore Array - all offshore turbines, offshore substations and inter-array cables. The proposed Offshore Array runs 13 – 23 km off the coast due south of the shoreline boundary of Brighton & Hove City Council, as well as south of the shorelines of both adjoining coastal local authorities and other nearby local authorities, with a site area of approximately 139 sq km. There is no further land or other obstruction between the City of Brighton & Hove to the north and proposed Offshore Array to the south. The proposal details 100 – 175 turbines (size dependant). The final project details (e.g. the precise siting and turbine class, type of foundation etc) are not yet determined. However, the project will have a maximum installed capacity of 700MW and will comprise up to 175 three bladed, horizontal axis wind turbines. Therefore, although the Offshore Array is not located within or immediately adjoining the city boundary, due to its size and the nature of its offshore location this proposal is considered to have a material visible and potential audible impact upon the city in general and the Seafront in particular.

Onshore Works and Cabling

The onshore cabling and works are located within West Sussex outside and away from the boundaries of Brighton & Hove City Council. It is not considered that there would be any material relationship between the physical location of the onshore element of the proposal and land within the Brighton & Hove boundary.

Appraisal of relevant BHCC planning policies and documents applicable to Rampion Windfarm proposals

The submitted application document 6.4 'Non-technical summary', paragraph NTS.7.2 states 'Due regard will also be given to other national, regional and local planning policy documents as part of the decision-making process'. However, it is noted that the submitted application document '6.1.4 ES Section 4 – Planning Policy' does not give regard to or include consideration of the Brighton & Hove Local Plan 2005 or the emerging Brighton & Hove City Plan Part 1 as part of the application process. Although it is recognised that no part of the proposed windfarm works would be physically located inside the administrative area of Brighton & Hove, it is considered by BHCC that both these development plans as well as other documents and strategies produced by BHCC and partners should be included as material considerations when considering this application due to the effect of the Offshore Array upon the city and in the situation where the offshore development is not subject to a development plan that would usually be expected to be considered with regard to all relevant aspects at a local level.

Relevant adopted Local Plan and Submission Local Plan documents:

The following policies are considered to be of relevance to the Rampion proposal from the perspective of Brighton & Hove:

Brighton & Hove Local Plan 2005

The full wording of the policies referred to below are in Appendix One.

Local Plan SU7 'Development within the coastal zone'

Of particular relevance here are parts a and c. *'Planning permission for development will only be granted within the coastal zone... where it: a) takes account of the particular conditions experienced within this area, for example, in the layout, design, landscaping and materials proposed; and c) respects or enhances the appearance and character of the seafront environment;...*

Where appropriate, planning conditions will be imposed and / or a planning obligation sought in order to secure the necessary requirements'.

Local Plan SU10 'Noise nuisance'

This specifies that: *'Proposals for new development will be required to minimise the impact of noise on the occupiers of proposed buildings, neighbouring properties and the surrounding environment. Applicants may be required to submit a noise impact study or to assess the effect of an existing noise source upon the proposed development, prior to the determination of a planning application.*

Developments likely to generate significant levels of noise will be permitted only where appropriate noise attenuation measures are incorporated which would reduce the impact on the surrounding land uses, existing or proposed, to acceptable levels in accordance with government guidance.

Where necessary, planning conditions will be imposed and / or a planning obligation sought in order to specify and secure acceptable noise limits, hours of operation and attenuation’.

QD4 Design - strategic impact

This policy identifies features of strategic importance and seeks to preserve and enhance the views and vistas of these strategic features. Of strategic relevance here include:

*‘a. the view of the sea from a distance and from within the built up area;
b. views along the seafront and coastline are considered to be of strategic importance.’*

The policy position of QD4 is that development which includes a detrimental impact on strategic views or important vistas, and impairs a view, even briefly, due to its appearance, by wholly obscuring it or being out of context with it, will not be permitted.

QD27 Protection of amenity

This policy seeks to protect the amenity of *‘proposed, existing and / or adjacent users, residents, occupiers’* and is considered to be of relevance when considering amenity issues such as noise.

QD28 Planning Obligations

This policy is relevant when reviewing appropriate mitigation for the areas of concern identified by BHCC as well as all other issues that may be identified as appropriate for planning obligations as part of the decision making process. The policy states that *‘In all cases, the obligations sought will be necessary, relevant to planning, directly related to the proposed development, fairly and reasonably related in scale and kind to the proposed development and reasonable in all other respects.’*

The aims include:

- a. community or other infrastructure facilities, including educational, cultural, health, social and fire service facilities;*
- l. off-site coastal defence / protection measures;’*

[The above policies in the Local Plan are to be replaced in due course by policies in the emerging suite of documents known as the Local Development Framework \(LDF\) for Brighton & Hove. One aspect of the LDF - the Brighton & Hove City Plan - will provide the overall strategic vision for the future of Brighton & Hove to 2030. It will set out how BHCC will respond to local priorities, meet the challenges of the future and identify the broad locations, scale and types of development needed together with the supporting infrastructure. BHCC has submitted the City Plan Part 1 and its accompanying documents to the Secretary of State for independent examination.](#)

Brighton & Hove Submission City Plan Part One 2013

The following policy is considered to be of relevance to the Rampion proposal from the perspective of Brighton & Hove:

The full wording of the policy and text referred to below are in Appendix Two

SA1 – The Seafront –

This submission stage policy is considered to hold significant weight as a material consideration as there are no unresolved objections to this policy; it is compliant with national policy and is underpinned by up to date evidence. This submission policy is considered to be a material consideration for this application; stating that the council will work in partnership to ensure the ongoing regeneration and maintenance of the seafront in an integrated and coordinated manner and requires that proposals should support the year-round sport, leisure and cultural role of the seafront for residents and visitors whilst complementing its outstanding historic and natural landscape value. Furthermore, proposals should ensure a good marine environment, enhance biodiversity and consider options for small scale renewable energy provision. Some stated priorities likely to have relevance for this proposal:

- *‘Enhance and improve the public realm and create a seafront for all’*
- *‘Monitor, conserve and expand designated coastal habitats and secure nature conservation enhancements to the marine and coastal environment;’*
- *‘Development will be encouraged to consider low and zero carbon decentralised energy’*

Paragraph 3.115 of the Submission City Plan states *‘The seafront has been, and always will be, the ‘shop window’ of Brighton & Hove, encompassing a year round hub of leisure and recreation activities for residents and visitors.*

Submission policy SA1 and supporting text may include helpful information when considering the Rampion Windfarm proposal.

Other material documents and strategies:

There are a number of other relevant documents, Strategies and Action Plans either produced directly by BHCC or in partnership with wider strategic groups/organisations that the council considers to be material considerations for this application. These will be referred to within the consideration of impacts below. Some of these are also referenced within the above submission policy SA1 – The Seafront.

With regard to the physical impact of the Windfarm upon the Seafront, the Seafront Strategy Consultation Report 2013 (produced after an extensive consultation process) is considered to be a material consideration. This public consultation was carried out for the emerging Seafront Strategy, which will build upon the successful Brighton Strategic Seafront Development Initiative 1992.

Brighton & Hove’s Sustainability Action Plan 2013 - through this Sustainability Action Plan the sustainable development organisation BioRegional endorsed Brighton & Hove as the first One Planet City (18 April 2013) which seeks to enable residents to live well within a fairer share of the earth’s resources.

Brighton & Hove City Climate Change Strategy 2011-2015 draws together the wide range of commitments and activities in place to address climate change,

including the Sustainable Community Strategy and other city and council plans, policies and programmes, to focus effort in reducing the city's carbon dioxide emissions (CO2) and preparing for the effects of climate change in the city. It forms the approach towards the 'Zero Carbon' principle from the city's One Planet Framework, while recognising links with other relevant principles (Local and Sustainable Food, Sustainable Transport, Zero Waste, and Local and Sustainable Materials).

Biosphere Reserve bid to UNESCO - Brighton & Hove and Lewes Downs - this bid seeks to secure for the city region special status for its world class environment. Consideration of the Biosphere Reserve initiative is discussed in more depth below as an aspect that requires a precautionary approach, as well as mentioned within paragraph 3.116 of the text linked to the above Submission City Plan policy SA1 – The Seafront (see Appendix Two).

The Seafront as Major Attraction

Despite the prevailing economic climate, the Seafront is still attracting investment as demonstrated by the Brighton Bathing Pavilion proposal in Madeira Drive, the Brighton Wheel, and the progress being made on the I360 project. There are also regular enquiries into development possibilities on the Seafront. The council recognises that continuous improvement to this area is vital to ensure the value of the Seafront is not only maintained but enhanced for the city, and, building on the outstanding success of the "Seafront Development Initiative" of 1992 which focused on Brighton Seafront, a renewed Seafront Strategy for 2013 is being finalised by the city council. After an extensive consultation process, the Seafront Strategy Consultation Report 2013 acknowledges that the Seafront is a major attraction for the city and plays a significant role in attracting business visitors to conferences and events. Results also demonstrate high levels of public opinion that the Seafront is one of the city's best assets. More than three quarters of the respondents (77 per cent) strongly agreed that the Seafront is one of the city's best assets and 96 per cent of respondents either tended to agree or agreed strongly that it is an asset. Furthermore, respondents were also asked to say the extent to which they agreed that they tended to take visitors from other cities to the Seafront. Again, the agreement rates were extremely high with 72 per cent strongly agreeing that they tend to take visitors to the Seafront, and a further 22 per cent tending to agree, giving an overall agreement rate of 94 per cent.

In terms of planning policy, the Seafront is strongly protected by Local Plan SU7 'Development within the coastal zone' and QD4 'Design - strategic impact' as a strategic feature. The emerging Submission City Plan Part One seeks to protect the seafront with policy SA1 'The Seafront', and related paragraph 3.115 states *'It is considered by English Heritage to be one of the finest urban seafront townscapes in Britain.'*

Positive Local Impacts

Positive Environmental Impacts

One Planet Living

With the production capacity of up to 7000MW of renewable wind energy and able to provide power for the equivalent of 450,000 homes, the proposal positively contributes to Brighton & Hove's 'One Planet City' aim of using one planet's worth of resources rather than the current equivalent use of three and a half.

Zero Carbon

Within Brighton & Hove's Sustainability Action Plan 2013, the One Planet approach breaks down into ten principles; the first of which is a Zero Carbon ambition to deliver all energy through renewable technologies. Brighton & Hove City Climate Change Strategy 2011-2015 forms the approach towards the 'Zero Carbon' principle from the city's One Planet Framework. The application will save nearly 1 million tonnes of CO2 emissions per year and so have a positive impact upon the council's Zero Carbon principles and ambitions.

Positive Economic Impacts

The operations and maintenance base in Newhaven, although outside the council's administrative area, will benefit the economy of the wider city region. It will enhance the port's future and is also positive for the Greater Brighton City Deal bid. There will be economic benefits from contractors eating, drinking and staying in the city over the next 25 years. This is estimated to result in modest direct job creation of approximately 65-85 jobs.

An estimate of 700 local sub-contractors could be involved in the construction phase of the scheme. This is a significant number and would provide a positive impact to the economy of the city region.

Potential Positive Economic Impacts

BHCC considers that the scheme could have a number of positive economic impacts for the city.

The windfarm has the potential to become a tourist attraction in its own right. Boat trips could be organised from Brighton Marina to the array for sightseeing and fishing purposes. Furthermore, the best place to see the extent of the windfarm will be from the top of the proposed i360 observation tower on Brighton seafront. The windfarm will provide an additional reason to use tower, and the i360 could be linked to the windfarm by locating a visitor centre near the base of its tower. A visitor centre based in the city could also become a significant tourist attraction - Great Yarmouth's visitor centre

attracts 40,000 visitors per year for 30 small turbines; with 8 million visitors to the city annually and a much larger array, a visitor centre in Brighton could be expected to have larger visitor numbers and have a bigger impact, especially given the opportunity of to view the array from the i360. (See DCO obligations below).

Positive Socio-economic and Community Matters

Raising Awareness of Renewable Energy

An offshore Windfarm near to Brighton & Hove will raise the local profile of renewable energy. There is the potential to improve understanding and acceptability of renewable energy across the local population if appropriate steps are taken to inform and engage with the community (see DCO obligations, below).

Education

The proximity of Brighton & Hove to the proposed offshore Windfarm may provide a strong role for higher and further education in the city; one of BHCC's key strengths.

Neutral Local Impacts

Onshore works and cabling

The **onshore** cabling and works are located within West Sussex outside and away from the boundaries of Brighton & Hove City Council. It is considered they will have a neutral local impact upon BHCC.

Heritage Assets

In terms of its impact on BHCC heritage assets including listed buildings, this issue has been comprehensively covered in the application. The Council's initial views do not disagree with the conclusions in the report, and does not consider that there would be any significant or undue harm to the settings of any of Brighton & Hove's heritage assets.

Coastal Protection

The council has concluded that the application as shown will have no significant impact on Coastal Protection or Shoreline Management on the section of coast for which BHCC is responsible.

Negative local impacts

Noise /audible impact

Whilst Brighton & Hove appears not to be impacted by the cabling and on-shore activities, there has not been sufficient information presented at this design stage that definitively states that the noise impact from the off-shore activities will not be audible to shoreline receptors. There does not appear to be any definitive acoustic report which addresses the combined impact of up to 175 turbines operating simultaneously and potentially out of sequence. Equally, no assessment appears to have been undertaken for the potentially tonal implications off the off-shore sub-stations which should also be modelled. Assurances that these activities will not be audible on shore are still required, primarily due to the fact that once implemented, if the scheme was a problem, there is little if any manner of mitigation measure which could be applied. In the opinion of the BHCC's Senior Environmental Health Officer, the submitted report does not conclusively and robustly demonstrate that noise from piling is not significant for on shore receptor locations. The officer is happy to review further evidence should this be forthcoming. From the information received to date, the Senior Environmental Health Officer is very concerned that the background assessment and source assessment are inadequate and not representative.

It is suggested below that all potential noise impacts are subject to further information and monitoring within a DCO Obligation.

Detailed technical comments on these impacts are contained in Appendix 3.

Construction

Chapter 19 of the Environmental Statement at 19.9.10 notes "*that there will be an increase in vessel movements (particularly during construction phases of the project), which will impact coastal human receptors. This will be particularly noticeable in the ports.*" If Shoreham port was the proposed hub for construction activities, would an assessment be made of potentially 24/7 working and vessels departing to supporting a continuous workload? This might also include HGV deliveries to the area concerned for both raw materials and personnel, which could cause traffic, noise and air quality impacts within Brighton & Hove.

The construction period is noted to be approximately 3 years. It is noted from the text that this could well be 24/7/365 and as such strong control measures need to be in place to minimise any impacts. As above, concerns were raised over the assessment/measurements during the construction of the met mast which need to be addressed. During the construction phase it is only noise that is likely to impact Brighton and Hove, as the onshore activities, (i.e. cabling to the new Bolney substation) are out of the City Council's administrative area.

The three year construction period could have an impact on tourism and recreational swimmers/bathers at Brighton. Whilst 19.5.18 discusses Worthing and Lancing, consideration could also be afforded to Brighton as a major

beach location. During the construction process there may be an inevitable underwater impact and passage of noise. It is suggested that with a 6 m monopole foundation the geographical spread for a 'startle' impact could extend to up to 40 km from source. This may be an issue for recreational bathers.

Investment and Tourism

Development out to sea, where currently there is none, may be perceived by some to bring a detrimental sense of enclosure to the seascape. At present the views out to sea are expansive with no barrier between the sea horizon and the sky. The development may encroach upon this sense of openness and during the hours of darkness will introduce light to the city's previously unlit coastal backdrop. There may be audible distractions that disturb sea bathers including 'startle' impacts upon recreational bathers. This may discourage visitors to the coast from choosing Brighton & Hove as their end destination, visiting instead other coastal towns and areas with an ensuing negative impact upon investment and tourism. Therefore the council urges that the developer is required to support a new eco-tourism / eco-education schemes through appropriate DCO obligations as an essential way forward to include the proposal as a positive new offer for seafront visitors and investors. Suggested areas for DCO obligations are set out below.

Community Impact

The proposal seeks to bring proposed changes to a daytime and night time seascape much loved by the existing community, as well as yet unknown levels of audible disturbance during construction and beyond, Therefore the council urges that the developer is required to support new community scheme(s) through appropriate DCO obligations as an essential way forward to offset the proposed changes. Suggested areas for DCO obligations are set out below.

Development Consent Order obligations (DCO obligations)

Local Plan policy SU7 only grants planning permission for development within the coastal zone where it respects or enhances the appearance and character of the seafront environment; and where appropriate planning obligations are sought to secure this. In the same way, the council requests that the developer enters into DCO obligations where appropriate. BHCC seeks a development outcome that will respect or enhance the appearance and character of the seafront environment and which will allow the Seafront to continue as a major attraction and city asset during installation and after completion of the development, with the involvement and support of the community; and asks for appropriate DCO obligations that will help secure this.

Noise/Audible Impact

It is suggested that all potential noise impacts are subject to further information and monitoring within a DCO Obligation. It is imperative that the developer provides the appropriate audible data before development commences to provide further details for reassurance that the cumulative

impact of these off shore turbines and substations is not likely to be a problem. If such issues were not raised; once the turbines were built and operational there is little, if any, going back and additionally, there would be little if any mitigation measures that may be applied to lessen any impact. If further data shows there would be an unacceptable audible impact with the current scheme at design stage, the developer should be obliged to include the appropriate mitigation at design stage wherever possible, or at the earliest possibility, thereby enabling a successful scheme in terms of noise.

Investment and Tourism

Options should be explored to provide a visitor / interpretation /education centre with potential links with the city's proposed i360 seafront observation tower as the best place to view the array. Great Yarmouth has an interpretation / visitor centre which attracts 40,000 visitors per year for 30 small turbines. With 8 million visitors to the city annually and a much larger array, a visitor / interpretation /education centre for Brighton & Hove could be expected to have larger visitor numbers and an increased positive local impact.

Community Impact

Opportunities should be provided to involve the community in a local share offer or for local residents to invest in a turbine through a community energy scheme. This would provide a local connection to the windfarm, and provide some community benefit from its successful operation.

A visitor / interpretation /education centre as above will also bring community benefits through improving community facilities; and can be expected to enable a more satisfactory community outcome.

Avoiding Negative Local Impact: Aspects that require a Precautionary Approach

The council considers that there are aspects of the proposed development that justify a precautionary approach requiring further discussion and agreement between the developer and relevant bodies. This complies with Local Plan SU7 'Development within the coastal zone', in particular part a:

'Planning permission for development will only be granted within the coastal zone... where it: a) takes account of the particular conditions experienced within this area, for example, in the layout, design, landscaping and materials proposed'. In this way the final design and layout should reflect the agreements made through this process.

1. The city region has made a sub-regional Biosphere Reserve bid to UNESCO to secure for the city region special status for its world class environment. These designations are significant not just for the city region's visitor economy but also for enhancing the city's unique inward investment appeal. Therefore the Brighton & Hove and Lewes Downs Biosphere project is referred to in this report as an initiative for the developers to take account of and interact constructively with through working to maximise the potential socio/economic opportunities that

- may result, such as project funding and information dissemination including through a visitor centre (see Development Consent Obligations)
2. Further discussion with Shoreham Port Authority is strongly encouraged to minimise any adverse impact to commercial shipping using the port arising from the siting of turbines.
 3. Concerns regarding marine ecology should continue to be taken up with Sussex Wildlife Trust.
 4. Concerns regarding the cable route impact on the South Downs National Park should continue to be addressed with the Park Authority and other key local stakeholders.
 5. The impact on Heritage Coast views should also be reduced further if possible.

Suggested additions to the submitted application documents

4.3 Offshore Project Description

An addition is requested to the application document 4.3 'ES Section 2a – Offshore Project Description' (see Appendix Four).

Under the statement '*The development of the final site layout will take into account the following constraints:*' it is suggested that the document also includes as constraints

- Visual impact from the Sussex coastline and Heritage Coast
- Audible impact upon local communities and tourism

This will better identify that onshore visual and audible impacts are rightful constraints that should shape the final site layout.

6.1.4 Planning Policy

As discussed above, it is suggested that submitted application document '6.1.4 ES Section 4 – Planning Policy' should both include and give regard to the Brighton & Hove Local Plan 2005 and the emerging Brighton & Hove City Plan Part One.

Appendix One

Relevant policies in the Brighton & Hove Local Plan 2005

Local Plan SU7 'Development within the coastal zone'

Planning permission for development will only be granted within the coastal zone, which is otherwise in accordance with the other policies of the development plan, where it:

- a. takes account of the particular conditions experienced within this area, for example, in the layout, design, landscaping and materials proposed;*
- b. incorporates, where appropriate, adequate flood protection and mitigation measures;*
- c. respects or enhances the appearance and character of the seafront environment;*
- d. does not adversely affect existing sea views; and*
- e. does not reduce public access to the coast.*

Where appropriate, planning conditions will be imposed and / or a planning obligation sought in order to secure the necessary requirements.

Local Plan SU10 'Noise nuisance'

Proposals for new development will be required to minimise the impact of noise on the occupiers of proposed buildings, neighbouring properties and the surrounding environment. Applicants may be required to submit a noise impact study or to assess the effect of an existing noise source upon the proposed development, prior to the determination of a planning application. Developments likely to generate significant levels of noise will be permitted only where appropriate noise attenuation measures are incorporated which would reduce the impact on the surrounding land uses, existing or proposed, to acceptable levels in accordance with government guidance.

Where necessary, planning conditions will be imposed and / or a planning obligation sought in order to specify and secure acceptable noise limits, hours of operation and attenuation measures. Planning permission for noise-sensitive development, such as housing, schools and hospitals, will not be granted if its users would be affected adversely by noise from existing uses (or programmed development) that generate significant levels of noise.

QD4 Design - strategic impact

In order to preserve or enhance strategic views, important vistas, the skyline and the setting of landmark buildings, all new development should display a high quality of design. Development that has a detrimental impact on any of these factors and impairs a view, even briefly, due to its appearance, by wholly obscuring it or being out of context with it, will not be permitted. The following features and buildings are considered to be of strategic importance:

- a. views of the sea from a distance and from within the built up area;*
- b. views along the seafront and coastline;*
- c. views across, to and from the Downs;*
- d. views across valleys;*
- e. views into and from within conservation areas;*
- f. the setting of listed buildings and locally well known landmark buildings of townscape merit;*

*g. vistas along avenues, boulevards and steeply rising streets; and
h. initial views of Brighton & Hove from access points by all modes of transport.*

QD27 Protection of amenity

Planning permission for any development or change of use will not be granted where it would cause material nuisance and loss of amenity to the proposed, existing and / or adjacent users, residents, occupiers or where it is liable to be detrimental to human health.

QD28 Planning Obligations

Matters related to the achievement of one or more of the various aims listed below will be sought by means of planning obligations when planning permission is granted. In all cases, the obligations sought will be necessary, relevant to planning, directly related to the proposed development, fairly and reasonably related in scale and kind to the proposed development and reasonable in all other respects.

The aims include:

- a. community or other infrastructure facilities, including educational, cultural, health, social and fire service facilities;*
- b. the provision of shopmobility, parking and other facilities for people with mobility problems;*
- c. public transport infrastructure including the provision or enhancement of public transport services;*
- d. provision of cycle parking facilities / contributions towards pedestrian and cycle route infrastructure;*
- e. off-site highway improvements / traffic-calming schemes;*
- f. affordable housing and / or housing for elderly / people with mobility problems;*
- g. integrated public art;*
- h. environmental improvements and their maintenance, including the provision of open space and nature conservation features;*
- i. leisure, sport and recreation facilities including the provision and maintenance of outdoor recreation space;*
- j. the preservation of a building which is particularly important from an architectural or historic point of view;*
- k. off-site land stability measures, soil erosion and water run-off prevention and reduction measures;*
- l. off-site coastal defence / protection measures;*
- m. enhancements to retail facilities in conjunction with shopping developments;*
- n. recycling facilities for domestic and commercial waste; and*
- o. a contribution to fund the regeneration of a brownfield site in the city to meet local employment, housing, or other local needs as agreed by the planning authority.*

Reference should also be made to other policies in this Plan detailing more specific provisions that will be sought under a planning obligation.

Appendix Two

Brighton & Hove Submission City Plan Part One 2013

Context

3.115 The seafront has been, and always will be, the 'shop window' of Brighton & Hove, encompassing a year round hub of leisure and recreation activities for residents and visitors. From the Marina in the east to the city boundary at Shoreham Harbour in the west, the coastline is heavily urbanised and is set against a largely Victorian and Regency townscape. It is considered by English Heritage to be one of the finest urban seafront townscapes in Britain.

3.116 In addition to recognising the significance of the coastline for leisure and recreational purposes, the importance of conserving coastal habitats and improving the marine environment, including sea water quality and coastal zone management, is also strongly recognised. Maximising the nature conservation potential of the seafront is an important part of the Biosphere Reserve initiative. The space along the seafront, the sea, the beach and the buildings behind the main road all offer important opportunities for further improvement and enhancement. Table 2 on page 25 sets out how this policy will help to deliver against the principles and local targets under the One Planet approach, which is a strategic approach to enabling the city to live within environmental limits.

SA1 – The Seafront

The council will work in partnership to ensure the on-going regeneration and maintenance of the seafront in an integrated and coordinated manner.

Proposals should support the year-round sport, leisure and cultural role of the seafront for residents and visitors whilst complementing its outstanding historic setting and natural landscape value. Proposals should ensure a good marine environment, enhance biodiversity in accordance with Biosphere objectives and consider options for small scale renewable energy provision.

A: Priorities for the whole seafront are to:

- **Enhance and improve the public realm and create a seafront for all; to ensure the seafront has adequate facilities for residents and visitors (including public toilets, waste disposal facilities, seating, signage, lighting and opportunities for shelter and shade) and continue to improve access to the beach and shoreline and ensure the seafront is accessible to everyone;**
- **Promote high quality architecture, urban design and public art which complements the natural heritage of the seafront and preserves and enhances the character and appearance of the Conservation Areas, and the historic squares and lawns that adjoin the seafront⁸⁵;**

- Secure improvements to sustainable transport infrastructure along the A259, including a rapid/ express bus-based services (see CP9) and improve air and noise quality, pedestrian and cycle routes and crossing opportunities in order to achieve a modal shift and thereby reduce the impact of traffic;
- Monitor, conserve and expand designated coastal habitats and secure nature conservation enhancements to the marine and coastal environment;
- Work in partnership with Defra, the Environment Agency, Natural England and Southern Water to continue to maintain coastal defences and to ensure appropriate waste water treatment infrastructure.
- Development will be encouraged to consider low and zero carbon decentralised energy and in particular heat networks and to either connect where a suitable system is in place (or would be at the time of construction) or design systems so that they are compatible with future connection to a network

B: Priorities for specific parts of the seafront are:

Western Seafront (Medina Terrace to Boundary Road/Station Road)

- To enhance and improve the public realm and create a more coherent townscape, that respects its adjoining context, through greater consistency of scale, height and roofline along the north side of Kingsway.
- Opportunities for tree planting and coastal habitat creation north and west of the Lagoon should be explored to soften the appearance of the A259, improve microclimate and provide shade and enhance biodiversity.
- The National Cycle Route 2 is of strategic importance and the council will review and seek to improve areas of the route that are below national standards.

Central Seafront (Medina Terrace to Palace Pier)

- To secure ongoing improvements to and maintenance of the upper and lower promenade, including Hove Lawns, which respect the more tranquil areas west of the Peace Statue.
- Develop a future vision and landscaping option for the lower promenade area either side of the West Pier site to complement the i360 Observation Tower proposal and maximise nature conservation opportunities.
- Secure improvements to traffic flow, air quality and pedestrian and cycle routes and crossing opportunities related to the Brighton Centre redevelopment.
- The council will work with the West Pier Trust and English Heritage to ensure any future proposal for the West Pier is of high quality, complements the seafront regeneration and values its biodiversity interest.

East of Palace Pier to the Marina

- Deliver the regeneration of Madeira Drive as a centre for sports and family based activities supported by a landscaping and public

art strategy which also provides for an improved public realm and the conservation and enhancement of the historic and nature conservation features present in this location;

- Safeguard the vibrant and important event space at Madeira Drive as this presents a unique location for a mix of cultural, sport and leisure activity to take place; and
- Improve beach and seafront access for pedestrians and cycle users, linking with access improvements at the Marina/Black Rock.

East of the Marina

- Safeguard the important community and recreation facility at Saltdean Lido.
- The council will monitor the cliffs behind and to the east of the Marina and take appropriate measures to safeguard coastal communities, important infrastructure (A259 & trunk services) and coastal access in the longer term;
- Ensure the nationally important nature conservation and geological interest of the cliff top, cliff and foreshore is conserved and promoted;
- Adopt a risk-based approach to all new cliff top development and examine proposals rigorously in respect of cliff stability, nature conservation and impact on coastline views and Rottingdean Conservation Area; and
- Recognise that part of this area falls within the South Downs National Park and ensure there are no adverse impacts on the setting of the South Downs National Park.

C: Strategic allocation for the Western Seafront:

1. King Alfred/RNR site

Secure the redevelopment of the King Alfred/ RNR site to ensure the replacement of new indoor public wet and dry sports facilities which provide for the local Hove communities and contribute to the wider mix of facilities in the city.

Provision of 400 residential units.

Other D2 leisure uses in accordance with national planning policy, ancillary retail and café/restaurant uses and community health facilities would also be acceptable as part of a mixed use scheme.

Proposals will be assessed against the priorities for the Seafront, city wide policies and the following criteria:

- a) The development will be required to achieve a high quality of design and sustainability which preserves and where possible enhances the setting of the three adjacent Conservation Areas, adjacent Listed Buildings, the character of the seafront and strategic views;
- b) Provide active ground floor uses and high quality, integrated and attractive landscaping and public realm which promotes biodiversity in accordance with Biosphere objectives and improves connectivity between Kingsway and the seafront;
- c) Provide appropriate flood protection and mitigation measures in accordance with CP11;

- d) Provide for sustainable means of transport to and from the site and demonstrate good linkages for pedestrians and cyclists;**
- e) The development must connect to the sewerage system off-site at the nearest point of adequate capacity;**
- f) The developer will enter into a training place agreement to secure training for local people,**

Development should accord with the council's sports and development briefs for this site and any subsequent amendments⁸⁷.

3.117 The seafront is one of the unique attractions of the city. It is the city's main public space and provides an important opportunity for the promotion and enhancement of both formal structured club and facilities based activities such as sailing and informal casual recreation such as walking and swimming. It is also the location of two exceptional groups of historic buildings fronting the sea, east of Palace Pier to the Marina and west of the Brighton Centre to Fourth Avenue. This historic 'backcloth' provides for both commercial and residential uses and makes a significant contribution to the setting, heritage and vibrant character of the seafront. The seafront area as a whole varies in its intensity of activity with both lively and tranquil stretches. This variety necessitates a sensitive and qualitative approach in terms of managing future change and development.

3.118 Since the early 1990s the central seafront area has been transformed through a mix of public and private investment much of which has been coordinated through the Brighton Seafront Development Initiative⁸⁸. Through the emerging Seafront Strategy⁸⁹, the council will continue to work towards achieving a seafront for all, and supports an integrated process of improvement and regeneration along the coastal strip. Regeneration will be designed to protect and enhance biodiversity and the natural environment, to achieve quality in the planning and urban design of the built environment, to preserve its setting and heritage and to develop the recreational potential of the area for both active and passive pursuits. The identification of new sports and recreation facilities for people to be physically active on the seafront will help improve health and well-being.

3.119 Private development schemes have come forward for the i360 Observation Tower in the West Pier area and development of the Yellowwave beach sports facility (now open). A number of other major regeneration opportunities have been identified along the length of the seafront⁹⁰:

- Brighton Marina and Black Rock – mixed use development including leisure/recreation development at Black Rock, see DA2.
- The International Conference Centre – to replace the existing Brighton Centre, see DA1
- Shoreham Harbour regeneration – see DA8.
- The King Alfred Leisure Centre – a redevelopment opportunity to ensure the replacement of the existing swimming pool and leisure facilities.

3.120 The council will continue to work towards a deliverable scheme for the redevelopment of the King Alfred/ RNR site⁹¹ to deliver sport facilities which provide for the local Hove communities and to contribute to the wide mix of sports provision for the city. The council recognises that to secure the regeneration of the site to deliver new indoor public wet and dry sports facilities an appropriate mix of uses (of which housing is likely to be the

predominant part) will be required. The overall development of the site needs to be of high quality which is sustainable and which positively enhances the seafront and surrounding area.

3.121 Saltdean Lido, near to the seafront is a prominent listed building and an important community facility including a library and community centre as well as the Lido outdoor swimming pool and health & fitness facilities. The Lido itself is the largest enclosed outdoor swimming facility for the city and therefore has a wider catchment area. The overriding requirement of the council is to seek a vibrant, accessible, high quality facility that befits the status of the Lido as a key asset of both the local and wider city community.

3.122 The need to enhance and improve the public realm along the length of the seafront is recognised. New opportunities should encourage people to extend the amount of time they spend at the seafront as well as exploring opportunities to provide shade and shelter⁹². The popular cycle route which runs along the seafront forms part of the 'National Cycle Network' and opportunities for its further improvement will also be encouraged and supported, in particular along the Western Seafront. Opportunities will also be sought to standardise road capacity along the length of the A259 and to reduce its severance effect with the seafront and improvements to sustainable transport infrastructure along the A259 will be secured supporting improvement to noise⁹³ and air quality. The Air Quality Further Review and Assessment (2010) and the Air Quality Action Plan (2011) identified certain junctions on the A259 as exceeding the annual nitrogen dioxide air quality objectives and the A259 between Arundel Road and the city boundary with Adur District Council is included within the 2008 declared Air Quality Management Area.

3.123 The importance of conserving coastal habitats and improving the marine environment including sea water quality and coastal zone management is also recognised. The beach, the shoreline and the marine environment are important natural assets providing valuable habitats that must be protected and enhanced for their biodiversity and geological value and because they have great potential to enhance the seafront experience for visitors, in accordance with Biosphere objectives. A stretch of the seafront east of the Marina falls within the South Downs National Park and will be covered by the Local Plan to be produced by the South Downs National Park Authority (See SA5). Almost half of the coastline of Brighton and Hove is of national nature conservation importance and there are also four sites of citywide nature conservation importance between Brighton Marina and Shoreham. These smaller sites provide a reservoir from which to enhance and expand urban natural habitat as part of regeneration schemes throughout the Seafront. For this reason, there is a presumption against proposals involving an increase in hard surfacing of the seafront at or in the vicinity of (and DA2).

3.124 The coastal frontage of the city is considered to be at risk from tidal flooding⁹⁴. CP11 sets out the approach to managing flood risk. The defence of Brighton & Hove's coastline over the next 50 years is addressed by strategies prepared in partnership with the Environment Agency and adjacent authorities. The reconstruction of the defences between Ovingdean and the Marina, under the 'Brighton Marina to Ovingdean Coast Protection Scheme' is

now complete. The 'Brighton Marina to River Adur Strategy' recommends the maintenance of existing coastal defences with some enlargement of groynes and beaches in the King Alfred area and a scheme to upgrade defences between the western end of Hove Lagoon and the River Adur through Shoreham Port. The Strategy will be revised following advice and funding from Defra. In Brighton & Hove the long term management of coastal flood risk and erosion is set out within the Beachy Head to Selsey Bill Shoreline Management Plan (SMP).⁹⁵The Shoreline Management Plan for the coastline defence.

3.125 To the east of Black Rock and behind the Marina a chalk cliff line runs all the way to Newhaven. The landscape quality of the coastal area of downland countryside at Ovingdean Valley and Roedean bottom is such that it has been included in the South Downs National Park. The cliffs (Brighton to Newhaven Cliff), cliff top and foreshore are designated a Site of Special Scientific Interest (SSSI), a Regionally Important Geological Site (RIGS) and a Geological Conservation Review site (GCR). How the cliffs will react to changing climate is not yet fully understood. Adopting a monitoring and management approach to the coastline in this location will increase the longer term understanding of the evolution of the cliffs, in the light of climate change. This should advise and enable the council in partnership with Natural England and other key stakeholders and the local community to properly manage this unique and valuable natural feature and plan for the future.

3.126 The National Planning Policy Framework requires risk to be reduced from coastal change by avoiding inappropriate development in vulnerable areas or adding to the impacts of physical changes to the coast. Should a coastal change management area⁹⁶ need to be identified for the stretch of the coastline east of the marina, this will be addressed in future development plan documents.

Brighton Seafront as a buffer to control outflows from the combined sewerage system. Storm water from this tunnel will eventually connect to a new wastewater treatment works at Peacehaven. The policy supports the provision of further appropriate waste water treatment infrastructure that may be required along the length of the seafront.

3.128 There are opportunities to consider small scale renewable energy provision such as solar and wind energy technologies along the seafront. The Brighton & Hove Energy Study has identified particular potential for District Heating networks in and around the seafront within a long list of priority areas. Development within the long-list of priority areas will be encouraged to consider low and zero carbon decentralised energy and in particular heat networks and required to either connect where a suitable system is in place, or would be at the time of construction, or design systems so that they are compatible with future connection to a network

⁸⁷ King Alfred/RNR Planning Brief SPG (2002).

⁸⁸ Brighton Strategic Seafront Development Initiative, 1992.

⁸⁹ Seafront Strategy is due to be adopted Spring 2013

⁹⁰ Brighton Centre SPD (2005); Brighton Marina SPG (2003) and PAN (2008)

⁹¹ Planning permission was granted in 2007 for the redevelopment of the King Alfred/ RNR site. In November 2008, the council's agreement with the Developer for the Frank Gehry designed project on Hove seafront expired. The Agreement which was to have delivered a new sports centre, 751 flats and a new public realm is no longer to be delivered due to withdrawal of funding from the principal funders for the project.

⁹² Opportunities should relate to the Parks and Green Spaces Strategy; the Public Space and

Public Life Study and the Tourism Study.

⁹³ The Noise Action Plan for the Brighton Agglomeration was produced by Defra in 2010. This identifies priority areas for action. The Defra mapping predicts that households most affected by traffic noise are those closest to major roads: London Road, Lewes Road & the seafront

⁹⁴ Strategic Flood Risk Assessment – 2008, updated in 2011

⁹⁵ The Seafront boundary has been informed by the Shoreline Management Plan.

⁹⁶ An area identified in Local Plans as likely to be affected by coastal change (physical change to the shoreline through erosion, coastal landslip, permanent inundation or coastal accretion).

Appendix Three

The Environmental Statement and Chapter 27 reference a figure of 112dB(A) at 10m in height with a wind speed of 10m/s. However it is unclear how this particular figure has been arrived at, as the Vesta 7MW turbine has never been tested, instead performance data for a 3MW turbine. Predictions at other wind speeds and heights should also be considered.

The Chapter is also dismissive of the topic of operational noise from the turbines, It lacks calculations and data to reinforce the suggestions made that noise impact is unlikely to be significant.

A comprehensive acoustic report with workings and baseline data to detail that a **cumulative** assessment of 175 turbines potentially operating out of sequence have been modelled and appropriately assessed in line with accepted best practice. Whilst references are made to ETSU-R-97, regard should also be had to BS EN 61400-11:2003

The construction noise of the offshore turbines is also somewhat limited in its discussion within the chapter, with merely the comment that best practice construction noise methods will be used. Having examined the RSK – 41318 dated May 2012 ,the following comments are offered:

1. Actual locations of on shore monitoring should be provided. Grid references, photographs, plans to provide some context
2. The comments in para 2.1 all suggest that the background noises were ambient and influenced heavily by local sources. Commonality of sources include waves, seagulls and traffic.
3. Para 2.2 goes onto indicate that source measurements were recorded by a company in a boat covering the period from 7-8am. How do the measurements identify sea slapping against a vessel?
4. There are no comments about the sea state at the time of the monitoring - this is felt to be relevant.
5. In Appendix B, the source readings are presented from 07:00 hours to 08:00 hours from the boat. However, from 61 readings, distances are missing from 39 of the measurements, leaving only data for 22 minutes.
6. From appendix B it also apparent when looking at higher peak levels recorded that there is a large difference from the LAeq levels and the L90. Again this is indicative that the survey data is not completely reliable. Up to a 25db difference was noted in the levels which remains considerable.

7. Table 3.2 goes onto show source readings in LAeq format with distances presented and the resultant levels recorded for the same time at the 4 on shore locations. However, for 66 readings apparent, only 13 are lower than the source readings which are a minimum of 13.6km away. These do not demonstrate the comments made in para 3.3 that for every kilometre, there is a 3dB reduction. Again the table shows that there remains localised interference with the individual monitoring points which leaves only a subjective comment to be relied upon that the piling could not be heard at the 3 locations.

8. In the opinion of the BHCC Senior Environmental Health Officer, the report does not conclusively and robustly demonstrate that noise from piling is not significant for on shore receptor locations. The officer is happy to review further evidence should this be forthcoming. From the information received to date, the Senior Environmental Health Officer is very concerned that the background assessment and source assessment are inadequate and not representative.

9. It is questioned whether a monopole is the worst case scenario for a piling construction scenario?

References are also made within chapter 27 to the BS5228 for noise relating to construction sites. The BHCC Senior Environmental Health Officer would argue that elsewhere in the documentation it is suggested that construction is likely to occur 24/7 and 365 days a year for approximately 3 years. BS5228 is geared more towards larger on land builds. If noise can be heard, merely a management plan will not lessen the impact of this with the knowledge that there might be years more to come.

In the finalised matrix for impacts, it is suggested that proposed mitigation measures for noise from turbines is none required. It is extremely difficult to retrofit any mitigation measures once the turbines are installed, hence the importance attached to checking that the impacts are correct at the initial stages.

It is unclear what would trigger revised predictions resulting in a full ETSU R-97 assessment.

This is considered so relevant to provide further details for reassurance that the cumulative impact of these off shore turbines and substations is not likely to be a problem. If such issues were not raised and the turbines built, once operational, there is little if any going back and additionally, little if any mitigation measures that may be applied to lessen any impact. It is therefore imperative to provide the appropriate data up front.

Appendix Four

Submission Document 4.3

ES Section 2a – Offshore Project Description:

‘The development of the final site layout will take into account the following constraints:

- The Crown Estate Zone Boundary;*
- Shipping and Navigation;*
- Archaeological Features;*
- Geology;*
- Fisheries interests;*
- Ecology;*
- Aggregates extraction areas; and*
- Existing redundant cables across the Offshore Project;’*

Subject: FIFA Under 20 Football World Cup 2017
Date of Meeting: 17 October 2013
Report of: Assistant Chief Executive
Contact Officer: Name: Ian Shurrock Tel: 29-2084
Toby Kingsbury 29-2701
Email: ian.shurrock@brighton-hove.gov.uk
toby.kingsbury@brighton-hove.gov.uk
Ward(s) affected: All

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 Brighton & Hove has been selected by the Football Association (FA) to be a candidate host city for the Under 20 Football World Cup in 2017 as part of their bid to tournament organisers FIFA. Matches would be played at the Amex Community Stadium.
- 1.2 The opportunity to host matches in such a prestigious, global sporting event would further promote Brighton & Hove as a sporting city, building on the success of major events such as the Brighton Marathon, London to Brighton Bike Ride, Olympic Torch Relay and Rugby World Cup 2015.

2. RECOMMENDATIONS:

- 2.1 That the committee support the inclusion of Brighton & Hove as a potential host city as part of the FA's bid to host the FIFA Under 20 Football World Cup 2017.
- 2.2 That the committee give approval for the council to enter into a contract with the FA in accordance with the financial commitments and other terms outlined in this report should it be selected and delegate completion thereof to the Head of Legal Services in consultation with the Executive Director of Finance & Resources and Assistant Chief Executive.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The FA is bidding to host the U20 Football World Cup in 2017. This tournament will comprise 24 teams and will take place over 23 days in June-July 2017. The FA is seeking to nominate a maximum of ten Candidate Host Cities to FIFA following which, should the tournament be awarded to England, FIFA will lead a process to identify six to seven final Host Cities.
- 3.2 The timeline of the bid process is as follows;

21st October 2013 – Signed copies of Host City Agreements returned to the FA
15th November 2013 – FA bid delivered to FIFA

4th/5th December 2013 – Announcement of Host Country by FIFA

Upon award of the competition to a Host Country, FIFA will select the final Host Cities for the competition in conjunction with the FA.

Benefits to the City

- 3.3 If the FA's bid is successful, there would be a number of long-term benefits to being a Host City;
- Prestige associated with hosting part of a major global sporting event would enhance Brighton & Hove's reputation as a sporting city and a cultural and tourist destination.
 - Opportunity to showcase the city to a global audience.
 - Opportunity to showcase the stadium as one of the premier sports venues in the country.
 - It would establish the stadium and city even further as a potential venue for future major sporting events.
 - Increased tourism in the lead-up to and during the event.
 - There are positive public health and wellbeing implications for an event such as the FIFA Under 20 World Cup. It will encourage and increase active participation in the sport, engagement, a positive sense of community spirit and volunteering.

Host City requirements

- 3.4 In the event that the FA's bid is successful and Brighton & Hove are selected by FIFA as a Host City, there are a number of areas of support that the city will be required to provide. Exact details of this commitment will form the basis of a legal agreement between FIFA and the council which needs to be finalised by 21st October 2013. If selected as a Host City, the council will be bound by the terms of this agreement. These areas of support are listed below;
- Assist the FA with the selection of four training grounds that meet FIFA's requirements
 - Provide FIFA with bi-annual progress reports.
 - Adopt all measures, including passing the necessary by-laws, to fully implement the safety and security arrangements relating to the competition.
 - Provide city dressing space for banners, posters etc. The council would be responsible for providing all such sites free of charge, and installing, maintaining and taking down such decoration.
 - Provide support to a rights protection programme (protect against ambush marketing) and provide a licensing officer from one month prior to the

tournament until its conclusion. This will include monitoring any ambush marketing within the exclusion zones and key travel routes six months before the tournament.

- Develop and implement a Transport Management Plan. It is proposed that the stadium's own Transport Management Plan is used as the basis for this. Like other matches, the transport arrangements will need to be in line with the existing planning permission for the stadium.
- To carry out activities in a sustainable, environmentally friendly way and in line with relevant legislation.
- To promote the competition on the council's website.
- To develop a programme of events for the period leading up to and during the competition or link to existing cultural events to further promote the competition.
- The council may be required to stage public viewing events. The costs relating to the security, infrastructure, management and operation of the public viewing events would be borne by the council.
- To provide office space for approximately 10 people for the duration of the tournament. The football club have offered use of the stadium for this.
- To make best efforts to render the city as attractive as possible to the members of the public and visiting football fans.
- To obtain and maintain all necessary appropriate insurance coverage.
- If there is insufficient space within the stadium perimeter to host a commercial display (area for FIFA sponsors to undertake fan engagement activities), then the Host City must provide a free-of-charge space of 2,500 square metres within the exclusion zone – outer perimeter of the stadium.

Financial Commitment

- 3.5 Of the commitments outlined above, the following are anticipated to be a direct cost to the council which in total would be approximately £50,000:
- Provision of dressing space and cost of installation of marketing material – Approx £20,000
 - Provision of licensing officer for one month prior and for the duration of the tournament – Approx £5,000
 - Programme of events or links to existing events leading up to competition – Approx £25,000

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 During the period of negotiation with FIFA, the council will review each of the commitments required as part of the agreement and discuss alternative options where appropriate.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Internal consultation has been undertaken with colleagues regarding the host city requirements listed above and with representatives from Brighton & Hove Albion Football Club.

6. CONCLUSION

- 6.1 Being part of such a global event as the FIFA Under 20 World Cup provides an ideal opportunity to further establish the Amex Community Stadium as a major sporting venue.
- 6.2 It would also enhance Brighton & Hove's reputation as a sporting city and a cultural and tourist destination.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The potential direct financial contribution from the Council is estimated at £50,000 which would only be incurred if selected as a Host City. Funding for 2017/18 would need to be identified and reflected in the Medium Term Financial Strategy. It is expected that other in kind support will be offered which has not yet been quantified. Partners will also be offering financial and in kind support. Hosting this event is expected to deliver benefits to the city economy.

Finance Officer Consulted: Anne Silley

Date: 30/09/13

Legal Implications:

- 7.2 The key aspects of the Agreement are set out in paragraph 3.4 of this report. One issue which needs to be resolved is that although it is drafted in familiar legal language, the draft currently states that the Agreement is to be governed by Swiss law, the implications of which are being clarified. The council's usual contractual position is that the law of England and Wales prevails and the legal review of the agreement has assumed that would be the case here. At the time of writing the report the response from FIFA to this jurisdictional point is not known.

If it is accepted by FIFA that the usual English jurisdiction can apply there are no showstoppers in the draft. If however they insist on Swiss jurisdiction, a lawyer familiar with Swiss law would need to be appointed to advise the Council accordingly.

Lawyer Consulted: Bob Bruce

Date: 27/09/13

Equalities Implications:

- 7.3 Being a host city will provide opportunities to engage all sections of the community with a major sports event.

Sustainability Implications:

- 7.4 The council holds the British Standard for sustainable events BS 8901 and the International Standard for Environmental Management ISO 14001 for its own Events and Venues. The support provided by the council's events team would ensure that the principles of these standards would be adhered to wherever possible.

Any Other Significant Implications:

- 7.5 None

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms

None

Background Documents

None

Document is Restricted

