





**Brighton & Hove
City Council**

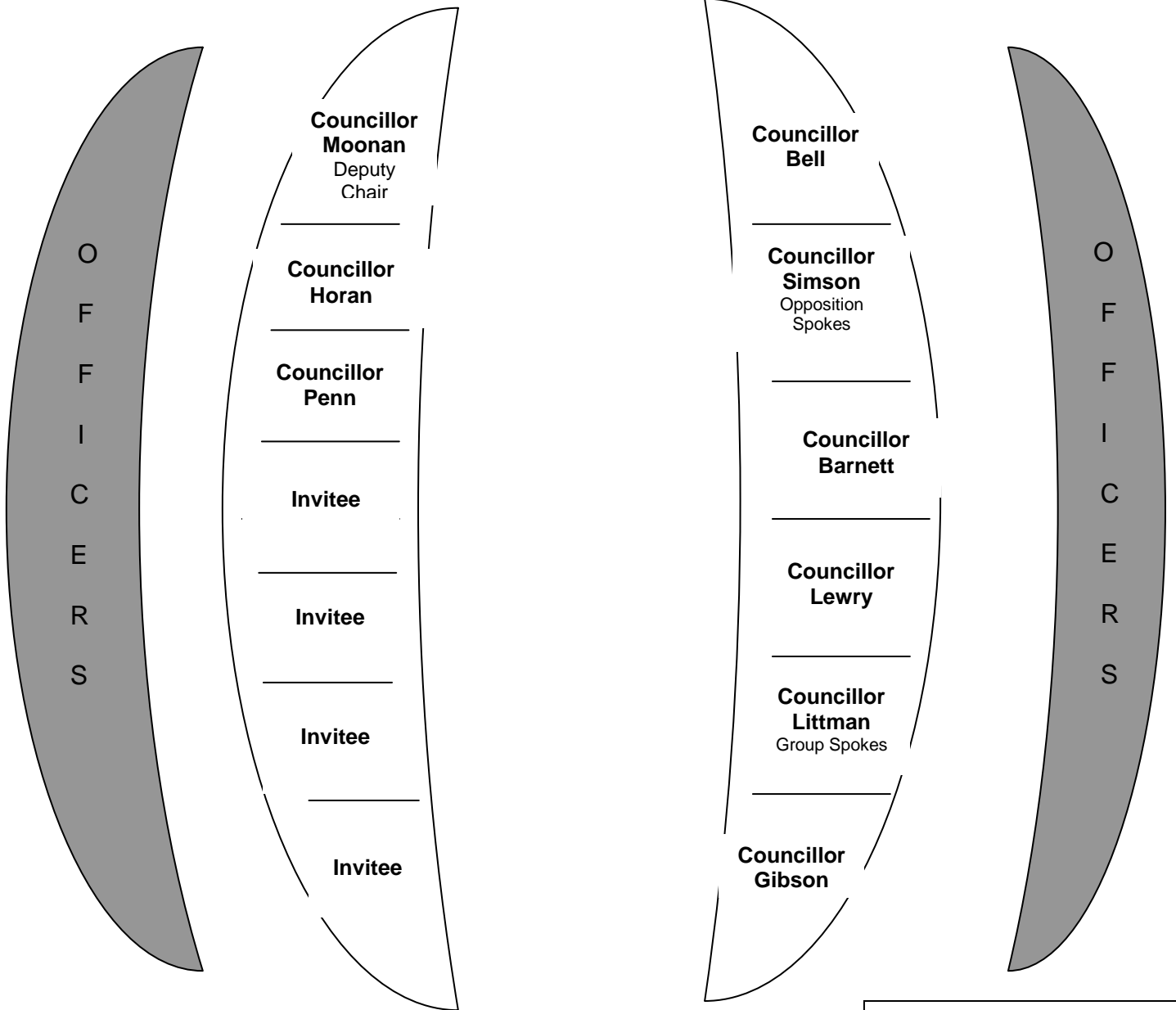
Neighbourhoods, Communities & Equalities Committee

Title:	Neighbourhoods, Communities and Equalities Committee
Date:	20 July 2015
Time:	4.00pm
Venue	Bridge Community Centre, Lucraft Road, Moulsecoomb, Brighton, BN2 4PN
Members:	Councillors: Daniel (Chair), Moonan (Deputy Chair), Simson (Opposition Spokesperson), Littman (Group Spokesperson), Barnett, Bell, Gibson, Hill, Horan, Lewry, Hoban, Kemp, Mac Cafferty and Penn
Invitees:	Geraldine Hoban (Clinical Commissioning Group) and Nev Kemp (Sussex Police) x 2 Vacancies (to be confirmed)
Contact:	Penny Jennings Democratic Services Officer 01273 291065 penny.jennings@brighton-hove.gov.uk

	The venue 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.
	<p align="center">FIRE / EMERGENCY EVACUATION PROCEDURE</p> <p>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:</p> <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: Neighbourhoods, Communities & Equalities Committee

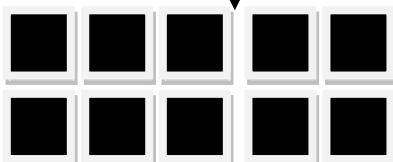
Legal Officer	Assistant Chief Executive	Councillor Daniel Chair	Democratic Services Officer
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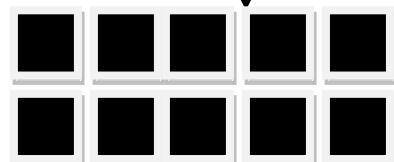
Press

Public Speaker Public Speaker

Public Seating



Public Seating



AGENDA

1 PROCEDURAL BUSINESS

- (a) **Declarations of Substitutes:** Where councillors are unable to attend a meeting, a substitute Member from the same political group may attend, speak and vote in their place for that meeting.
- (b) **Declarations of Interest:**
 - (a) Disclosable pecuniary interests;
 - (b) Any other interests required to be registered under the local code;
 - (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare

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

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

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

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

A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls and on-line in the Constitution at part 7.1.

2 CHAIRS COMMUNICATIONS

3 CALL OVER

- (a) Items (6 – 11) 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.

4 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 13 July 2015.
- (c) **Deputations:** To receive any deputations submitted by the due date of 12 noon on the 13 July 2015.

5 MEMBER INVOLVEMENT

To consider the following matters raised by Members:

- (a) **Petitions:** To receive any petitions referred from Full Council or submitted directly to the Committee;
- (b) **Written Questions:** To consider any written questions;
- (c) **Letters:** To consider any letters;
- (d) **Notices of Motion:** to consider any Notices of Motion referred from Full Council or submitted directly to the Committee.

6 CONSTITUTIONAL MATTERS: NEIGHBOURHOODS, COMMUNITIES & EQUALITIES COMMITTEE 1 - 6

Report of the Monitoring Officer (copy attached).

Contact Officer: John Peel

Tel: 01273 291058

Ward Affected: All Wards

7 PRESENTATION ON PUBLIC HEALTH REPORT ON INEQUALITY

8 BRIGHTON & HOVE FAIRNESS COMMISSION WAYS OF WORKING 7 - 28

Report of the Assistant Chief Executive (copy attached).

Contact Officer: Matthew Wragg

Tel: 01273 293944

Ward Affected: All Wards

9 THIRD SECTOR INVESTMENT 29 - 38

Report of the Assistant Chief Executive (copy attached).

Contact Officer: Emma McDermott

Tel: 01273 296805

Ward Affected: All Wards

**10 CORPORATE PLAN & MEDIUM TERM FINANCIAL STRATEGY 2015 – 39 - 62
2019: BUDGET PLANNING AND RESOURCE UPDATE 2016/17**

Extract from the meeting of the Policy & Resources Committee held on 9 July 2015 (to be circulated) together with a report of the Interim Executive Director for Finance & Resources (copy attached).

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

11 NEIGHBOURHOOD ENFORCEMENT TEAMS 63 - 66

Report of the Director of Public Health (copy attached).

Contact Officer: Peter Castleton Tel: 01273 292607
Ward Affected: All Wards

12 ITEMS REFERRED FOR FULL COUNCIL

To consider items to be submitted to the 16 July 2015 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, any Group may specify one further item to be included by notifying the Chief Executive no later than 10am on the eighth working day before the Council meeting at which the report is to be made, or if the Committee meeting take place after this deadline, immediately at the conclusion of the Committee meeting

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

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

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.

For further details and general enquiries about this meeting contact Penny Jennings, (01273 291065, email penny.jennings@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

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 Penny Jennings, (01273 291065, email penny.jennings@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

Date of Publication Friday, 10 July 2015

Subject:	Constitutional Matters		
Date of Meeting:	20 July 2015		
Report of:	Monitoring Officer		
Contact Officer:	Name:	John Peel	Tel: 29-1058
	Email:	John.peel@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

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

2. RECOMMENDATIONS:

- 2.1 That the committee's terms of reference, as set out in Appendix 1 to this report, be noted; and
- 2.2 That the establishment of an Urgency Sub-Committee consisting of the Chair of the Committee and two other Members (nominated in accordance with the scheme for the allocation of seats for committees), to exercise its powers in relation to matters of urgency, on which it is necessary to make a decision before the next ordinary meeting of the Committee be approved.
- 2.3 That the Committee agrees that one representative each from Sussex Police and the Clinical Commissioning Group and two representatives from Community Works in the areas of equalities and neighbourhoods are invited to attend all meetings in an advisory capacity.
- 2.4 That the Committee agrees to invite further specialist community representatives to attend meetings on an issue by issue, ad-hoc basis.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Article 6 of the constitution, incorporates a schedule of all the Committees/Sub-committees established in the new constitution together with a summary of their respective functions.

The Neighbourhoods, Communities & Equalities Committee– Terms of Reference

- 3.2 A copy of the terms of reference for the committee is attached in Appendix 1. These should be read in the context of the 'Introduction and General Delegations' included in the Scheme of Delegations to Committees and Sub-Committees at part 4 of the constitution.

Membership

- 3.3 The membership of the committee is set at 10 Members of the council. In addition, it is proposed that one representative each from Sussex Police and the Clinical Commissioning Group and two representatives from Community Works in the areas of equalities and neighbourhoods attend all meetings in an advisory capacity. Furthermore, the Committee will invite other community representatives to attend meetings on an issue by issue, ad-hoc basis. The representatives will not be voting members of the Committee.
- 3.4 The arrangements for substitute Members to attend meetings of Committees/Sub-Committee are set out in the Council Procedure Rules 18 to 24.

Programme Meetings

- 3.5 Ordinary meetings of the Neighbourhood, Communities & Equalities Committee are scheduled to take place on the following dates during 2015/16:

Monday 20 July 2015
Monday 5 October 2015
Monday 23 November 2015
Monday 25 January 2016
Monday 14 March 2016

- 3.8 Meetings of the Committee will rotate venue across the city for the 2015/16 municipal year.

Urgency Sub-Committee

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

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

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

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Members considered and approved the establishment of the Neighbourhoods, Communities & Equalities Committee at Annual Council on 21 May 2015.

6. CONCLUSION

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

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The costs of establishing and running the Urgency Sub-Committees are expected to be met within existing levels of resources. The cost of holding the various committee meetings has been included in the overall Workstyles Programme.

Finance Officer Consulted: Peter Francis

Date: 23/06/15

Legal Implications:

- 7.2 The Committee has been established in accordance with the Council's constitution and the legal framework set out in the Localism Act 2011, the Local Government Act 2000 and other relevant legislation.

Lawyer Consulted: Elizabeth Culbert

Date: 23/06/15

Equalities Implications:

- 7.2 There are no equalities implications arising from the report

Sustainability Implications:

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

Any Other Significant Implications:

- 7.4 None

SUPPORTING DOCUMENTATION

Appendices:

1. Neighbourhoods, Communities & Equalities Committee Terms of Reference

Documents in Members' Rooms

1. None

Background Documents

1. The Constitution

NEIGHBOURHOODS, COMMUNITIES AND EQUALITIES COMMITTEE

Explanatory Note

This committee has overall responsibility for co-ordinating the Councils approach regarding communities and neighbourhoods, third sector, community safety and resilience, equalities and inclusion. It discharges these functions by either making decisions itself or, as necessary, making recommendations to the most appropriate body. Some of its terms of reference overlap with other committees. Where this is the case, the relevant committees have concurrent delegations. It consists of 10 Members, but it may invite representatives from communities, LATs and others to attend as invitees with speaking rights.

Delegated functions

To discharge the Council's functions relating to community safety, neighbourhoods and community development, third sector, street homelessness, equalities and fairness, including, but not limited to the following.

1. Community safety

To discharge the Council's functions regarding community safety, crime and disorder and associated matters in particular where these require member-level engagement and consultation with the community.

NOTE: The committee will work in conjunction with the Safe in the City Partnership and the Overview & Scrutiny Committee (in its capacity as a Crime and Disorder Committee) and the work of the three bodies will be co-ordinated to ensure that they complement each other and avoiding duplication where possible.

2. Neighbourhood and community development

- a) To consider options and develop proposals for neighbourhood arrangements, including capacity building, use of assets and devolving powers and services to neighbourhoods and making recommendations to the Policy & Resources Committee.
- b) To monitor and review the operation of any neighbourhood based delivery of services and make recommendations as necessary.

3. Active Citizenship and Community Resilience

- a) To develop, oversee and make decisions regarding the proposals to increase active citizenship and make recommendations to Policy and Resources Committee.

- b) To develop, oversee and make decisions regarding the proposals to improve community resilience and make recommendations to Policy and Resources Committee.

4. Community and voluntary sector

To develop, oversee and make decisions regarding the implementation of the Council's Communities and Third Sector Policy, investment in and support to the community and voluntary sector.

5. Street homelessness

To coordinate the Council's policies and actions with the view to reducing and eliminating street homelessness and, in conjunction with the Policy & Resources and Housing and New Homes Committee and the Health & Wellbeing Board, to ensure that appropriate action is taken.

6. Equalities

- a) To discharge the Council's functions regarding equalities and inclusion.
- b) Implementation of equalities related scrutiny or other recommendations, including Trans Scrutiny Report.

7. Fairness

- a) To develop proposals for a Fairness Commission and make recommendations to the Policy & Resources Committee.
- b) To consider proposals or recommendations submitted by the Fairness Commission and advise the Council or Policy & Resources Committee on implementation.
- c) To monitor implementation of recommendations of the Fairness Commission.
- d) Working with other committees and partners to promote fairness in the delivery of services.

Subject:	Establishment of the Brighton & Hove Fairness Commission		
Date of Meeting:	20 July 2015		
Report of:	Assistant Chief Executive		
Contact Officer:	Name:	Matthew Wragg	Tel: 29-3944
	Email:	matthew.wragg@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The council's Corporate Plan describes how spending for public services in the city is reducing at the same time as demand for services is rising, the local population growing and changing, and personal needs becoming more complex. Public services are committed, through Brighton & Hove Connected, to changing the way they provide services and with citizens.
- 1.2 Policy & Resources Committee received an initial report at their meeting on 11th June 2015, which put forward the case for and agreed the establishment of a fairness commission for Brighton & Hove. Minutes from that discussion are attached at Appendix 1
- 1.3 This report provides further context along with additional detail on the ways of working for the Brighton & Hove fairness commission, along with draft terms of reference (Appendix 2), for consideration by Committee.

2. RECOMMENDATIONS:

- 2.1 That Neighbourhoods, Communities & Equalities Committee recommends to the Acting Chief Executive that the ways of working for the Brighton & Hove Fairness Commission contained within this report are adopted; and
- 2.2 That the Committee recommends to the Acting Chief Executive that the terms of reference as set out in Appendix 2 are adopted.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Policy & Resources Committee received an initial report at their meeting on 11th June 2015, which put forward the case for and agreed the establishment of a fairness commission for Brighton & Hove. Minutes from that discussion are attached.

- 3.2 This report provides further context along with additional detail on the ways of working for the Brighton & Hove fairness commission, along with draft terms of reference (Appendix 2), for consideration by Committee.

Inequality in Brighton & Hove

- 3.3 The city's Sustainable Community Strategy and the Brighton & Hove City Council Corporate Plan 2015-19 both highlight the need for and commit to increase equality across communities of the city, addressing limitations in life chances for certain individuals.
- 3.4 Additionally, the new 2014-15 Annual Report of the Director of Public Health, [Look Inequality](#), takes as its theme inequality within the city. It brings together comprehensive detail on overall deprivation and a number of other key factors associated with inequality and poverty. This report will form a timely and key evidence base for the commission.
- 3.5 In terms of overall deprivation, it finds that Brighton & Hove is above the national average and the pattern of deprivation has changed little in the past decade. This suggests that there remains a need to find new ways to address embedded inequality and poverty in the city that continues despite periods of economic decline and growth and numerous initiatives targeted at reducing these issues.
- 3.6 The report concludes the picture of inequality is not straightforward and sometimes the findings are unexpected. There has been some improvement in some areas but in others, such as income, welfare reform, housing, secondary education and food poverty, the challenges remain substantial.
- 3.7 In terms of moving ahead it states that:
- “If we are to successfully tackle the inequalities that many people face, then a sustained, determined and coordinated approach across the city that engages people from the statutory, private and voluntary sectors as well as citizens themselves is required”.
- 3.8 A fairness commission would be one such approach to deliver this, and is an approach increasingly being used elsewhere.

Why run a Fairness Commission?

- 3.9 Based on learning from elsewhere a fairness commission offers a strong and objective forum which can create a coordinated and evidenced approach to increasing equality and would help to deliver our own Corporate Plan. The following sets out what others have done and the practical steps to establishing a fairness commission.
- 3.10 A fairness commission is a group or body of senior influencers, often independently Chaired, which explores and recommends ways to increase fairness and reduce inequality for citizens. They have been developed in response to evidence of increasing inequalities in social, economic and health conditions.

- 3.11 This report draws on fairness commissions from around the country, particularly Islington, York, Croydon, Plymouth and Southampton, and the report commissioned by the All Party Parliamentary Committee on Poverty which has analysed the fairness commission work to date across England and Wales.
- 3.12 Where they have been set up by local authorities, fairness commissions have presented a clear means of testing and informing the implications of policy and budgetary decisions proposed by those authorities.

A Fairness Commission for Brighton & Hove

- 3.13 The council's Corporate Plan describes how spending for public services in the city is reducing at the same time as demand for services is rising, the local population growing and changing, and personal needs becoming more complex. Public services are committed, through Brighton & Hove Connected, to changing the way they provide services between each other and with citizens.
- 3.14 There are already a wide range of strategies and services provided in Brighton & Hove, by the council and partners in the public, private and community and voluntary sector, to prevent and address the outcomes of inequality and poverty – and particularly to safeguard the most vulnerable.
- 3.15 The fairness commission will not only look at helping those in most need of support in our city, it will take an independent and holistic view of causes, outcomes and responses. It will look at the existing range of strategies, bring them together and review them from a fresh perspective.
- 3.16 At its conclusion the fairness commission will produce recommendations and proposals which aim to ensure that everyone in Brighton & Hove has a share in the economic success of the city, and that everyone has the opportunity to lead healthy and productive lives in financial security.

Terms of reference

- 3.17 Fairness commissions have tended to examine and make recommendations around similar types of issues. Most commissions have divided their work up into themed areas. These vary, but the most common being; health & wellbeing, jobs/pay, housing, safety, and transport. Other themes have included fuel poverty, access to services, economic growth, benefits and skills.
- 3.18 Draft terms of reference are included as Appendix 2, for consideration by Committee.
- 3.19 Terms of reference should be seen to frame and support a more in-depth process required to scope the work of the commission, which will be led by the Chair and determined by the commission itself.
- 3.20 Independent enquiry, engaging and including people, and evidences of what works should be the fundamental and governing principles of the commission (see Appendix 2, Terms of Reference).

Strategic links

- 3.21 The city has an established and effective network of thematic partnerships under the umbrella of Brighton & Hove Connected (the local strategic partnership) that bring together services and sectors to address common city issues. Brighton & Hove Connected, with the thematic partnerships, should be involved in feeding evidence into the commission to inform its work and engage in the discussion to take forward its recommendations.
- 3.22 The report of the fairness commission will provide a focus on equality and fairness for delivery and development of the council's Corporate Plan 2015-19, with meaningful emphasis on all four principles contained in the plan; Public accountability, Citizen focused, Increasing equality and Active Citizenship.
- 3.23 The council's Overview and Scrutiny Committee (OSC) will take a watching brief over the work of the commission. OSC will also review and respond to the recommendations of the Fairness Commission.
- 3.24 The commission will support increased understanding within the city about the nature and scale required of public service reform and the potential impact of this on fairness and equality. In exploring these issues and the solutions available the commission's work will guide policy decisions and service delivery over the remaining political term, in line with the council's budget setting and Medium Term Financial Strategy (MTFS).
- 3.25 The creation of a new City Employment & Skills Plan (CESP) is about to commence, enabling young people and citizens more widely to access and become benefactors of job growth. This is directly connected to our long term regional economic plans through our Greater Brighton 'city deal' investment agreement with central government. The commission should develop its own work programme with a view to the development and emerging recommendations of the CESP.
- 3.26 Following the Brighton & Hove Living Wage Commission in 2011-12, a successful local Living Wage campaign has been established, delivered by the Brighton & Hove Chamber of Commerce. The Fairness Commission offers an appropriate opportunity to review progress against the considerations and recommendations of the Living Wage Commission.
- 3.27 The Health & Wellbeing Board is the accountable body for health and wellbeing in the city and aims to provide leadership across the health and social care system. One of its key responsibilities is to produce a regular Health & Wellbeing Strategy. The second strategy is in production and the fairness commission should look for appropriate ways and opportunities to link to the draft.
- 3.28 This list of strategic links should not be considered exhaustive. The fairness commission would offer a timely opportunity to review where this and a wider range of work has reached, and examine the potential further impact of continued reductions in public spending. It will aim to explore and bring a fresh perspective to the complex issues of fairness and equality in the city.

Evidence gathering

- 3.29 The commission will begin with an initial review of a range of strategies and data to inform specific themes and areas of interest for further investigation.
- 3.30 A number of existing pieces of work will be reviewed to determine the commission's work programme, including (by way of example and not provided as an exhaustive list):
- The Director of Public Health Annual Report (2015)
 - The Cumulative Impact of Welfare Reform (2015)
 - The ongoing Joint Strategic Needs Assessment
 - The final report of the Living Wage Commission (2012)
 - The Brighton & Hove Child Poverty Needs Assessment & Strategy (2010)
 - The Brighton & Hove Reducing Inequality Review (2007)
- 3.31 In addition to the above, further data about inequality within the city and communities will be provided using council and partnership resources. This includes making full use of the [Community Insight](#) local intelligence tool and other information held under Brighton & Hove Connected [Local Intelligence](#). Further data and any relevant analysis will be provided on request to the commission.
- 3.32 On the basis of initial evidence and analysis, representatives, professionals and experts will be invited by the commission to give further evidence and insight.
- 3.33 As well as invitations, the work of the commission will be promoted with open and inclusive opportunities for other stakeholders and the public to engage. There will be a general call for evidence in all forms, including personal stories and experiences.

Themes

- 3.34 Understanding fairness and creating a fairer city depends on understanding, in a very broad sense, the connections between people and place – the interdependencies between national and local economy, neighbourhoods and communities, citizens and state, and personal circumstances.
- 3.35 To make this process manageable within the set timeframe, based on practice from elsewhere, the commission will need to sub-categorise its work and focus on particular areas for enquiry. Potential areas will include:
- Employment and skills
 - Financial inclusion
 - Housing
 - Transport
 - Health and wellbeing
- 3.36 Within these themes, it is anticipated that the commission will consider differences in inequality associated with:
- Income and welfare (including in work and out of work poverty)
 - Families, lone parents and individuals

- Communities of identity, including age, gender identity, ethnicity, sexual orientation, disability or religion or belief.
- Communities of place

3.37 It is also important that stakeholders, members of public and communities are able to suggest specific issues of local concern to the commission (see Community engagement below)

Membership

- 3.38 Although there is no single agreed model for fairness commissions, the majority of commissions have significant commonalities in terms of membership, terms of reference, evidence-gathering and in the type of recommendation they make.
- 3.39 Based on learning from elsewhere the Chair of a fairness commission is often an independent person selected on the basis of their knowledge around fairness and equality and their ability to provide strong leadership in setting the strategic direction.
- 3.40 A commission will comprise representatives from the private, public and voluntary sector and aim to ensure appropriate and relevant expertise around equality and fairness are included. The Chair would also help finalise the appropriate membership.
- 3.41 Membership of the commission will comprise of up to 12 members including a Chair. This is based on what is seen elsewhere to provide an appropriate breadth of expertise but not create a commission that is too large for focussed discussion.
- 3.42 While membership is limited there will be a range of opportunities for other professionals and community representatives to input into the commission, as described in this report.
- 3.43 A Deputy Chair will be selected to chair meetings should the Chair be unavailable for any reason. The Chair of the council's Neighbourhoods, Communities & Equalities Committee will sit on the commission as an observer, as will an observer from each opposition political group.
- 3.44 Members are not intended to be allocated on a purely sectoral basis but rather to bring together a range of informed and insightful individuals able to conduct the work. Representative views of all stakeholders, partners and communities will be solicited by the commission.
- 3.45 Membership will cover (not exclusively) the following areas of expertise:
- Child poverty
 - The community & voluntary sector
 - Community safety and cohesion
 - Early years provision
 - Employment and skills
 - Financial inclusion
 - Health inequality

- Housing affordability and homelessness
- Travel and transport

The role of members

3.46 The summary of the role of members will be to:

- Agree and shape the further aims and work programme of the commission
- Create an inclusive approach to community engagement, information and research, and communications
- Attend and participate in public events and activities, including via social media, to hear the views of citizens and other stakeholders
- Review the analysis of the evidence presented and engagement responses
- Produce a final written report which agrees and communicates findings
- Champion and represent the work of the commission during and after its completion

Community engagement

3.47 By engaging residents and city stakeholders to understand local needs more fully along with the necessary changes in public service provision, we can explore how the relationship, expectations and extent of collaboration between public services, citizens, businesses and visitors as a whole can change.

3.48 In the spirit of fairness the commission will be open and inclusive – anyone should have the opportunity to share their views with the commission. The commission will develop an engagement plan which is both inclusive and accessible, with further details given in paragraph 5.

3.49 Recognising the complexities around equality and fairness issues and how they cut right across public services and communities, the commission will engage with our city partners, including the Police, health services, universities and the community and voluntary sector (CVS).

3.50 The council's Corporate Plan places Active Citizenship as one of the key principles that we work toward. It describes a city people take pride in, where citizens communities and businesses are active in addressing things that matter to them.

3.51 In the current climate of reducing public spending and rising demand, public services will rely on working together with citizens to review and deliver services.

3.52 Therefore not only will the commission engage and involve communities in its work, but more profoundly its findings and recommendations will help to design what this new provision will look like, where citizens themselves play a greater role in contributing to and ensuring a fairer and more inclusive city.

Communication plan

3.53 A communication plan will be developed to promote the commission at all stages in its development and invite participation in its work.

- 3.54 Awareness of the commission and opportunities to engage will be raised and provided through a range of methods and media usage.

Outputs, delivery and timing

- 3.55 The fairness commission is expected to meet a limited number of times to produce a final report within a year, including SMART (specific, measurable, achievable, resourced, timely) recommendations for the council and its key local partners.
- 3.56 Summaries of findings from specific activity, for example engagement activity, may be released at any time during the commission to further promote, engage people with and inform its work.
- 3.57 The intention is that the fairness commission will conclude and report by May 2016.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 Fairness commissions undertaken or in progress across the UK have been reviewed to develop the previous report to Policy & Resources Committee and the subsequent proposals and terms of reference in this report.
- 4.2 Within the typical work of a fairness commission there are a number of potential themes to examine in detail within the local context, as described. It is left for the fairness commission to determine these more fully within the terms of reference.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The fairness commission will develop an engagement plan which is inclusive and accessible. To include:
- Community based discussions – bringing communities together to discuss experiences of fairness and inequality to feed into the commission
 - Social media engagement – widening the net to capture other views than those who choose to or are able to come to events
 - Web site and online feedback – a web presence explaining and updating on the work of the commission and opportunities to be involved
 - Using the established network of community groups and organisations, which could include Ward Councillors, to widen discussion and capacity beyond the commission and feed into its findings
- 5.2 Officers of the council, Members and partners will be asked to promote opportunities to get involved in engagement activity, and materials will be provided to solicit views directly and feed these back to the commission.

6. CONCLUSION

- 6.1 Policy & Resources Committee has agreed to the formation of the Brighton & Hove Fairness Commission at its meeting on 11th June

- 6.2 This report provides further detail for the Committee to consider before passing the further scoping and detail around the Fairness Commission to the Chair, and commission members once announced.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The set-up and running costs of the Fairness Commission are expected to be met from within existing budget resources. It is anticipated that the Chair and Members would receive subsistence and travel allowances.
- 7.2 The financial implications arising from the Commission's recommendations will help to inform future budget development and the medium term financial strategy.

Finance Officer Consulted: Michelle Herrington

Date: 01/07/2015

Legal Implications:

- 7.3 The proposals in the report are consistent with the Council's powers and duties under the Equalities Act 2010 and the general powers of competence in the Localism Act 2011.
- 7.4 Under the Council's Constitution, the power to set up a commission is delegated to the Policy & Resources Committee. Policy & Resources Committee agreed in principle on 11 June 2015 to set up a Fairness Commission and it noted that the Neighbourhoods, Communities and Equalities Committee would consider the draft terms of reference for the Commission. Policy & Resources Committee also agreed to delegate the power to the Chief Executive, having regard to the recommendations of this Committee, to establish the Fairness Commission and take all steps necessary or incidental to the establishment of the Commission.

Lawyer Consulted:

Sarita Arthur-Crow

Date: 19/06/2015

Equalities Implications:

- 7.5 The fairness commission will consider issues relating to equalities, particularly being about inequality experienced by people and communities within the city.

Sustainability Implications:

- 7.6 The fairness commission may consider issues broadly relating to sustainability, particularly being about the quality of life (social, financial and environmental) within the city as a whole and for specific communities and neighbourhoods.

Crime & Disorder Implications:

- 7.7 The fairness commission may consider issues relating to crime and disorder, particularly being about by cohesion and tensions experience by people and communities within the city in relation to either realities or perceptions of fairness.

Risk and Opportunity Management Implications:

- 7.8 This report has considered practice from elsewhere in running fairness commissions including risks and opportunities.
- 7.9 The fairness commission itself will consider the risks associated with not addressing issues relating to inequality and poverty and opportunities for the city, communities and council and public services more widely in creating a fairer city.

Public Health Implications:

- 7.10 The fairness commission will consider issues relating to health inequality, being either a cause and/or outcomes of fairness, as experience by people and communities.

Corporate / Citywide Implications:

- 7.11 The fairness commission itself will consider the risks associated with not addressing issues relating to inequality and poverty and opportunities for the city, communities and council and public services more widely in creating a fairer city.

Any Other Significant Implications:

- 7.12 Other issues may be identified by the fairness commission during the detailed scoping or undertaking of its work.

SUPPORTING DOCUMENTATION

Appendices:

1. Minute Extract- Policy & Resources Committee 11 June 2015
2. Brighton & Hove Fairness Commission Terms of Reference

Documents in Members' Rooms

None

Background Documents

1. Brighton & Hove Fairness Commission, Policy & Resources Committee, 11 June 2015 (report of the Assistant Chief Executive)

Subject: Brighton & Hove Fairness Commission - Extract from the proceedings of the Policy & Resources Committee held on the 11th June 2015

Date of Meeting: 20 July 2015

Report of: Monitoring Officer

Contact Officer: Name: Ross Keatley Tel: 29-1064

E-mail: ross.keatley@brighton-hove.gov.uk

Wards Affected: All

BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES COMMITTEE

4.00pm 11 JUNE 2015

AUDITORIUM - THE BRIGHTELM CENTRE

MINUTES

Present: Councillor Morgan (Chair) Councillors G Theobald (Opposition Spokesperson), Mac Cafferty (Group Spokesperson), Daniel, Janio, Mitchell, A Norman, Sykes and Wealls

PART ONE

10 BRIGHTON & HOVE FAIRNESS COMMISSION

10.1 The Committee considered a report of the Assistant Chief Executive in relation to Brighton & Hove Fairness Commission. The report recommended the establishment of a fairness commission for Brighton & Hove that would help inform solutions to the challenges facing the city in relation to equality and fairness. The Commission would also provide a means of testing the implications of future policy and budgetary decisions proposed by the Council. It was noted there was an amendment to the recommendations from the Head of Legal & Democratic Services.

10.2 Councillor Daniel explained that the Commission would be independently chaired, and it would be for the first meeting of the Neighbourhood, Communities & Equalities Committee would seek to approve a robust framework for the Commission to operate. The intention was for the Commission to report within 12 months and look towards a three year budget. The Commission would also look towards practical recommendations for residents.

- 10.3 In response to Councillor A. Norman the Assistant Chief Executive explained that the costs for the Commission would be met from existing budgets, and it was not expected these would be large as the Commission would be made up of 12 individuals. There would be basic remuneration offered to those on the Commission similar to the Members' Allowances Scheme.
- 10.4 Councillor Mac Cafferty welcomed the Commission, and he hoped that some of the work undertaken by the previous administration had set the basis for this work, and he also hoped the Commission would build on this work going forward.
- 10.5 In response to Councillors Wealls and Janio the Chair explained that the proposed appointees would be announced in the next few weeks, but the process would ensure all sectors were involved; there would also be one Member appointed to ensure the Commission achieved the goals it was set. There could also be a delay in appointing the full membership to allow the Commission to appoint some of its own members. Councillor Daniel added that she welcomed the comments by other Members and acknowledged the work of partners in the city as well as the previous administration's work in relation to the living wage.
- 10.6 Councillor Wealls noted his support for the Commission, but he had reservations that this could become political; however, he was more than willing to support the report in view of waiting to see what who was appointed to the Commission. The Chair noted that the appointments would need the support of all political parties.
- 10.7 The Chair then put the amended recommendation to the vote.
- 10.8 **RESOLVED:**
- 1) That the Committee agrees in principle to the establishment of a fairness commission.
 - 2) That the Committee notes that the detailed Terms of Reference and ways of working for the Fairness Commission will be considered by the Neighbourhoods, Communities and Equalities Committee at its meeting on 20 July and,
 - 3) That the Committee delegates the power to the Chief Executive, having regard to the recommendations of the Neighbourhoods, Communities and Equalities Committee, to establish the Fairness Commission and take all steps necessary or incidental to the establishment of the Commission.

Brighton & Hove Fairness Commission

Terms of reference

Why have a Fairness Commission?

Brighton & Hove is regarded by many as one of the thriving cities of the UK, booming socially, culturally and economically. It is a well deserved reputation built on its unique natural landscape, its world class heritage and the spirit of its citizens over generations.

However, for many, the reality of life in Brighton & Hove is a struggle. A struggle to afford to live where housing and living costs are high but jobs are predominantly low paid. Where a lack of skills and poor physical or mental health prevent people from entering the labour market.

As the city's fortunes grow, more people will be attracted here. At the same time less money will be available for public services and to individuals, in the form of welfare. If we don't respond collectively the needs of a changing population may not be met and we risk more people, especially vulnerable people, being left further behind.

Perceptions of unfairness are also important because they can fuel tensions, distrust and conflict, even if the perception is not an accurate reflection of real inequalities.

This is why a Brighton & Hove Fairness Commission will be formed, to ensure that everyone, no matter where they live in the city, has a share in its economic success, and that everyone has the opportunity to lead healthy and productive lives in financial security and in cohesive communities.

Brighton & Hove City Council will work with its many partners to use the findings of the commission to create effective and sustainable public services,

better positioned alongside communities to work with them for their own health and wellbeing and that of the city as a whole.

What will the commission do?

The commission will be an independent body tasked by Brighton & Hove City Council. It will work to reach conclusions about how the council, public services and the city should better work together to improve life for citizens.

These are to:

- Examine existing data and analysis to map poverty and inequality in Brighton & Hove
- Evaluate the effectiveness of existing council strategies, with partners, to deal with poverty and inequality
- Engage with stakeholders outside of the council and citizens to understand peoples experiences and priorities
- Examine how the council, with partners, can make significant, tangible improvements to reducing poverty and inequality
- Make specific and practical recommendations based on the findings of this process
- Produce ways of checking and measuring the impact of public services to address poverty and inequality
- Charge the council, with partners through Brighton & Hove Connected, to act on the recommendations of the commission in service delivery and budget setting

Who will be on the commission?

The commission will have up to 12 members including a Chair and a Deputy Chair. The Chair will be an independent person who will provide strong leadership around the agenda and set the strategic direction. The Chair of the council's Neighbourhoods, Communities & Equalities Committee will sit as an observer on the commission, as will an observer from each political group.

Professional specialisms of members will include (but are not restricted to) child poverty, the community & voluntary sector, community safety and cohesion, early years' provision, employment and skills, financial inclusion, health inequality, housing affordability, homelessness and transport.

What will the role of members be?

All members will be asked to fully participate in all of the commission meetings and activities, which include:

- shaping the detailed aims and work programme of the commission
- creating, promoting and participating in inclusive engagement activities
- listening to and representing the views of people who experience inequality and poverty
- reviewing and constructively debating the evidence and views presented to the commission
- identifying practical ways to make Brighton & Hove a fairer place, working collaboratively across different sectors to reduce inequality
- considering ways to foster greater cohesion in communities and greater trust and collaboration between citizens and public sector organisations
- shaping, agreeing and publicising the findings and the recommendations of the commission

- acting as ‘fairness champions’, responsible for taking the recommendations back to their own organisations and using spheres of influence to ensure implementation

In addition, the Chair will preside over proceedings at commission meetings and supervise progress in between meetings on a planned and ad hoc basis. A Deputy Chair will be agreed by the commission to chair proceedings in the event that the Chair is unavailable.

How will the commission conduct its work?

The three fundamental governing principles of the commission will be independent enquiry, engaging and including people, and evidence of what works:

- **Independent enquiry**

Members of the commission will be selected on the basis that they operate outside of the council but with an understanding of the services provided by the council and other public services. Members are asked to act and contribute objectively in the interests of the city and citizens, bringing fresh insight into the causes and impacts of inequality.

The commission will also invite a range of expert witnesses from across sectors and communities within the city, and potentially from elsewhere, in order to shape the direction of its work and inform the final recommendations.

- **Engaging and including people**

The commission will seek to engage with and include a wide and reflective sample of the city’s population. It is vital that personal experience, as well as

more formal evidence, becomes part of the understanding of what will make the city fairer.

The commission will make sure people can engage in its work in ways that they wish to and feel safe to do so, be it in person, through social media or anonymously. Public meetings will be accessible.

The commission will make particular effort to reach out to people with multiple needs who often find it hard to make their voices heard, and communities encouraged to instigate their own discussions to feed back.

As the commission progresses its work will be communicated openly, which will generate greater understanding of its aims and opportunities to feed into its findings.

- **Evidence of what works**

The commission is asked not only to identify the issues which cause and are caused by inequality and poverty, but to make recommendations which are built on what has worked elsewhere. This might be actions delivered through the work of other fairness commissions or other initiatives.

The findings of the commission must meaningfully help and shape the transformation of services and spending plans for the council, along with the long term sustainability of public services as a whole for the city.

What will the commission look at?

To make this process manageable within the set timeframe, given the potential breadth of the subject, the commission will need to theme its work and focus on particular areas for enquiry. Potential themes will include employment and skills, financial inclusion, housing, transport, health and wellbeing.

The commission will focus on areas where there is the greatest potential for the council, with partners, to influence the best and fairest outcomes for citizens. This will be through the use of local powers and resources or by using our voice regionally and nationally, for example through the Greater Brighton platform.

The final work programme for the commission will be determined by its members.

How much will the commission cost?

The work of the commission will bear no extra cost to the public purse. Members of the commission will give their time within their professional remit or voluntarily. They will be reimbursed for any basic costs associated with travel or subsistence associated with the commission, but this will only be where necessary. Resources from the council to support the work of the commission will be met within existing capacity and resources.

How long will the commission take?

Final agreement for the establishment of the commission and its terms of reference will be given in July 2015. The commission will meet on a limited number of occasions and report its findings and recommendations by May 2016.

The breadth of issues the commission agrees to look at will determine how many times the commission comes together and frequency of any other events or evidence gathering sessions they may require.

Who will monitor delivery of the commission's recommendations?

Once the commission reports its findings, relevant committees of the council will consider them with a view to adopting the proposals and agreeing reporting mechanisms to monitor progress against all of the recommendations.

For more information please read the full report on the establishment of the Brighton & Hove Fairness Commission.

DRAFT

Subject:	Third Sector Investment		
Date of Meeting:	20th July 2015		
Report of:	Assistant Chief Executive		
Contact Officer:	Name:	Richard Butcher Tuset	Tel: 29-5514
	Email:	Richard.tuset@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The council has a clear and strong commitment to the Third Sector in Brighton & Hove as set out in its Corporate Plan and Communities and Third Sector Policy.
- 1.2 Public services are under increasing pressure as a result of both demand and reducing resources. The Third Sector is key to helping the council and its partners respond to this challenge. To support the required changes the council needs to review its Third Sector investment and commissioning arrangements to ensure they are delivering maximum value for money, meeting community needs and effectively supporting the Sector to improve and thrive.
- 1.3 Improvements in our Third Sector investments were made in 2013 through the first Communities and Third Sector Commissioning Prospectus (2014-2017). The proposal in this report is based on extensive cross sector consultation and aims to develop a second Communities and Third Sector Commission drawing in more funding streams from our partners and from across the council, including the Three Year Discretionary Grants Programme. The Annual Grants Programme will also be reviewed as part of this process including the possibility of joining small grants schemes from other parts of the council.
- 1.4 The second Communities and Third Sector Prospectus would be informed by the Fairness Commission reporting in 2016 and aim to support the implementation of its recommendations starting from April 2017. To deliver this time table the existing Three Year Grant (2013-2016) allocations, the Financial Inclusion Commission and Healthwatch and NHS ICAS Commission will be extended until 31st March 2017.

2. RECOMMENDATIONS:

That the committee:

- 2.1 Approves the creation of a second Communities and Third Sector Commission commencing in April 2017 made up of funding from across the council our partners including the Three Year Discretionary Grants Programme.

- 2.2 Approves the extension of the current Three Year Discretionary Grant Programme allocations, the Financial Inclusion Commission and Healthwatch and NHS ICAS Commission until 31st March 2017, subject to funding.
- 2.3 Approves a full review of the Annual Grants programme to ensure its continued effectiveness in meeting the needs of communities and third sector groups in the city.
- 2.4 Instructs officers to bring a further report to the Neighbourhoods, Communities and Equalities Committee in 2016 setting out the proposed Third Sector investment arrangements and outcomes for approval. The report to include complementary proposals for the future of the Annual Grants Programme and to be informed by cross sector consultation and the findings of the Fairness Commission.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The council has a long history of working with, supporting and investing in the Third Sector to help meet the needs of the city and its citizens. This support is through a mixture of funding approaches and arrangements.
- 3.2 Through Taking Account 3 (the economic and social audit of the Third Sector in Brighton and Hove 2014) and 'How Much? 2014' (a snapshot report on the impact of the BHCC Three Year Discretionary Grant) we know that:
 - The BHCC Three Year Discretionary grant (£1.25m) delivered:
 - 380,000 beneficiaries
 - 735,800 hours of service delivery by paid staff
 - 608,000+ hours of volunteering opportunity
 - 15.98m inward investment - £13 for every £1 of grant
 - 25% of Taking Account respondents have more than 1,000 users, and 55% stated that their numbers of users had risen in the last financial year
 - Estimated 6,900 paid employees in the sector almost comparable to the 6,500 estimated in the creative-digital-IT sector (Brighton Fuse report).
 - Estimated ratio of volunteers to paid staff is 4:1
 - Volunteers donate 5,740,800 hours per year (15,728 per day)
 - If volunteers were paid the Living Wage their time would be worth 44m per year
 - The percentage of small organisations that have no paid employees has risen from 20% (2008) to 87% in 2014.
 - Estimated income of the sector is 73m per year, much of which is spent locally so the sector contributes approximately 127m to the city economy.
 - 17% of its income comes from grants, 71% of which comes from outside the city
 - 47% of its income comes from service contracts, 62% of which comes from outside the city.

- 3.3 With council services under increasing pressure as a result of both funding reductions and increases in demand the council needs to change both its ask and relationship with the Third Sector and in doing so ensure both value for money and the delivery of outcomes for its citizens. We require a clearer framework within which to do business with the Sector. One that respects and recognises the sector's value and is appropriately challenging to ensure council investment is delivering against council priorities, meeting community needs and supporting the Sector to improve and thrive.
- 3.4 Our current investment practice is a mixture of discretionary grants aimed at general sector investment and specific commissions around infrastructure, community engagement and development, advocacy, representation and financial inclusion. These approaches have been benchmarked with other local authorities across the country and there continues to be a mix of approaches being under taken. Examples of best practice, regardless of investment model, include a high level of outcomes specificity to ensure impact and value for money and generally greater corporate coordination to reduce potential duplication and waste.

Proposal

- 3.5 The council's Communities & Third Sector Policy establishes a policy framework for co-ordinated third sector commissioning. This enables the authority and its partners to work more collaboratively, pooling budgets and investing in the sector more effectively. In total the council funds the third sector in the region of 24m per annum. Much of this funding relates to the contracting of services such as housing related support, with around only 2.2m targeted investment in infrastructure support, community engagement, community development and organisational investment.
- 3.6 Many of the council's existing grant and commissioning arrangements are due to expire or be renewed in the next two years, providing an opportune moment to review these investments and realign them to and improve their delivery of the Corporate Plan. Current investment streams and corporate commissions with the Third Sector include:
- Three Year Discretionary Grants 2013-2016 £1.25m per annum
 - Annual Grant Programme £0.350m per annum
 - Communities and Third Sector Commission 2014-2017 £0.517m in 2015/16
 - Healthwatch and NHSICAS 2015/16 £0.295m in 2015/16
 - Financial Commission (September 2014 - August 2016) £0.405m (*balance of £0.276m held in specific reserve as at 1st April 2015*)
- 3.7 The proposal is to produce a single third sector commission starting from April 2017 that draws together the objectives of the Three Grant scheme, the outcomes of the Financial Inclusion Commission, the existing Communities and Third Sector Commission and other relevant commissions. The commissioning process would be through a collaborative 'Prospectus' model which has been successfully trialled by the council and elsewhere for a number of years (see 3.10).

- 3.8 Financially, the budgets for the commissions along with the Three Year Discretionary Grants budget will be pooled and set against this new suite of outcomes.
- 3.9 The Annual Grant programme will be reviewed as part of this process with options to support small organisations being developed to compliment the delivery of the strategic commission.
- 3.10 Work is underway to identify other third sector investment streams internal and external to the council, including initial discussions with other local authorities in Greater Brighton, which could be included in this prospectus. The aim of this work is to enable the council to better co-ordinate and target its investment at groups and organisations that meet community need, invest in the third sector and support the council's priorities.
- 3.11 The council has been consulting extensively with the Third Sector and public sector partners over the past 6 months regarding potential changes. Much feedback has been gathered through this work and a potential move from grants to an integrated outcomes based commissioning model has been broadly welcomed. Through this process draft outcomes and funding principles have been developed and this process will continue and be linked to the work of the Fairness Commission.
- 3.12 The Fairness Commission will report in 2016 and the Third Sector Commission will aim to directly support the implementation of its recommendations and therefore ensure Brighton and Hove becomes a fairer and more equal city.
- 3.13 A draft set of funding principles for strategic investment in the Third Sector has been developed with the Third Sector, council commissioners and public sector partners. These draft principles seek to prioritise supporting: :
- Collaborative arrangements/models and partnerships between third sector organisations
 - Core costs and projects which will deliver on the stated outcomes
 - Prevention and early intervention activities related to the outcomes
 - Services that are resilient and well-equipped to meet future needs, with more creative and innovative modern and enterprising business models that can/will attract funding/resources from a range of sources
 - Approaches that achieve stated outcomes whilst also delivering on broader social value including:
 - Increased Community Resilience
 - Increased in Education and Training Opportunities
 - Reduction in Demand for Public Services
 - Impact of Volunteers
 - Minimising Environmental Impact
 - Models that are accountable to their beneficiaries
 - Partnerships and collaborations that have equality, inclusion and diversity embedded in their activities, and governance and management
 - Safeguarding
 - Partnerships and collaborations that provide opportunities for public involvement and for volunteering

- Partnerships and collaborations that promote technology enabled solutions and digital inclusion

The Prospectus Commissioning Model

3.14 The Prospectus model brings together the best parts of a grants scheme and the best parts of a traditional commissioning approach:

- It is fundamentally collaborative and Third Sector groups will be able to respond creatively to commissioning outcomes that will have been produced in partnership with them.
- The application process is based on an open and transparent competitive process that is informed by strength of application and ability to deliver.
- Reduces bureaucratic burdens by bringing at least three separate application processes together.
- The council has flexibility over the assessment criteria and is able to recognise local knowledge, networks and experience, creativity and importantly the added value of the sector.
- It also establishes a stronger and clearer performance management framework that allows the sector and the council to monitor and evidence impact of the investment – in terms of outcomes and outputs, and be responsive to changes in community and sector needs, council priorities, and national policy.

The prospectus approach should therefore enable the Council and its partners to:

- Deliver better outcomes for the city's residents
- Ensure value for money from its investment in the Third Sector
- Continue to support the sector to improve and thrive
- Ensure funding is better aligned to council priorities
- Develop a more collaborative and business based relationship with Sector.

Process and Timescale

3.15 Building on recent discussions with the third sector and commissioners internal and external to the council the Policy and Communities team will lead a process of involvement that will ensure the third sector, of all sizes, has the opportunity to inform the commission as well as the reshape of the annual grants programme.

3.16 Critically, as the Fairness Commission develops and reports its findings these will be fed into the development process to ensure the investment approach at all levels is aligned with the future direction and priorities for the council.

3.17 It will also ensure cross member involvement throughout the development process through the Members Advisory Group.

- 3.18 There will be ongoing discussions with commissioners individually and through the council's commissioners network (a group of commissioners from across the council as well as the CCG) to identify other third sector investment streams that would be appropriate and timely to incorporate into this prospectus. We will also continue discussions with other local authorities in Greater Brighton to explore opportunities for sub regional commissioning.
- 3.19 To facilitate the development of the new investment approach and allow for the Fairness Commission findings to be incorporated the current community and voluntary organisations in receipt of three year (2013-2016) strategic grant funding will receive an extension for one year (2016/17). The annual evaluation report on the impact of the grant programme will be repeated to inform the review processes and ensure ongoing performance management.
- 3.20 The current Communities and Third Sector Commission 2014-2017 will serve its full term. The HealthWatch and NHS ICAS contract will be extended, subject to satisfactory peer and evaluation reviews, for a further year until 31st March 2017.
- 3.21 The Financial Inclusion Commission is currently set to end on 31st August 2016. To ensure alignment with the overall process the contract, subject to satisfactory evaluation, will be extended until 31st March 2017.
- 3.22 The opportunity to start revising the annual grants programme in 2016/17 will be taken to support groups and organisations transition to the new investment approach and in particular its alignment to delivering the findings of the Fairness Commission.

Overview of Timeline

Action	Date
Development of Investment Approach	June 2015 – June 2016
Report of Fairness Commission	June/July 2016
Report to Neighbourhoods, Communities and Equalities Committee	June/July 2016
Launch Communities and Third Sector Commission 2017 – 2020	September 2016
Decision	January 2017
Funding Agreements go live	April 2017

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 All current three year grant recipients were invited to two workshops in October and November 2014 about the changes. The invite for the second session was extended to any and all groups in the third sector. These were followed by two detailed workshops in March and April 2015 the former on funding principles and the latter on the commissioning outcomes.
- 4.2 The proposal was also discussed with the cross party Members Advisory Group, officers of the commissioners network and other relevant service leads across the council, for example, sports development, economic development, libraries.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 Current investment with the third sector is set out in Appendix 1 of the report, with budget resources of £2.412m in 2015/16 and a balance of £0.276m held in a specific reserve for the Financial Commission.

The overall financial envelope for the new investment approach will be subject to budget decision-making at council in February 2016 and yearly thereafter. The current Medium Term Financial Strategy included a savings target of £0.165m against the discretionary grants budget in 2016/17.

To continue at the current levels of investment, including the extension of the Moneyworks contract beyond its current end date of 31st August 2016, would require additional funding of approximately £0.185m. Options for funding would need to be considered as part of the budget setting process for 2016/17.

Finance Officer Consulted: Name Mike Bentley Date: 26/06/15

Legal Implications:

- 5.2 The prospectus model of commissioning is now a well-established mechanism to embed the social value generated by the community and voluntary sector into commissioning processes. 'Funding Agreements' are awarded following a bidding process that is designed to ensure that smaller organisations are not discouraged from taking part and which includes in the evaluation process the dimension of social capital. The council's procurement team will be involved in designing the detailed timetable, grant award processes and relevant documentation.

TUPE considerations will be explored through the development of the prospectus, working closely with the council's legal team.

The extension of current funding agreements for 2016/17 through either the Three Year grant, Healthwatch and NHS ICAS, or the Financial Inclusion Commission (Moneyworks) would be undertaken by way of letter and subject to the same terms and conditions, except in relation to the term, which will be for one year only from 1 April 2016 to 31 March 2017. There are no procurement implications in relation to this extension because the funding is grant funding not a contract for services.

Lawyer Consulted: Elizabeth Culbert Date: 23rd June 2015

Equalities Implications:

- 5.3 An equality impact assessment will be planned into the process for producing the new investment approach.

Sustainability Implications:

- 5.4 A broad definition of sustainability, which takes account of the health and wellbeing of people and communities as well as the environment, is wedded through the principles and priorities of our Corporate Plan 2015-19. These are interconnected in terms of the causes and outcomes of inequality, which a new commissioning approach would seek to address.

Crime & Disorder Implications:

- 5.5 During the process a discussion with the Partnership Community Safety Team and Sussex Police will explore how the investment approach can contribute to helping achieve the objectives of the Safe in the City Strategy.

Risk and Opportunity Management Implications:

- 5.6 The risks of a single commissioning prospectus are that:
- From experience it tends to favour larger organisations which have the capacity to give time to writing funding applications without impacting significantly on service delivery.
 - For smaller volunteer led groups it's a more complicated and time consuming process than the council's current discretionary grant programme
 - Medium sized organisations risk being squeezed out – too big for annual grant and too small for prospectus process

We will seek to mitigate these by maintaining a separate annual grants programme and revising its criteria and principles to make sure it complements the prospectus and in particular supports investment in smaller and medium sized organisations that are important at community/neighbourhood level or indirectly to achieving the outcomes.

Revising our Infrastructure commission with Community Works in 2016/17 to ensure sufficient support is available to groups/organisations that wish to apply for funding through the prospectus but may lack skills or experience.

Within the 'partnership' assessment criteria the evaluation panel will seek reassurance that the partnership has considered partners of all sizes and can give sound justification for the composition of the partnership.

Public Health Implications:

- 5.7 During the process a discussion with colleagues in Public Health will explore how the outcomes of the commission can contribute to helping achieve public health outcomes.

Corporate / Citywide Implications:

- 5.8 The project has potentially significant corporate improvement implications as it starts to streamline and improve co-ordinate of investment across the council.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Do nothing and continue to invest in the third sector through a range of approaches and processes. This would prevent any synergy being achieved, not only within those individual commissions but also across the council.
- 6.2 Reallocate the investment to service areas already pursuing similar but service based outcomes. This would prevent the synergy and joining up of outcomes and investment across the council.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 Committee is recommended to approve the development a new third sector investment approach in the timeframe proposed that allows the incorporation of the Fairness Commission findings and for the community and voluntary sector to be involved in shaping each level of the investment approach to maximise its impact improving the outcomes for residents.

SUPPORTING DOCUMENTATION

Appendices:

1. Current Investment Stream in Third Sector in Brighton and Hove

Documents in Members' Rooms

1. None

Background Documents

1. BHCC Communities and Third Sector Policy 2014-2017

Appendix 1 Current Investment Streams in Third Sector in Brighton and Hove held by Policy and Communities Unit

Investment Stream	BHCC funding	Other Funding	Purpose	Timescale
3 year discretionary grant	£1.25m per annum	Inward Investment 13 for every 1 of grant	Strategic investment in the sector awarded against corporate plan priorities	2013-2016
Annual grants	£0.350m per annum	Arts Partnership Awards	Small grant awards for community and grass root activity	Annual
Financial Inclusion Commission	£0.405m (contract period) <i>£0.276m current balance in specific reserve</i>	£0.050m DWP	Fund Community Banking Partnership to improve financial well-being and resilience of citizens	September 2014 - August 2016
Communities and Third Sector Commission	£0.517m (2015/16)	£0.091m CCG £0.068m Public Health	Funds outcomes across community development, community engagement and infrastructure	July 2014 – March 2017
Healthwatch and NHSICAS	£0.295m (2015/16)		Health and social care watch dog and complaints	April 2013 – March 2016
Total	£2.688m	£0.209m		

Subject:	Corporate Plan & Medium Term Financial Strategy 2015 – 2019: Budget Planning and Resource Update 2016/17		
Date of Meeting:	20 July 2015 – Neighbourhoods, Communities & Equalities Committee 9 July 2015 – Policy & Resources Committee		
Report of:	Executive Director Finance & Resources		
Contact Officer:	Name:	Nigel Manvell	Tel: 29-3104
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 This report provides a budget planning and resource update for the 2016/17 budget process in the context of the council's agreed Corporate Plan and Medium Term Financial Strategy 2015 - 2019. The Medium Term Financial Strategy (MTFS) was developed directly alongside the Corporate Plan, identifying common areas for investment to support priorities and principles that are shared with city partnerships.
- 1.2 The government will continue with deficit reduction measures up to 2019/20 and have stated reductions will be at the same pace as the previous parliament although at this stage it is not clear if there will be any front loading of funding reductions. The estimates reflected in the council's MTFS include significant reductions in the Revenue Support Grant and specific grants over the period but the timing of those reductions will change as the government sets out its spending plans and austerity measures. The scale of funding reduction over the Corporate Plan cycle means that a more radical and long term approach to the council's service and financial planning is required.
- 1.3 The local government finance settlement is not expected until December 2015 and this will give little time to react to any material change to the financial planning assumptions. Therefore budget planning will need to allow flexibility to bring forward savings in the event of front loading of funding reductions.
- 1.4 On the 8 July 2015 the Chancellor is due to present a budget that sets out how the government plans to eliminate the UK's budget deficit and run a surplus by the end of the new parliament. Any implications for the council from this announcement will need to be factored into financial planning assumptions.

2. RECOMMENDATIONS:

That the Neighbourhoods, Equalities & Communities Committee:

- 2.1 Consider the approach to Community Engagement & Consultation as set out in section 5 of the report.

3. CONTEXT/ BACKGROUND INFORMATION

Integrated Service & Financial Planning 2016/17 – 2019/20

- 3.1 The Council's Corporate Plan 2015 – 2019 'The Way Ahead' outlines the context within which public services will be delivered locally over a 5 year period. The principal issue is the financial pressure facing the council and other public services as the local population grows, demand for services increases and government funding reduces. Together with inflation, this is predicted to result in a budget gap of £102 million over the period of the Corporate Plan starting with the assumption of no council tax increases.
- 3.2 In this first year of the new Corporate Plan, 2015/16, the council will need to achieve the very substantial savings programme of £24.9 million in order to avoid adding further to the predicted budget gaps in future years. Over the remaining 4 years, the budget gap is predicted to be £77 million, starting with the assumption of no council tax increases¹, or £68 million if 2% council tax increases are agreed each year. This is on top of savings of £77 million already taken out of the council's budget over the period 2012/13 up to and including 2015/16.
- 3.3 The Corporate Plan recognises that the council will need to change and, with a decreasing budget, is open about the fact that the council will shrink in size, employ fewer people over the coming years, and that the relationship between the council, partners, providers and citizens will need to adapt.
- 3.4 The scale of the predicted budget gap over the next 4 years, including anticipated increases in the demand for services, requires all services to be fundamentally reviewed and examined to ensure that for those services that are to be provided:
 - a) Costs are not out of step with comparator authorities or providers without sound evidence and rationale;
 - b) Services are fully aligned to the Council's purpose, principles and priorities as set out in the Corporate Plan;
 - c) Delivery is as efficient and effective as possible in whatever form it is delivered;
 - d) Performance and customer satisfaction are at acceptable levels relative to the cost of service.

The key questions over the next 4 years are: what services should be provided and how should they be provided? The council will need to review all provision and consider the following in assessing service provision:

¹ Note: no announcements about government 'freeze grant/s' in future years have been made.

- Does the service have a strategic fit with the Corporate Plan and does it contribute to the delivery of the stated principles and priorities?
- Does the service need to be modernised relative to best practice, leading research or changing industry standards. Many services are already under review - for example Disability and Special Educational Needs services (SEND review) and Adult Social Care (through the Better Care Fund programme) - which is likely to lead to changes in provision. Essentially, are there better ways to structure, deliver or arrange the service that will contribute toward lower costs over the medium term either directly or through improved equality, prevention or outcomes?
- Similarly, can or should the service operate on a different basis e.g. shared service or in co-operative partnerships, on a trading basis, or with a more commercial approach in order to contribute to the budget gap?

In simple terms, for each service the council needs to consider:

- Whether or not the council should be providing the service in the short or medium term. If not, should the service be decommissioned or can the service be divested and provided locally by others without council funding?
- If the service should be provided, the council should consider what is the best and most affordable way to provide the service in the long term and assess whether or not to:
 - Retain the service in-house;
 - Follow a more commercial approach, including considering alternative delivery models; or
 - Pursue a mixed economy of provision.

3.5 The decision to pursue a more commercial approach for the provision of a service may be made if:

- A service is able to move toward becoming 'self-financing' i.e. generate income. This may apply to many services that currently charge for services e.g. cultural or life event services. In these cases, fees and charges income should be maximised. This may involve investment in order to improve services and generate greater income in future. Alternatively, these services could look at creating new sources of income and may need to pursue an alternative delivery model in order to do so. Generally, all services, including Support Functions, can also be asked to look at generating income wherever possible;
or
- A suitable alternative delivery model (ADM) can be identified that can provide the service at lower cost either through sharing the cost base (i.e. economies of scale) or generating additional income. This may arise from available local opportunities, business case proposals, discussions with city partners, or other reasons. ADM's could include:
 - A local authority trading company (LATC)
 - A Shared Service
 - Social Enterprise

- Public Sector Partnerships;

Or

- There is a well-developed marketplace with alternative providers able to offer the same or better services at a lower cost and/or at a lower level of investment (e.g. the council's ICT Data Centre provision has recently been outsourced to a Swindon-based provider).

3.6 For many services, the decision will be to retain provision in-house because there is no viable alternative or because the benefits of pursuing alternative provision cannot be demonstrated. For in-house services, benchmarking, inspection and other comparative information is therefore critical to establish the relative cost and performance of the service. Where there are options to improve value for money or where costs and/or performance are out of step with comparator authorities or providers, the council should consider:

- a) Undertaking a full Service Redesign including potential working with partners to improve the value for money of the service. This could require internal and/or external expertise to facilitate change;
- b) Undertaking Business Process Improvement (BPI) to improve efficiency, productivity and customer service;
- c) For some services, exploring co-operative partnership and co-designed services may be a viable option, potentially including exploration of mutuals, and should be considered where there is evidence to support this approach.
- d) Invest-to-save proposals whereby investment in service change can bring about greater savings in order to i) pay back the investment and ii) provide additional savings toward meeting the budget gap.

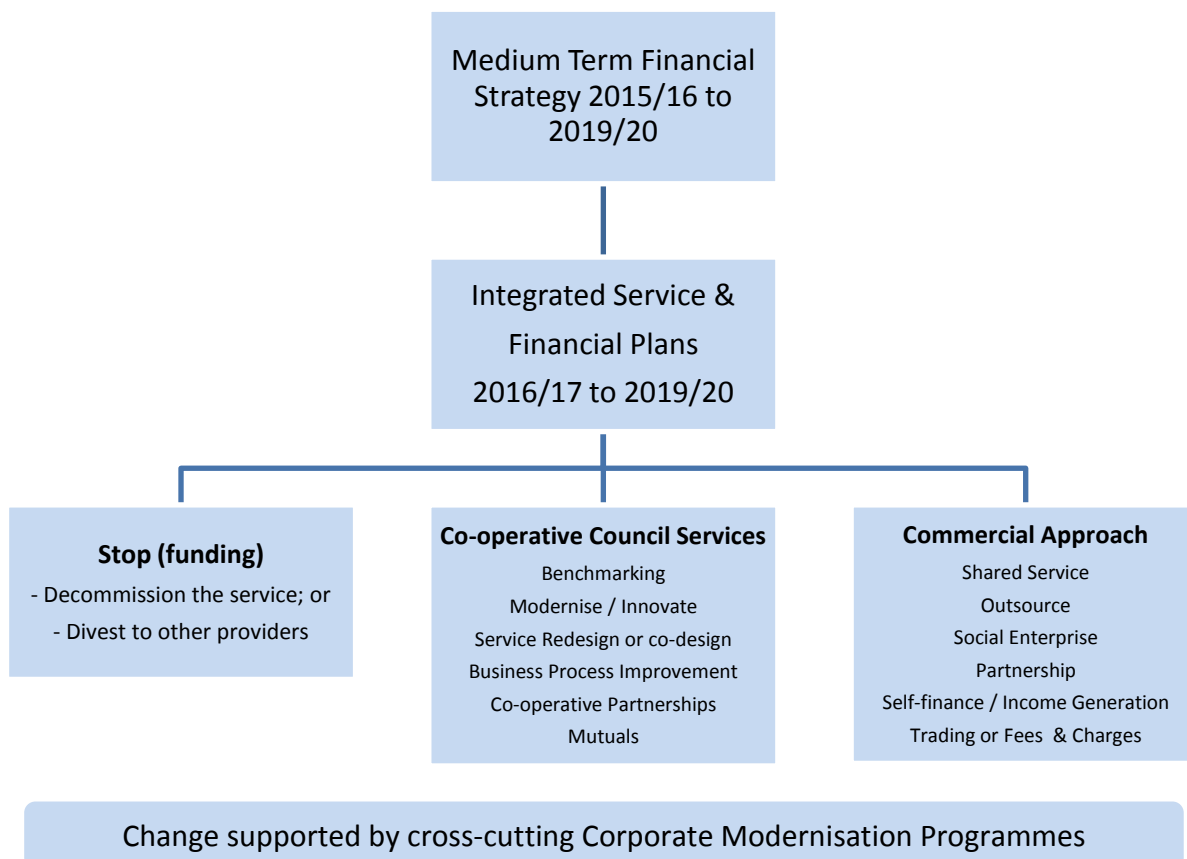
3.7 The above approach suggests a fundamental review of what is provided. This will inevitably result in a wide range of implementation plans covering differing time scales. For this reason, and given the scale of the predicted budget gap, it is proposed to develop 4-year Integrated Service & Financial Plans covering the period 2016/17 to 2019/20. Doing so will not only recognise the greater scale of change and associated time scales, but will also indicate how far the authority has been able to identify strategies to address the budget gap over the period of the MTFs. Clearly, more detailed proposals will be needed for 2016/17 to enable the Council to set a legal budget and council tax.

3.8 The Integrated Service & Financial Plans will need to include both cross-cutting and citywide proposals as well as directorate-led changes. These plans should include the following elements:

- a) Overarching strategy to address Corporate Plan principles and priorities;
- b) Executive summary of the 4-year Integrated Service & Financial Plan;
- c) Specific consultation approaches required;
- d) Key legal, service and financial risks and their mitigation;
- e) Summary of Equality impact assessments and links to Fairness Commission issues;
- f) Appendices - Detailed 4 year Integrated Service & Financial Plan proposals including savings opportunities, invest-to-save proposals, key risks and impacts and their mitigation;

g) Appendices - Detailed EIAs.

3.9 The proposed approach to Integrated Service & Financial Planning can be presented diagrammatically as shown below. This approach will be managed through Directorate Modernisation Boards and will be supported by a number of Corporate Modernisation programmes which apply across the whole council.



3.10 A longer term service and financial planning framework will also require a different method of engagement and consultation. Current annualised consultation and engagement processes may not be appropriate or robust enough for conversations relating to a longer term strategy. Links to the work of the Fairness Commission, City Management Board (i.e. public sector city partners), Greater Brighton City Region, Community & Voluntary Sector and other stakeholders will need to be clearer and feed into the process on an ongoing basis. More in-depth conversations and engagement with neighbourhoods and communities are also likely to be needed. The section on Consultation & Engagement below suggests how this could be approached.

3.11 The timetable for Integrated Service & Financial Planning must still work on an annual basis as there is a legal requirement to set a budget and the level of Council Tax each year. However, discussions around savings, risks and investments can be undertaken on an ongoing basis starting with 2016/17. Once an initial 4-year Integrated Service & Financial Plan is developed, it will be a case of monitoring achievement against the plan and adding or removing proposals to reflect changes arising from:

- The outcome of specific consultation processes in relation to proposals;

- Changing local or national financial projections (e.g. new government spending targets or local taxbase changes or unexpected inflation changes);
- Changing assessments of demand for services (up or down);
- Under or Over achievement of savings requiring replacement or reduced savings respectively;
- Changes in the timescale for delivery of proposals requiring replacement (or brought forward) savings for late schemes, and vice versa for early implementations.

3.12 An outline timetable for the first year of the Integrated Service & Financial Planning process (2016/17) is set out below. The timetable suggests that as many draft proposals as possible are brought to the December 2015 Policy & Resources committee to enable early decisions and to enable consultation and engagement to start in earnest at the earliest opportunity given the likely complexity of proposals and the need to deliver significant savings as soon as possible in 2016/17. This may require proposals to be considered prior to December Policy & Resources committee on a cross-party basis to understand where there is commonality and agreement across groups for savings to be agreed at the December meeting wherever possible. Those savings where there is no agreement across parties, can still be presented but may need further work before being resubmitted in February. One possibility is for the cross-party Budget Review Group to consider proposals to indicate on behalf of their groups where agreement is likely or could be possible.

Proposed Timetable

Date	Meeting	Papers / Activities
9/07/2015	Policy & Resources	Budget Planning and Resource Update TBM Month 2 forecast
15/10/2015	Policy & Resources	TBM Month 5 forecast
03/12/2015	Policy & Resources	TBM Month 7 forecast Council Tax Reduction Scheme Integrated Service & Financial Plan – Initial Proposals 2016/17 to 2019/20
17/12/2015	Council	Council Tax Reduction Scheme
21/01/2016	Policy & Resources	Tax Base report Business Rates Retention tax base forecasts 2015/16
11/02/2016	Policy & Resources	TBM Month 9 forecast (links to budget setting) General Fund Revenue Budget 2016/17 Housing Revenue Account Budget 2016/17 Capital Programme 2016/17
25/02/2016	Budget Council	

Budget and Medium Term Financial Strategy Update

More detailed information and context about the council's General Fund financial position is provided in paragraphs 3.13 to 3.44 below:

2014/15 Outturn

- 3.13 The 2014/15 provisional outturn was presented to Policy & Resources Committee on 11th June 2015 and showed an underspend of £2.103m. This was an improvement of £2.644m from the estimated outturn reported to Budget Council in February 2015. The net contribution to provisions of £2.641m leaves £0.003m in unallocated general reserves. The collection fund surplus for council tax in 2014/15 was £0.64m, £0.41m higher than anticipated and the council's share of this improvement is £0.35m. The council's share of collection fund surplus for business rates 2014/15 was £1.72m after allowing for the repayment of safety net grant. This is £0.13m higher than anticipated. These variances will be built into the 2016/17 budget projections when the collection fund estimates for 2015/16 are more certain.

2015/16 Budget Position

- 3.14 Details of the forecast risk based on current spending and demand patterns in the first 2 months of the year is provided in the TBM month 2 report elsewhere on this agenda. It shows an overall forecast risk for the General Fund of £8.7m together with a risk of £0.7m in relation to Section 75 Health Partnerships. Mitigating actions and recovery plans are being developed and implemented which should reduce the forecast risk but it is not clear at this stage by how much. The financial planning in this report assumes that a break-even position is achieved but this position will need to be kept under review throughout the year.

Medium Term Financial Strategy 2015/16 – 2019/20

Resources

Retained business rates

- 3.15 The 2015/16 business rates income assumptions included projected growth of 0.5% in rateable value (RV). At this stage of the year it is too early to assess whether any change is required to these projections; business rates income monitoring forms part of the TBM reporting process and updates will be provided to this committee throughout the year.
- 3.16 The MTFS assumes a further 0.5% growth in RV in 2016/17 after adjusting for anticipated major changes. The business rates income in 2016/17 will be based on the September Retail Price Index (RPI) increase; the MTFS assumed an increase of 2.8% based on government projections however the continuing lower levels of inflation means this assumption will be revised to 2%, this reduction has been off set by revisions to anticipated changes from developments across the city and therefore there is no change to the estimated Business Rates forecast. The projections will be revised when the inflationary increase is announced. Each 0.5% change in RPI is equivalent to £0.28m retained by the council.
- 3.17 In 2015/16 the government announced extensions to temporary reliefs including the small business rate relief. The government is compensating authorities for the lost income through Section 31 grants. The MTFS assumes these grants will cease from 1st April 2016 offset by a corresponding increase in business rates income, however if these reliefs were to be extended into future years the council would expect the government to continue to provide compensation.

- 3.18 The government introduced a cap on the business rate inflationary increase for 2014/15 and 2015/16 at 2%. The government has provided a section 31 grant in 2015/16 for this loss of income however this cap has an ongoing impact on the level of income and it is assumed that this grant funding will continue in future years. This element of funding is approx. £0.75m in 2015/16.
- 3.19 The level of business rates income is significantly affected by rating appeals which, when successful can reduce ongoing revenue and require backdated payments. The council sets aside provisions and makes allowances for successful appeals in business rates projections. In December 2014 the government announced a cut off date of 31st March 2015 for lodging appeals against the 2010 rating list that could be backdated - all appeals after this date will not be backdated. This has triggered large numbers of appeals being lodged in March 2015. At this stage this large increase is assumed to include more speculative appeals and therefore there is no requirement to revise the business rates estimate of £56.8m for 2016/17.

General government grants

- 3.20 The government has not provided estimates of future funding levels for local government and it is unlikely the council will have any certainty until December 2015 when the local government finance settlement is announced. However the government has stated that the level of funding will reduce at the same pace as in the last parliament. Based on this statement the revenue support grant (RSG) forecast for 2016/17 is £32.7m, a reduction of £13.4m or 30% compared with the 2015/16. This is a high level assumption and could change substantially if the government decide to front load funding reductions over the life of the new parliament.
- 3.21 The Top-up grant introduced as part of the business rates retention scheme of £1.6m increases by inflation each year and this will not change until the business rates retention system is reset probably in 2020.

Function and Funding changes

- 3.22 The introduction of Universal Credit will transfer the responsibility for administering housing benefits for working age claimants from the council to the Department for Works and Pensions (DWP). The council is in tranche 4 of this move which means a small number of cases start to transfer from December 2015. The transfer of cases is expected to be completed by 2019. The council receives Housing Benefit administration grant and it is anticipated that this grant will reduce as responsibility transfers. At this stage it is assumed this loss will be cost neutral.
- 3.23 The implementation of the Care Act is running alongside other significant challenges the council is facing including implementing the Better Care Programme, delivering its statutory duties in a time of funding reductions and significant financial savings to be made in adult social care. There is also the need to respond to the significant increase in demand re Deprivation of Liberty activity, sustaining and developing a quality care market and responding to pressures in the NHS system. The timetable for and the funding of Phase 2 of

the Care Act to implement the funding reforms, including the introduction of a care cost cap, has not yet been confirmed; a government announcement is expected in July 2015. The original timetable was for implementation from April 2016 and at this time there is a significant risk against the implementation costs. Although some financial modelling has been carried out the promised national model to assess likely demand and cost has not yet been delivered. There is also likely to be an impact on the local care market for which regional and national support has been requested. The Better Care Fund for 2016/17 includes £1.2m to contribute towards additional costs as a result of the council's new responsibilities under the Care Act. In 2015/16 funding has been provided to support early assessments of self funders and development of deferred payment arrangements, however there is a risk that this funding may not wholly cover implementation costs.

- 3.24 There are no further function and funding transfers anticipated within the budget projections however the government may announce further transfers within the local government finance settlement.

Specific Grants

- 3.25 As with RSG, the government has not announced future grant levels for specific grants. An allowance of £1.150m service pressure funding for reductions in unringfenced grants has been included in the budget projections.

Fees and Charges

- 3.26 Fees and charges budgets for 2016/17 are assumed to increase by a standard inflation rate of 2.0% with the exception of penalty charge notices (parking fines) where the levels of fines are set by government and cannot be changed independently.
- 3.27 The Council's Corporate Fees & Charges Policy requires that all fees and charges are reviewed at least annually and should normally be increased by either: the standard rate of inflation, statutory increases, or actual increases in the costs of providing the service as applicable. Non-statutory increases above the standard rate of inflation and/or changes to concessions or subsidies should be reported to and considered at the relevant service committee. Where appropriate, details of fees and charges changes for 2016/17 will be presented to the relevant service committee prior to Budget Council.

Council Tax Reduction

- 3.28 The council's localised Council Tax Reduction Scheme (CTRS) was revised for 2015/16 and included a 15% minimum liability level for working age claimants. 60% of the initial funding from government for CTR was transferred to the council's Revenue Support Grant which is subject to significant reductions. The budget gap assumes there is no change to the minimum liability level for CTR however the level of council subsidy increases dramatically as RSG reduces. Therefore the annual review of the scheme will include consultation on potential changes including changing the minimum liability level.

- 3.29 The statutory annual review of the scheme will be presented to this committee in December 2015 and then to Full Council and this will include consideration of the minimum liability level. The council intends to continue to operate a discretionary fund. Council tax payers in particularly difficult financial circumstances are invited to apply for the discretionary funds provided for in the budget or are being referred to appropriate support and advice.

Council Tax Strategy, Tax Base and Collection Funds

- 3.30 The future resource estimates in the budget papers agreed at Full Council in March were based on a council tax increase of 2% but it will be up to all Members at Budget Council in February 2016 to agree the final level of the council tax. The government confirmed that a local referendum would need to be held for proposed 2015/16 council tax increases of more than 2%. There have not been any announcements about referendum requirements for 2016/17.
- 3.31 The national grant settlement for 2015/16 included council tax freeze grant equivalent to a 1% increase in council tax for councils who agreed to freeze their council tax in 2015/16. No new announcements around council tax freeze support have been made for 2016/17.
- 3.32 The council tax collection fund surplus balance at 31 March 2015 was higher than forecast and will be taken into account alongside the estimated surplus for 2015/16 in January 2016 for the 2016/17 budget.
- 3.33 The MTFs planning assumption for 2016/17 was for a 0.25% increase in the tax base. However, since budget council, the council tax base is higher than anticipated through a combination of there being more new properties than forecast, lower student exempt properties than forecast and a further reduction in the number of CTR claimants. This will improve the collection fund position in 2015/16 and mean an estimated further increase in tax base of 0.85% can be assumed for 2016/17. This adds £0.95m resources and, for planning purposes, these additional resources will add to risk provisions given the uncertainty over government funding.
- 3.34 The council's share of the business rates collection fund surplus at 31 March 2015 above forecast was £0.13m. This will also be updated alongside any surplus or deficit projected in 2015/16 in January 2016 for the 2016/17 budget.

General Fund Revenue Budget Estimates

- 3.35 The revenue budget projections include key assumptions for pay and inflation, budget commitments, risk provisions and service pressures. These assumptions are set out in Appendix 2.

Pay and Inflation assumptions

- 3.36 The budget estimates for 2016/17 assume a 1% increase in employee costs to cover all pay related matters. These sums need to cover any pay awards, local decisions in relation to living wage commitments and any changes to the council's overall pay framework.

- 3.37 In line with the outcome of the triennial review of the East Sussex pension scheme, the council's employer contribution rate for 2016/17 will increase from 19% to 19.5% and this increase is treated as a commitment within the budget projections.
- 3.38 The government has announced changes to employer (and employee) National Insurance contributions including removing the contracted out rate for defined benefit pensions. This change will increase the councils general fund employer contributions by up to £2m, schools by up to £2m and the HRA by £0.1m. At this time, we have no information regarding whether or not local authorities will be compensated for this additional cost.
- 3.39 The provision for general inflation ranges between 0% and 2% depending on the type of budgeted expenditure; fees and charges are assumed to increase by 2.0% with the exception of Penalty Charge Notices. Inflation assumptions for certain types of expenditure such as supplies and services have been reduced compared with the previous MTFS assumption. This has led to a £0.77m reduction in the inflation assumption overall which will add to corporate risk provisions set against the uncertainty of the local government finance settlement. Increases in costs above assumed inflation levels will be managed through services budget strategies unless the increase is significant and is identified as a corporate service pressure.

Commitments and Risk Provision

- 3.40 The main commitments in the budget model include funding for the increased employers pension contributions, planned adjustments to the concessionary fares and financing costs budgets, reductions in central recharges to schools and the HRA as a result of reducing costs of services, and the impact of the expected changes to unringfenced grants. In 2015/16 there is a recurrent risk provision of £1.622m, financial projections for 2016/17 include a new £0.5m recurrent risk provision as well as a further local government settlement risk provision of £1.72m generated from the amendments to the projected tax base and from refining the inflation assumptions when compared with the MTFS assumptions agreed at Council in March 2015. This new risk provision will support any adverse changes to planning assumptions however the level of uncertainty over the settlement could mean the level of actual risk is difficult to quantify.

Service Pressures

- 3.41 Service pressures have a direct effect on the level of savings the council needs to identify to deliver a balanced budget and therefore it is critical that projections are made on a sound basis to provide confidence in the financial assumptions.
- 3.42 A high level assessment of the current trends on the council's corporate critical budgets and other pressures has been taken into account in setting the service pressure assumptions for 2016/17 and £6.15m has been included for demographic and cost pressures and reductions in unringfenced grants.
- 3.43 Initial allocations to support service planning are as follows : -

- £2.0m for adult social care particularly in relation to Learning Disability transitions, increased complexity of physical disabilities deprivation of liberty and mental health services;
- £1.5m for children's social care mainly relating to children's placements, Deprivation of Liberty Safeguarding, early help and S17 Homeless;
- £1.15m for reductions in unringfenced grants;
- £0.5m ICT services;
- £0.25m for Housing General Fund temporary accommodation;
- £0.25m to supplement discretionary funds in City Services to help mitigate the combined impact of reduced government funding and the impact of further Welfare Reform measures;
- The assessment identified a range of other demographic, cost legislative and income pressures. The remaining balance of £0.5m pressure funding will be set aside to cover these pressures.

3.44 The above is a very early assessment and suggested allocation of service pressures based on the planning assumption contained within the MTFs. The position will need to be kept under review throughout the year and updated to inform the budget setting process.

Budget Gap 2016/17

3.45 The budget gap for 2016/17 is £19.7m assuming a 2% council tax rise or £21.9m with a council tax freeze (assuming there is no freeze grant available). However given the uncertainties over the funding for the changes in employer national insurance (£2m), the underlying service pressures in the current year and their impact on 2016/17 highlighted in the TBM month 2 report on this agenda, and the uncertainties over the local government settlement, it is proposed to plan on the basis of a minimum budget gap for 2016/17 of £25.0m based on a 2% council tax increase.

General Fund Capital Investment Programme

3.46 A 10-year capital programme has been developed and included in the MTFs. The strategy identifies longer term capital investment plans as well as a funding strategy and the potential outcomes for each investment plan. This strategy includes major investment requirements such as new pupil places, investment in the seafront infrastructure and partnership investment through major projects such as Brighton Waterfront and the i360 project. The strategy also includes Heritage Lottery Fund bids such as the Stanmer Park Master Plan, Royal Pavilion Estates Regeneration and the Volks Railway. Successful bids for government funding through the City Deal to support the £24.5m development of New England House into a Growth Hub has also been included within the strategy.

3.47 The projected capital programme and resources for the next 10-years are included in the table in Appendix 3. Investment in ICT had increased from £0.5m per year to £2.0m over the 3 year period of 2013/14 to 2015/16 with future years reverting back to £0.5m. This element has been revised to £2.0m per year for the next 3 years in recognition of the continued investment requirements to maintain ICT services.

- 3.48 Grant funding is provided to the council as a Single Capital Pot and with the exception of Devolved Schools Capital Grant can be prioritised as the Council see fit. Unringfenced government grants for education, transport, health and housing are projected to be £24.7m in 2016/17 but are subject to confirmation from the Government in December 2015. Indicative education new pupil places and education maintenance grants have been announced up to 2017/18 and total £33.9m for the next two years. Allocations for the Local Transport Fund (LTP) have been announced for the next two years of £5.5m in 2016/17 and £5.4m in 2017/18. Further indicative LTP announcements of £5.2m pa have been announced up to 2020/21.
- 3.49 Capital receipts support the capital programme and the projections have been reviewed and include receipts from the disposal of Kings House, Patcham Court Farm, 251-253 Preston Road, Eastbrook Farm allotments, the former Whitehawk library site, 76-79 & 80 Buckingham Road and a number of non-core rural assets to support the Stanmer Park redevelopment project.

Housing Revenue Account (HRA) Budget Estimates

- 3.50 A local authority's HRA must balance meaning that the authority must show in its financial planning that HRA income (mainly dwellings rents) meets expenditure and that the HRA is consequently viable. In April 2012, the HRA became a 'self financing' account which means that the authority needs to ensure sufficient funds are available to meet the future management, repairs and investment needs of the stock. This has enabled the council to improve planning for management and investment decisions over the longer term. In developing a 30 year Business Plan it is essential the council balances the need to increase the rent with a programme to invest money for the benefit of tenants and also building new council homes. The main determinants of the HRA budget are set out below.
- 3.51 Rents for 2016/17 will be calculated in accordance with the government's rent guidance, included in the DCLG's 'Guidance on Rents for Social Housing' published in May 2014, which specifies a maximum increase of rent in any one year as being Consumer Price Index (CPI) inflation +1% for the next 9 years. The aim of this policy is to give some certainty to social landlords over their rental income and allow them to plan and 'invest in the maintenance and improvement of existing homes, the provision of new affordable homes and in providing good services to their tenants'.
- 3.52 Service Charges are payable by some tenants in addition to their rent. Service charges usually reflect additional services which may not be provided to every tenant or which may be connected with the provision of communal facilities, for example a charge for grounds maintenance services around a block of flats. A service charge must only ever aim to recover the actual cost of the service it pays for. The Government guidance therefore limits the increase to CPI + 1% unless the service is new or has fundamentally changed.
- 3.53 Although the HRA is a ring-fenced account and is not therefore subject to funding reductions applicable to the Council's General Fund, the HRA follows the principles of value for money and equally seeks to drive out inefficiencies and achieve cost economies wherever possible. This frees up more HRA resources

to invest in priority investments for tenants as well as increasing the resources available for the building of new social housing in the City. Benchmarking of both service quality and cost with comparator organisations is used extensively to identify opportunities for better efficiency and service delivery. A comprehensive programme of service reviews across the housing service has commenced during 2015/16 with the objectives that the service is being delivered in the most cost effective way, that customers feel they are getting good value from the service and to deliver savings on current budgets. These service reviews will inform the savings target for 2016/17 and beyond.

HRA Capital Programme 2015/16

- 3.54 The capital investment plan for the HRA is mainly funded from direct revenue funding from tenants' rents. The 2016/17 programme includes the use of retained capital receipts from Right to Buy sales for investment in new affordable homes. The HRA capital programme is incorporated within the overall capital programme projections at Appendix 3.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The budget process allows all parties to put forward viable budget amendments and council tax proposals to Budget Council on 25th February 2016. Budget Council has the opportunity to debate both the proposals put forward by Policy & Resources Committee at the same time as any viable alternative proposals.

5. COMMUNITY ENGAGEMENT & CONSULTATION

General Fund

- 5.1 The move to a longer term Service & Financial Planning framework suggests that consultation and engagement will be required at different levels. On one level, citizens, service users, businesses, the community & voluntary sector, partners and others with an interest in public services could be asked:

- Where they would prioritise spending in the context of reducing funding
- What ideas or views they have about improving services or saving money
- What their view is of the overall 4 year service & financial plan for services
- How people in the city can play a part in helping to change public services in their neighbourhoods and communities
- What people's ambitions and concerns are for the future of the city
- How equality can be improved

It is proposed to develop a work programme for the Fairness Commission that can complement and support longer term service and financial planning to help inform future service direction and the development and design of public services.

- 5.2 On another level, service specific proposals will need more detailed consultation with neighbourhoods and communities, service users, staff and other key stakeholders to seek views about:

- Proposals to redesign in-house services or co-design co-operative services

- Proposals to stop or divest services with limited or no council funding
- Proposals to deliver services on a more commercial basis or through an alternative delivery model.

Consultation and engagement on service specific proposals will need to follow appropriate council policies and observe statutory requirements. Proposals will also need Equality Impact Assessments to be undertaken where appropriate.

5.3 Finally, it is proposed to continue with general communication and engagement around the budget process, including budget literacy aids such as the budget on-line tool and budget animation, together with the following consultation and engagement activities:

- development of a communication campaign to encourage participation in service & financial planning through the media, social media and with staff;
- a role for scrutiny to be developed with the Chair and members of the Overview & Scrutiny Committee;
- engagement at all stages with key stakeholders such as Community Works, representatives from the Economic Partnership and business sector on matters or themes that are of specific interest to them;
- ongoing engagement with staff and Trades Unions, including through the Staff Consultation Forum, Departmental Consultative Groups, team briefings and meetings;
- cross party involvement in reviewing key financial and performance information to help inform discussions about prioritising expenditure and options for savings;
- refreshing the on-line budget tool which is a helpful budget literacy aid which can help residents and others engage more fully in budget discussions and debate;
- similarly, it is proposed to refresh the short 'budget animation' which many people find to be a useful and simple aid to understanding the council's services and budget situation;
- repeating the budget questionnaire to residents and businesses to provide comparable information on priorities across years. This questionnaire has run for some years and provides statistically robust insight into how views are changing over time. However, consideration will also be given to asking more open questions about people's ambitions and concerns for the city to provide context to questions about spending priorities;
- engagement with statutory partners in the city through the City Management Board.

5.4 The cross-party Budget Review Group will keep under review the consultation and engagement process and receive updates from the various strands of engagement. It is also proposed to ask the Neighbourhoods, Communities & Equalities Committee to consider the Community Engagement & Consultation approach outlined above.

Schools

5.5 There is a statutory requirement on the local authority to consult with the Schools Forum on certain financial aspects of the schools budget including formula changes and the associated impact on budget distribution. The Schools Forum is

a public meeting whose membership is made up of schools representation from across all phases and on which the Education Funding Agency has optional observer status.

- 5.6 Information is provided throughout the year to meetings of the Schools Forum concerning the development and/or changes to elements of the schools budget and the schools formula, now principally based on a national formula. There is a Formula Working sub-group that works with Education & Inclusion and Finance colleagues to ensure involvement and engagement of schools representatives in looking at considerations and options as proposals are developed.
- 5.7 Annual budget shares are usually presented to the January meeting of the Schools Forum for consultation and in recent years the Council's Executive Director of Finance & Resources has also attended this meeting and presented a report on the potential direct or indirect impacts of the Council's General Fund budget proposals on schools.

Housing Revenue Account

- 5.8 Council Housing tenants and leaseholders will be consulted on the 2016/17 HRA budget proposals. At this stage details are still being refined but it is proposed that the approach includes:
- A workshop with Housing and Finance staff and the Business and Value for Money Service Improvement Group to prioritise expenditure and options for savings;
 - Holding resident focus groups targeted to those affected by budget proposals;
 - Consultation with Area Panels.

6. CONCLUSION

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

7. FINANCIAL & OTHER IMPLICATIONS:

- 7.1 These are contained in the body and appendices of the report.

Finance Officer Consulted: James Hengeveld

Date: 25/06/15

Legal Implications:

- 7.2 The process of formulating a plan or strategy for the council's revenue and capital budgets are part of the remit of the Policy & Resources Committee. The recommendations at paragraph 2 above are therefore proper to be considered and, if appropriate, approved by it.
- 7.3 This report complies with the council's process for developing the budget framework, in accordance with part 7.2 of the Constitution.

Lawyer Consulted:

Elizabeth Culbert

Date: 23/06/15

Equalities Implications:

- 7.4 It is proposed to continue the screening process undertaken in previous years and continue to improve the quality and consistency of Equality Impact Assessments (EIAs). Key stakeholders and groups will be engaged in developing EIAs but we will also need to consider how Members and Partners can be kept informed of EIA development and the screening process. In addition, where possible and proportionate to the decision being taken, we may need to assess the cumulative impact of the council's decision-making on individuals and groups affected in the light of reductions in expenditure across the public and third sectors. We will ensure the process considers the economic impact of proposals. There is also likely to be a role for the Neighbourhoods, Communities & Equalities Committee in the budget process and links with the work programme of the Fairness Commission will need to be established.

Sustainability Implications:

- 7.5 Carbon budgets will continue to be produced alongside the overall financial budget for the council.

Risk and Opportunity Management Implications:

- 7.6 There are considerable risks to the council's short and medium term budget strategy including the impact of the economic conditions and changes in the national budget, spending exceeding budgets, pressures on existing budgets, further reductions in grant, legislative change demands for new spend. The budget process includes the recognition of these risks in determining the 2016/17 budget.

SUPPORTING DOCUMENTATION

1. Budget estimates for 2016/17
2. Medium Term Financial Strategy Assumptions and Projections.
3. Projected Capital Investment Programme

Documents in Members' Rooms

1. None

Background Documents

1. Files held within Financial Services
2. Brighton & Hove City Council Budget report, 26 February 2015
3. Brighton & Hove City Council Corporate Plan and Medium Term Financial Strategy, 26 March 2015

2016/17 BUDGET - Budget changes from 2015/16 to 2016/17 Based on a 1.99% Council Tax increase

Appendix 1

	2015/16 Revised Base £'000	Internal Transfers £'000	Reverse one-off allocations £'000	2015/16 Adjusted Base £'000	FYE of 2015/16 Savings	Inflation £'000	Service Pressures	Commitments and reinvestment £'000	VFM & Other Savings £'000	2016/17 Original Budget £'000	Increase over adjusted base £'000	Increase over adjusted base %
Adult Services	71,618	-	(60)	71,558	(1,072)	1,350	-	93	-	71,929	371	0.52
Public Health	3,595	-	-	3,595	-	38	-	17	-	3,650	55	1.53
Children's Services	54,959	-	(23)	54,936	(947)	840	-	102	-	54,931	(5)	(0.01)
Environment, Development & Housing	37,091	-	-	37,091	(1,550)	270	-	86	-	35,897	(1,194)	(3.22)
Assistant Chief Executive	15,332	-	(251)	15,081	(71)	92	-	41	-	15,143	62	0.41
Finance & Resources and Legal & Democratic	29,021	-	(622)	28,399	(123)	130	-	105	-	28,511	112	0.39
Total Directorate Spending	211,616	-	(956)	210,660	(3,763)	2,720	-	444	-	210,061	(599)	(0.28)
Concessionary Fares	10,827	-	-	10,827	-	216	-	130	-	11,173	346	3.20
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs	8,677	-	-	8,677	-	-	-	(136)	-	8,541	(136)	(1.57)
Corporate VFM Savings	-	-	-	-	-	-	-	-	-	-	-	-
Contingency and Risk Provisions	3,017	500	(700)	2,817	-	60	-	1,859	-	4,736	1,919	68.12
Unringfenced grants income	(16,509)	-	-	(16,509)	-	-	1,150	2,785	-	(12,574)	3,935	(23.84)
Levies to External Bodies	165	-	-	165	-	4	-	-	-	169	4	2.42
Other Corporate Budgets	(768)	-	-	(768)	-	(45)	-	70	-	(743)	25	(3.26)
BUDGET GAP	-	-	-	-	-	-	5,000	-	(19,675)	(14,675)	(14,675)	-
NET REVENUE EXPENDITURE	217,025	500	(1,656)	215,869	(3,763)	2,955	6,150	5,152	(19,675)	206,688	(9,181)	(4.25)
Contributions to/ from(-) reserves	(1,137)	(500)	1,656	19	3,763	-	-	(3,782)	-	-	(19)	(100.00)
BUDGET REQUIREMENT	215,888	-	-	215,888	-	2,955	6,150	1,370	(19,675)	206,688	(9,200)	(4.26)
Funded by												
Revenue Support Grant	46,097	-	-	46,097	-	-	-	-	-	32,694	(13,403)	(29.08)
Business Rates Local Share	52,380	-	-	52,380	-	-	-	-	-	56,841	4,461	8.52
Top Up Grant	1,642	-	-	1,642	-	-	-	-	-	1,694	52	3.17
Business Rates Collection Fund surplus/(deficit)	3,586	-	-	3,586	-	-	-	-	-	-	(3,586)	(100.00)
Council Tax Collection Fund surplus/(deficit)	196	-	-	196	-	-	-	-	-	-	(196)	(100.00)
Council Tax	111,987	-	-	111,987	-	-	-	-	-	115,459	3,472	3.10
Total	215,888	-	-	215,888	-	-	-	-	-	206,688	(9,200)	(4.26)

Please Note : -The Budget Gap £19.675m based on a 1.99% Council Tax increase would change to £21.920m for a Council Tax freeze assuming no freeze grant available.

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2019/20

Core Planning Assumptions

The table below sets out the core planning assumptions included in the MTFS projections:-

Summary of MTFS assumptions	2016/17	2017/18	2018/19	2019/20
Pay inflation and pay related matters:				
- Provision for pay award	1.0%	1.0%	1.0%	1.0%
- Provision for pension contributions	0.5%	0.5%	0.5%	0.5%
- Provision for changes in national insurance	(*)	0.0%	0.0%	0.0%
General inflation:				
- Inflation on no pay expenditure	0.0% - 2.0%	2.0%	2.0%	2.0%
- Inflation on income	2.0%	2.0%	2.0%	2.0%
- Inflation on parking income	2.0%	2.0%	2.0%	2.0%
- Inflation on penalty charge notices	0.0%	0.0%	0.0%	0.0%
Resources:				
Change in Settlement Funding Assessment	-11.9%	-10.5%	-10.6%	-11.7%
Change to Revenue Support Grant (RSG)	-29.1%	-33.0%	-45.4%	-82.3%
Business Rates				
- Business rates poundage inflation uplift	2.0%	2.3%	2.3%	2.3%
Change to other specific grants	-15.0%	-10.0%	-10.0%	-10.0%
Public Health grant	0.0%	0.0%	0.0%	0.0%
Assumed council tax threshold increase	2.0%	2.0%	2.0%	2.0%
Council Tax Base	1.10%	0.25%	0.25%	0.25%

* National insurance changes planned for 2016/17 are expected to add up to £2.0m to the expenditure estimates. At this time, we have no information regarding whether or not local authorities will be compensated for this additional cost.

Summary of MTFS projections

The table below sets out the savings /budget gap taking into account the anticipated expenditure over the MTFS period and the funding resources available:-

Summary of General Fund budget projections	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Sub-total Net Budget Requirement B/Fwd	215.888	206.688	198.549	193.360
Pay and Inflation	2.955	3.422	3.245	3.119
General Risk Provisions	2.238	0.500	0.500	0.500
Commitments - impact of previous decisions	0.129	0.412	0.836	0.670
Change in S31 Business Rates compensation grants	3.385	-0.017	-0.016	-0.018
Change in New Homes Bonus	-0.600	0.000	-0.200	0.350
Service pressures - demographic and inflation	5.000	5.000	5.000	5.000
Service pressures - specific grants	1.150	0.600	0.500	0.500
Full year effect of savings in previous year	-3.763	0.000	0.000	0.000
Savings / Budget Gap	-19.675	-18.056	-15.054	-14.980
Sub-Total	206.707	198.549	193.360	188.501
Change in contribution to / from reserves	-0.019	0.000	0.000	0.000
Budget Requirement C/Fwd	206.688	198.549	193.360	188.501
Funded by:				
Revenue Support Grant	32.694	21.896	11.951	2.118
Top Up Grant	1.694	1.741	1.789	1.838
Locally retained Business Rates	56.841	56.867	58.930	61.151
Council Tax	115.459	118.045	120.690	123.394
Total Funding	206.688	198.549	193.360	188.501

Capital Investment Programme 2016/17 to 2025/26

Appendix 3

Capital Scheme	Profiled Payments 2016/17 £000	Profiled Payments 2017/18 £000	Profiled Payments 2018/19 £000	Profiled Payments 2019/20 £000	Profiled Payments 2020/21 £000	Profiled Payments 2021/22 £000	Profiled Payments 2022/23 £000	Profiled Payments 2023/24 £000	Profiled Payments 2024/25 £000	Profiled Payments 2025/26 £000
SUMMARY										
Approved Schemes										
Children's Services	0	0	0	0	0	0	0	0	0	0
Adult Services	375	375	0	0	0	0	0	0	0	0
Environment, Development & Housing (GF)	5,976	3,391	1,350	1,845	1,547	741	770	801	833	866
Environment, Development & Housing (HRA)	0	0	0	0	0	0	0	0	0	0
Assistant Chief Executive	6,222	0	0	0	0	0	0	0	0	0
Finance, Resources & Law	15,256	12,250	0	0	0	0	0	0	0	0
New Schemes										
Children's Services	18,950	17,754	18,900	13,900	3,900	3,900	3,900	3,900	3,900	3,900
Adult Services	1,220	1,220	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Environment, Development & Housing (GF)	21,781	27,816	21,119	15,169	15,169	10,000	10,000	10,000	10,000	10,000
Environment, Development & Housing (HRA)	51,580	27,000	25,600	25,600	24,900	24,600	24,100	24,100	23,600	23,600
Assistant Chief Executive	28,909	88,819	72,500	9,000	6,000	0	0	0	0	0
Finance, Resources & Law	4,050	4,750	4,750	3,250	3,250	3,250	3,250	3,250	3,250	3,250
Total	154,319	183,375	145,719	70,264	56,266	43,991	43,520	43,551	43,083	43,116
Funded by:										
Government Grants - Single Pot	23,419	23,340	9,169	9,169	9,169	9,000	9,000	9,000	9,000	9,000
Government Grants - Ringfenced	19,086	8,788	4,350	5,600	3,900	600	600	600	600	600
Capital Receipts	12,800	47,840	32,090	1,750	1,250	750	750	750	750	750
Capital Receipts HRA	4,560	0	2,900	2,100	2,100	2,100	2,000	2,000	2,000	2,000
HRA Capital Reserves	1,000	500	500	500	500	0	0	0	0	0
Capital Reserves	6,118	0	0	0	0	0	0	0	0	0
External Contributions	18,571	16,899	6,058	4,285	3,112	741	770	801	833	866
Direct Revenue Funding	1,400	1,500	1,520	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Revenue Contribution to capital HRA	24,000	24,500	25,000	26,000	26,400	26,400	27,000	27,000	27,000	27,000
Council Borrowing	36,534	53,508	40,192	7,160	6,835	1,000	1,000	1,000	1,000	1,000
Total	147,488	176,875	121,779	57,964	54,666	41,991	42,520	42,551	42,583	42,616

Funding deficit GF	6,831	6,500	26,840	15,400	5,800	6,000	6,000	6,000	6,000	6,000
Funding (surplus) HRA	0	0	(2,900)	(3,100)	(4,200)	(4,000)	(5,000)	(5,000)	(5,500)	(5,500)

Subject:	Neighbourhood Enforcement Teams		
Date of Meeting:	20 July 2015		
Report of:	Director of Public Health		
Contact Officer:	Name:	Peter Castleton	Tel: 292607
	Email:	peter.castleton@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 launch the process of reviewing the enforcement functions of the council with the intention of making them more neighbourhood focussed.

2. RECOMMENDATIONS:

- 2.1 That a review of existing enforcement functions across the council is undertaken.
- 2.2 That options are drawn up for reconfiguring enforcement functions to be more efficient with a neighbourhood focus utilising officers who are already in neighbourhoods and communities. A report will be brought back to the committee for consideration.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The council has a number of services where enforcement is an integral part of regulation or problem solving. These services include teams within Regulatory Services, Housing, Cityclean, Cityparks, Highways and Community Safety. Sanctions range from fixed penalty notices through to criminal proceedings.
- 3.2 Police are directly involved in the enforcement of criminal matters. The council also has a range of powers to enforce both criminal and civil matters.
- 3.3 Officers are expected to account for their performance in relation to work that includes enforcement to their managers and also, often, to those impacted on by enforcement and regulation including citizens and communities. The courts will also play a role in vetting enforcement either through an appeal process or, where there is no statutory provision, by way of judicial review.
- 3.4 A small number of areas in the country have trialled high profile joint enforcement teams. These range from a well-established uniformed patrol scheme in Nottingham jointly delivered with the police through to a current pilot in Reigate and Banstead where a small team have a joint patrolling function several days a

week. These teams patrol in the town centres and neighbourhoods and are targeted by intelligence reports and community concerns.

- 3.5 Opportunities are now coming to light that will enable the consideration of how voluntary active citizens could be involved in low level enforcement.
- 3.6 Co-location of staff from different teams in the past has led to greater collaboration manifesting in improved information sharing and a more holistic response to issues.
- 3.7 Consideration should be given to what council, police and partner resources are already on the streets and in neighbourhoods and whether they could be used for broader roles encompassing enforcement.
- 3.8 The move towards a neighbourhood centred model of delivering services to communities will enable the targeting of resources to where there is the greatest need. This will also ensure communities have a say in where resources are directed.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 A high profile uniformed service would require capital investment; developing neighbourhood enforcement using officers who already embedded in neighbourhoods would be efficient.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 No formal consultation has taken place at this stage.

6. CONCLUSION

- 6.1 The scoping and consideration of options for a neighbourhood enforcement team will need the co-operation of key managers involved in enforcement or who have officers already in neighbourhoods from across the council, the police and other partners.
- 6.2 Moving forward with this work will require stakeholder teams to agree to input manager's time. This will enable them to recommend options for neighbourhood based enforcement including options for pooling resources to move to an effective neighbourhood focussed model.
- 6.3 Enabling communities to be involved through in resourcing and directing a neighbourhood enforcement team is likely to increase trust and confidence and would be a realisation of active citizenship.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The consideration of options for reconfiguring enforcement functions to be more efficient and neighbourhood focussed will be delivered within existing resources. Options proposed for enhanced neighbourhood enforcement once developed will be financially assessed against available budgets (Council and partners) and reported to a future Neighbourhood, Communities and Equalities Committee.

Finance Officer Consulted: Anne Silley

Date: 9/7/2015

Legal Implications:

- 7.2 As this is an investigation to consider options there is no legal implications at this stage. Should there be a more substantive recommendation, then there will be legal considerations such as delegated authority and consideration of issues such as the Equalities Act.

Lawyer Consulted: Simon Court

Date: 9/7/2015

Equalities Implications:

- 7.3 An equality impact assessment will need to be carried out to consider where there may be unintended adverse impacts in the most deprived communities.

Sustainability Implications:

- 7.4 Any revised ways or working need to be sustainable and deliverable in the long term. Reducing an enhanced model of neighbourhood enforcement will have an immediate effect on public confidence.

Crime & Disorder Implications:

- 7.5 Enhanced neighbourhood enforcement is likely to have a positive impact on crime, the fear of crime and on anti-social behaviour.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Documents in Members' Rooms

1. None

Background Documents

1. None