

# Cabinet

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**Wednesday 12 December 2012 at 2.00 pm**

**To be held at the Town Hall,  
Pinstone Street, Sheffield, S1 2HH**

**The Press and Public are Welcome to Attend**

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## **Membership**

Councillor Julie Dore  
Councillor Isobel Bowler  
Councillor Leigh Bramall  
Councillor Jackie Drayton  
Councillor Harry Harpham  
Councillor Mazher Iqbal  
Councillor Mary Lea  
Councillor Bryan Lodge  
Councillor Jack Scott

Chair/Leader of the Council  
Culture, Sport & Leisure  
Business, Skills & Development  
Children, Young People & Families  
Deputy Leader/Homes & Neighbourhoods  
Communities & Inclusion  
Health, Care & Independent Living  
Finance & Resources  
Environment, Waste & Streetscene

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## **PUBLIC ACCESS TO THE MEETING**

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The Cabinet discusses and takes decisions on the most significant issues facing the City Council. These include issues about the direction of the Council, its policies and strategies, as well as city-wide decisions and those which affect more than one Council service. Meetings are chaired by the Leader of the Council, Councillor Julie Dore.

A copy of the agenda and reports is available on the Council's website at [www.sheffield.gov.uk](http://www.sheffield.gov.uk). You can also see the reports to be discussed at the meeting if you call at the First Point Reception, Town Hall, Pinstone Street entrance. The Reception is open between 9.00 am and 5.00 pm, Monday to Thursday and between 9.00 am and 4.45 pm. on Friday, or you can ring on telephone no. 2734552. You may not be allowed to see some reports because they contain confidential information. These items are usually marked \* on the agenda.

Members of the public have the right to ask questions or submit petitions to Cabinet meetings. Please see the website or contact Democratic Services for further information.

Cabinet meetings are normally open to the public but sometimes the Cabinet may have to discuss an item in private. If this happens, you will be asked to leave. Any private items are normally left until last. If you would like to attend the meeting please report to the First Point Reception desk where you will be directed to the meeting room.

Cabinet decisions are effective six working days after the meeting has taken place, unless called-in for scrutiny by the relevant Scrutiny Committee or referred to the City Council meeting, in which case the matter is normally resolved within the monthly cycle of meetings. Further information on this or any of the agenda items can be obtained by speaking to John Challenger on 0114 273 4014.

If you require any further information please contact [committee@sheffield.gov.uk](mailto:committee@sheffield.gov.uk) or call us on 0114 273 4014.

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## **FACILITIES**

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There are public toilets available, with wheelchair access, on the ground floor of the Town Hall. Induction loop facilities are available in meeting rooms.

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

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**CABINET AGENDA  
12 DECEMBER 2012**

**Order of Business**

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- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of Public and Press**  
**Note:** 1. Part of the report of the Executive Director, Resources on the disposal of land at Rother Valley (Item 14) in the agenda is not available to the public and press because it contains exempt information described in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended) relating to the financial or business affairs of any person.
- 4. Declarations of Interest**  
Members to declare any interests they have in the business to be considered at the meeting
- 5. Minutes of Previous Meeting**  
To approve the minutes of the meeting of the Cabinet held on 21<sup>st</sup> November, 2012.
- 6. Public Questions and Petitions**  
To receive any questions or petitions from members of the public
- 7. Items Called-In For Scrutiny**  
The Chief Executive will inform the Cabinet of any items called in for scrutiny since the last meeting of the Cabinet
- 8. Retirement of Staff**  
Report of the Chief Executive
- 9. Community Covenant Annual Report and Action Plan**  
Report of the Executive Director, Resources.
- 10. Securing and Sustaining Good Quality Personalised Social Care for Adults**  
Report of the Executive Director, Communities.
- 11. Future of Council Housing**  
Report of the Executive Director, Communities.
- 12. Changes to Council Tax Discounts for Second Homes and Empty Properties.**  
Report of the Executive Director, Resources.
- 13. Revenue Budget and Capital Programme Monitoring 2012 -13 (Month**

**6)**  
Report of the Executive Director, Resources.

**14. Disposal of Land at Rother Valley Way.**  
Report of the Executive Director, Resources.

**15. Wybourn Sites Disposal (Cricket Inn 1B and 1C)**  
Report of the Executive Director, Place.

**16. Redesign of Early Years' Service**  
Report of the Executive Director, Children, Young People and Families.

**17. Implementing the Community Infrastructure Levy in Sheffield**  
Report of the Executive Director, Place.

**18. Home to School Transport Policy**  
Report of the Executive Director, Children, Young People and Families.

**NOTE: The next meeting of Cabinet will be held on Wednesday 16  
January 2013 at 2.00 pm**



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## ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

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New standards arrangements were introduced by the Localism Act 2011. The new regime made changes to the way that members' interests are registered and declared.

If you are present at a meeting of the Council, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and you have a **Disclosable Pecuniary Interest** (DPI) relating to any business that will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

You **must**:

- leave the room (in accordance with the Members' Code of Conduct)
- make a verbal declaration of the existence and nature of any DPI at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.
- declare it to the meeting and notify the Council's Monitoring Officer within 28 days, if the DPI is not already registered.

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. You have a pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner, undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period\* in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

\*The relevant period is the 12 months ending on the day when you tell the Monitoring Officer about your disclosable pecuniary interests.

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority -
  - under which goods or services are to be provided or works are to be executed; and
  - which has not been fully discharged.
- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) -
  - the landlord is your council or authority; and
  - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
  - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
  - (b) either
    - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
    - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

Under the Council's Code of Conduct, members must act in accordance with the Seven Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership), including the principle of honesty, which says that 'holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest'.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life.

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.

Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously, and has been published on the Council's website as a downloadable document at [-http://councillors.sheffield.gov.uk/councillors/register-of-councillors-interests](http://councillors.sheffield.gov.uk/councillors/register-of-councillors-interests)

You should identify any potential interest you may have relating to business to be considered at the meeting. This will help you and anyone that you ask for advice to fully consider all the circumstances before deciding what action you should take.

In certain circumstances the Council may grant a **dispensation** to permit a Member to take part in the business of the Authority even if the member has a Disclosable Pecuniary Interest relating to that business.

To obtain a dispensation, you must write to the Monitoring Officer at least 48 hours before the meeting in question, explaining why a dispensation is sought and desirable, and specifying the period of time for which it is sought. The Monitoring Officer may consult with the Independent Person or the Council's Standards Committee in relation to a request for dispensation.

Further advice can be obtained from Lynne Bird, Director of Legal Services on 0114 2734018 or email [lynne.bird@sheffield.gov.uk](mailto:lynne.bird@sheffield.gov.uk)

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Cabinet

Meeting held 21 November 2012

**PRESENT:** Councillors Julie Dore (Chair), Isobel Bowler, Leigh Bramall, Jackie Drayton, Harry Harpham (Deputy Chair), Mazher Iqbal, Mary Lea, Bryan Lodge and Jack Scott

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**1. APOLOGIES FOR ABSENCE**

1.1 No apologies for absence were received.

**2. EXCLUSION OF PUBLIC AND PRESS**

2.1 No items were identified where resolutions may be moved to exclude the public and press.

**3. DECLARATIONS OF INTEREST**

3.1 There were no declarations of interest.

**4. MINUTES OF PREVIOUS MEETING**

4.1 The minutes of the meeting held on 31<sup>st</sup> October, 2012 were approved as a correct record.

**5. PUBLIC QUESTIONS AND PETITIONS**

5.1 Streets Ahead – Performance Information

5.2 Mr Nigel Slack commented that, in the recent report on the first few weeks of the Streets Ahead contract, he was disappointed to see little actual performance information, and that, although there was a deal of comment about the teething troubles etc. there was no report on key indicators. He added that a comment at the end of the report directed him to the Council's website which promised more information

5.3 He stated that, in examining the web pages, he had accessed the "Final Business Case" documents. However, he alleged that despite the Council's assurances that they operate as transparently as possible he had found that 12 out of 28 of the appendices to the documents had been redacted which, he contended, was a modern use of the word in order to make the act of sanitisation or censorship more palatable.

5.4 Mr Slack suggested that the use of redaction was almost always overdone and the use of the catch all phrase, 'content omitted for reasons of potential confidentiality or prejudice' was anodine and

misleading. In submitting a list of the appendices involved, he understood why, at the time, financial information was censored but struggled with the idea that the Communication Strategy, needed censoring or indeed the Project Risk Register and Risk Management Strategy.

5.5 Mr Slack therefore asked, would the Council undertake to look again at the details of this report and, in light of the signing of the contract, consider whether any real reason now remains for this information to be kept secret and, in addition, if they decided to keep the censorship of some appendices, will they at least undertake to provide a more detailed reason for this secrecy?

5.6 Councillor Bryan Lodge (Cabinet Member for Finance and Resources) responded that he would request officers to re-examine the documents referred to and determine whether some could be released into the public domain. He commented that, whilst he understood that some issues were sensitive and complex and might not be suitable for release into the public domain, he was not sure why the Communications Strategy had been redacted and would clarify why this had occurred.

5.7 Councillor Jack Scott (Cabinet Member for Environment, Recycling and Streetscene) added that he would also ensure that officers looked again at whether further appendices could be released into the public domain, but indicated that the reason why the Council sometimes withheld information was due to its sensitive nature. On the broader point, he understood the need for performance information to be publicly available and this would evolve as the contract progressed and would be subject to the Council's usual monitoring procedures along with other contracts. He stated that, having read the appendices, much of the information they included was not available due to the need for the Council to protect its position and that of its employees as well as the commercial interests of the contractor. He added that he would again ascertain why some information had been prevented from circulation in the public domain.

5.8 Councillor Julie Dore (Leader) confirmed that she was happy that officers would now conduct a review into why the documents referred to had been redacted and took the opportunity to advise Mr Slack that he would shortly receive a response to the questions he had asked her at the Council meeting on 7<sup>th</sup> November, 2012.

5.9 Jamia Mosque, Firth Park Road

5.10 Mr Raffiq, on behalf of the Jamia Mosque Committee thanked the Cabinet for the opportunity for addressing the meeting and referred to the previous requests by the Jamia mosque in the early 1980s and late 1990's for land upon which to build a community facility which the Council had supported. He asked, on behalf of the Mosque

Committee, that a plot of land now be made available for expanding the services provided by the Mosque for the Fir Vale/Firth Park area as well as the building of a community centre.

- 5.11 Mr Raffiq added that the Mosque Committee and the community supported the provision of a new primary school adjacent to Earl Marshal school to meet the expanding demand for primary school places in the area, but also re-iterated the need for a plot of land to be made available for the community.
- 5.12 Councillor Jackie Drayton (Cabinet Member for Children, Young People and Families) thanked Mr Raffiq for his attendance and questions and acknowledged that she was aware of the longstanding request from the Mosque committee for a plot of land for the community and acknowledged the hard work they do in the area and the esteem they are held in. Councillor Drayton reminded the meeting that the Skinnerthorpe Road site had been part of a HMR area and that previous Government funding provided funding to demolish the existing older houses and prepare the site for future development of new houses, and other community facilities.

Councillor Drayton added that the Council had been fortunate to secure capital spending for a new primary school on the site, which was desperately needed and good news for children and families in the area. Cllr Drayton stated that Officers were in discussion with representatives of the Jamia Mosque on the potential use of this piece of land and meetings would now take place with them and the local community on how the site might be developed. She also added that the Department for Communities and Local Government had informed the City Council that they supported the proposal for the school and waived any potential right to claw back funding on the site.

- 5.13 Councillor Harry Harpham (Cabinet Member for Homes and Neighbourhoods) added that there was enormous pressure in the Fir Vale area for a new primary school and new housing but that there was also great pressure on available open space in the area. Following a comprehensive consultation programme, the importance of a new school and new housing had been demonstrated as well as the need to expand the Mosque's community facilities. However, these were competing needs and required evaluation by the Council. He was, however, aware of the needs of the Mosque as well as the admirable contribution the Mosque had made to what was a diverse community. The Council would listen to the case made by the Jamia Mosque but he re-iterated that the major need was for new schools in the area.
- 5.14 Unanswered Questions
- 5.15 Mr Barrie Bellamy, High Green Community Action, asked why the questions he had asked at the meeting of Cabinet on 12<sup>th</sup> September

had not been answered. He also stated that he was still waiting for answers to questions he had asked at a meeting with Councillors Leigh Bramall and Jack Scott on 5<sup>th</sup> November, 2012.

5.16 Councillor Jack Scott (Cabinet Member for Environment, Recycling and Streetscene) responded that he had sent the questions that Mr Bellamy had asked which were outstanding to Amey and within the relevant parts of the Council which would cover the streetscene issues and bin collection and grit bin provision referred to and would follow these up to secure a response for Mr Bellamy. He had also met with Amey's community officer for the north area in order to stress the importance of the issues raised by Mr Bellamy. Councillor Scott apologised for the unavailable delay and indicated that Mr Bellamy would receive a response in the next 10 days or so.

5.17 Sheffield Bus Partnership Agreement

5.18 Mr Barrie Bellamy commented that the Sheffield Bus Partnership Agreement was supposed to improve bus travel in the City but that, in his opinion, it had made it worse with buses becoming less reliable in terms of punctuality and frequency, due to, amongst other things, the extension of bus routes. He asked, for example, why buses were being diverted away from the Interchange and redirected through the City Centre leading to bus congestion and difficulties in accessing buses for some older people, some of whom had missed buses as a result. Mr. Bellamy asked whether Cabinet had the power to do anything about this situation.

5.19 Councillor Julie Dore (Leader) responded that Councillor Leigh Bramall (Cabinet Member with responsibility for transport issues) was unavailable as he was currently meeting with the Transport Minister. She would, though, pass on Mr Bellamy's questions on the Bus Partnership to Councillor Bramall for a response. However, she commented that time was needed to allow the new system to bed in but that Councillor Bramall would welcome any feedback on the Bus Partnership in its early stages. On a more general note, Councillor Dore would look at the minutes of the meeting of Cabinet that Mr Bellamy referred to and ensure that he received a response.

5.20 Heavy Goods Vehicle (HGV) Ban on Bocking Lane

The following questions were asked and comments made by the members of the public referred to below relating to the HGV ban on Bocking Lane to which answers were given as shown:-

5.21 (a) a question from Mr. Colin Foster asking what evidence was there to suggest that it was a good idea to reverse the HGV ban on Bocking Lane, which was a narrow road and plagued by commuter traffic at night and in the morning, when there seems to have been no problems with the current arrangements since they were introduced 17 months



ago?

- 5.22 The Head of Transport, Traffic and Parking Services responded that the South Community Assembly had decided to close Bocking Lane to HGVs but that the decision had been the subject of a close vote. Since then, the previous and current Administrations had concluded that a strategic review of lorry routes needed to be undertaken. The closure of Bocking Lane to HGVs had caused concerns amongst residents of Abbey Lane, as the increased use of that road by HGVs, they contested compromised the safety of children attending school on Abbey Lane.
- 5.23 He stated that the issue of appropriate lorry routes in the City had been the subject of consultations with Community Assemblies, residents, freight trades, South Yorkshire Police and with other local authorities on the most appropriate routes for lorry traffic. He indicated that the whole issue was a strategic matter which needed to identify how to link the different parts of Sheffield in the absence of an outer ring road and, therefore, issues such as traffic flows and the amount of lorry traffic were being examined. Research had identified three types of lorry including those that made local deliveries to residents' homes, lorries travelling to and from Sheffield from other local authority areas and finally, those lorries which were passing through the City and didn't stop.
- 5.24 The residents of Bocking Lane had been concerned, in particular, with gravel lorries travelling on Bocking Lane during the night and, arising from such concerns the South Community Assembly had asked Council officers to investigate the matter. Officers had now examined a number of routes and, after consulting with the Police and Derbyshire County Council and South Community Assembly members, a report would be submitted to the Cabinet Highways Committee on 13<sup>th</sup> December, 2012. The Council's objective was to get lorries off the roads in Sheffield to Derbyshire by agreement with the Derbyshire County Council, but should such an agreement not be forthcoming then a ban would be introduced. However, this would take time.
- 5.25 The Head of Transport, Traffic and Parking Services stated that officers were now recommending that the HGV ban on Bocking Lane should not be applied in the day-time, but would remain for the evening and during the night.
- 5.26 (b) a question from Heather Parys concerning the heavy usage of Bocking Lane by lorries from Derbyshire and, in particular, how were the discussions with the Derbyshire County Council and the Freight Association progressing and would the outcome of such discussions be concluded before the meeting of the Cabinet Highways Committee on 13<sup>th</sup> December, 2012.
- 5.27 The Head of Transport, Traffic and Parking Services responded that it

was hoped to conclude discussions with Derbyshire County Council and the Freight Association prior to 13<sup>th</sup> December and that a compromise was being sought. He re-iterated that the HGV ban had been implemented in the best of interests of the community but he understood that that it was to the detriment of some residents.

- 5.28 (c) Mr Stuart Smith stated that officers had clearly analysed HGV traffic data during specific school periods 8.30 a.m. to 8.50 a.m. and 3.00 p.m. to 3.30 p.m. to arrive at their informed position. Therefore, he asked could the Head of Transport, Traffic, and Parking Services provide up-to-date figures on this and if not, how had he arrived at the decision?
- 5.29 The Head of Transport, Traffic, and Parking Services responded that officers now had the figures and these would be presented within a report to the Cabinet Highways Committee on 13<sup>th</sup> December, 2012.
- 5.30 (d) Ms. Pam Hodgson commented that, in view of the current financial climate, surely the spending of more Council funds reversing the ban in addition to those spent on the original decision to implement the ban in the first place just 17 months ago would be frowned upon by Sheffield Council tax payers. She, therefore asked what had changed to make the Council change its policy and reverse the ban?
- 5.31 Councillor Julie Dore (Leader) responded that over 18 months ago, Community Assemblies were given the power to decide upon highways issues. However, Bocking Lane, Abbey Lane and Abbeydale Road were situated in different wards namely, Graves Park, Beauchief and Greenhill and Central wards. Residents in these areas had expressed their concerns about the consequences of HGV bans in adjacent areas for their own areas. This had led her to the conclusion that the Council could not please everyone. The Council had been placed in a dilemma and, therefore, it had undertaken a review, gathering evidence and holding consultations with residents over a number of months and the Cabinet Highways Committee would consider the outcome of the review and take a decision on 13<sup>th</sup> December. She believed that the Council was not wasting Council taxpayers money in considering such important issues based upon accurate data and reliable evidence.
- 5.32 Councillor Harry Harpham (Cabinet Member for Homes and Neighbourhoods) indicated that he was a member of the Cabinet Highways Committee and invited the questioners to attend the proposed Committee meeting on 13<sup>th</sup> December. He added that the issue of HGV traffic had been problematic in many areas of the City for example, in the Darnall Ward, which he represented and where many of these problems still remained unresolved. The Council needed to find a compromise as regards HGV traffic using the City's roads and which covered all of the City.

- 5.33 Councillor Harpham added that there were no easy answers to the problems generated by heavy HGV traffic but the Council would try to help people where it could. It was fair to say though that, as regards transport in particular, you could not please all people all of the time.
- 5.34 Councillor Bryan Lodge (Cabinet Member for Finance and Resources) felt that the decision of the South Community Assembly to place a HGV ban on one road was ill-thought out as this would pit one community against another and was a prime example as to why the Council needed to take a decision which took account of all of the City and not just one or two areas.
- 5.35 Councillor Jack Scott (Cabinet Member for Environment, Recycling and Streetscene) indicated that he was also a Member of the Cabinet Highways Committee and referred to the problems caused by traffic to air quality and that 500 premature deaths in the City had been attributable to poor air quality. The increase in HGV lorries was a big issue for many communities and, therefore, there was a need for a strategic approach to be adopted by the Council taking account of all the City. It had been futile for a Community Assembly to look at the issue in isolation and the different views of the South and Central Community Assemblies had proved to be difficult to resolve. He felt that many of the problems caused by the approach which had been adopted to use Community Assemblies, could have been avoided if there had been a more joined-up strategy.
- 5.36 Councillor Julie Dore (Leader) in responding to a question from Mr Stuart Smith asking what had changed from 17 months ago when Abbey Lane had been identified as the most suitable road to take HGV traffic, stated that the increase in HGV lorries on Abbey Lane had provided evidence of the need to carry out a strategic review. She added that as far as HGV lorry traffic was concerned across the City, the Council and its communities had to recognise that there was a need to encourage economic growth and businesses to come to the City and, therefore, a delicate balance needed to be struck between economic, environmental and social policy in order for the City to secure economic growth whilst protecting the interests of the City's communities.
- 5.37 Councillor Dore indicated that all the questions asked concerning HGV lorries would be passed to Councillor Leigh Bramall (Cabinet Member for Business, Skills and Development) and that an e-mail received by Councillor Simon Clement-Jones enclosing a question from one of his constituents who was unable to attend the meeting would also be responded to.

## **6. ITEMS CALLED-IN FOR SCRUTINY**

- 6.1 The Chief Executive reported that there had been no items of business called-in for scrutiny arising from the meeting of the Cabinet on 31<sup>st</sup> October, 2012.

6.2 The Cabinet noted the information reported.

**7. RETIREMENT OF STAFF**

7.1 The Chief Executive submitted a report on Council staff retirements.

7.2 **RESOLVED:** That this Cabinet :-

(a) places on record its appreciation of the valuable services rendered to the City Council by the following staff in the Portfolios below:-

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
<b><u>Children, Young People and Families</u></b>		
Dennis Buck	Teacher, Lydgate Junior School	38
Susan Daniels	Headteacher, Greenland Nursery Infant School	38
David Foster	Headteacher, Stocksbridge Junior School	34
Richard Green	Health and Safety Technical Officer and Premises Manager, Bradfield School	29
Linda Hall	Catering Manager, Birley Community College	28
Stephen Sykes	Buildings Supervisor, Tinsley Junior School	29
Julie Toth	Teacher, Seven Hills School	34
Anita White	Teaching Assistant Level 1, Mossbrook Primary School	23
Carole Willis	Supervisory Assistant, Halfway Nursery and Infant	35

	School	
Anne Wilson	School Manager, Longley Primary School	21
Elaine Wright	Teacher, Tapton School	22

**Resources**

Diane Frost	Business Support Officer	27
Anne Hall	Operational Delivery Assistant	27

(b) extends to them its best wishes for the future and a long and happy retirement; and

(c) directs that an appropriate extract of this resolution under the Common Seal of the Council be forwarded to them.

**8. REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2012-13 (MONTH 5)**

8.1 The Executive Director, Resources submitted a report which provided the Month 5 Monitoring Statement on the City Council's Revenue and Capital Budget for 2012/13.

8.2 **RESOLVED:** That Cabinet:-

- (a) notes the updated information and management actions provided by this report on the 2012/13 budget position;
- (b) approves requests on Invest to Save projects in paragraph 37;
- (c) notes the carry forward request in paragraph 19 but withholds approval until the Place Portfolio achieves and maintains a balanced position as per EMT's recommendation; and
- (d) in relation to the Capital Programme: -
  - (i) approves the proposed additions to the Capital Programme listed in Appendix 1, including the procurement strategies and delegations of authority to the Director of Commercial Services or Delegated Officer, as appropriate, to award the necessary contracts following stage approval by the Capital Programme Group;

- (ii) approves the proposed variations in Appendix 1;
- (iii) approves the emergency approvals and variations approved by Directors under their delegated authority; and
- (iv) notes the latest position on the Capital Programme including the current level of forecasting performance .

### **8.3 Reasons for Decision**

To formally record changes to the Revenue Budget and the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the Capital Programme in line with latest information.

### **8.4 Alternatives Considered and Rejected**

A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

### **8.5 Any Interest Declared or Dispensation Granted**

None

### **8.6 Reason for Exemption if Public/Press Excluded During Consideration**

None

### **8.7 Respective Director Responsible for Implementation**

Laraine Manley, Executive Director, Resources

### **8.8 Relevant Scrutiny and Policy Development Committee If Decision Called In**

Overview and Scrutiny Management

## **9. PRIMARY SCHOOL PLACES IN SHEFFIELD**

- 9.1 The Executive Director, Children, Young People and Families submitted a report which outlined why more primary school places were needed across the City, the Council's role in delivering new places, and the next steps required. The report particularly alluded to the significant growth in the pre-school population in the north-east of the City and to options for addressing this by identifying possible sites for a newly built primary school at Skinnerthorpe Road in the Burngreave/ Fir Vale area and at the former

Watermead school site in the Southey/Longley/Shirecliffe area.

Prior to consideration of the report an amendment to wording of the report was reported in relation to paragraph 6.7 by the deletion of the sentence commencing “Secondly” in line 17 and its replacement with the following words:-

Secondly, we have discussed these plans with the Department for Communities and Local Government, to ensure they would support the proposal and waive any potential right to claw back funding, they have confirmed that:

“The Department will not seek to claw back the Housing Market Renewal (HMR) funds that were used to clear the Skinnerthorpe Road site. This is for the following reasons:

- the funds were properly used in line with original approval to clear and prepare the site for redevelopment, and the deed variation for 2007-8 amended the Market Restructuring Agreement to allow HMR funds to be used for regenerative activity within the area;
- the provision of new housing and a school could be classed as regenerative activity; and
- there will be no capital receipts arising from the site, as it will be leased to the Academy Trust for 125 years on peppercorn rent.”

**9.2 RESOLVED:** That Cabinet:-

- (a) authorises the Cabinet Member for Children's Services and Lifelong Learning to work with the Executive Director, Children, Young People and Families, and in respect of the Skinnerthorpe Road site in consultation with Cabinet Member for Homes and Neighbourhoods and the Executive Director for Place, and to take all necessary steps to secure the additional primary school places;
- (b) approves the element of Basic Need funding required to enable recommendation (a) to be fulfilled on the Skinnerthorpe Road and Watermead sites; and
- (c) agrees that the Skinnerthorpe Road aspects of the Burngreave and Firvale Masterplan are no longer a material consideration in the planning process as far as they would be relevant to the proposals of this report

**9.3 Reasons for Decision**

Having access to a good local primary school place is at the heart of ensuring successful outcomes for children and young people and making every area of Sheffield a great place to live. With the new primary schools

proposed in this report children in the north east of Sheffield will continue to be able to get a place at a school in their community. The approach suggested would ensure a local voice within the new government framework.

In providing the places through new provision there are a number of key issues. The sponsor must have the strength and capacity to make the provision successful in terms of improving outcomes, the new places must work within and serve to strengthen the local family of schools, and the provision must start with confidence of local families.

In order to best meet the additional demand, make the most efficient use of resources and provide high quality primary school places, it is proposed that new buildings on the Skinnerthorpe Road site and the Watermead site are taken forward as the best locations for the new provision.

#### **9.4 Alternatives Considered and Rejected**

One option would be to continue the expansion of existing schools. As described within the report, the scale of the additional demand, the current challenges, the existing school sizes, and the school sites combine to offer a strong argument that we have reached the point where expansion is no longer sustainable in the areas described.

A second option would be to take a 'free market' approach. The free schools programme could allow the Council to take a step back and see whether other providers come forward of their own volition to meet the demand. However, the Council is uniquely placed to offer a precise and considered assessment of the need for places. The free market approach would not be a secure way of fulfilling the Council's statutory duty to provide sufficient school places. Stepping back would also be to neglect the Council's ability to secure both a strong local voice and a strong educational voice in securing successful outcomes for local children.

A third option considered was support for existing secondary schools to expand their age range to become 5-16 schools. This option has the potential to build on the existing secondary schools as known providers in the locality which parents already know and have confidence in. However, by supporting a particular secondary school, the Local Authority may have prevented other providers from coming forward and expressing an interest in running new primary provision.

Finally, the Council could attempt to pursue the establishment of new Council-maintained Community schools. Under the new framework this can only happen in the event that the Secretary of State considers no suitable expressions of interest have been received. At that point the Council could start a formal competition process and only if no suitable proposal comes forward can the Local Authority propose a new Community school. If that were to happen, again the Secretary of State, through the Schools Adjudicator, would be the ultimate decision maker. Given the



Government Academies programme and the number of potential sponsors currently in the 'market', it is very unlikely that a proposal would reach that stage. However, the first step in that process is the seeking of expressions of interest as outlined in this report and therefore this route, whilst unlikely, would remain open.

**9.5 Any Interest Declared or Dispensation Granted**

None

**9.6 Reason for Exemption if Public/Press Excluded During Consideration**

None

**9.7 Respective Director Responsible for Implementation**

Executive Director, Children, Young People & Families, Executive Director.

**9.8 Relevant Scrutiny and Policy Development Committee If Decision Called In**

Children, Young People & Family Support

**10. GAMBLING ACT 2005 - STATEMENT OF LICENSING PRINCIPLES (POLICY)**

10.1 The Executive Director, Place submitted a report which set out the details of the revised Statement of Principles (Policy) to be published under the Gambling Act 2005 and details of the consultation process which had been undertaken. The report also provided background information as to the legal requirement to have a Statement of Principles (Policy).

10.2 **RESOLVED:** That Cabinet approves the Statement of Principles (Policy) for referral to Full Council on 5<sup>th</sup> December 2012.

**10.3 Reasons for Decision**

To comply with the Council's statutory obligations and in doing so promote the Council's strategic objectives and vision.

**10.4 Alternatives Considered and Rejected**

No alternatives were considered to be appropriate in the circumstances.

**10.5 Any Interest Declared or Dispensation Granted**

None

**10.6 Reason for Exemption if Public/Press Excluded During Consideration**

None

10.7 **Respective Director Responsible for Implementation**

Simon Green, Executive Director, Place

10.8 **Relevant Scrutiny and Policy Development Committee If Decision Called In**

Economic and Environmental Wellbeing



## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Deputy Chief Executive

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**Date:** 12<sup>th</sup> December 2012

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**Subject:** Staff Retirements

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**Author of Report:** John Challenger, Democratic Services

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**Summary:** To report the retirement of staff across the Council's various Portfolios

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### Recommendations:

Cabinet is recommended to:-

- (a) place on record its appreciation of the valuable services rendered to the City Council by members of staff in the various Council Portfolios and referred to in the attached list;
  - (b) extend to them its best wishes for the future and a long and happy retirement; and
  - (c) direct that an appropriate extract of the resolution now made under the Common Seal of the Council be forwarded to those staff above with over twenty years service.
- 

**Background Papers:** None

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**Category of Report:** OPEN

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**REPORT TITLE: RETIREMENT OF STAFF**

1. To report the retirement of the following staff from the Council's Service and to convey the Council's thanks for their work:-

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
<b><u>Children, Young People and Families</u></b>		
Anne Wilson	School Manager, Longley Primary School	21
Sharon Revitt	Teacher, Stannington Infant School	33
Carol Willerton	Teaching Assistant Level 3, Netherthorpe Primary School	20
<b><u>Communities</u></b>		
Elaine Lindley	Support Worker	36
Ann Burrows	Cook	21
Brenda Lupton	Support Worker	28
<b><u>Resources</u></b>		
David Russell	Technical Officer, Property and Facilities Management	22

2. To recommend that Cabinet:-
- (a) place on record its appreciation of the valuable services rendered to the City Council by the above – mentioned members of staff in the Portfolios stated :-
  - (b) extend to them its best wishes for the future and a long and happy retirement; and
  - (c) direct that an appropriate extract of the resolution now made under the Common Seal of the Council be forwarded to those staff above with over twenty years service.



## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Laraine Manley, Executive Director, Resources

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**Date:** 12 December 2012

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**Subject:** Community Covenant Annual Report and Action Plan

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**Author of Report:** Julie Bullen, 2736972

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### Summary:

The purpose of the report is to fulfil the commitment to produce an annual report on progress following the establishment of the local Community Covenant in November 2011 and to set out the key actions and priorities for the year ahead.

---

### Reasons for Recommendation:

The Community Covenant ensures that services:

- recognise the contribution made by the Armed Forces Community;
- remember the sacrifices made by members of the Armed Forces Community;
- share knowledge, experience and expertise to provide help and advice to members of the Armed Forces Community;
- encourage the integration from Service life into civilian life.

The annual report provides information on the progress of these aims and sets out actions to ensure that we continue to meet these.

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### Recommendation:

Cabinet is asked to:

1. Note the progress made on the Community Covenant in Sheffield in the last year; and
2. Approve the actions set out in the attached report.

---

**Background Papers:**      **Community Covenant Cabinet Report  
9 November 2011**

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**Category of Report:**      OPEN

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## Statutory and Council Policy Checklist

<b>Financial Implications</b>
NO
<b>Legal Implications</b>
NO
<b>Equality of Opportunity Implications</b>
NO
<b>Tackling Health Inequalities Implications</b>
NO
<b>Human rights Implications</b>
NO
<b>Environmental and Sustainability implications</b>
NO
<b>Economic impact</b>
NO
<b>Community safety implications</b>
NO
<b>Human resources implications</b>
NO
<b>Property implications</b>
NO
<b>Area(s) affected</b>
City Wide
<b>Relevant Cabinet Portfolio Leader</b>
Councillor Dore, Leader of the City Council
<b>Relevant Scrutiny Committee if decision called in</b>
Overview & Management Scrutiny Committee
<b>Is the item a matter which is reserved for approval by the City Council?</b>
NO
<b>Press release</b>
YES

## **SHEFFIELD COMMUNITY COVENANT**

### **1.0 SUMMARY**

- 1.1 At full Council on 2<sup>nd</sup> March 2011, a motion was passed to create a 'Sheffield Community Covenant' in order to ensure that local services such as housing, education and social care are appropriate to support the needs of local armed forces community. The Community Covenant was approved at Cabinet on 7 November 2011 and formally signed on 9 November 2011.
- 1.2 A report has been produced (attached) which fulfils the commitment to produce an annual report on progress and sets out the key actions and priorities for the year ahead.
- 1.3 All of the actions in the report have been suggested by and agreed with the relevant portfolios and services.

### **2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE**

- 2.1 The Community Covenant has been established for 1 year in Sheffield and this provides local people with the opportunity to support the local armed forces.
- 2.2 Access to the Community Covenant Grant provides people with an opportunity to set up projects and activities that support the aims of the covenant.
- 2.3 This reports provides people in Sheffield with information about how organisations have worked together to support the local armed forces and meet the following aims:
  - encourage local communities to support the Armed Forces Community in their area;
  - nurture understanding and awareness amongst the public of issues affecting the Armed Forces Community;
  - recognise the contribution made by the Armed Forces Community;
  - remember the sacrifices faced by the Armed Forces Community;
  - encourage activities which help to integrate the Armed Forces Community into local life;
  - encourage the Armed Forces Community to help and support the wider community, whether through participation in events and joint projects, or other forms of engagement.

### **3.0 MAIN BODY OF THE REPORT**

- 3.1 The report includes the annual report of actions undertaken so far and an action plan setting out key priorities. The report includes sections on:
  - The national context
  - The local context



- Establishing the Community Covenant Partnership
- Provision of information
- Heroes Welcome scheme
- Proposed Action Plan

3.2 The report is in the first version of production and will be updated and amended with final sign off by Councillor Julie Dore.

#### **4.0 LEGAL IMPLICATIONS**

4.1 None at present but, as the actions are progressed there may be legal implications to consider.

#### **5.0 FINANCIAL IMPLICATIONS**

5.1 None at present but, if approved, there may be financial implications to consider as further developments take place with regard to this work.

#### **6.0 EQUALITY IMPLICATIONS**

6.1 An Equality Impact Assessment has been undertaken and is attached. Additional equality impact assessments will be undertaken as further developments take place with regard to specific proposals.

#### **7.0 REASONS FOR RECOMMENDATIONS**

7.1 The Community Covenant ensures that services:

- recognise the contribution made by the Armed Forces Community;
- remember the sacrifices made by members of the Armed Forces Community;
- share knowledge, experience and expertise to provide help and advice to members of the Armed Forces Community;
- encourage the integration from Service life into civilian life.

The annual report provides information on the progress of these aims and sets out actions to ensure that we continue to meet these.

#### **8.0 RECOMMENDATION**

8.1 Cabinet is asked to:

1. Note the progress made on the Community Covenant in Sheffield in the last year; and
2. Approve the actions set out in the attached report.

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# Annual Report and Action Plan

Sheffield Community Covenant  
Partnership Board



Our Armed Forces sacrifice civilian freedoms, face danger and, sometimes, suffer serious injury or death as a result of their duty. In return, we have a moral obligation to the members of the Naval Service, the Army and the Royal Air Force, together with their families. They deserve our respect, support, and fair treatment.

## Foreword

Those who serve in the Armed Forces, whether Regular or Reserve, those who have served in the past, and their families, should face no disadvantage compared to other citizens in the provision of public and commercial services.

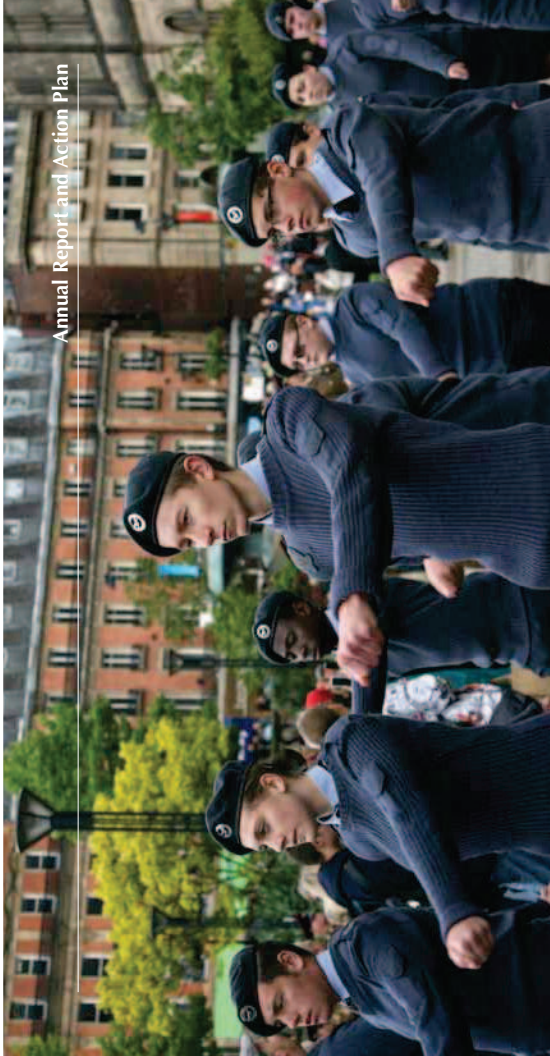
This obligation involves the whole of Sheffield: it includes voluntary and charitable bodies, private organisations, and the actions of individuals in supporting the Armed Forces.

Recognising those who have performed military duty unites the City and demonstrates the value of their contribution.

This has no greater expression than in upholding this Covenant.

**Councillor Julie Dore, Leader  
Sheffield City Council**

Annual Report 2011-2012



## Introduction

**01** 1. This is the report of the Sheffield Community Covenant Partnership Board which was established in November 2011.

The Board is working together to promote the aims of the Community Covenant, which are to:

- encourage local communities to support the Armed Forces Community in their area;
- nurture understanding and awareness amongst the public of issues affecting the Armed Forces Community;
- recognise the contribution made by the Armed Forces Community;
- remember the sacrifices faced by the Armed Forces Community;
- encourage activities which help to integrate the Armed Forces Community into local life;
- encourage the Armed Forces Community to help and support the wider community, whether through participation in events and joint projects, or other forms of engagement.

2. This report is divided into two sections, firstly a section setting out the achievements of the first year and secondly an action plan to take us forward.

Sheffield is committed to supporting the local Armed Forces Community and the actions set out in this report demonstrate that commitment.

This commitment acknowledges the sacrifices made by serving members of the Armed Forces in facing serious injury or death as a result of their duty.





## National Context

### Page 2

**3. At the end of the Second World War there were 5,000,000 Armed Forces personnel, today the number is less than 200,000.**

**The Armed Forces are going through some significant changes through the Armed Forces 2020 programme.**

**4.** Reductions in the Armed Forces are planned by the Government's Strategic Defence and Security Review. The reductions are as follows:

- The Royal Navy will be reduced by 5,000 personnel to 30,000 by April 2015 and to 29,000 by 2020
- The Army will be reduced by 7,000 personnel to 95,000 by 2015 and to 82,000 by 2020
- The RAF will be reduced by 5,000 personnel to 33,000 personnel by 2015 and to 31,500 by 2020

**5.** Whilst the overall number of Armed Forces personnel is reducing recruitment continues at entry level to ensure that gaps don't develop in the overall structure.

**6.** The detail of how the above is to be implemented is yet to be decided. However we should receive more information on the basing plan for both the Armed Forces and Reserve Forces by the middle of 2013.

**7.** The Reserve Forces currently make up 10% of forces deployed on operations. There are no plans to change the size of the Reserve Forces however the role is likely to increase and they will become a more significant proportion of the Armed Forces and be relied upon more heavily in the future.

This has implications for employers in the city who will be required to make provision for Reservists to attend training and take part in active service on a more regular basis.





**8.** The Armed Forces Community includes those in-service including reservists, veterans and those who care for, depend on or are close family members of these groups of people.

## The local context

**9.** It is estimated that one person in six in the UK is currently serving or is a member of the ex-Armed Forces community either a veteran of the Armed Forces or a carer, dependent or close family member of a veteran.

People as young as 17.5 years can be sent on active service, so veterans are often much younger than people realise. Nearly a quarter of people seeking help from organisations such as the Royal British Legion are below the age of 44.

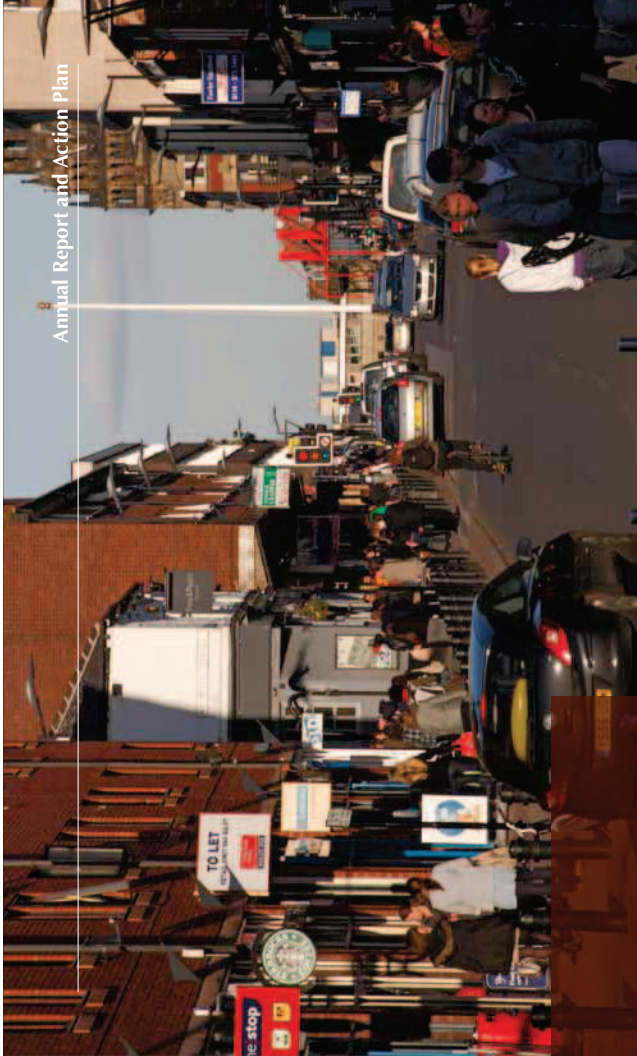
**10.** It is difficult at present to gain a true picture of the make up of the Armed Forces Community in Sheffield. We know there are around 50 – 60 serving families in Sheffield as well as regular reservists, cadets and veterans.

Sheffield has 5 Reserve Units; a Sea Cadets Unit; 6 Detachments of Army Cadets; and 5 squadrons of the Air Training Corps Cadets.

**11.** There are 5 schools in the City with service children. We also know that there have been around 300 new entrants to the Armed Forces from Sheffield in the last 5 years, the majority of which are aged 17-19 years old and there are 1,300 individuals in Sheffield receiving a pension or compensation following active service from the Military of Defence.

**12.** The number of Service leavers coming back to South Yorkshire from September 2012 to June 2013 is 93.

Therefore a significant proportion of these are likely to come to Sheffield. We are currently in the process of identifying how many of these are likely to have housing needs and how many have school aged children.



The next tranche of redundancies is likely to be larger and planning ahead will help the city to ensure that appropriate support is offered to ex-Armed Forces personnel.

**13.** Information is not routinely recorded when individuals access services and we need to develop our understanding of the needs and particular circumstances of this customer group.

To help us gain a better understanding of the local Armed Forces Community Sheffield City Council's Equalities Monitoring Guidance has been updated to actively ask customers if they have served in the UK Armed Forces.

The following questions are suggested for inclusion in monitoring forms:

**Service Personnel and their Families**

Are you currently serving in the UK Armed Forces?  
 Yes  No   
 Are you a veteran or ex-serviceman or women of the UK Armed Forces?  
 Yes  No

Are you a member of a serviceman or women's immediate family?  
 Yes  No

Are you a reservist or in part time service such as in the Territorial Army?  
 Yes  No

**14.** The establishment of a Community Covenant in Sheffield aims to ensure that the local Armed Forces Community is not disadvantaged in the services offered in Sheffield.

This will also give local people and service providers an opportunity to support Armed Forces personnel returning to their communities.







## Establishing the Community Covenant Partnership

<b>Chair:</b>	Councillor Julie Dore,	Leader of Sheffield City Council
<b>Board Members:</b>	Councillor Clive Skelton	Member Armed Forces Champion Councillor for Beauchief and Greenhill Ward
	Lieutenant Colonel Simon Smith	Commanding Officer, 38th Signal Regiment representing the Armed Forces Community
	Kevan Taylor, CEO	Sheffield Health and Social Care NHS Foundation Trust, (TBC)
	Sue Skalycz	Department for Work and Pensions
	Richard Webb,	Executive Director, Sheffield City Council
<b>Officer Support:</b>	Julie Bullen	Director of Customer Services Sheffield City Council

**15** On the 9 November 2011 Sheffield Cabinet agreed to establish a local Community Covenant in the city. The Community Covenant was signed at a special ceremony on 10 November

- Mr David Moody**, the Lord Lieutenant of South Yorkshire
- Mr Andrew J Coombe**, the High Sherriff of South Yorkshire
- Lieutenant Colonel Andrew Parsons, Officer Commanding 38 Signal Regiment (V)
- Commander David Pickthall**, Royal Navy Chief of Staff, Naval Regional Commander for Northern England
- Colonel (Ret'd) Richard Elliot**, Soldiers, Sailors, Airmen and Councillor Sylvia Dunkley, Lord Mayor of Sheffield
- Councillor Julie Dore**, Leader of Sheffield City Council
- Families Association
- Mr Russ Murray**, County Manager, Royal British Legion
- Mr John Mothersole**, Chief Executive, Sheffield City Council

Executive, Sheffield City Council

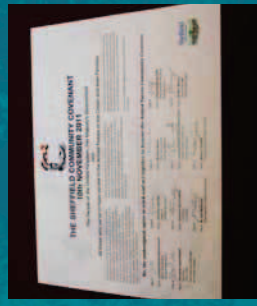
**16.** This prepared the way for the development of the Sheffield Community Covenant Partnership Board.

Sheffield Community Covenant Partnership Board has been established with representation from the local Armed Forces Communities and key organisations in the City.

The membership is currently as follows:

- 17.** The role of the Board is:
- a. To promote the signing of the covenant by partner organisations and members of the charitable and voluntary sectors and ensure that the commitments made are adhered to.
  - b. To establish a joint action plan and identify resources to support projects which strengthen the ties between members of the Armed Forces Community and the wider community in Sheffield.
  - c. To monitor the impact of the covenant and ensure that the aims are met.

- d. To provide oversight of all the activity within Sheffield relating to the Community Covenant Grant Scheme
- e. To ensure that key services (health, housing, employment, etc) within the City are briefed and able to support the Armed Forces Community.
- f. To encourage the Armed Forces Community to be active members of their local communities
- g. To report annually to Full Council on the implementation of the Community Covenant.







**18.** Cllr Julie Dore (the Leader Sheffield City Council) has been appointed as the Chair of the Community Covenant Partnership Board ensuring that military involvement is embedded at the highest levels within the city.

## Progress to date

The Partnership Board has established a Grant Panel to consider bids received for the Community Covenant grant and report their recommendations to the Partnership Board. Several bids have been considered throughout the year, but unfortunately none have been successful for Ministry of Defence funding yet.

- 19.** The Board meets on a quarterly basis and links to these related bodies:
- Yorkshire and Humber side Armed Forces Network (Health)
  - Sheffield Health & Well Being Board
  - Employment & Work Task Force
  - Reserve Forces and Cadet Association for Yorkshire and Humber side.

**20.** The Board have been examining housing and employment opportunities for Service leavers wanting to settle in Sheffield. This work has included understanding the potential barriers to Service leavers looking to live and work in the City, as well as exploring ways in which work could be better co-ordinated going forward.

**21.** Military senior officer time has been given to enhance the support for the Community Covenant and support the Partnership Board.

A local armed forces forum has been established, chaired by the Local Commanding Officer, consisting of representatives from the local military and associated organisations as well as charities such as the Royal British Legion, SSAFA and Combat Stress.

**22.** Councillor Clive Skelton has been appointed as the Member Armed Forces Champion to enhance the support for the Armed Forces Community and is the Council's representative member of the Reserve Forces' and Cadets' Association for Yorkshire and the Humber.

**23.** The issues facing Service leavers may not be immediate as veterans may find themselves in difficult circumstances a number of months/years after leaving the Forces.

There is an increasing demand for services caring for Veteran's mental health, for example, and work is already in progress via the Yorkshire & Humber Military Health network.

From November 2012, a veteran's outreach worker has been appointed by Sheffield Health and Social Care NHS Foundation Trust as part of a regional pilot whose remit is to support the Armed Forces community in the area, signposting and offering brief mental health support.

**24.** The council has created dedicated Armed Forces pages on its website. These can be found here <https://www.sheffield.gov.uk/in-your-area/armed-forces> and include information on:

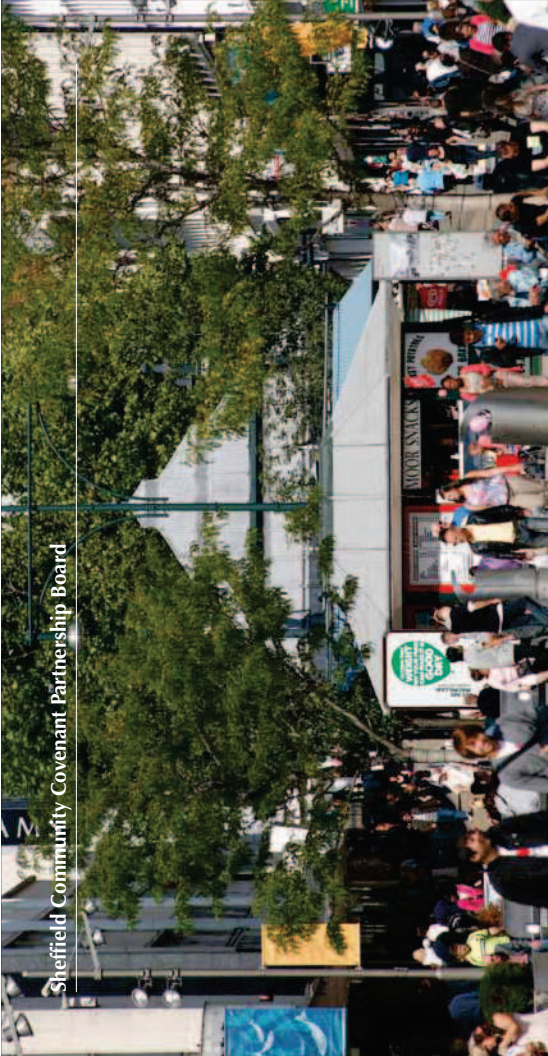
- Support and advice available to the Armed Forces Community
- The Community Covenant and how support can be pledged
- Heroes Welcome scheme
- Events

**25.** Sheffield has been celebrating the Veterans and Armed Forces Day for the last 6 years. The last celebration was held on 23 June 2012 promoting the role of the Armed Forces and honouring the veterans who have served. The day included a Veterans

parade and ceremony in the city centre, wartime music and dance and displays from the Armed Forces. A stall was staffed by Customer Services during Veterans and Armed Forces Day to promote the aims of the Community Covenant, advertise the Community Covenant Grant and provide information about wider Council services.

**26.** Information about vacancies within Sheffield City Council is routinely shared with the Armed Forces Careers Transition Partnership through a direct link from into Sheffield City Council's website. This supports recruitment of ex-Armed Forces personnel and encourages wider integration the city.





## Progress to date (continued)

**27.** Sheffield City Council is recognised as a Reservist 'supportive employer'.

**28.** Sheffield Health & Social Care NHS Foundation Trust now has a designated Human Resources lead for Reservist staff working for the Trust.

**29.** DWP has an Armed Forces champion who has arranged for advisors to receive information/awareness regarding the issues that can be faced by ex-Armed Forces personnel and the help that is available to them.

This information is updated and maintained to ensure that advisors are able to make appropriate referrals.

Ex-Armed Forces personnel seeking employment are able to access the full range of the JobcentrePlus offer which is tailored according to individual circumstances.

In addition they are able to signpost individuals who would benefit from specialist help to appropriate organisations eg those supporting ex forces personnel in jobsearch, those assisting people with mental health or substance misuse issues.

The DWP Work Programme contractors are also able to take early referrals of ex-Armed Forces personnel. Individuals will be advised that they may wish to take this up from the 3 month point of their claim.

**30.** The current regulations governing the payment of Housing Benefit and Council Tax Benefit do not provide for income from War Widows/Widowers Pension to be disregarded in full when calculating entitlement.

Sheffield City Council currently operates a local scheme whereby this income is disregarded in full. In taking this approach recipients of these incomes receive the maximum available support to assist with rent and Council Tax payments.

**31.** Whilst the premise is that the Armed Forces Community should be integrated into mainstream provision, service providers should ensure that they take into account their unique circumstances in delivering services.

Consideration has therefore been given as to whether children of Armed Forces personnel should be prioritised for school admissions.



Following consideration it was decided not to name the group as a special priority as the number of admissions is low and there is no identified problem with school admissions for this group in Sheffield. Support for this group of children has also been considered and is available citywide through the Multi Agency Support Teams.

**32.** Over the past three years Sheffield City Council has surveyed, maintained and cleaned all the City's war memorials, demonstrating a huge commitment to recognising the contribution and remembering the sacrifices made by members of the Armed Forces Community.

**33.** An open letter has been prepared on behalf of the Chief Executive, for distribution to all local organisations and businesses in Sheffield raising awareness of the Community Covenant. The letter encourages organisations to sign up to the covenant, raises awareness about the Community Covenant Grant scheme and encourages local businesses to support the national Armed Forces discount scheme.

**34.** The "Heroes Welcome UK" scheme started in Scarborough in 2008 when a few local businesses grouped together to offer a warm welcome and recognition to Armed Forces personnel living in and visiting the town.

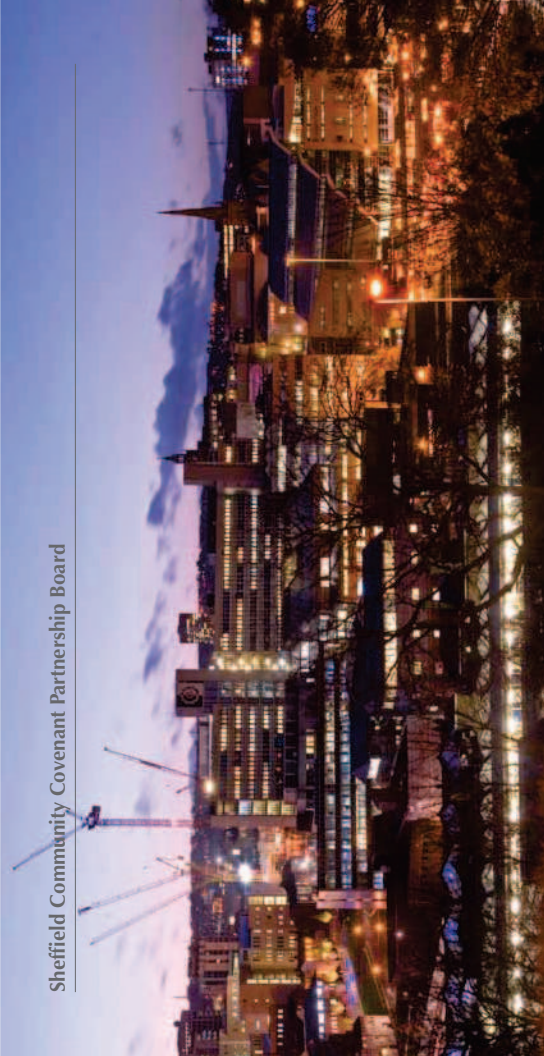
The scheme has now grown and been adopted by a number of towns and cities across the UK. The scheme

is a display of support to the local Armed Forces. It is a voluntary scheme and can be adapted by each area to show the support appropriate for that community.

Sheffield has joined the scheme and by doing this we are displaying support to the local Armed Forces and supporting businesses to offer a warm welcome and/or special recognition, like a small discount.

Local organisations and businesses can join the scheme by registering here (add link to website). Each organisation registered will receive a window sticker to display their support and be asked to make clear their offer, which is individual to the business.





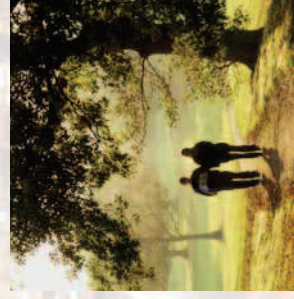
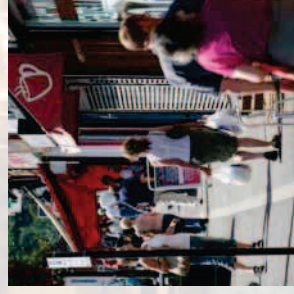
# Action Plan

The Community Covenant Partnership Board has brought together organisations in the city to recognise and support the Armed Forces Community. The aims of the Community Covenant are as follows:

- encourage local communities to support the Armed Forces Community in their area;
- nurture understanding and awareness amongst the public of issues affecting the Armed Forces Community;

- recognise the contribution made by the Armed Forces Community;
- remember the sacrifices faced by the Armed Forces Community;
- encourage activities which help to integrate the Armed Forces Community into local life;
- encourage the Armed Forces Community to help and support the wider community, whether through participation in events and joint projects, or other forms of engagement.

The Community Covenant Partnership Board has developed an action plan. The plan is designed as a living document which will develop and grow over time. The actions will be monitored by the Board and an annual report will be produced to monitor progress.

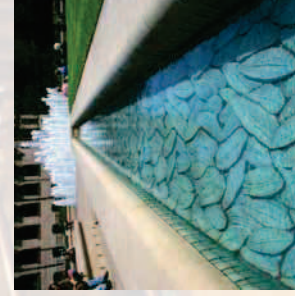


1 Aim	Activity to support the aim	Responsible body	Timescale
<b>Encourage local communities to support the Armed Forces Community in their area</b>	1.1 Heroes welcome implemented in Sheffield to encourage local businesses to provide a warm welcome to serving personnel and offer recognition and perhaps a discount to show support 1.2 Support the forces discount scheme and promote this to local businesses 1.3 Routinely consider the needs of the Armed Forces Community in the design and delivery of services 1.4 Work with communities to access the £30m Community Covenant Grant Scheme 1.5 Encourage key strategic partners within the City to support the Community Covenant	Sheffield City Council Sheffield City Council Sheffield City Council Sheffield City Council Sheffield City Council	November 2012 January 2013 On-going On-going April 2013

2 Aim	Activity to support the aim	Responsible body	Timescale
<b>Nurture understanding and awareness amongst the public of issues affecting the Armed Forces Community</b>	2.1 Produce specialist web pages on <a href="http://www.sheffield.gov.uk">www.sheffield.gov.uk</a> to promote the signing of the Community Covenant pledge, promote awareness and detail sources of support and advice 2.2 Organise a conference of local service providers to raise awareness of the community covenant aims actions to support the commitment 2.3 Raise awareness within schools of the specific support needs facing children and families of Armed Forces military personnel and those returning to civilian life 2.4 Develop a better understanding of the local Armed Forces Community by monitoring use of services such as housing, job applications and workforce census to better understand specific needs 2.5 Recognise the Armed Forces Community in the production of Equality Impact Assessments 2.6 Veterans Outreach Worker to develop a plan to heighten public awareness.	Sheffield City Council Sheffield City Council Sheffield City Council Sheffield City Council Sheffield City Council NHS	November 2012 June 2013 January 2013 January 2013 From April 2013 December 2012

3 Aim	Activity to support the aim	Responsible body	Timescale
<b>Recognise the contribution made by the Armed Forces Community</b>	3.1 Provide a concession to current and ex-Armed Forces personnel by waiving the fee for a Disabled Person's (Blue Badge) Car Parking Badges 3.2 Review the relevant policies that apply to membership of non-regular forces (e.g. Territorial Army) to ensure that adequate support is provided to Sheffield City Council employees serving as Reservists 3.3 Prioritise assessment for equipment and adaptations for Armed Forces personnel. Currently the wait for non-urgent assessment is up to 3 months 3.4 When Council Tax Benefit is abolished in April 2013 and replaced by Council Tax Support, it is the Council's intention that its Council Tax Support Scheme will continue to disregard income from War Widows/ Widower's Pension and War Disablement Pension in full. In taking this approach recipients of these income will continue to receive the maximum available support to assist in the rent and Council Tax payments.	Sheffield City Council Sheffield City Council Sheffield City Council	April 2013 January 2013 January 2013

4 Aim	Activity to support the aim	Responsible body	Timescale
<b>Remember the sacrifices faced by the Armed Forces Community</b>	4.1 To increase awareness and participation in the Veterans and Armed Forces Day 2013 4.2 Support other commemoration activities within the City, Sheffield City Council / Sheffield Health & Social Care NHS Foundation Trust./Department for Work and Pension 4.3 Support the organisation 'Combat Stress' to set up a self help support group in Sheffield and promote this service to those who will benefit from it	Sheffield City Council Ongoing Sheffield City Council	June 2013 Ongoing April 2013





5 Aim	Activity to support the aim	Responsible body	Timescale
Encourage activities which help to integrate the Armed Forces Community into local life	5.1 Explore the possibility of developing an apprenticeship/service leaver scheme to support early service leavers linked to the Future Horizons programme	Sheffield City Council	January 2013
	5.2 To extend the eligibility for the slice card, Sheffield's discount leisure scheme, to include serving Armed Forces personnel	Sheffield City Council	June 2013
	5.3 Offer a Multi Agency Support Team assessment to all Armed Forces personnel returning to civilian life and with children in Sheffield schools	Sheffield City Council	December 2012
	5.4 Ensure compliance with the new statutory guidance to give priority to Armed Forces personnel for Council housing and support prioritisation by Registered Providers	Sheffield City Council	March 2013
	5.5 Develop a protocol between services to support prevention of housing crisis	Sheffield City Council	March 2013
Encourage the Armed Forces Community to help wider community, whether through participation in events and joint projects. Or other forms of engagement	5.6 Ensure appropriate access to employment information and support for Service Leavers	Jobcentreplus	On-going
	5.7 Ensure appropriate access to health information and support for Service Leavers	Sheffield Health & Social Care NHS Foundation Trust	On-going
	5.8 Veterans Outreach Worker and the Anxiety/PTSD team to plan and advertise a series of educational sessions to promote awareness.	Sheffield Health & Social Care NHS Foundation Trust	December 2013
	6.1 Work with the local Armed Forces Community and UK online centres to develop a project to support digital inclusion	Sheffield City Council	December 2012
6 Aim	6.2 Work with local communities and interest groups to promote access to the Community Covenant grant	Sheffield City Council	On-going
	6.3 Work with the voluntary, community and faith sector to understand how they can contribute to the Covenant	Sheffield City Council	June 2013
	6.4 Encourage Armed Forces Service Leavers to be more active in their communities e.g. through volunteering or becoming a school governor	Sheffield City Council	June 2013

# Conclusion

The information contained in this report sets out the achievements and the aims of the Community Covenant Partnership Board.

The Board will continue to demonstrate its support for the Community Covenant and act as champions encouraging others to support the covenant.

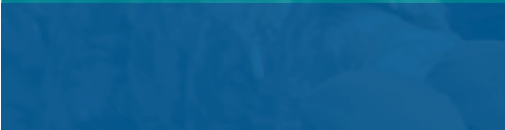
The actions set out the next steps to improve the local offer to the Armed Forces Community. This is a work in progress and will develop in time. This report will be reviewed annually by

the Community Covenant Partnership Board and updated as appropriate. A joint approach will help us to achieve these aims.

There are many challenges facing the Armed Forces Community at this time and being welcomed and supported in Sheffield goes a small way to thanking those who face serious injury or death as a result of their duty.

**October 2012**





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## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Richard Webb Executive Director - Communities

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**Date:** 12<sup>th</sup> December 2012

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**Subject:** Securing and Sustaining Good Quality,  
Personalised Social Care Services for Adults

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**Author of Report:** Paul Brooke 273 6960

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### **Summary:**

The purpose of this report is to seek agreement to progress the strategic aspirations of 'Standing Up for Sheffield' by the development of a business case for the future of the current Council directly provided (In-House) social care services for adults.

The report responds to key statements of intent within the Corporate Plan 'Standing Up for Sheffield' recognising that the Council 'cannot carry on doing the things we have always done' and that it must "ensure and assure the delivery of services. This means we will not always be providing the service ourselves..." and that 'although the services we deliver and the way we deliver them may change we will, in many cases, remain a provider of services, particularly for the highest risk issues, such as safeguarding.'

This report sets out the scope of current services under consideration and the broad options for change open to the Council, consistent with 'Standing up for Sheffield'.

The report follows an exploratory review carried out by Officers in consultation with the Cabinet Member for Health, Care and Independent Living that identified the potential for improving outcomes, improving quality and achieving savings from alternate delivery arrangements that require a detailed business case to examine the case for change for each service that is currently directly provided.

The report proposes a period of public, employee and stakeholder consultation to inform and shape the design of good quality personalised

health and social care services that maximise independence, support local choice and provide a sustainable strategic future.

The options to be considered for the Council directly provided services include continuing with the current arrangements, progressing new organisational arrangements such as a Local Authority Trading Company, Social Enterprise, Employee Mutual, Joint Venture Company, Partnerships options and tendering to the social care market.

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### **Reasons for Recommendations:**

The policy direction set out in the Corporate Plan 'Standing up for Sheffield' requires consideration of alternative delivery arrangements for existing In-House services. An exploratory review carried out by Officers in consultation with the Cabinet Member for Health, Care and Independent Living has identified broad options for change which indicates the need for Officers to undertake more detailed analysis of the options informed by the views of stakeholders. This will lead to a detailed business case to inform future decisions.

The nature of the potential changes to Council directly provided services impact on a staff group of over 1,000 employees and supports approximately 13,000 customers across Sheffield. Clear communication, involvement and inclusion in shaping the future of services are essential.

The core outcome 'Better Health and Wellbeing' in the Corporate Plan 'Standing Up for Sheffield' is clear that our approach to promoting lifelong health and wellbeing, promoting independence and having effective and efficient care will require a shift of funding towards individuals and communities. Self Directed Support and personalised budgets are providing opportunities for people to have greater choice and control over the services they want to meet their needs. The recommendations made are in order to develop a business case for how the current resources invested in In-House services need to change to support this development.

### **Recommendations:**

1. Approve city wide customer and public consultation about service redesign and alternative service options.
  2. Approve a formal consultation with staff and trade unions about service redesign and alternative service options.
  3. Approve the development of more detailed proposals in the form of a business case which will be submitted to Cabinet in late 2013
-



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**Background Papers: None.**

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**Category of Report:** OPEN

**If Closed add – ‘Not for publication because it contains exempt information under Paragraph... of Schedule 12A of the Local Government Act 1972 (as amended).’**

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\* Delete as appropriate

## Statutory and Council Policy Checklist

<b>Financial Implications</b>
YES Cleared by: Hayley Dolling To be identified within the proposed detailed business case
<b>Legal Implications</b>
YES Cleared by: Nadine Wynter To be identified within the proposed detailed business case
<b>Equality of Opportunity Implications</b>
YES Cleared by: To be identified within the proposed detailed business case
<b>Tackling Health Inequalities Implications</b>
YES To be identified within the proposed detailed business case
<b>Human rights Implications</b>
NO:
<b>Environmental and Sustainability implications</b>
NO
<b>Economic impact</b>
NO
<b>Community safety implications</b>
NO
<b>Human resources implications</b>
YES To be identified within the proposed detailed business case
<b>Property implications</b>
YES To be identified within the proposed detailed business case
<b>Area(s) affected</b>
City Wide – All Wards
<b>Relevant Cabinet Portfolio Leader</b>
Cllr Mary Lea
<b>Relevant Scrutiny and Policy Development Committee if decision called in</b>
Healthier Communities and Adult Social Care
<b>Is the item a matter which is reserved for approval by the City Council?</b>
NO
<b>Press release</b>
NO

## REPORT TITLE

### Securing and Sustaining Good Quality, Personalised Social Care Services for Adults

#### 1. SUMMARY

- 1.1 The purpose of this report is to seek agreement to progress the strategic aspirations of 'Standing Up for Sheffield' by the development of a business case for the future of the current Council directly provided (In-House) social care services for adults.
- 1.2 The report sets out the scope of current services under consideration and the broad options for change open to the Council that are consistent with the Corporate Plan 'Standing Up for Sheffield', in the context of increasing demand, challenging savings requirements, and a major shift to prevention and personalisation, within a rapidly developing adult social care economy.
- 1.3 The broad options for change are;
- Retaining and reorganising services 'In House'
  - Retaining control of services within a new arrangement (Local Authority Trading Company/Employee Mutuals)
  - Partnership development (Social Enterprise/Joint Venture Company/Community Interest Company)
  - More traditional tendering of services which would be taken on and run by other organisations or companies.
- 1.4 No single option for change would meet Sheffield's requirements or be appropriate for all current directly provided services. The emerging direction of travel however is that the current organisational structures will need to change and options for alternatives need be explored in detail. The report recommends the development of a full business case to support and inform future decisions.
- 1.5 The report recommends a period of public, employee and stakeholder consultation to inform and shape the design of good quality personalised health and social care services that maximise independence, support local choice and provide a sustainable strategic future. This is consistent with 'Standing Up for Sheffield' in that *'through change, local choice and redesign we will ensure solutions for the city are inclusive and effective'*.

## **2. WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE?**

- 2.1 The report supports the key strategic approach to current challenges as set out in 'Standing Up for Sheffield'. The recommendations reflect that a new role for the Council will be to *'ensure and assure the delivery of services. This means we will not always be providing the service ourselves...'* and that *'although the services we deliver and the way we deliver them may change we will, in many cases, remain a provider of services, particularly for the highest risk issues, such as safeguarding.'*

The current financial challenges require the Council to make best use of resources to meet the needs of vulnerable adults. To support the people of Sheffield in meeting these challenges 'Standing Up for Sheffield' identifies that, *'we cannot carry on doing the things we have always done'*.

- 2.2 This report proposes working with customers, staff and stakeholders in the development of a business case. Critical to this work will be to seek options for closer working and integration with health care services and providers to maximise our efficiency and targeting of resources to where most impact and return on investment is gained. The work proposed by this paper will seek to identify ways that customers will benefit from changes to our, and our partners, organisational structures.

## **3. OUTCOME AND SUSTAINABILITY**

- 3.1 The strategic outcome 'Better Health and Wellbeing' in the Corporate Plan 'Standing Up for Sheffield' is clear that our approach to promoting lifelong health and wellbeing, promoting independence and having effective and efficient care will require a shift of funding towards individuals and communities. Self Directed Support and personalised budgets are providing opportunities for people to have greater choice and control over the services they want to meet their needs.

Resources that are currently allocated to Council directly managed services will need to move towards individuals through personal budgets. This is currently happening, however, the higher costs of Council services (when compared to other providers) may result in people no longer being able to choose the Council as a provider due to cost. Without a clear plan for the future there is a risk that the Council will no longer have a place or any direct provision within the market.

- 3.2 The Better Health and Wellbeing Strategic Outcome identifies the need to move the balance of funding into longer-term preventative work and early short-term interventions. This means that to respond effectively to the financial challenges we need to redesign existing services and focus our core delivery on this work. The Council is often in the best

place to support people at the point of crisis and change, however, longer term support will be purchased by individuals through personal budgets.

Our role in longer term support will focus increasingly on ensuring that the range of community options and service providers available for people to choose is of high quality, individualised, and supports people to retain their independence. This report seeks to develop a business case for the re-alignment of current in-house resources to respond to the policy direction set out in the Corporate Plan.

## **4 BACKGROUND**

4.1 Officers from the Communities Portfolio in consultation with the Cabinet Member for Health, Care and Independent Living have been considering how the Council can best fulfil its function of ensuring and assuring good quality, personalised care and support for the citizens of Sheffield; and how the Council's directly managed adult social care services can contribute to this, with the objective of identifying opportunities for improving outcomes for vulnerable adults, improving quality, and achieving savings.

This work sought to identify the potential for ways to achieve these objectives in the context of increasing demand, challenging savings requirements, and a major shift to prevention and personalisation, within a rapidly developing adult social care economy, in the context of:

- Securing improved outcomes for vulnerable adults in line with 'Standing up for Sheffield' and in particular the Better Health and Wellbeing Strategic Outcome and its priorities, values and outcomes
- Maintaining and improving, where possible, the quality of the existing services, taking into account local Member and wider public concern on recent problems associated with Southern Cross and other provider failures elsewhere in the country
- Achieving revenue savings for the Council in line with Council's requirement to reduce its spending over the next four years

Consideration was given to the key issues facing adult social care, testing services against the hypothesis that *'the Council should maintain a direct relationship with [the directly provided] service'*. Consideration was also given to the risks of change, commissioning options and the market, equalities impacts, and alternative funding and delivery models.

In broad terms it was concluded that:

- Some services may still need to be provided directly by the Council
- The Council will retain a key leadership role in the city to ensure and assure quality through workforce development and shaping and monitoring the provider market
- Some services may achieve better outcomes if controlled by the Council but in a new structure such as a Local Authority Trading Company
- All alternative models for future options should be considered, including employee ownership or Mutuals- which would need support but could present good opportunities
- Some services could potentially be released from Council control and provided by other organisations
- Where services could be released from Council control the Council would retain a key role in ensuring and assuring quality in the market
- Some services may benefit from partnership arrangements, in particularly with the NHS
- The risks associated with any change should be manageable within the Council's risk appetite
- There are no inherent negative equalities impacts with potential changes although this would require detailed assessment
- A full business case should be developed to inform future decisions on the current In-House services

## **5 PROPOSALS**

### **5.1 Options for consideration**

Although not necessarily an exhaustive list, a number of potential options for future consideration were identified:

- Retaining and reorganising services 'In House'
- Retaining control of services within a new arrangement (Local Authority Trading Company/Employee Mutuals)
- Partnership development (Social Enterprise/Joint Venture Company/Community Interest Company)
- More traditional tendering of services which would be taken on and run by other organisations or companies.

Future options will be considered in the context of strategic commissioning priorities and arrangements.

## 5.2 **Scope of directly provided services**

The services to be included in the consideration of future options include the Adult Social Care services that are directly provided and managed by the Council:

Adults Provider Services (Care4you and Physical Disabilities and Sensory Impairment Service) including;

- Complex Home Care
- Short Term Intervention Team
- City Wide Care Alarms Service
- Community Support Services
- Adult Placement, Shared Lives

Joint Learning Disability Services including

- Supported Living
- Day and Employment Services
- Community and Tenancy Support
- Short Breaks (respite) Services

Equipment and Adaptations Service

## 5.3 **Additional areas for consideration**

The Assessment and Care Management services and resources have yet to be considered, although the business case development will consider and scope opportunities for redesign that may impact and include social work functions and these should not be excluded from the scope of work.

There will also be a need to consider and explore the current and potential partnerships with the NHS and in particular the Sheffield Health and Social Care NHS Trust. Service redesign options will need to consider opportunities for partnership development to maximise efficiencies and to drive quality improvement.

The Council currently has a comprehensive set of arrangements in place for quality assurance in social care and the wider market. A Market Development Board has been established to review these arrangements, and where necessary take action to improve them. This Board will oversee the continued development of the Quality Assurance Framework, workforce development in all sectors, reducing the risks and impacts of provider failure, and promoting innovation through co-production. The business case proposed in this report will take account of, and be consistent with, these developments.

## 5.4 **Employee Implications**

The total number of employees within the services defined as

specifically in scope (see 5.2) is approximately 1,100 full time posts.

The development of alternative service options would require significant workforce changes. These could range from internal restructuring to potential transfer to other organisations (TUPE).

It is important that this valuable workforce is supported during any process of developing and implementing change through involvement, inclusion and consultation at an early stage.

It should be noted that as the development of personal budgets continues, some areas of in-house services are not able to 'compete' or are not open to be purchased by service users. The implications for the current workforce of not developing alternative structures are uncertain though the current trend is a reduction of posts as activity reduces. Taking the recommendations forward will provide a clear strategic plan that will reduce uncertainty.

## **5.5 Governance and project delivery arrangements**

A Delivery Board has been established to ensure that, subject to Cabinet approval, the recommendations are taken forward to the next stages of consultation, business case development and Cabinet approval. The Delivery Board will then manage the full programme delivery.

The remit of the Delivery Board will be to;

- Agree scope and methodology
- Fully specify the benefits and outcomes being sought;
- Identifying the underpinning principles for the programme, (e.g. co-production and consultation).
- Ensuring good quality communications through a clear Communication Plan
- Scoping and securing the capacity for delivery for each stage of the programme of work
- Ensuring timely and effective delivery of the planned programme
- Ensuring clear brief for the Programme/project Manager/s
- Ensuring full reports and updates as required within the governance structure.
- Identifying links, dependencies and impacts on other internal and external programmes.
- Working with other corporate programmes where it is appropriate

The Delivery Board will be sponsored jointly by the Director of Care and Support and the Director of Commissioning and will be accountable to the Communities Portfolio Leadership Team Programme Board.



The project has two key phases;

1. Project initiation to Full Business Case and Cabinet approval
2. Programme Implementation

The resource requirements are identified in 7.2

The outline timescales planned are; (this will require detailed scoping)

- November 2012 – Delivery Board initial scoping workshops
- December 2012 - Cabinet report seeking agreement to develop the full business case and proceed with stakeholder consultation
- September/October 2013 - full business case completed
- April 2014 Programme implementation will be underway

## **5.6 Consultation and Involvement**

The project will have a clear Communication Plan to support all stakeholders with timely and accurate information.

The nature of the potential changes in service delivery arrangements mean that a broad customer base may be affected by any changes taken forward. The business case development phase will need to engage with existing customer and service user forums and networks to ensure that recommendations taken forward meet the needs and aspirations of the people of Sheffield within the Council's financial resources.

Consideration of alternative service and organisational structures such as a Local Authority Trading Company or a partnership development will require formal consultation with employees. The business case development phase however, will seek to engage with existing staff in the identification of options and service redesign opportunities at the earliest stage. Learning from other regional developments is clear that employees will need support to consider options such as Public Service Mutuals and the project will seek to draw in resources from the Cabinet Office and Department of Health.

## **6 LEGAL IMPLICATIONS**

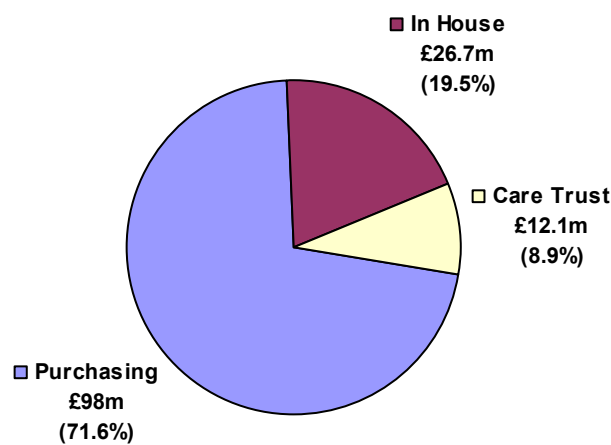
- 6.1 There are no direct legal implications to the decision to carry out consultation. The legal implications of any proposal in the resulting business case will be fully considered when that is reported to Cabinet.
- 6.2 A key element of the business case to be developed will be to consider in detail the legal implications of any alternate structures or service models.

There are clear examples of Local Authority Trading Companies, Joint Venture Companies, Social Enterprises and Public Service Mutuals from other regions that have explored and tested the legal structures that would be considered in the business case.

## 7 FINANCIAL IMPLICATIONS

### 7.1 Services in scope

**Proportion of total 2012/13 budget for Care and Support Services between Independent Sector provision, In House Services and Care Trust**



The total budget for In-House services as defined in scope (see 5.2) is £26.7m and represents 19.5% of the total Care and Support budget of £137m. This excludes Supporting People, Assessment & Care Management, and support services (e.g. Commissioning & Contracts, Financial Assessments, Payments & Recovery)

The business case development will consider the Council infrastructure on-costs associated with the current level of In-House activity. Any new organisational structures or alternative delivery models will impact on the corporate financial balance.

### 7.2 Delivery of business case

The estimated costs for the initial phase of project delivery (the consultation and Business Case) are £97,000. A breakdown is provided as Appendix 1, and includes appropriate senior management capacity and, Business Information Solutions, and other corporate support

The project costs will be funded from existing Communities Portfolio cost centres and by the release of key Officers time.

The funding of programme costs for the implementation of subsequent changes would be addressed as part of the business case.

## **8 EQUALITY OF OPPORTUNITY IMPLICATIONS**

- 8.1 The consultations proposed will be provided in accordance with the Council's Governance and Involvement Guide (2011)

The proposed business case to be developed will consider in detail the equality of opportunity implications of any alternate structures or service models and produce a detailed Equality Impact Assessment in accordance with the Equality Act 2010.

## **9 HUMAN RESOURCES IMPLICATIONS**

- 9.1 The total number of employees within the services defined as specifically in scope (see 5.2) is approximately 1,100 full time posts.

The development of alternative service options would require significant workforce changes. These could range from internal restructuring to potential transfer to other organisations (TUPE).

- 9.2 The proposed business case to be developed will consider in detail the human resources implications of any alternate structures or service models.

## **10 PROPERTY/ASSET IMPLICATIONS**

- 10.1 A key element of the business case to be developed will be to consider in detail the property and asset implications of any alternate structures or service models.

## **11. ALTERNATIVE OPTIONS CONSIDERED**

- 11.1 The development of a full Business Case as proposed by this report will consider other potential change options and provide evidence for any future recommendations for change.
- 11.2 The Business Case will carry out a full programme risk assessment and Equalities Impact Assessments to inform future decisions.

## **12. REASONS FOR RECOMMENDATIONS**

- 12.1 The policy direction set out in the Corporate Plan 'Standing up for Sheffield' requires consideration of alternative delivery arrangements for existing In-House services. An exploratory review carried out by Officers in consultation with the Cabinet Member for Health, Care and Independent Living has identified broad options for change which indicates the need for Officers to undertake more detailed analysis of the options informed by the views of stakeholders. This will lead to a detailed business case to inform future decisions.
- 12.2 The nature of the potential changes to Council directly provided services impact on a staff group of over 1,000 employees and supports approximately 13,000 customers across Sheffield. Clear communication, involvement and inclusion in shaping the future of services are essential.
- 12.3 The core outcome 'Better Health and Wellbeing' in the Corporate Plan 'Standing Up for Sheffield' is clear that our approach to promoting lifelong health and wellbeing, promoting independence and having effective and efficient care will require a shift of funding towards individuals and communities. Self Directed Support and personalised budgets are providing opportunities for people to have greater choice and control over the services they want to meet their needs. The recommendations made are in order to develop a business case for how the current resources invested in In-House services need to change to support this development.

## **13 RECOMMENDATIONS**

- 13.1 1. Approve city wide customer and public consultation about service redesign and alternative service options.
- 13.2 2. Approve a formal consultation with staff and trade unions about service redesign and alternative service options.
- 13.3 3. Approve the development of more detailed proposals in the form of a business case which will be submitted to Cabinet in late 2013

Report: Securing and Sustaining Good Quality, Personalised Social Care Services for Adults

Analysis of funding required	£	Funded from:	Ledger code	£	
<b>Based on 9 months Phase 1</b>					
Project Manager (backfill arrangements)	15,000				
Assist Accountant 0.4 fte Grd 8	12,000				
Commissioning Manager F/T Grd 9	35,000				
Business Information Solutions	25,000				
Consultation and research costs	10,000				
	97,000			0	
		<b>One Off</b>			
	0			0	

Page 53  
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Agreed by ASCLT on : .....

Signed ..... ASCLT Chair

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## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Richard Webb

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**Date:** 12<sup>th</sup> December 2012

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**Subject:** Future of Council Housing Programme - update

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**Author of Report:** Vicky Kennedy, 0114 293 0241

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### **Summary:**

Council housing in Sheffield represents approximately 18% of the city's housing stock. It is currently managed by Sheffield Homes – the Council's Arms Length Management Organisation. Following a tenant ballot in February 2012 in which 88.2% of tenants voted for housing services to be brought into the council, Cabinet took the decision in March 2012 to do so.

It has been agreed that Sheffield Homes staff will transfer to the Council on 1<sup>st</sup> April 2013. This will involve a transfer of Sheffield Homes staff to the Council in accordance with the Transfer of Undertakings (Protection of Employment) Regulations.

Intensive consultation has been undertaken with tenants, other customers and staff to establish how they want housing services to be delivered in the future. The campaign used a variety of engagement channels and was a huge success – involving over 2500 people from a wide range of ages, ethnic backgrounds and geographical areas.

The feedback received has been used to determine what the priorities need to be for the service design phase of the Programme, which started in earnest in November. Eight Project Groups have been set-up to deliver the service design work, based on the areas which customers said are most important to them.

Engagement with customers and staff will continue to be at the heart of the Programme throughout the service design phase, and opportunities to link to other projects and share learning will be maximised.

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### **Reasons for Recommendations:**

At its meeting on 21<sup>st</sup> March 2012, Cabinet asked for a report to be brought back to Cabinet at a suitable time to 'set out the proposed organisational structure and a timetable for implementation'.

This report satisfies that request – in its details of the location of Sheffield Homes teams from 1<sup>st</sup> April 2013, and in its update on the progress of the Programme as a whole.

**Recommendations:**

That Cabinet:

- Notes the updates given in this report.
  - Requests that a further report be presented to Cabinet when the outcomes of the service design work are known, detailing the longer-term proposals for the structure of housing services.
- 

**Background Papers:**

Future of Council Housing Cabinet Report, 21<sup>st</sup> March 2012  
Future of Council Housing Equalities Impact Assessment, July 2012  
'It's Your Shout' consultation feedback – summary report, October 2012

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**Category of Report:**      OPEN

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## Statutory and Council Policy Checklist

<b>• Financial Implications</b>
YES Cleared by: Liz Orme
<b>• Legal Implications</b>
YES Cleared by: Gillian Duckworth
<b>Equality of Opportunity Implications</b>
NO Cleared by: Bev Coukham
<b>Tackling Health Inequalities Implications</b>
NO
<b>Human rights Implications</b>
NO
<b>Environmental and Sustainability implications</b>
NO
<b>Economic impact</b>
NO
<b>Community safety implications</b>
NO
<b>Human resources implications</b>
YES
<b>Property implications</b>
NO
<b>Area(s) affected</b>
City-wide
<b>Relevant Cabinet Portfolio Leader</b>
Cllr Harry Harpham
<b>Relevant Scrutiny Committee if decision called in</b>
Safer and Stronger Communities
<b>Is the item a matter which is reserved for approval by the City Council?</b>
NO
<b>Press release</b>
NO



## Future of Council Housing Update Report for Cabinet 12<sup>th</sup> December 2012

### 1 Summary

- 1.1 Council housing in Sheffield represents approximately 18% of the city's housing stock. It is currently managed by Sheffield Homes – the Council's Arms Length Management Organisation. Following a tenant ballot in February 2012 in which 88.2% of tenants voted for housing services to be brought into the council, Cabinet took the decision in March 2012 to do so.
- 1.2 It has been agreed that Sheffield Homes staff will transfer to the Council on 1<sup>st</sup> April 2013. This will involve a transfer of Sheffield Homes staff to the Council in accordance with the Transfer of Undertakings (Protection of Employment) Regulations.
- 1.3 Intensive consultation has been undertaken with tenants, other customers and staff to establish how they want housing services to be delivered in the future. The campaign used a variety of engagement channels and was a huge success – involving over 2500 people from a wide range of ages, ethnic backgrounds and geographical areas.
- 1.4 The feedback received has been used to determine what the priorities need to be for the service design phase of the Programme, which started in earnest in November. Eight Project Groups have been set-up to deliver the service design work, based on the areas which customers said are most important to them.
- 1.5 Engagement with customers and staff will continue to be at the heart of the Programme throughout the service design phase, and opportunities to link to other projects and share learning will be maximised.

### 2 What does this mean for Sheffield People?

- 2.1 The Council is landlord to just under 49,000 tenants in around 42,000 homes, and there are a further estimated 10,500 'other occupants' who also form part of these households. The Council also has 2,200 leaseholders living in ex-council flats and maisonettes purchased under the Right-to-Buy.
- 2.2 Overall, council housing in Sheffield represents around 18% of the city's housing stock.
- 2.3 In addition to those people living in its properties, the Council's housing service also has a significant number of 'other' customers – for example, the 76,500 non-tenants who are currently on the housing register.
- 2.4 As stated in the Council's corporate plan 'Standing up for Sheffield', we need to "... make the best possible use of our resources to meet the needs of Sheffield and its people ..... making sure that we are only investing in efficient services that people and local communities really need."

**2.5** The aim of the Future of Council Housing programme is exactly that – to ensure that our housing service meets the needs of tenants, leaseholders and residents, and to maximise the amount of rental income we re-invest into frontline services and homes.

### **3 Outcome and sustainability**

**3.1** The overarching aim of the Programme is to provide excellent quality housing management services that ensure homes and neighbourhoods are well-managed and maintained to decent standards within the constraints of a 30-year Housing Revenue Account (HRA) business plan. Doing so will help ensure that that our estates and neighbourhoods are sustainable.

**3.2** Specifically, the Programme aims to support the Council's corporate plan by:

**3.2.1** Providing desirable and well-maintained homes that are an affordable and attractive choice for residents.

**3.2.2** Using our role as landlord to contribute and support sustainable communities through joint-working, integrated services and a holistic approach – supporting people in developing their financial, economic and social potential.

**3.2.3** Taking a 'one-stop' approach to service delivery to streamline the customer journey and therefore help the most vulnerable receive the help they need.

### **4 Update on the progress of the Programme**

#### **4.1 Background information**

**4.1.1** The Council currently has a Management Agreement with Sheffield Homes, its Arms Length Management Organisation, for the delivery of council housing services. This agreement was due to end in March 2014. A ballot of tenants was held in February 2012, at which 88.2% of those taking part voted to have their homes managed directly by the Council in the future. Overall turnout at this ballot was over 55%.

**4.1.2** After considering the outcome of the ballot, and other feedback from tenants and leaseholders, Cabinet took the decision in March 2012 to integrate housing management services into the Council. The Future of Council Housing Programme has been established to manage this process.

**4.1.3** Governance of the Programme is supported by a Programme Board, which comprises of senior managers from Sheffield Homes and the Council, The Chair of Sheffield Homes Board, Tenant Governors and Councillors.

**4.1.4** Decision-making was delegated by Cabinet to the Executive Director of Communities, in consultation with the Cabinet Member for Homes and Neighbourhoods. The Programme Board provides opinion, guidance and challenge to inform this decision-making.

#### **4.2 Ending of the Council's Management Agreement with Sheffield Homes**

**4.2.1** The Management Agreement between the Council and Sheffield Homes was due to end on 31<sup>st</sup> March 2014. However, the Cabinet Member for Homes and Neighbourhoods in conjunction with the Executive Director (Communities)

determined, in line with authority delegated by Cabinet, that the ending of that agreement should be brought forward to 31<sup>st</sup> March 2013.

**4.2.2** This earlier termination date allows savings from, and benefits of, the integration of housing services to be realised sooner. This means savings can be reinvested into homes and frontline services and improved outcomes for customers achieved earlier.

**4.2.3** The revised termination date still enables sufficient time for meaningful consultation with customers, staff and other stakeholders about the future shape of housing services.

#### **4.3 New structure as from 1<sup>st</sup> April 2013**

**4.3.1** Following consultation with staff and Trade Unions, the initial organisational locations of Sheffield Homes teams within the Council from 1<sup>st</sup> April 2013 has now been agreed. These details are given in the table below.

**4.3.2** These 1<sup>st</sup> April 2013 organisational locations are the initial locations for Sheffield Homes staff, chosen to minimise any potential disruption to services and to keep Sheffield Homes teams intact at the point of transfer.

**4.3.3** The longer-term organisational structure of housing services will be determined based on the outcomes of the service design work, which will take place over the coming months.

<b>Sheffield Homes Team</b>	<b>Proposed SCC Portfolio</b>	<b>Proposed SCC Executive Director</b>	<b>Proposed SCC Director</b>
Access to Housing	Communities	Richard Webb	Director lead for Council Housing
Asset Management	Communities	Richard Webb	Director lead for Council Housing
Area Housing Teams	Communities	Richard Webb	Director lead for Council Housing
Community Engagement	Communities	Richard Webb	Director lead for Council Housing
Customer Care and Communications	Resources	Laraine Manley	Julie Bullen, Director of Customer Services
Estates and Environment	Communities	Richard Webb	Director lead for Council Housing
Executive and Executive Support	Communities	Richard Webb	Director lead for Council Housing
Finance & Procurement	Resources	Laraine Manley	Eugene Walker Director of Finance
H&S and Facilities	Communities	Richard Webb	Director lead for Council Housing
Heating, Mechanical and Electrical	Communities	Richard Webb	Director lead for Council Housing
HIST	Communities	Richard Webb	Bev Coukham, Director of Business Strategy
Home Improvement (Decent Homes)	Communities	Richard Webb	Director lead for Council Housing
HR & OD	Resources	Laraine Manley	Julie Toner, Director of Human Resources

Income Management	Communities	Richard Webb	Director lead for Council Housing
Leaseholder Services	Communities	Richard Webb	Director lead for Council Housing
Lansdowne / Hanover Projects	Communities	Richard Webb	Director lead for Council Housing
Maintenance Partnership	Communities	Richard Webb	Director lead for Council Housing
Older Persons Independent Living	Communities	Richard Webb	Director lead for Council Housing
Partnership Services	Communities	Richard Webb	Director lead for Council Housing
Planning & Performance	Communities	Richard Webb	Bev Coukham. Director of Business Strategy
Supported Housing	Communities	Richard Webb	Director lead for Council Housing
Tenancy Management and Enforcement	Communities	Richard Webb	Director lead for Council Housing
Vacants Management	Communities	Richard Webb	Director lead for Council Housing

## 5 Feedback from ‘It’s Your Shout’ consultation campaign

**5.1** This intensive phase of consultation with tenants, leaseholders and other customers took place over the summer, and was a huge success. It was designed to involve as many customers as possible in a conversation about how housing services should be delivered in the future.

**5.2** A variety of engagement channels – both traditional and more innovative methods – were used, including:

- A short questionnaire-postcard sent to every tenant and leaseholder with tenants’ magazine “InTouch”.
- Recruitment of over 40 Community Consultation Volunteers to encourage people in their local area to engage in the consultation.
- Attending festivals, fun-days and ‘pop up’ stalls across the city.
- Community Cafés held with established groups, aimed at facilitating more in-depth discussions.
- An on-line staff survey for Sheffield Homes and Council staff.

**5.3** As a result, over 2,500 customers provided feedback to help to design the future shape of the housing service. The campaign was very successful not only in terms of the numbers involved, but also in terms of the profile and demographics of those engaged with.

**5.4** Customers in all geographical areas of the city responded, and the profile of respondents in terms of ethnicity, age and disability is in line with that of our tenants as a whole (see 11.2 of this paper). This shows that the “It’s Your Shout” campaign has been truly inclusive.

**5.5** A report outlining and analysing the feedback received from the consultation was presented to the Programme Board in October 2012. It explains that the cleanliness and attractiveness of neighbourhoods, the maintenance of homes and tackling antisocial behaviour are the issues which customers most wanted to give their views on.

**5.6** Other issues were also shown to be of importance to customers, and all of these key areas have been used to shape the forthcoming 'service design' - as described in Section 6 below.

## **6 The service design phase of the Programme**

**6.1** The feedback received from the consultation has been used to determine what the main priorities need to be for the service design phase of the Programme. Service Design Project Groups are being set-up, based around these priorities:

- **The opportunity to have my say:** Focusing on the future shape of engagement and governance structures.
- **Well-maintained homes and neighbourhoods:** Focusing on investment in homes and the areas in which people live.
- **Clean, attractive neighbourhoods:** Looking at the effective management of neighbourhoods – predominantly the public and shared spaces, and neighbourhood amenities.
- **A quick and effective response to Anti-Social Behaviour (ASB):** Exploring the potential for housing services to contribute to the Council's ASB Review, and vice-versa.
- **Easy access to services:** Focusing on how we join up the right teams and partners to deliver services in a holistic way.
- **A home to suit my needs:** Looking at how we can provide the right homes in the right locations, to help people lead healthy and successful lives.
- **Making the most of our available income:** Focusing on maximising rental income and the effective management of tenancies. Also on how we can support tenants in improving their own financial capability.
- **Joined-up services that better support me:** Exploring the potential to integrate housing and other services so that a co-ordinated response can be made to the particular needs of individuals, families and communities.

**6.2** Engagement with customers will continue to be at the heart of the Programme throughout the service design phase. Each of the above Project Groups will be led by a Steering Group which will include at least 3 customers, working alongside senior Council and Sheffield Homes officers. These customers will be heavily involved in directing the work of the Project Groups and will contribute to the recommendations they make.

**6.3** A wider group of customers and other stakeholders will also be involved in the service design once the Project Groups are underway. As with the "It's Your Shout" campaign, a variety of engagement tools will be used to ensure that this wider group is as representative and broad-reaching as possible.

- 6.4** Staff will also be heavily involved throughout the service design phase. A Staff Link Group has been established comprising of management-level representatives from each team within Sheffield Homes. The purpose of this group is to support the communication between the FoCH Programme and staff – particularly in terms of the service design work. This Group will be a key engagement channel during this phase of the Programme.
- 6.5** This service design work will not be undertaken in isolation. There are already a number of other projects and initiatives taking place in both the Council and Sheffield Homes which link to the Project Groups, and opportunities for joint-learning, sharing ideas, using existing relevant data and tapping into newly-emerging practices will be maximised.
- 6.6** The Project Groups will involve representatives from all relevant parts of the Council, and outcomes will be underpinned by the aims laid down in the Council’s Corporate Plan.
- 6.7** Scoping sessions for all of the Projects Groups were held in early November, and the service design work will begin in earnest from the end of November onwards. This work is expected to continue past April 2013.

## **7 Financial Implications**

- 7.1** Savings to the Housing Revenue Account have been identified by having housing services directly managed by the Council. Any savings will be made across both the Council and former Sheffield Homes teams.
- 7.2** It is anticipated that savings of at least £1.2million will be made– through reduced senior management posts and removal of duplication of activity. These savings are expected to be realised post-transfer over a two-year period. More detailed financial information will be produced after the service design work has been undertaken and the long-term structure of the new housing service is established.

## **8 Legal Implications**

- 8.1** The legal implications of ending the Management Agreement with Sheffield Homes were addressed in the earlier phase of the Programme – as detailed in the Future of Council Housing report to Cabinet in February 2012.
- 8.2** The transfer of staff from Sheffield Homes to the Council must be done in accordance with the Transfer of Undertakings (Protection of Employment) (“TUPE”) Regulations (revised 2006). The regulations are designed to protect the rights of employees in a transfer situation enabling them to enjoy after the transfer the same terms and conditions, with continuity of employment, as per their former employment.
- 8.3** The Council must:
- Take over responsibility for the contracts of employment of all Sheffield Homes employees employed at the time of transfer.
  - Take over all rights, liabilities and obligations arising from those contracts
  - Take over any collective agreements made by or on behalf of Sheffield Homes in respect of the transferring employees and in force immediately before the transfer.

- 8.4** There is a duty on both Sheffield Homes and the Council to inform and consult with the representatives of employees who may be affected by the transfer. This is usually achieved by consulting with their Trade Union representatives.
- 8.5** Failure to properly consult can result in payment for lack of consultation, which may be up to 13 weeks' pay for each individual employee (otherwise known as a Protective Award). The transferor and transferee are both liable for any award of compensation made by an employment tribunal for failure to inform and consult.
- 8.6** There is no defined period after the transfer when it is certain that TUPE protection ends – there is no fixed time after the transfer where protection ceases and terms and conditions can be varied. This timeframe is individual to each transfer and will vary from case to case. The TUPE regulations do allow for changes to be made if they are due to an economic, technical or organisational reason (eg. as a result of the service design work). Consultation requirements would surround any such changes, and will only be made in line with HR and Legal advice.
- 8.7** A TUPE project plan is in place, and this element of the Programme is being managed via the Business Infrastructure Workstream – which comprises of senior officers from the Council and Sheffield Homes, including HR leads.

## **9 Human Resources Implications**

- 9.1** As outlined above, a TUPE transfer of Sheffield Homes staff will be undertaken.
- 9.2** To maintain staff morale, and therefore help ensure that service delivery is not impacted on by the transfer, it is important that robust consultation with staff is undertaken – not just the legally-required TUPE consultation. This is being done in a variety of ways – face-to-face briefings, Intranet updates, roadshows, staff newsletters and via the Staff Link Group (referred to above).
- 9.3** One of the key tasks going forward will be to create robust induction plans for both SCC and SH staff, covering both the cultural aspects resulting from the integration of the two organisations and any organisational aspects such as the potential management of different sets of terms and conditions of employment.

## **10 Environmental and sustainability implications**

- 10.1** There are no immediate environmental and sustainability implications arising from this report. Any such implications arising from the service design Project Groups will be identified in a future report to Cabinet.

## **11 Equality of Opportunity Implications**

- 11.1** An Equalities Impact Assessment (EIA) has been undertaken for this Programme, and signed off by the Communities Business Strategy Team. This Assessment has given assurance that the consultation methods used during the It's Your Shout campaign ensured that the consultation was fair, fully inclusive and effective.
- 11.2** Further reassurance of this is provided by the consultation results, in terms of the profiles of the respondents. As stated in 5.4 above, the profile and demographics of those who engaged in the consultation are broadly in line with those of tenants as a whole. The relevant figures are shown in the table below:



		It's Your Shout respondents	Tenant Profile
		%	%
<b>Ethnicity</b>	BME	13.3	14.6
	WBR	73.0	82.1
	Not given	13.7	3.3
<b>Are you disabled?</b>	Yes	25.7	31.6
	No	69.1	65.5
	Not given	5.2	2.9
<b>Age</b>	Under 25	5.7	6.7
	26-45	28.2	30.4
	46-65	32.5	32.0
	66-85	27.4	25.9
	86+	2.9	4.9
	Not given	3.3	0.0

**11.3** A further EIA will be undertaken by Sheffield Homes as part of the TUPE transfer. Any changes resulting from the service design work – in terms of their impact both on groups of staff and also tenants – will be addressed if and when necessary, using the Council's Achieving Change Process. This would include the requirement to undertake an EIA at the appropriate time.

## 12 Alternative options considered

**12.1** An alternative option for the organisational location of Sheffield Homes teams within the Council from 1<sup>st</sup> April 2013 was considered. This option involved dispersing Sheffield Homes teams more widely across the Council.

**12.2** However, the long-term organisational location of Sheffield Homes teams within the Council will not be known until the service design work is completed. Therefore, to minimise any potential disruption to service delivery, and to reduce uncertainty for staff, the option to locate the majority of teams within the Communities Portfolio under a Director with lead responsibility for Council Housing was chosen.

**12.3** Those teams who are transferring to a different location (eg. to the Resources Portfolio) are support services. For these specific teams, being located with the equivalent service in the Council will enable them to perform their function most effectively.

**12.4** Although the majority of services will initially transfer to the Communities Portfolio, some teams will have regular interfaces with services within Place (eg. those working on council housing capital investment and strategy). This will help ensure that the necessary links are made to ensure that we maximise the benefits for integration.

## **13 Reasons for recommendations**

**13.1** At its meeting on 21<sup>st</sup> March 2012, Cabinet asked for a report to be brought back to Cabinet at a suitable time to 'set out the proposed organisational structure and a timetable for implementation'.

**13.2** This report satisfies that request – in its details of the location of Sheffield Homes teams from 1<sup>st</sup> April 2013, and in its update on the progress of the Programme as a whole.

## **14 Recommendations**

**14.1** That Cabinet:

- Notes the updates given in this report.
- Requests that a further report be presented to Cabinet when the outcomes of the service design work are known, detailing the longer-term proposals for the structure of housing services.



## SHEFFIELD CITY COUNCIL

### Cabinet Report

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**Report of:** Laraine Manley

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**Report to:** Cabinet

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**Date:** 12<sup>th</sup> December 2012

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**Subject:** Changes to Council Tax Discounts for Second Homes and Empty Properties

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**Author of Report:** Jon West (37762)

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#### Summary:

- 1.1 The 2010 Spending Review, together with recent government announcements on funding and the rolling up of specific grants into general grant, indicate that significant reductions in grant are likely in 2013/14 with further reductions in subsequent years.
- 1.2 These budget reductions will need to be achieved through a combination of reductions in spending on Council services and increased income from other sources such as fees and charges.
- 1.3 Opportunities to increase income are scarce however, following the Spending Review, the government published proposals to give local authorities greater discretion over the Council Tax reliefs and discounts they could offer to owners of second homes and certain types of empty properties.
- 1.4 The government's intention is to allow authorities to introduce these changes from April 2013 and it is estimated that the Council will be able to generate in excess of £2m in additional Council Tax revenue through these changes.
- 1.5 Specifically, in order to generate this additional revenue it is proposed that:
  - the current 10% discount on second homes is removed
  - the current 12 month exemption from Council Tax on empty homes in need of repair, which will be revoked from April 2013, be replaced with a 25% discount for 12 months

- the current 12 month exemption from Council Tax on empty unfurnished homes, which will be revoked from April 2013, be replaced with a 10% discount for 6 months
- Is proposed that in respect of properties that have been empty for 2 years, that Council Tax liability will be increased by 50%.

1.6 The intention is that the proposals will be taken to the Council meeting on 9th January.

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### **Reasons for Recommendations:**

Adopting the proposed changes to Council Tax discounts for second homes and empty properties will potentially generate income in the region of £2m per year.

The reduction of discounts on second homes and empty properties and the implementation of an empty homes premium may encourage property owners to bring properties back into use providing associated environmental benefits.

### **Recommendations**

That Cabinet note the proposals relating to Council Tax discounts and the Empty Homes Premium, detailed in this report and set out in Appendix 1 to this report.

That Cabinet recommend to Council that it approve the proposals, to take effect from 1 April 2013.

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**Background Papers: n/a**

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**Category of Report:** OPEN

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## Statutory and Council Policy Checklist

<b>Financial Implications</b>
YES Cleared by: Eugene Walker
<b>Legal Implications</b>
YES Cleared by: Brendan Twomey
<b>Equality of Opportunity Implications</b>
YES Cleared by: Adele Robinson
<b>Tackling Health Inequalities Implications</b>
NO
<b>Human rights Implications</b>
NO:
<b>Environmental and Sustainability implications</b>
NO
<b>Economic impact</b>
NO
<b>Community safety implications</b>
NO
<b>Human resources implications</b>
NO
<b>Property implications</b>
NO
<b>Area(s) affected</b>
ALL
<b>Relevant Cabinet Portfolio Leader</b>
Cabinet Member for Finance
<b>Relevant Scrutiny Committee if decision called in</b>
Overview and Scrutiny Management Committee
<b>Is the item a matter which is reserved for approval by the City Council?</b>
YES
<b>Press release</b>
No

## REPORT TO CABINET

### Changes to Council Tax Discounts for Second Homes and Empty Properties

#### 1. Summary

- 1.1 The 2010 Spending Review, together with recent government announcements on funding and the rolling up of specific grants into general grant, indicate that significant reductions in grant are likely in 2013/14 with further reductions in subsequent years.
- 1.2 These budget reductions will need to be achieved through a combination of reductions in spending on Council services and increased income from other sources such as fees and charges.
- 1.3 Opportunities to increase income are scarce however, following the Spending Review, the government published proposals to give local authorities greater discretion over the Council Tax reliefs and discounts they could offer to owners of second homes and certain types of empty properties.
- 1.4 The government's intention is to allow authorities to introduce these changes from April 2013 and it is estimated that the Council will be able to generate in excess of £2m in additional Council Tax revenue through these changes.
- 1.5 Specifically, in order to generate this additional revenue it is proposed that:
  - the current 10% discount on second homes is removed
  - the current 12 month exemption from Council Tax on empty homes in need of repair, which will be revoked from April 2013, be replaced with a 25% discount for 12 months
  - the current 12 month exemption from Council Tax on empty unfurnished homes, which will be revoked from April 2013, be replaced with a 10% discount for 6 months
  - Is proposed that in respect of properties that have been empty for 2 years, that Council Tax liability will be increased by 50%.
- 1.6 The intention is that the proposals will be taken to the Council meeting on 9th January.

#### 2. Proposed Changes

- 2.1 Appendix 1 to this report sets out the proposed Council Tax discounts and Empty Homes Premium, in respect of empty properties, to apply in Sheffield from April 2013. Further detail on these proposals is given below:

### ***Second Homes Discount***

- 2.2 Currently the Council allows a 10% discount to owners of second homes. A second home is a furnished property which is not classed as a person's main place of residence. In 2011/12, the combined value of the discount in respect of approximately 1400 properties totalled £155k.
- 2.3 Under new powers, authorities from April 2013, will be able to bill up to full Council Tax for second homes.
- 2.4 It is proposed that the current 10% discount is removed, potentially generating additional income of around £155k.

### ***Empty Unfurnished Properties in Need of Repair***

- 2.5 For empty unfurnished properties in need of repair, a full statutory exemption from Council Tax applies for a period of up to 12 months. This means that in respect of this period these properties attract no Council Tax liability. In 2011/12, the combined value of the exemption totalled approximately £467k in respect of 274 properties.
- 2.6 From April 2013 this exemption is revoked. Under new powers authorities from April 2013 will be able to grant a discount of up to 100% for up to 1 year.
- 2.7 It is proposed that we apply a 25% discount for 12 months. This means that these properties, for this period, will have a 75 % Council Tax liability, potentially generating additional income of around £350k.

### ***Empty Unfurnished Properties***

- 2.8 For empty unfurnished properties, a full statutory exemption from Council Tax applies for a period of up to 6 months. This means, for this period, these properties attract no Council Tax liability. In 2011/12, the combined value of the exemption totalled approximately. £1.9m.
- 2.9 The exemption is revoked from April 2013. Under new powers authorities will from April 2013 be able to grant a discount of up to 100%.
- 2.10 It is proposed that we allow a 10% discount for 6 months. This means that these properties, for this period, will have a 90% Council Tax liability, potentially generating additional income of around £1.7m.

### ***Empty Homes Premium***

- 2.11 Under new powers, authorities in respect of properties that have been left empty for over 2 years, have the option to levy an additional 'empty homes premium'. Under the power an authority may increase the Council Tax charged on these properties by up to 50%.
- 2.12 As at 31.03.12 approximately 900 properties had been empty for more than 2 years in Sheffield.

2.13 It is proposed that in respect of these properties that the Council Tax liability is increased by 50%. This change would, potentially, generate additional income of around £500k.

### **3. Implementation Plan**

3.1 In order to maximise revenue to the Council, it is proposed that the changes take effect immediately from 1<sup>st</sup> April 2013 and apply to existing empty properties and second homes as well as to those that become empty during the course of the year. In individual cases, any time periods referred to in the proposed discounts and empty homes premium that commenced before the 1st April 2013 will be taken into account, when the Council determines whether the discount or premium applies.

### **4. Outcome and sustainability**

4.1 Although the proposed changes may impact on taxpayer behaviour resulting in a shift in the numbers and designation of affected properties, it is not anticipated that this will significantly affect our income projections or sustainability of the proposed levels of discount.

### **5. Financial Implications**

5.1 Whilst there will be some one-off costs associated with implementing these changes including the delivery of a communications plan, these are expected to be low and can be offset from income generated in the first year.

5.2 There will also be an impact on the Housing Revenue Account where Sheffield Homes properties are affected by these changes. Officers are currently looking at ways of mitigating this impact.

5.3 Although it is anticipated that these changes will make a significant contribution to the Council's wider efficiency savings agenda, there is a degree of uncertainty about the actual level of income they will generate particularly as their impact on taxpayer behaviour is not known. For example, it is likely that taxpayers will seek to bring properties back into use after 2 years rather than incur the additional cost of the empty homes premium.

### **6. Legal Implications**

6.1 Section 11 (2) (a) Local Government Finance Act 1992 (the 1992 Act) provides that where a property is left vacant, it attracts a 50% discount in Council Tax liability. Section 11A of the 1992 Act provides that in respect of prescribed classes of vacant dwellings, local authorities may determine that the section 11 (2) (a) discount may be of a lesser percentage or shall not apply at all. The prescribed classes are set out in Regulations. From April 2013, these classes include vacant dwellings that are;

- furnished and are not the relevant person's sole or main residence,
- undergoing major repairs to make habitable or undergoing structural alterations,



- unfurnished.

6.2 Section 11B of the 1992 Act provides that local authorities, in respect of dwellings that have been left unfurnished and unoccupied for a period of at least 2 years, may determine that the section 11 (2) (a) discount shall not apply and the amount of Council Tax payable shall be increased by a percentage not exceeding 50%. The Government in guidance refers to this provision as the “Empty Homes Premium”.

6.3 The Council Tax discount and Empty Homes Premium proposals detailed in this report and set out in Appendix 1 of this report, comply with the above legislation and are therefore lawful.

## **7. Human Resources Implications**

7.1 There are no resource implications for staff employed by the Council or those of its Council Tax service provider, Capita.

## **8. Environmental Implications**

8.1 The reduction of discounts on second homes and empty properties and the implementation of an empty homes premium may encourage property owners to bring properties back into use providing associated environmental benefits.

## **9. Equality of Opportunity Implications**

9.1 A communications plan will be developed to ensure taxpayers are fully aware of these changes and the impact it may have on them.

9.2 By introducing these changes, the Council hopes to see empty homes, particularly those that have been empty for a significant period, brought back into use. This will increase the supply of much needed housing within the city whilst also reducing the negative impacts, such as anti social behaviour, reduction in property and rental values and a general downturn in the appearance of localities, which the prevalence of empty homes can have on communities across the city.

9.3 An Equality Impact Assessment (EIA) is appended to this report.

## **10. Contractual Implications**

10.1 There are no anticipated contractual implications resulting from these changes.

## **11. Alternative Options Considered**

11.1 A number of options are available to the Council including doing nothing.

11.2 Doing nothing is not recommended as it is clear that making changes to the discounts on second homes and empty properties offers a valuable source of income to the Council which will make a significant contribution to its budget planning.

- 11.3 Awarding no discount at all for all empty unfurnished homes and properties in need of repair is an option, however, it is considered that this option poses operational risks that will adversely impact the service and its ability to collect the additional revenue particularly by a potential increase in queries, complaints and appeals as well as an increase in avoidance tactics and potential fraudulent claims.
- 11.4 The proposals made in this report are expected to deliver a fair offer for the taxpayer, a realistic level of revenue for the Council and not to add a burden on the administration process through problems associated with tax avoidance and non payment.

## **12. Reasons for Recommendation**

- 12.1 Adopting the proposed changes to Council Tax discounts for second homes and empty properties will potentially generate income in the region of £2m per year.
- 12.2 The reduction of discounts on second homes and empty properties and the implementation of an empty homes premium may encourage property owners to bring properties back into use providing associated environmental benefits.

## **13. Recommendations**

- 13.1 That Cabinet note the proposals relating to Council Tax discounts and the Empty Homes Premium, detailed in this report and set out in Appendix 1 to this report.
- 13.2 That Cabinet recommend to Council that it approve the proposals, to take effect from 1 April 2013.

**Council Tax Discounts and Empty Homes Premium applicable in Sheffield under the Local Government Finance Act 1992, from 1<sup>st</sup> April 2013.**

Section 11 (2) (a) Local Government Finance Act 1992 (the 1992 Act) provides that where a property is left vacant, it attract a 50% discount in Council Tax liability. In this appendix this discount shall be referred as “the empty dwelling discount”.

**Discounts**

The Council, under Section 11A of the 1992 Act may in respect of prescribed classes of vacant dwellings determine that the empty dwelling discount may be of a lesser percentage or shall not apply at all. This section details the Council’s Council Tax discount determinations in respect of the prescribed class of dwellings.

*Second Homes*

In respect of a dwelling that falls within the class of dwellings described in regulations 4 or 5, The Council Tax (Prescribed Classes of Dwelling) (England) Regulations 2003, the empty dwelling discount shall not apply in respect of the dwelling.

*Empty unfurnished in need of repair*

In respect of a dwelling that falls within the class of dwellings described in regulation 8, The Council Tax (Prescribed Classes of Dwelling) (England) Regulations 2003, the empty dwelling discount shall apply at 25% for the 12 month period commencing the date that the dwelling became vacant. After the 12 month period has expired, the empty dwelling discount shall not apply in respect of the dwelling.

*Empty unfurnished*

In respect of a dwelling that falls within the class of dwellings described in regulation 7, The Council Tax (Prescribed Classes of Dwelling) (England) Regulations 2003 that the empty dwelling discount shall apply at 10% for the 6 month period commencing on the date that the dwelling became vacant. After the 6 month period has expired, the empty dwelling discount shall not apply in respect of the dwelling.

**Empty Homes Premium**

The Council under section 11B of the 1992 Act, in respect of dwellings that have been left unfurnished and unoccupied for a period of at least 2 years (a long term empty dwelling), may determine that the empty dwelling discount shall not apply and the amount of Council Tax payable shall be increased by a percentage not exceeding 50% (the Empty Homes Premium). This section details the Council’s determination in respect of the Empty Homes Premium.

Where a dwelling is a long term empty dwelling, the empty dwelling discount shall not apply and that the amount of Council Tax payable in respect of that dwelling and that day shall be increased by 50%.

**Proposal Summary**

<b>Discount Changes</b>	<b>Current Discount/ Exemption</b>	<b>Proposed Discount</b>	<b>Income Potential</b>
<b>Second homes</b>	10% ongoing	0%	£155k
<b>Empty unfurnished properties in need of repair</b>	100% for 12months	25% discount for 12 months	£350k
<b>Empty unfurnished properties</b>	100% discount for a maximum of 6 months.	10% discount for 6 months	£1.7m
<b>Long term empty premium</b> (on dwellings that have been left empty for over 2 years)		Liability to be increased by 50% after 2 years	£500k

# Sheffield City Council Equality Impact Assessment



[Guidance for completing this form is available on the intranet](#)

Help is also available by selecting the grey area and pressing the F1 key

**Name of policy/project/decision:** Changes to Council Tax Discounts

**Status of policy/project/decision:** New

**Name of person(s) writing EIA:** John Squire

**Date:** 27/11/12

**Service:** Finance

**Portfolio:** Resources

**What are the brief aims of the policy/project/decision?** Under the Local Government Finance Act 2012, Local Authorities have been given powers to change the way in which some classes of property are treated for Council Tax Purposes. The Council intends to take advantage of these changes. In doing so, this will increase the amount of revenue that the Council can collect from Taxpayers. This opportunity to increase the income the Council receives comes at a time when there is significant pressure on the Council's finances, following the cuts in Government grant as a result of the 2010 Spending review and with the government grant for 2013/14 and beyond expected to contain significant reductions. Consequently any chance to increase the income raised by Council Tax will help in protecting funding for services in the coming years. Also, by introducing these changes the Council hopes to see empty homes, particularly those that have been empty for a significant period, to be brought back into use. This will increase the supply of much needed housing within the City whilst also reducing the negative impacts, such as anti social behaviour, reduction in property and rental values and a general downturn in the appearance of localities, that the prevalence of empty homes can have on communities across the City.

Specifically, the Council intends to

- remove the current 10% discount on second homes
- replace the the current 12 month exemption from council tax on empty homes in need of repair with a 25% discount in Council Tax Liability for a maximum period of 12 months
- replace the current 12 month exemption from council tax on empty unfurnished homes is with a 10% discount for a maximum of 6 months
- increase the Council Tax liability of properties that have been empty for 2 years by 50%.

If approved, these changes would be introduced in April 2013.

The Council currently bills 235,000 households across the City. The total number of properties affected by the changes will be around 4,800 which represents 2% of the total number of properties liable for Council Tax in the City.

**Are there any potential Council staffing implications, include workforce diversity?** No

Under the [Public Sector Equality Duty](#), we have to pay due regard to: “Eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations.” [More information is available on the council website](#)

<b>Areas of possible impact</b>	<b>Impact</b>	<b>Impact level</b>	<b>Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)</b>
<b>Age</b>	Neutral	Low	<p>We have no evidence which would suggest that customers of a different age will be disproportionately affected by these changes. Single Person Discount, which provides single people of all ages with a 25% reduction in their Council Tax Liability, is not part of these proposals and so will continue to be awarded. Young people aged 18 or over for whom Child Benefit is still received will continue to be discounted for Council Tax purposes.</p> <p>The current system of exemptions and discounts for students is not within scope of these changes so students receiving those discounts or exemptions will continue to do so.</p>
<b>Disability</b>	Neutral	Low	<p>There are currently a number of ways in which disabled people can obtain a reduction in their Council Tax Liability through Council Tax Discounts, Reliefs and Exemptions. These, which include Single Person Discount, discounts because a property has been specifically adapted for disabled use and an exemption from Council Tax on the grounds of Severe Mental Impairment, are not within the scope of these changes and so will continue to be awarded. The current exemption from Council Tax that applies to taxpayers who are living somewhere other than their main residence to receive care is not affected by the proposed changes so will continue to be applied where appropriate.</p>
<b>Pregnancy/maternity</b>	Neutral	Low	<p>We have no evidence which would suggest that pregnant customers will be disproportionately affected by these changes. Single Pregnant customers will still receive Single Persons Discount after giving birth.</p>
<b>Race</b>	Neutral	Low	<p>We have no evidence which would suggest that customers of a different race will be disproportionately affected by these changes. It is acknowledged that we do not have a profile, by race, of taxpayers affected by this change and as part of the action plan to assess the impact of this change we will seek to improve our understanding in this area.</p>
<b>Religion/belief</b>	Neutral	Low	<p>We have no evidence which would suggest that customers of a different religion or belief will be disproportionately affected by these changes. The current Council Tax Discount applicable to members of religious communities is not affected by these proposed changes and will therefore continue to be granted.</p>

<b>Areas of possible impact</b>	<b>Impact</b>	<b>Impact level</b>	<b>Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)</b>
<b>Sex</b>	Neutral	Low	We have no evidence which would suggest that customers of a different sex will be disproportionately affected by these changes. It is acknowledged that we do not have a profile, by sex, of taxpayers affected by this change and as part of the action plan to assess the impact of this change we will seek to improve our understanding in this area.
<b>Sexual orientation</b>	Neutral	Low	We do not believe that customers of a different sexual orientation will be disproportionately affected by these changes.
<b>Transgender</b>	Neutral	Low	We do not believe that transgender customers will be disproportionately affected by these changes.
<b>Financial inclusion, poverty, social justice, cohesion or carers</b>	Neutral	Low	<p>It is acknowledged that these changes will see those affected have an increase in the amount of Council Tax that they are liable to pay. However, we believe that a high percentage of those affected will be professional or social landlords whose business model is dependant upon properties being made available for rent. As such we expect those businesses to either absorb these costs or to amend working practices to ensure that the accommodation that they are responsible for is of good standard and that they maximise the amount of time that their properties are available for letting or are occupied.</p> <p>We acknowledge that there will be some individuals who do not fall into these categories and as part of our action plan we will improve our understanding of the circumstances of those individuals in order to assess the impact that these changes will have on them.</p> <p>There are currently 2 categories of carers who are discounted for Council Tax purposes. The qualifying criteria for these discounts are not within the scope of the proposed changes so carers currently receiving these discounts will continue to do so. The current exemption from Council Tax that applies to taxpayers who are living somewhere other than their main residence to provide care is not affected by the proposed changes so will continue to be applied where appropriate.</p> <p>Residents of hostels who are of no fixed abode are currently discounted for Council Tax and this will not be affected by the proposed changes.</p>
<b>Voluntary, community &amp; faith sector</b>	Neutral	Low	We do not believe that the wider voluntary community or faith sector will be directly impacted by these changes, Some organisations within this sector who are landlords may be impacted but we would expect them to take all reasonable actions to minimise the impact of these changes on them.



Areas of possible impact	Impact	Impact level	Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)
Other/additional: Landlords	Negative	Medium	As outlined above, some Landlords may be impacted by these changes and we would expect them to take all reasonable steps to minimise the impact the changes may have.
Other/additional: Internal stakeholders (such as Housing Solutions, Housing Independence Service, Adult Social Care etc )	Neutral	Low	The Council as a social landlord will be impacted by these changes. We expect officers within the Housing Service to take all reasonable steps to minimise the impact that these changes will have on the Housing Revenue Account.  We also expect that the increased income from these changes will contribute to the ongoing provision of services funded by Council Tax.

**Overall summary of possible impact (to be used on EMT, cabinet reports etc):**

Adopting the proposed changes to Council Tax discounts for second homes and empty properties will potentially generate income in the region of £2m per year. This income will be directly used to fund ongoing service provision at a time when the Council's finances are under extreme pressure. This will mean that those affected will have more Council Tax to pay in the future. The changes impact 2% of the properties the Council charges Council Tax for. There are a significant number of exemptions reliefs and discounts currently available within the Council Tax system which provide assistance to some of the most vulnerable people within the City. These are not within scope of the proposed changes and will continue to be awarded where appropriate in order to support those individuals.

If you have identified significant change, med or high negative outcomes or for example the impact is on specialist provision relating to the groups above, or there is cumulative impact you **must** complete the action plan.

**Review date:** Q Tier Ref tbc **Reference number:** tbc

**Entered on Qtier:** -Select- **Action plan needed:** Yes

**Approved (Lead Manager):** Jon West **Date:** 26/11/12

**Approved (EIA Lead person for Portfolio):** **Date:**

**Does the proposal/ decision impact on or relate to specialist provision:** no

**Risk rating:** Low

Action plan

Area of impact	Action and mitigation	Lead, timescale and how it will be monitored/reviewed
All groups	The Council will develop and implement a Communications Strategy which will ensure that all those affected by this change are made aware of the impact on them.	Development and Implementation of a Communications Strategy John Squire 2012 - April 2013
Financial Inc	We will work to identify those individuals who are not professional or social landlords and are affected by these changes so that we can gain a greater understanding of the impact that these changes will have on them	John Squire December 2012- March 2014
Race	<p>We will work to establish a baseline which shows the proportion of BME customers affected by these changes.</p> <p>We will develop a system to monitor the impact of this change on BME customers</p>	<p>John Squire December 2012 - April 2013</p> <p>John Squire April 2013- March 2014</p>
Sex	<p>We will work to establish a baseline which shows the profiles of taxpayers by sex in order to understand the impact these changes will have</p> <p>We will develop a system to monitor the impact of this change on customers of either sex.</p>	<p>John Squire December 2012 - April 2013</p> <p>John Squire April 2013- March 2014</p>
-Select-		
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**Approved (Lead Manager): Jon West Date: 05/10/12**

**Approved (EIA Lead Officer for Portfolio): Adele robinson Date: 29/11/12**

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## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Eugene Walker

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**Date:** 12 December 2012

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**Subject:** Revenue Budget & Capital Programme Monitoring  
2012/13 – As at 30 September 2012

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**Author of Report:** Allan Rainford; 35108

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**Summary:** This report provides the month 6 monitoring statement on the City Council's Revenue and Capital Budget for 2012/13.

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**Reasons for Recommendations** To formally record changes to the Revenue Budget and the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.

**Recommendations:**

Please refer to paragraph 89 of the main report for the recommendations.

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**Category of Report:** OPEN/CLOSED

## Statutory and Council Policy Checklist

<b>Financial implications</b>
YES/NO      Cleared by: Eugene Walker
<b>Legal implications</b>
YES/NO      Cleared by:
<b>Equality of Opportunity implications</b>
YES/NO      Cleared by:
<b>Tackling Health Inequalities implications</b>
YES/NO
<b>Human rights implications</b>
YES/NO      :
<b>Environmental and Sustainability implications</b>
YES/NO
<b>Economic impact</b>
YES/NO
<b>Community safety implications</b>
YES/NO
<b>Human resources implications</b>
YES/NO
<b>Property implications</b>
YES/NO
<b>Area(s) affected</b>
<b>Relevant Scrutiny Board if decision called in</b>
Strategic Resources and Performance
<b>Is the item a matter which is reserved for approval by the City Council? YES/NO</b>
<b>Press release</b>
YES/NO

## REVENUE BUDGET & CAPITAL PROGRAMME MONITORING 2012/13 – AS AT 30<sup>th</sup> SEPTEMBER 2012

### PURPOSE OF THE REPORT

1. This report provides the Month 6 monitoring statement on the City Council's Revenue Budget and Capital Programme for 2012/13. The first section covers Revenue Budget Monitoring and the Capital Programme is reported from paragraph 67.

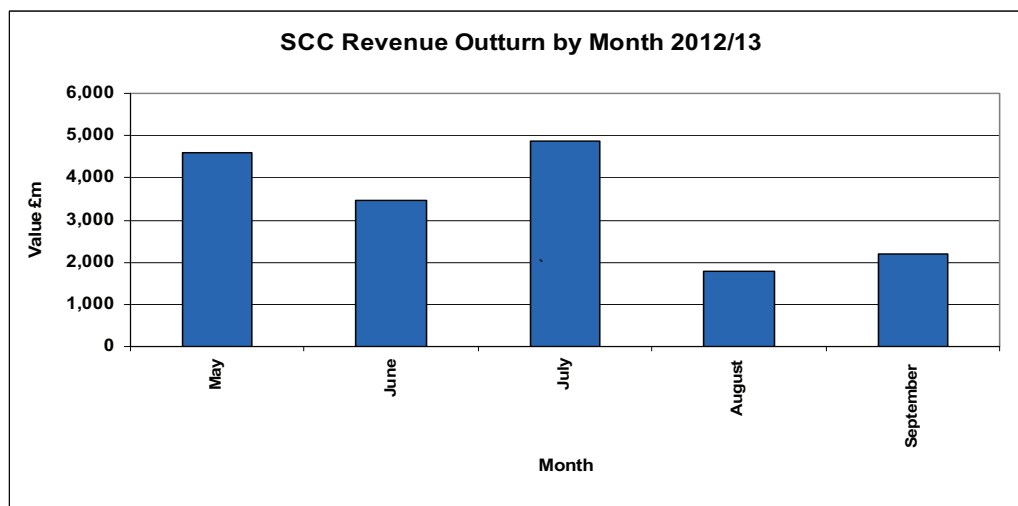
### REVENUE BUDGET MONITORING

#### SUMMARY

2. The budget monitoring position at month 5 indicated a forecast overspend of £1.8m, based on expenditure incurred to date and forecasted trends to the year end. The latest monitoring position at month 6 shows a forecast overspend of £2.2m to the year end: i.e. a forecast adverse movement of £406k since last month. This is summarised in the table below:

Portfolio	FY Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 5
CYPF	81,770	81,622	148	↔
PLACE	165,216	164,997	219	↓
COMMUNITIES	171,015	169,619	1,396	↑
DEPUTY CHIEF EXECUTIVE	11,115	10,956	159	↔
RESOURCES	61,278	61,052	226	↔
CORPORATE	(488,189)	(488,246)	57	↔
<b>GRAND TOTAL</b>	<b>2,205</b>	<b>(0)</b>	<b>2,205</b>	<b>↑</b>

3. The forecast outturn position has fluctuated since the start of the year. The position month by month is shown in the following chart:



4. In terms of the month 6 overall forecast position of £2.2m overspend, the key reasons are:

- Children Young People and Families (CYPF) are showing a forecast overspend of £148k, due mainly to increased costs within the Youth Justice Service in relation to individuals remanded into Local authority care.
- Place are showing a forecast overspend of £219k, due to additional costs of Museums Sheffield of £508k, £101k on the Waste Management Contract and £103k reduction in forecast grant/fee income on major events. These overspends are partly offset by £430k of planned slippage in grant funded projects. £203k of this planned slippage along with £106k of the Transitional HMR grant are the subject of carry-forward requests.
- Communities are showing a forecast overspend of £1.4m, due to a £3.2m overspend in Care and Support relating to Learning Disability Services and the purchase of Older People's care. This is partly offset by the use of a £1m portfolio wide contingency and drawdown of Learning Disabilities Ex-Pool Reserves of £741k.
- Deputy Chief Executive's are showing a forecast overspend of £159k, due mainly to the increased cost of elections of £214k.
- Resources are showing a forecast overspend of £226k, due to a reduction in non-core income of £577k within Legal Services, delays in the MER process within Business Information Solutions £292k and £165k of additional costs relating to City Care Alarms. These overspends are partly offset by reductions in spending of £461k on Central Costs and £367k of increased income within Commercial Services.

5. The key reasons for the forecast adverse movement of £406k from month 5 are:

- Place are forecasting an improvement of £202k, due to further reductions in waste management costs of £195k, £120k reduction in spending on City Centre Management, £140k additional income in the Parks Service and £203k due to planned slippage in grant funded projects. These improvements are partly offset by an adverse movement of £514k within Development Services.



- Communities are forecasting an adverse movement of £734k, mainly due to increased costs resulting from service users transferring to SCC from Health due to reassessment under 'Continuing Health Care'.

## INDIVIDUAL PORTFOLIO POSITIONS

### CHILDREN YOUNG PEOPLE AND FAMILIES (CYPF)

#### Summary

6. As at Month 6, the Portfolio is forecasting a full year outturn of an overspend of £148k, an improvement of £71k from the month 5 position. The key reason for the forecast outturn position is due to a forecast overspend of £114k in the Youth Justice Service, in Lifelong Learning, Skills and Communities, due to the higher costs and the increasing number of people remanded into Local authority care.

#### Financials (Non – DSG activity)

Service	FY Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 5
BUSINESS STRATEGY	12,941	12,924	17	↔
CHILDREN & FAMILIES	54,496	54,466	30	↔
INCLUSION & LEARNING SERVICES	5,654	5,671	(17)	↔
LIFELONG LEARN, SKILL & COMMUN	8,680	8,561	119	↔
<b>GRAND TOTAL</b>	<b>81,770</b>	<b>81,622</b>	<b>148</b>	<b>↔</b>

#### Commentary

##### DSG and Non DSG Budgets

7. The following commentary concentrates on the changes from the previous month.

##### **Non DSG Budgets**

8. There are no significant changes from the previous month on non-DSG budgets.

## DSG Budgets

9. The following is a summary of the forecast variance position on DSG budgets:

	Month 5 £000	Month 6 £000
Business Strategy	(90)	(110)
Children and Families	(44)	(62)
Inclusion and Learning Services	233	178
Lifelong Learning, Skills and Communities	0	(5)
	<b>99</b>	<b>1</b>

10. The key reason for the £98k improvement from the previous month is an improvement of £55k within Inclusion and Learning Services, due to various reductions in spending of £133k across the service, offsetting further demand of £41k against the Out of City Placements budgets within SEN and Targeted Services.

## PLACE

### Summary

11. As at month 6, Place Portfolio is forecasting a full year outturn of an overspend of £219k, prior to carry-forward requests of £309k (i.e. £528k over budget). This is an improvement of £202k on the previous period. The key reasons for the forecast position are:

- **Business Strategy and Regulation:** a forecast £101k overspend due to delays in agreement with the contractor on planned waste management savings, largely offset by other one-off savings / income.
- **Culture and Environment:** a forecast £287k overspend arising from additional grant payments made as part of a wider funding stabilisation programme for Museums Sheffield £500k, offset to some extent by reductions in spend / additional income within parks and city centre management.
- **HERS:** a forecast £430k reduction in spending primarily from planned slippage of grant funded project spend (Local Growth Fund and Transitional HMR) into the following financial year.
- **Marketing Sheffield:** a forecast £103k overspend due to reduced grant / fee income on major events.

## Financials

Service	FY Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 5
BUSINESS STRATEGY & REGULATION	32,648	32,547	101	↓
CREATIVE SHEFFIELD	3,977	3,986	(9)	↔
CULTURE & ENVIRONMENT	41,344	41,057	287	↓
DEVELOPMENT SERVICES	85,199	85,113	86	↑
HERS	1,557	1,987	(430)	↓
MARKETING SHEFFIELD	1,128	1,025	103	↔
STREET FORCE	(1,028)	(1,055)	27	↔
SUSTAINABLE DEVELOPMENT	390	337	53	↔
<b>GRAND TOTAL</b>	<b>165,216</b>	<b>164,997</b>	<b>219</b>	<b>↓</b>

## Commentary

12. The following commentary concentrates on the changes from the previous month and any key risks.

### Business Strategy and Regulation

13. The current forecast for this activity is £101k over budget, an improvement of £195k this period arising from further reductions in waste management costs.

### Culture and Environment

14. The current forecast for this activity is £287k over budget, an improvement of £205k this period. The improvement is largely attributable to reduced costs in city centre management (£120k) and additional income within parks (£140k).
15. The overall forecast out-turn is £287k over budget due to the cost of additional grant payments (£500k) required as part of a wider funding stabilisation programme of Museums Sheffield. This brings to £1.15m the total additional funding granted this year. This package will address historic financial problems within the organisation and clear its outstanding financial liabilities, providing a level of working capital that will allow for the organisation to meet its financial commitments in coming years. These commitments include the repayment of the £650k loan granted in 2007 by Sheffield City Council. Members are recommended to approve the delegation to the Director of Finance acting in conjunction with the Director of Culture and Environment to release this additional grant as the need of Museums Sheffield dictates.

**Development Services**

16. The current forecast for this activity is broadly balanced, but shows a £514k adverse movement this period. The adverse movement is mainly attributable to street lighting energy costs which are provisionally forecast at £481k over budget for the pre-PFI contract period to mid August. However, subsequent investigations have identified the forecast to be overstated by £220k and the position will be amended in the next period.
17. A key risk/pressure remains securing £10m planned external fee income from planning, building regulation and car parking activities. Service manager forecasts indicate a £500k (5%) shortfall (a £125k adverse movement from the previous month). This is largely within car parking, and in part results from delays in the implementation of approved budget savings on CCTV enforcement which have now commenced.
18. The above pressure is being offset by staff costs across the whole Development Services area being forecast at £600k below budget.

**HERS**

19. The current forecast for this activity is £430k under budget, an improvement of £243k on the previous period. The improvement predominantly relates to £750k of recently approved Local Growth Fund projects, where the phasing of £203k of this spend is now planned to slip into the following financial year and is subject to a request to carry-forward. The ultimate value of the slippage may change depending upon progress made in delivery of the projects.
20. It should be further noted that part of a Transitional HMR grant received from the Homes and Communities Agency for the Sheffield City Region Partnership to help safeguard capacity and knowledge, is also subject to a proposed carry-forward of £106k. This carry-forward was noted but not approved in month 5 monitoring.
21. Excluding the two carry-forward requests above, the service is forecast at £120k below budget, largely due to staff savings (£92k) arising from the completion of the capital delivery service restructure earlier than had been anticipated.

## COMMUNITIES

### Summary

22. As at Month 6, the Communities Portfolio is forecasting a full year outturn of an overspend of £1.4m, an adverse movement of £734k from the month 5 position. The forecasted outturn position reflects:
- **Business Strategy:** a forecast £1.0m reduction in spending, due to contingencies held in Portfolio-Wide Services to offset overspends on care purchasing budgets (especially in Learning Disabilities (LD) services). This is consistent with last month's forecast position.
  - **Care and Support:** a forecast £3.2m overspend, due to LD purchasing (£2.1m), LD Transport contract (£220k), Provider Services (£840k), Older People's care purchasing (£1m) partially offset by staff savings (£700k). Also reported in month 6 is an under recovery (£300k) on residential and nursing care income. These overspends are offset, to some degree, by a reduction in spending across Housing-Related Services of £270k. This forecast is an adverse movement of £741k from the previous month.
  - **Community Services:** forecast to budget. This forecast is an improvement of £140k from the previous month.
  - **Commissioning:** a forecast £741k reduction in spending, due, primarily, to movement of Learning Disabilities Ex-Pool Reserves from the Balance Sheet into revenue. This forecast is an adverse movement of £160k from the previous month.

### Financials

Service	FY Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 5
BUSINESS STRATEGY	13,207	14,213	(1,006)	↔
CARE AND SUPPORT	108,085	104,928	3,158	↑
COMMISSIONING	38,580	39,321	(741)	↑
COMMUNITY SERVICES	11,143	11,158	(15)	↓
<b>GRAND TOTAL</b>	<b>171,015</b>	<b>169,619</b>	<b>1,396</b>	<b>↑</b>

### Commentary

23. The following commentary concentrates on the changes from the previous month.

### Care and Support

24. This area is forecasting a £3.2m overspend, an adverse movement of £741k from last month, due mainly to service users transferring to SCC from Health as a result of reassessment under 'Continuing Health Care'. These reassessments impact upon Older Peoples and Learning Disability Services. This is an ongoing issue which will require detailed monitoring / scrutiny throughout the year. There is a further issue relating to a potential reduction in planned savings from the reablement initiative which could add up to £1m to the figures reported: further work will be undertaken to resolve this issue by month 7.

### Community Services

25. Overall this area is forecasting expenditure to budget compared to last month's position of £125k overspend. This improvement from last month is due to vacant posts in Library Service which will not be filled.

### Commissioning

26. This area includes the mental health, adult social care and housing commissioning functions of the portfolio and is forecasting £741k reduction in spend, compared to last month's position of £900k reduced spend. The adverse movement of £159k is due, mainly, to Mental Health Care Purchasing increase in expenditure of £111k and Mental Health Dementia strategy increase in expenditure of £113k. Some reductions in expenditure in other areas result in the net adverse movement of £159k.

## RESOURCES

### Summary

27. As at Month 6, the Portfolio is forecasting a full year outturn of an overspend of £226k, which is consistent with the month 5 position. The key reasons for the forecast outturn position are:
- **Business Information Solutions:** a forecast £292k overspend, due mainly to an anticipated delay in the MER process required to make staff savings.
  - **Commercial Services:** a forecast £367k underspend, due to increased savings income.
  - **Legal Services:** a forecast £577k overspend, due to reduction in non-core income.

- **Customer Services:** a forecast £165k overspend, due to a delay in implementing new contract arrangements for City Care Alarms and overspend in unsocial hours payments.
- **Central costs:** a forecast £461k reduction in spending.

## Financials

Service	FY Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 5
BUSINESS INFORMATION SOLUTIONS	(278)	(570)	292	↔
COMMERCIAL SERVICES	1,960	1,909	51	↔
COMMERCIAL SERVICES (SAVINGS)	(1,187)	(820)	(367)	↔
CUSTOMER FIRST	5,853	5,853	(0)	↔
CUSTOMER SERVICES	2,969	2,804	165	↑
FINANCE	1,733	1,744	(11)	↔
HUMAN RESOURCES	483	473	10	↔
LEGAL SERVICES	2,818	2,241	577	↔
PROGRAMMES AND PROJECTS	1,725	1,755	(30)	↔
PROPERTY AND FACILITIES MGT	31,136	31,136	(0)	↓
TRANSPORT	425	425	0	↔
<b>TOTAL</b>	<b>47,637</b>	<b>46,950</b>	<b>687</b>	<b>↓</b>
CENTRAL COSTS	14,128	13,100	1,028	↑
BENEFIT SUBSIDY	(487)	1,002	(1,489)	↓
<b>GRAND TOTAL</b>	<b>61,278</b>	<b>61,052</b>	<b>226</b>	<b>↔</b>

## Commentary

28. The following commentary concentrates on the changes from the previous month.

### Customer Services

29. The key reason for the adverse movement in forecast from month 5 of £167k is due to in-year forecasting improvements.

### Property and Facilities Management

30. The key reason for the £124k improvement in the forecast position at month 6 is due to a forecast reduction in spend for contract cleaning in the Markets.

### Central Costs

31. Central costs are forecasting a £461k reduction in spend, an adverse movement of £50k from the month 5 position. The key reason for this is due to an adverse movement on the Benefits Subsidy.



Central Costs	Forecast Variance Month 6 £ 000	Forecast Variance Month 5 £ 000
Capita – Control Account	155	156
Capita – ICT BIS	675	657
Capita – Finance	440	288
Capita - HR	297	308
<b>Sub total Capita</b>	<b>1,567</b>	<b>1,409</b>
Benefits subsidy	(1,489)	(1,513)
Other Central Costs	(539)	(407)
<b>Total</b>	<b>(461)</b>	<b>(511)</b>

## DEPUTY CHIEF EXECUTIVE'S

### Summary

32. As at Month 6, the Portfolio is forecasting a full year outturn of an overspend of £159k, an improvement of £6k from the month 5 position. The key reason for the forecast outturn position is a forecast £214k overspend in Modern Governance due to higher forecast election costs. This forecast is an adverse movement of £10k from the previous month.

### Financials

Service	FY Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 5
ACCOUNTABLE BODY ORGANISATIONS	0	0	0	↔
BUSINESS DEVELOPMENT	2,592	2,686	(94)	↔
HEALTH IMPROVEMENT	200	200	0	↔
MODERN GOVERNANCE	3,944	3,730	214	↔
PERFORMANCE AND CORP PLANNING	829	787	42	↔
POLICY,PARTNERSHIP,AND RESEARC	3,550	3,553	(3)	↔
<b>GRAND TOTAL</b>	<b>11,115</b>	<b>10,956</b>	<b>159</b>	<b>↔</b>

### Commentary

There are no significant changes in the forecast full year outturn from the previous month.

## CORPORATE ITEMS

### Summary

33. The month 6 forecast position for Corporate budgets is a £57k overspend, which represent no significant movement from last month. The table below shows the items which are classified as Corporate and which include:

- Corporate Budget Items: corporate wide budgets that are not allocated to individual Services/portfolios, including capital financing costs and the provision for redundancy/severance costs.
- Corporate Savings: the budgeted saving on review of management costs and budgeted saving from improved sundry debt collection.
- Corporate income such as Formula Grant and Council tax income, some specific grant income and contributions from reserves.

## Financials

	<u>FY Outturn</u>	<u>FY Budget</u>	<u>FY</u>
	<u>£'000</u>	<u>£'000</u>	<u>Variance</u>
			<u>£'000</u>
Corporate Budget Items	46,175	46,689	-514
Savings Proposals	-1,221	-1,794	573
Income from Council Tax, RSG, NNDR, other grants and reserves	-533,142	-533,141	-1
<b>Total Corporate Budgets</b>	<b>-488,189</b>	<b>-488,246</b>	<b>57</b>

34. Corporate Budget items are showing a forecast underspend of £514k due to the temporary reduced cost of borrowing and increased investment income within the capital financing budget. This forecast outturn is consistent with the month 5 position.
35. The forecast reduction on Savings Proposals of £573k relates to a reassessment of the sundry debt collection rates and subsequent revision, based upon month 6 actuals. This forecast outturn is also consistent with the month 5 position

## LOCAL GROWTH FUND

36. The position on the Local Growth Fund is as follows:

	<b>Total</b>	<b>2012/13</b>	<b>Unspent</b>
	<b>Allocated</b>	<b>Spend to</b>	<b>Balance</b>
	<b>£000</b>	<b>Date</b>	<b>£000</b>
		<b>£000</b>	
Approved Schemes	3,585	225	3,360
Schemes Pending Approval	108		108
Unallocated Balance	1,640		1,640
<b>Total Fund</b>	<b>5,333</b>	<b>225</b>	<b>5,108</b>

37. Spending on Local Growth Fund projects has been very slow following the approvals earlier in the year. Profiled spends appear to be very ambitious and, without a significant improvement in project delivery

performance, it is likely that a substantial portion of the approved amount will need to be carried forward to next year.

## HOUSING REVENUE ACCOUNT

38. The revised budgeted position for the HRA is a draw down from reserves of £1.3m (excluding Community Heating). As at month 6 the position is a contribution of £6.2m into reserves, a reduction in spending of £7.5m on the budgeted position.
39. The main reason for the variation in the overall budget position relates to an anticipated reduction in capital financing costs. The overall reduction is estimated to be around £5.5m (compared to £4.1m reported last month). This is primarily as a result of access to more attractive interest rates.
40. Although some of this overall saving on interest rates is sustainable, some is a one off. Now that HRA is self-financing, the Council will have to consider the longer term risks on interest rates and ensure that its 30 year business plan includes a sustainable level of debt, factoring in the cost of the additional capital investment required to fund the backlog maintenance. This will be considered as part of the refresh of the HRA business plan later this year.
41. Other main areas that contribute to the improved year end forecast position include revised rental income £300k; a reduction in the level of vacant properties £300k and related council tax savings of £200k; revised service charge income £300k; a reduction in running costs £500k and a delay in a number of projects £400k.
42. **Community Heating:** the budgeted position for Community Heating is a draw down from Community Heating reserves of £1m. As at month 6 the forecast position remains the same as previously reported with a draw down of £700k from reserves resulting in a reduction in spending of £300k. This is primarily due to an estimated reduction in energy costs due to the milder weather and invoiced consumption.

## CORPORATE FINANCIAL RISK REGISTER

43. The Council maintains a Corporate Financial Risk Register which details the key financial risks facing the Council at a given point in time. The most significant risks are summarised in this report for information together with a summary of the actions being undertaken to manage each of the risks.

**Digital Region**

44. The Council is providing £4m in loans to the Company and as a shareholder carries further rights and responsibilities. The Company's sales are proving slow to take off, leading to changes in the Business Plan and the procurement of a new private sector partner. The Council faces risks on its direct investment, as well as on guarantee clauses to key contractors. Provision has been made in the 2011/12 accounts for the potential capitalised costs of the losses on current operations and the procurement.

**Capital Receipts & Capital Programme**

45. Failure to meet significant year on year capital receipts targets due to depressed market and reduced Right-to-Buys, resulting in potential over-programming / delay / cancellation of capital schemes.
46. Building Schools for the Future Programme Affordability – The £18m affordability gap in the capital programme for the secondary schools estate which must be underwritten by the Council. This requirement has been identified in the Council's Capital Programme.

**Pension Fund**

47. Bodies whose Pension liability is backed by the Council are likely to find the cost of the scheme a significant burden in the current economic context. If they become insolvent the resulting liability may involve significant cost to the Council.

**Electric Works**

48. The running costs of the business centre are not covered by rental and other income streams. The approved business plan set-aside contingency monies to cover potential deficits in its early years of operation. However, there remains a risk that the occupancy of units within Electric Works might be slower (lower) than that assumed within the business case, such that the call on the contingency is greater (earlier) than planned.
49. A refresh of the financial model was undertaken for 2011/12 budgeting purposes and again for 2012/13. The assumed level of occupancy for 2011/12 was 68% and the actual achieved was 64%. Most of the income shortfall was made up from conference lettings and virtual services. A target of 78% has been set for 2012/13. At September, the target was 77% but the actual is only 65%, mainly as the result of the termination of BIBC's license.

### **Contract Spend**

50. The high and increasing proportion of Council budgets that are committed to major contracts impairs the Council's flexibility to reduce costs or reshape services. This is exacerbated by the fact that in general these contracts carry year-on-year inflation clauses based on RPIx which quite probably will not be available to the Council's funding streams e.g. Council Tax and RSG.

### **Economic Climate**

51. There is potential for current adverse economic conditions to result in increased costs (e.g. increased homelessness cases) or reduced revenues.
52. The Council seeks to maintain adequate financial reserves to mitigate the impact of unforeseen circumstances.

### **NHS Funding Issues**

53. There are significant interfaces between NHS and Council services in both adults' and children's social care. The Council has prioritised these services in the budget process, but savings have nevertheless had to be found. Working in partnership with colleagues in the Health Service efforts have been made to mitigate the impact of these savings on both sides. However, ongoing work is required now to deliver these savings in a way that both minimises impacts on patients and customers and minimises financial risks to the NHS and the Council.

### **Housing Regeneration**

54. There is a risk to delivering the full scope of major schemes such as **Parkhill** and **SWaN** because of the severe downturn in the housing market. This could result in schemes 'stalling', leading to increased costs of holding the sites involved, and in the case of SWaN, potential exposure to termination payments. In addition, the ending of the Housing Market Renewal programme is causing funding pressure e.g. on site clearance work and in enabling further phases of commenced demolition schemes, such as Arbourthorne.

### **Trading Standards**

55. There is a low risk that it will not be possible to recover outstanding contributions from the other South Yorkshire Authorities. However, negotiations are in the final stages and there is an expectation that an agreement will be reached.

## External Funding

56. The Council makes use of a number of grant regimes, central government and European. Delivering the projects that these grants fund involves an element of risk of grant claw back where agreed outputs are not delivered. Strong project management and financial controls are required.

## Academies & Independent Schools

57. Local Authority community schools that choose to become independent academies are entitled, under current DfE finance regulations, to receive a proportion of the local authority's school related central spending budgets. Based on projected academy conversions for 2012/13 this could mean that up to £800k of DSG funding would be deducted from the Council's central spending budgets and given to the Academies.
58. From 2013/14 the DfE are proposing to introduce a new system of funding for central education support services for maintained schools and academies. Based on the current DfE consultation proposals and the projected number of academies this would mean that around £3.9 million of DCLG funding and £1.7 million of DSG funding would be deducted from the Council's budgets. The risk is that this would leave an inadequate level of funding to maintain the centrally retained services and thus cuts would have to be made to balance the budget.
59. There are also further potential risks if a school becoming an academy is a PFI school, it is still unclear how the assets and liabilities would be transferred to the new academy and whether the Council could be left with residual PFI liabilities.
60. Where new independent schools (free schools) or Academies are set up and attract pupils from current PFI schools, the funding base available to pay for a fixed long term PFI contract would reduce, leaving the Council with a larger affordability gap to fund.
61. Currently, 5 primary schools and 6 secondary schools have converted in 2012/13. It is anticipated that 26 schools, in total, will have converted to academy status (16 primary /10 secondary) by the end of the year.
62. In 2013/14 a further 14 academy conversions (13 primary / 1 secondary) are currently anticipated.
63. If an academy is a sponsored conversion then the Council will have to bear the cost of any closing deficit balance that remains in the Council's accounts.

### **Treasury Management**

64. The ongoing sovereign-debt crisis is subjecting the Council to significant counterparty and interest-rate risk. Counterparty risk arises where we have cash exposure to banks and financial institutions who may default on their obligations to repay to us sums invested. There is also a real risk that the Eurozone crisis could impact upon the UK's recovery, which in turn could lead to higher borrowing costs for the nation.
65. The Council is mitigating counterparty risk through a prudent investment strategy, placing the majority of surplus cash in AAA highly liquid and diversified funds. Ongoing monitoring of borrowing rates and forecasts will be used to manage our interest-rate exposure.

### **Welfare Reforms**

66. The government is proposing changes to the Welfare system, phased in over the next few years. The full detail and impact of the changes are not known at this stage. Changes proposed include:
- Housing Benefit changes – there are a number of proposals where the anticipated impacts are that a number of claimants will receive fewer benefits than they do now, thereby impacting on their ability to pay rent.
  - Abolition of council tax benefit – due from April 2013 to be replaced by a local scheme. It will be cash limited and subject to a 10% reduction from current levels.
  - Introduction of universal credit – from October 2013 administered by DWP. Along with the impact of reducing amounts to individuals and the financial issues that might cause, the biggest potential impact of this change is the impact on the HRA and the collection of rent. This benefit is currently paid direct to the HRA; in future this will be paid direct to individuals. This will potentially increase the cost of collection and rent arrears. There will also be an impact on the current contract with Capita and internal client teams.

## **THE CAPITAL PROGRAMME FOR 2012/13**

### **Summary**

67. At the end of September 2012, capital expenditure so far to date is £25.8m (30 %) below budget. The outturn forecast is £33.8m (16 %) below the Approved Capital Programme.

68. The variation in the year to date position arises mainly from either operational delays or project slippage. During the month of September, expenditure was £10,8m (44%) below the programme budget reflecting a 73% £7.3m in the CYPF programme. Only the Communities programme was above budget (£300k).
69. The forecast for the year shows all portfolios underspending against the approved programme. The forecast, at £176.7m, is £3.4m lower than the Month 5 position (£180.1m) with the biggest falls being in the Place programme (£2.8m) where the forecast recognises the end of the Local Transport Plan ( LTP) Highway Maintenance support grant (£2.5m) on transition to the Highways PFI regime where the Council will make a £1.2bn investment in the road network.

### Financials 2012/13

<b>Portfolio</b>	<b>Spend to date</b>	<b>Budget to Date</b>	<b>Variance</b>	<b>Full Year Forecast</b>	<b>Full Year Budget</b>	<b>Full Year Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
CYPF	25,899	33,213	(7,314)	74,121	77,297	(3,175)
Place	10,106	14,910	(4,804)	21,909	32,111	(10,203)
Housing	19,745	28,742	(8,997)	58,990	71,887	(12,896)
Communities	739	1,401	(663)	3,005	3,465	(460)
Resources	3,153	7,195	(4,042)	18,662	25,780	(7,118)
<b>Grand Total</b>	<b>59,641</b>	<b>85,461</b>	<b>(25,820)</b>	<b>176,687</b>	<b>210,540</b>	<b>(33,852)</b>

70. Further detail can be found in the specific sections below.

### Commentary

71. Delays in forecasting by project managers accounts for £6.6m (20%) of the projected shortfall on the annual programme.

### Children, Young People and Families Programme

72. CYPF capital expenditure is £7.3m (22%) below the profiled budget for the year to date and forecast to be £3.2m (4%) below the programme by the year end for the reasons set out in the table below.



<b>Cause of change on Budget</b>	<b>Year to Date £000</b>	<b>Full Year Forecast £000</b>
Slippage to be carried forward	0	-600
Operational delays in projects due to planning, design or changes in specification	-1,041	0
Revised profile for Building Schools for the Future programme	-2,349	0
Incorrect budget profiles	-2,852	0
Delayed forecasts	0	-362
Underspending on project estimates	-302	-1,781
Other variances	-771	-432
	<b>-7,314</b>	<b>-3,175</b>
Spend rate per day	210.6	298.9
Required rate to achieve Outturn	472.8	
Rate of change to achieve forecast	124.5%	

73. £1.0m of the variation in the year to date position arises from operational delays principally on the Primary Prioritisation programmes (£800k).
74. The CYPF forecast shows a projected reduction in spend against the approved programme of £3.2m as potential underspends on projects have been identified. The main variances are £1.1m on the Primary maintenance programmes, £300k behind on the Population Expansion Programme plus anticipated slippage of £600k on the Foster Carers Housing Extension project which has been delayed by questions on the tax status of the payments to foster parents.

### Place Programme

75. The Place portfolio programme (excluding Housing) is £4.8m (32%) below the profiled budget for the year to date and forecast to be £10.2m (32%) below the programme by the year end for the reasons set out in the table below. The majority of the under spend to date (£2.1m) is on Highways schemes. Other significant programme under spending is on Parks schemes (£700k below budget spread across all schemes), City Centre area improvement projects (down £1.3m) such as the Moor, Edward Street and Arundel Street environmental improvements and offset by New Retail Quarter Compulsory Purchase Orders which are ahead of profile (£418k).
76. The forecast projects some recovery of slippage during 2012/13 against the approved programme with a relatively modest change in the spend rate to date.

<b>Cause of change on Budget</b>	<b>Year to Date £000</b>	<b>Full Year Forecast £000</b>
Slippage to be carried forward	-1,235	-1,978
Operational delays in projects due to planning, design or changes in specification	-809	-378
Incorrect budget profiles	-1,454	0
Delayed forecasts	0	-5,485
Projects submitted for Approval	0	165
End of LTP Highways Maintenance grant	0	-2,533
Overspending on project estimates	-197	-8
Other variances	-1,109	16
	<b>-4,804</b>	<b>-10,203</b>
Spend rate per day	82.2	88.3
Required rate to achieve Outturn	115.7	
Rate of change to achieve forecast	40.8%	

### Housing Programme (Place Portfolio)

77. The Housing capital programme is £9m (31%) below the profiled budget for the year to date and forecast to be £12.9m (18%) below the programme by the year end for the reasons set out in the table below :

<b>Cause of change on Budget</b>	<b>Year to Date £000</b>	<b>Full Year Forecast £000</b>
Slippage to be carried forward	-1,827	-4,020
Operational delays in projects due to planning, design or changes in specification	-613	-38
Incorrect budget profiles	-64	0
Projects submitted for Approval	-2,877	-6,533
Home Improvement grants held on behalf of other local authorities	-431	80
Under spending on project estimates	-590	-1,751
Other variances	-2,595	-635
	<b>-8,997</b>	<b>-12,896</b>
Spend rate per day	160.5	237.9
Required rate to achieve Outturn	384.8	
Rate of change to achieve forecast	139.7%	

78. The forecast shows a further £4.4m reduction against the approved programme compared to last month. Even so, the current rate of spend on projects needs to increase by 140% if the forecast is to be delivered (slightly higher than last month). The slippage is reflected in the submission of £6.5m of projects for approval to have their budgets revised downwards this year (Insulation (£900k) and District Heat metering (£1.7m) being the main changes).

### Communities

79. The year to date spend on the Communities portfolio capital programme is £700k (47%) below the profiled budget, which relates to £632k on the implementation of the ICT infrastructure project, an improvement of £200k on last month's position. Most of the forecast variance occurs on two projects related to mental Health and the Wincobank Community centre and both are the subject of slippage requests as per Appendix 1 to this report.

### Resources

80. The year to date spend is £4m (56%) below the programme and £7.1m below the approved budget for the whole year for the reasons set out in the table below:

<b>Cause of change on Budget</b>	<b>Year to Date £000</b>	<b>Full Year Forecast £000</b>
Slippage to be carried forward	-1,418	-5,336
Incorrect budget profiles	-1,881	0
Delayed forecasts	0	-721
Projects submitted for Approval	0	-78
Other variances	-743	-983
	<b>-4,042</b>	<b>-7,118</b>
Spend rate per day	25.6	75.2
Required rate to achieve Outturn	152.0	
Rate of change to achieve forecast	493.1%	

81. Although the change in the rate of spend is very high this has fallen from 695% last month. The current forecasts recognise the slippage to date:
- Slippage on the new Moor Market (£1.7m) following late agreement of the details of the contract and a revised project building plan. This is expected to continue to the end of the year;
  - slippage on the Accommodation strategy projects (£644k);
  - £87k behind profile on the Asset Realisation project;
  - £869k behind on small schemes across the Council's estate;
  - £501k behind profile on Civic Building refurbishment schemes; and
  - £86k behind on the Vehicle Replacement programme.
82. The year end forecast has decreased by a further £2.8m from last month and is now expected to be £7.1m (25%) below the approved programme comprising:
- £3.4m slippage on the Accommodation strategy project;
  - £1.8m slippage on the Moor Indoor market;
  - £408k slippage on the Asset Realisation project which is designed to make vacant sites more attractive to potential developers raising cash for the Council much faster;
  - £631k on the general Council building refurbishment and repairs programme;
  - £612k on roof and lift replacement at the Town Hall; and
  - £137k slippage on the Road Transport fleet replacement programme (halved from last month's position).

### Approvals

83. A number of schemes have been submitted for approval in line with the Council's agreed capital approval process.
84. Below is a summary of the number and total value of schemes in each approval category:
- 16 additions to the capital programme with a total value of £18.5m;
  - 12 variations to the capital programme creating a net increase of £47k;
  - 2 slippage request of £369k;

- 1 contract award;
- No instances where Executive Directors and Cabinet Members have exercised their delegated powers to make emergency approvals; and
- 1 instance where directors have exercised their delegated powers to vary approved expenditure levels.

85. Further details of the schemes listed above can be found in Appendix 1.

## **FINANCIAL IMPLICATIONS**

86. The primary purpose of this report is to provide Members with information on the City Council's Budget Monitoring position for 2012/13 and, as such it does not make any recommendations which have additional financial implications for the City Council.

## **EQUAL OPPORTUNITIES IMPLICATIONS**

87. There are no specific equal opportunity implications arising from the recommendations in this report.

## **PROPERTY IMPLICATIONS**

88. Although this report deals, in part, with the Capital Programme, it does not, in itself, contain any property implications, nor are there any arising from the recommendations in this report.

## **RECOMMENDATIONS**

89. Members are asked to:

- (a) Note the updated information and management actions provided by this report on the 2012/13 budget position.
- (b) Approve the release of £500k of additional financial support to Museums Sheffield as part of a long term stabilisation funding package as detailed in paragraph 15.
- (c) In relation to the Capital Programme:
  - (i) Approve the proposed additions to the capital programme listed in Appendix 1, including the procurement strategies and delegations of authority to the Director of Commercial Services or Delegated Officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;

- (ii) Approve the proposed variations in Appendix 1, noting that some have already been approved by EMT within its delegated authority.
- (iii) Note the emergency approvals and variations approved by Directors under their delegated authority; and note;
- (iv) the latest position on the Capital Programme including the current level of forecasting performance.

## **REASONS FOR RECOMMENDATIONS**

90. To formally record changes to the Revenue Budget and the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.

## **ALTERNATIVE OPTIONS CONSIDERED**

91. A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme

**Eugene Walker**  
**Director of Finance**



**Capital Schemes**

Scheme Description	Approval Type	Value £000	Procurement Route
<p><b>ADDITIONS:-</b></p> <p><b>Two New Primary Schools:</b></p> <p>Ongoing analysis, based on local birth rates and of demographic factors, shows that the number of pre-school children (0-4) resident across the North East area of Sheffield have been steadily rising to the extent that, by September 2014, there will be insufficient places at local primary schools to admit all locally resident children to a place at a local school.</p> <p>Capacity within existing schools in these areas is already maximised to the extent that without <b>new</b> primary schools to accommodate this demand, large numbers of local children will be forced to travel daily to out-of-area schools with available places, thereby increasing the risk of non-attendance by these children, poor parental engagement with schools and increased traffic movements, all of which have the potential to negatively impact on standards and life chances for these children and their families.</p> <p>In order then to meet the Council's statutory duty to provide sufficient local places for all children admitted to school it will be necessary to create two new 2 Form Entry (60 pupils per year) primary schools in North East Sheffield. Design for, followed by construction of these new primaries must now be started in order to admit all local pupils by the September 2014 deadline for places. The exact location and school names have yet to be determined.</p> <p>Procurement is to be through a two-stage competitive tender exercise via the Yorbuild framework.</p>			



**Capital Schemes**

<p>The design and construction of two new primary schools in North East Sheffield is to be funded from DfE Basic Need funding allocations. There is currently a carried forward balance of £2.4m in the Basic Need 1 fund that can be added to the £4.8m remaining in the second stage Basic Need fund. The Government has already signalled that future Basic Need allocations will continue to be based upon both existing pupil numbers and forecast numbers based on current demographic data. Given the forecasts for Sheffield continue to show existing and future pupil numbers outstripping available places, our future Basic Need allocations are expected to continue in the region of at least £4.5m to £5m per annum. There is therefore sufficient certainty within this commitment to fund future Basic Need allocations that Sheffield will be able to more than adequately cover the total planned expenditure of £11.3m by September 2014. A number of SCC sites are being evaluated and should any re-location costs arise from the displacement of existing occupants these will be borne by the project</p> <ul style="list-style-type: none"> <li>• <b>New Primary School – North East 1</b></li> <li>• <b>New Primary School – North East 2</b></li> </ul> <p>The first stage of the tender process will need to be issued in early November prior to Cabinet approval to enable selection of a preferred design and build partner. The policy recommendation to build these two primary schools is going to Cabinet on 31<sup>st</sup> October 2012.</p>	<p>Addition</p>	<p>5,780</p>	<p>YorBuild</p>
<p><b>Westfield Sports Village</b> This is a new project that will be undertaken as a Design and Build contract. SCC is providing Project management and Quantity Surveyor expertise only. No SCC capital is required for this project. The £600k from the City Region Fund, will be used to fund the access road.</p>	<p>Addition</p>	<p>4,732</p>	<p>OJEU Competitive Tender</p>

**Capital Schemes**

<p>The works themselves comprise:- construction of a community football centre with pavilion and new changing rooms, offices, gym, studio, training and social rooms, artificial turf pitches with floodlighting; groundsman's store, car park and access road.</p> <p>The works are to be undertaken on the old Westfield School and Sports Centre site and the project will assist with the improvement and regeneration of sports facilities in the Westfield area.</p> <p>Funding for the project comes from the following organisations, Football Association (£1,682k), Sport England (£750K), City Region Fund (£600k), Sheffield &amp; Hallam CFA (£600k), Football Foundation (£500k), Health &amp; Fitness (£500k) and the RFU (£100k).</p>		
<p><b>Sheaf Valley Green Links</b></p> <p>This project forms part of Phase 2 of the Sheaf Valley Park masterplan programme and contributes to the regeneration of Park Hill area. It will improve connectivity to the railway station, buses and trams, city centre employment and education, and will enhance the quality of life for residents and employees in the Park Hill area. It comprises creation of a new shared pedestrian and cycle path, with lighting, in the Sheaf Valley Park area, to run from the railway station to Park Hill flats.</p> <p>This project is funded by the Local Growth fund and has already been approved by the Cabinet Members for Housing regeneration and Finance. The overall aim of LGF funding is to stimulate the housing market in the Sheaf Valley Park area. It is high priority as funding is in place and time limited. £68k of LGF funding will be used as revenue to cover the first 5 years landscape maintenance on completion of the project. This will be undertaken by Parks.</p> <p>The project will be procured using standard council procedures via competitive tender, undertaken jointly with a similar project, Clay Wood Green Link. A further £68k of revenue costs for maintenance and pre-approval spend will be funded from Local</p>	<p>Addition</p>	<p>336*</p> <p>Competitive Tender</p>

**Capital Schemes**

<p>Growth Fund.</p>	<p><b>HAL – Loans Sheffield</b> – A review of the Home Appreciation Loans has identified an early loan redemption of £80k which it is proposed will be used for loans to financially vulnerable people living in unsafe housing conditions. Funds are allocated against oldest applications with similar levels of need.</p>	<p>Addition</p>	<p>80</p>	<p>N/A</p>
<p><b>Lower Don Valley Cycle Route</b>                  The proposal relates to the cost of work done by Sheffield City Council as part of a larger joint project with Rotherham Council, with the total £1.1m of funding being split to cover each Authority's costs accordingly. Commuted sums are being minimised through design solutions so as to maintain the current level of highways maintenance budget</p> <p>The main output from the project is to be a complete tarmac route from Sheffield City Centre to Rotherham Town Centre.</p> <p>The project is funded from a Local Sustainable Transport Fund (LSTF) main bid fund (a Dept. for Transport grant), with districts drawing down a cash grant, as expenditure is incurred (2 months in arrears). This is a time limited Government Grant, so a lack of spend in year one, would mean money would be lost, as funding can not be carried forward.</p> <p>The project is to be procured through a PFI contractor (Amey) for the Sheffield area schemes, with tenders for bridge work using Construction line via a separate procurement strategy.</p>	<p>Addition</p>	<p>336</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>	
<p><b>Fire Strategy Works</b>                  The above project responds to SCC's statutory responsibility to comply with the latest fire risk assessment requirements, identified as a priority by the South Yorkshire Fire &amp; Rescue's fire officer, which will need completing as soon as possible. If the work is not</p>	<p>Addition</p>	<p>350</p>	<p>Jobs Compact – Kier                  Sheffield LLP</p>	

**Capital Schemes**

<p>done there is a risk of closure of buildings by South Yorkshire Fire &amp; Rescue due to non-compliance with legislation.</p> <p>Works are to be carried out at Fir Vale Centre, Park Library and Youth Club and include the design and build of:</p> <ul style="list-style-type: none"> <li>• New fire alert, detection and illumination system;</li> <li>• Renewal of fire doors;</li> <li>• Installation of adequate compartmentalisation;</li> </ul> <p>and are mandatory to comply with fire officer requirements to meet current Fire regulations.</p> <p>The project is funded from the Corporate Resource Pool – block allocation for (total £4.2m available: with £350k allocated to this project).</p> <p>Procurement is to be via Design and Build under Jobs Compact with Kier (Sheffield) LLP.</p>			
<p><b>Castlegate SYPTE Acquisition</b></p> <p>The project encompasses the acquisition of former SYPTE offices at Castlegate to enable a future regeneration scheme once Castle Market is relocated. Acquisition will consolidate SCC ownerships at Castlegate to enable delivery of a major regeneration project once the Markets relocate to The Moor. The property adjoins the existing Castle Market and acquisition will consolidate SCC ownership and enhance the site value.</p> <p>Acquisition is to be funded through the Local Growth Fund. Part of the property will be demolished and incorporated into the adjoining Castle Market site; the building to be retained will be resold once Markets have relocated and completion of the archaeology investigation of the castle. Subsequent disposal from residential use should generate further Local Growth Fund as well as capital receipts.</p>	Addition	500	Legal Services to be commissioned through the DLA framework contract

**Capital Schemes**

<p>There is a risk to SCC that property market will not have recovered sufficiently by 2017 to allow the sale of the retained building as intended. Holding costs in those circumstances may therefore need to be over a longer period until market conditions improve.</p> <p>The procurement strategy is to acquire the property from SYPTE at an agreed value using external solicitors under an existing legal services contract to complete the transaction.</p>			
<p><b>Traffic, Transport and Parking Services</b></p> <p>The four programmes within Traffic, Transport and Parking services are Local Sustainable Transport Fund (main scheme), Better Buses fund, Local Sustainable Transport Fund (key component) and the Local Transport Plan.</p> <p>Any unspent 2012/13 local Sustainable Transport Fund (main scheme) and Better Buses Fund will be returned to the Department for Transport. There is the flexibility to slip Local Sustainable Transport Fund (key component) and Local Transport Plan programmes into future years. Therefore, some of the changes within the programmes are to enable staff resources to be prioritised on projects which are part of the time limited programmes.</p> <p>Committed sums are being minimised through design solutions so as to maintain the current level of highways maintenance budget</p>			

**Capital Schemes**

<b>Road Safety Schemes</b>				
<b>Monteney Primary School, Wordsworth Avenue</b> The project is the building of a school entrance scheme at Monteney School, Wordsworth Avenue. The scheme was originally designed in 2009 but was not constructed due to significant in year budget cuts. This addition is funded through other reductions within the LTP programme this month The Primary benefit of this scheme is to improve safety on the walking route to school	Addition	85	Single source tender and in accordance with Schedule 7 of the Highways PFI contract	
<b>Westways School, School Road</b> The project funds the final costs of a school entrance scheme at Westways School, Crookes. The scheme started constructed in 2011/12. This addition funded through other reductions within the LTP programme this month. The Primary benefit of this scheme has been to improve safety via a new zebra crossing on the walking route to school	Addition	15	Single source tender and in accordance with Schedule 7 of the Highways PFI contract	
<b>Community Assembly – North East</b> The project is to fund the design and build of a small road safety scheme on Etwall Way, Firth Park. This addition (funded through other reductions within the LTP programme this month) was endorsed by Cllr Bramall at a Transport lead Member briefing on 3 <sup>rd</sup> August 2012. This scheme is funded from the Local Transport Plan. The Primary benefit of this scheme is to improve road safety	Addition	11	Single source tender and in accordance with Schedule 7 of the Highways PFI contract	
<b>Action for cyclists</b>				
<b>Hanoverway (Cycle Route)</b> Ring Road Cycle Route (from Broomspring Lane to Broomhall Street). The project will build, on the east side and upgraded the existing, on the west side of the shared pedestrian and cycle route between Broomhall Street and Broomspring Lane. The scheme was originally designed in 2009 but was not constructed due to significant in year budget cuts. This new allocation of £35k is funded through other reductions within	Addition	101	Single source tender and in accordance with Schedule 7 of the Highways PFI contract	



**Capital Schemes**

<p>the LTP programme this month and a new allocation of £70k from the Local Sustainable Transport Fund – allocated by the Central LTP team. The Primary benefit of this scheme is to provide an upgraded and new link in the City's cycle route network.</p>			
<p><b>Public Transport Measures</b></p>			
<p><b>Attercliffe Road Clearway Changes</b> This new allocation is to enable the signing and lining on Attercliffe Road (between Staniforth Road and the M1) to be brought up to enforceable standard. This project is funded by the Sheffield enforcement package within the successful 'Better Buses' bid approved by the Integrated Transport Authority on 1<sup>st</sup> March 2012 The Primary benefit of this scheme is to improve traffic management by enabling better enforcement of existing restrictions</p>	<p>Addition</p>	<p>23</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>
<p><b>Chesterfield Road Clearway Changes</b> This new allocation is to enable the signing and lining on Chesterfield Road (between Meadowhead and Queens Road) to be brought up to enforceable standard. This project is funded by the Sheffield enforcement package within the successful 'Better Buses' bid approved by the Integrated Transport Authority on 1<sup>st</sup> March 2012. The Primary benefit of this scheme is to improve traffic management by enabling better enforcement of existing restrictions</p>	<p>Addition</p>	<p>91</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>
<p><b>Malin Bridge Job Connector</b> This new allocation is to enable the design and construction of a new bus stop at Malin Bridge for the Stannington Supertram Link bus. This project is funded by the Don Valley Improvement package within the successful 'Local Sustainable Transport Fund' bid approved by delegated authority to the Integrated Transport Authority (ITA) Chair following the ITA meeting on 1<sup>st</sup> December 2011 The Primary benefit of this scheme is to provide an improved bus waiting facility at Malin Bridge tram stop that reduces the impact on general traffic in the area.</p>	<p>Addition</p>	<p>21</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>

**Capital Schemes**

<p><b>Key Bus RTE- Sheffield – Woodhouse</b>                  This revised allocation reflects the new allocation of £425k from the successful bid to the 'Local Sustainable Transport Fund' as well as £100k from the South Yorkshire Passenger Transport Executive to enable the design and construction of a number of schemes along the Sheffield – Woodhouse key bus route. This project is funded by the Don Valley Improvement package within the successful 'Local Sustainable Transport Fund' bid approved by delegated authority to the Integrated Transport Authority (ITA) Chair following the ITA meeting on 1<sup>st</sup> December 2011. This funding has enabled the £30k LTP allocation to be reused on other priorities within the LTP programme.                  The Primary benefit of this scheme is to improve public transport, including waiting facilities at stops, journey times and journey time reliability.</p>	<p>Addition</p>	<p>525</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract 90.</p>
<p><b>VARIATIONS:-</b></p>			
<p><b>Road Safety Schemes</b></p>			
<p><b>Chaucer School Wordsworth Avenue</b>                  The project is a design and build of a school entrance scheme at Chaucer School, Wordsworth Avenue. The original intention was to design and build the scheme in 2012/13, but with design resources currently being concentrated on funding sources that will be lost if not spent in 2012/13, the intention is now to undertake outline design and start detailed design in 2012/13, but construction will be delayed to 2013/14. This scheme will be coordination with an accident savings scheme currently being</p>	<p>Variation</p>	<p>-120</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>



**Capital Schemes**

<p>investigated on Wordsworth Avenue. This variation will be used to fund other changes within the LTP programme The Primary benefit of this combined scheme is to improve safety on the walking route to school and tackle issues associated with an accident 'cluster' sites.</p>				
<p><b>Citywide 20MPH Zone</b> The increase in project funding is to fund the acceleration of reviewing zig-zags outside schools, ensuring that they are brought up to an enforceable standard. The acceleration of the programme is to ensure alignment with the Streets ahead project. The increase will also fund the higher than originally anticipated fees associated with the feasibility stage of 20MPH Zones scheme design. This variation (funded through other reductions within the LTP programme this month) will still enable two schemes to be constructed in 2012/13. The Primary benefit of this scheme would be to improve road safety by signing reduced traffic speeds in residential areas.</p>	<p>EMT Variation</p>	<p>50</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>	
<p><b>Action for pedestrians</b></p>				
<p><b>A57 Nile Street/Manchester Road</b> The full project is the building of a pedestrian crossing phase within an existing set of traffic lights at the Crookes/Nile Street/ Fulwood Road junction in Broomhill. The scheme was to be funded over two years (2012-2014) with statutory undertakers work planned for 2012/13 and the main scheme works in 2013/14. The initial budget was based on outline costs from Statutory Undertakers for moving their plant (principally BT) but more detailed costings have revised this down, leading to this variation request. This could lead to an overall saving on the total scheme cost in the future which will be submitted when applicable. This variation will fund other variations within the LTP programme this month. The Primary benefit of this scheme is to provide a new facility to make it easier for</p>	<p>EMT Variation</p>	<p>-85</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>	

**Capital Schemes**

<p>pedestrians to cross busy roads in Broomhill shopping centre.</p> <p><b>Community Assembly – South</b>                  The full project is the building of a number of pedestrian crossing points (on build outs) across Psalter Lane (between Cemetery Road and Cowlshaw Road), Nether Edge. LTP monies had already been allocated to fund Phase One of the scheme (funded through £23k South Community Assembly slippage from 2011/12 and £7k new allocation this year), these additional monies would enable the full scheme to be completed at the same time.</p>	<p>EMT Variation</p>	<p>50</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>
<p><b>Traffic Management</b></p>			
<p><b>HGV Routing Strategy</b>                  The increase in project funding is to fund the higher than originally anticipated fees associated with the complex feasibility stage of scheme design. This variation (funded through other reductions within the LTP programme this month) will still enable one 'hotspot' scheme to be constructed in 2012/13.                  The Primary benefit of this scheme is to improve traffic management of larger vehicles.</p>	<p>EMT Variation</p>	<p>30</p>	<p>Costs incurred by in house design team</p>
<p><b>Coach Parking Study</b>                  The decrease in project funding is to help fund other variations within the LTP programme. This will mean that the original feasibility and outline design of a number of short term coach drop off/pick up parking areas within the city centre (and potential longer term coach parking areas on the edge of the city centre will not now happen in 2012/13, but will be done at a later date.                  The Primary benefit of this scheme would be to improve pick up/drop off and longer stay parking facilities for coaches visiting the city centre.</p>	<p>EMT Variation</p>	<p>-20</p>	<p>N/A</p>

**Capital Schemes**

<p><b>Traffic Controller Upgrades</b>                  The increase in project funding is to fund a number of traffic signal improvement schemes that have been carried forward from 2011/12. This variation is funded through other reductions this month within the LTP programme                  The Primary benefit of this scheme is to improve traffic management for all vehicles by replacing traffic controllers that no longer provide best signal timings</p>	<p>EMT Variation</p>	<p>20</p>	<p>Costs incurred by in house design team</p>
<p><b>Driving Me Crazy</b>                  The increase in project funding is to fund the completion of a 'Driving me Crazy' scheme to extend the length of the 'inbound' right turn lane from at the junction of Penistone Road and Owlerton Green. The original length of the extended lane was limited by available funds at the time. Allocating more money to the scheme enabled a much better scheme to be implemented, which has led to positive comments from the public. This request is in retrospect as the scheme has now been built. The variation is funded through other reductions this month within the LTP programme.                  The Primary benefit of this scheme is to improve traffic management for all vehicles by keeping queuing traffic away from the 'through' traffic lanes.</p>	<p>EMT Variation</p>	<p>55</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>
<p><b>Permit Parking – Hillsborough</b>                  The increase in project funding is to fund the higher than originally anticipated fees associated with the complex feasibility stage of scheme design. This variation is funded through other reductions within the LTP programme this month.                  The Primary benefit of this scheme is to improve road safety at accident 'cluster' sites.</p>	<p>EMT Variation</p>	<p>20</p>	<p>Costs incurred by in house design team</p>
<p><b>Public Transport Measures</b>  <b>Bus Agreement</b>                  This revised allocation reflects the fact that there is new allocation of £90k from the successful bid to the 'Local Sustainable Transport Fund' as well as £36k from the South Yorkshire Passenger Transport Executive. This will enable an expansion of the number of 'bus hotspot' improvement schemes that could be delivered in 2012/13. The detail of</p>	<p>Variation</p>	<p>126</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>

**Capital Schemes**

<p>the number of sites will be known once feasibility design has been done. The overall budget for bus hotspots will rise to £276,370. The Primary benefit of this scheme is to improve public transport, including waiting facilities at stops, journey times and journey time reliability.</p>			
<p><b>Relocatable Camera Enforcement</b> This variation in the allocation is to enable the signing and lining at a number of smaller bus lane and loading and waiting restrictions ( including Spital Hill, Ecclesall Road, Granville Road and Bolsover Street) to be brought up to enforceable standard. This project is funded by the Sheffield enforcement package within the successful 'Better Buses' bid approved by the Integrated Transport Authority on 1<sup>st</sup> March 2012. the £15,000 variation is being funded through a £15,000 reduction in the budget for the Boston Street scheme The Primary benefit of this scheme is to improve public transport journey times and journey time reliability.</p>	Variation	15	Single source tender and in accordance with Schedule 7 of the Highways PFI contract
<p><b>LTP Cycle Parking</b> This variation is to enable the expansion of the Park that Bike scheme that is already funded by the LTP and a grant from DEFRA. This project is funded by the Cycleboost section of Don Valley Improvement package within the successful 'Local Sustainable Transport Fund' bid approved by delegated authority to the Integrated Transport Authority (ITA) Chair following the ITA meeting on 1<sup>st</sup> December 2011. The Primary benefit of this scheme is to improve cycle parking at businesses and on the highway to help reduce barriers to cycling.</p>	Variation	6	Single source tender and in accordance with Schedule 7 of the Highways PFI contract

**Capital Schemes**

<p><b>SLIPPAGE / ACCELERATED SPEND:-</b></p>				
<p><b>CBT Wincobank Community BLDS</b> – this is a request to slip £164k into 2013/14 due to delaying the original timescales in an effort to maximise external grant fund applications. A prelim bid has been made for £60k to Veolia to help with the refurbishment to cover items such as replacement windows. The final bid being submitted in January and will follow the capital processes.</p>	Slippage	164		Competitive tender
<p><b>PROCUREMENT STRATEGY APPROVALS:-</b></p>				
<p>The following Highways Capital Approval variations require a change of Procurement strategy following the transfer of the contractor Streetforce, to the Highways PFI contractor, Amey.</p> <ul style="list-style-type: none"> <li>• 93351 Chaucer School- Wordsworth Ave</li> <li>• 97985 City wide 20MPH zone</li> <li>• 94311 A57 Nile Street/Manchester Rd</li> <li>• 92209 Community Assembly South</li> <li>• 97982 HGV Routing Strategy</li> <li>• 97983 Coach Parking Study</li> <li>• 97986 Traffic controller Upgrades</li> <li>• 94449 Driving Me Crazy</li> <li>• 92846 Permit Parking – Hillsborough</li> </ul>	Variation			<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p> <p style="text-align: center;">-120 + 50 - 85 - 50 + 30 - 20 + 20 + 55 + 20</p>

**Capital Schemes**

<ul style="list-style-type: none"> <li>• 94445 BN962 Bus Agreement</li> <li>• 93425 Relocatable Camera Enforcement</li> <li>• 93349 LTP Cycle Parking</li> </ul>		<p>+126 + 15 + 6</p>	
<p><b>EMERGENCY APPROVALS:-</b></p>			
<p><b>Green Deal Early Start</b> The Works on this project primarily comprise the provision of solid wall insulation, “hard to treat cavity” measures, under-floor insulation, draught-proofing and some full replacement heating systems to various properties around the City. Extremely tight timescales for assembling the proposals, identifying workable delivery and procurement options and sign-off of the funding agreement have meant that emergency approval arrangements have been needed including Individual Cabinet Member sign off.</p>	<p>Addition</p>	<p>708</p>	<p>Existing contract</p>
<p><b>DIRECTOR VARIATIONS:-</b></p>			
<p><b>Accident Savings Scheme</b> The project is to fund the design of an as yet unidentified accident savings scheme. Schemes are prioritised using accident data. This variation (funded through other reductions within the LTP programme) was endorsed by Cllr Bramall at a Transport lead member briefing on 3<sup>rd</sup> August 2012. This scheme is funded from the Local Transport Plan. The Primary benefit of this scheme is to improve road safety at accident ‘cluster’ sites.</p>	<p>Director Variation</p>	<p>4</p>	<p>Single source tender and in accordance with Schedule 7 of the Highways PFI contract</p>

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## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Laraine Manley, Executive Director, Resources

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**Date:** 12<sup>th</sup> December 2012

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**Subject:** Disposal of Land at Rother Valley Way.

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**Author of Report:** Nigel Cunis  
Property and Facilities Management  
0114 2734120

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### **Summary:**

This report is to seek Cabinet approval to enter into a conditional contract with UYE (Ltd) for the disposal of land at Rother Valley Way on a 99 year lease with an option to purchase the freehold interest within the first ten years. The conditional contract requires UYE Ltd to comply with conditions which have been imposed as part of Planning Permission that was granted on 24<sup>th</sup> September 2012 for a Community Renewable Energy Centre.

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### **Reasons for Recommendations:**

UYE's Community Renewable Energy Centre will generate electricity and hot water from the incineration of waste wood. The electricity will be supplied to the National Grid and the hot water to provide heating for nearby homes. The proposals will diversify the energy sources available in the City and reduce reliance on the burning of fossil fuels.

### **Recommendations:**

1. That the land at Rother Valley Way is declared surplus to the requirements of the Council and can be disposed of.
2. That Cabinet approve the conditional contract for the disposal of the site at Rother Valley Way to UYE Ltd. in accordance with the terms of this report and delegate authority to the Director of Property & Facilities Management to finalise the terms of the sale.



3. That Cabinet authorise the Director of Property & Facilities Management to instruct the Director of Legal Services to prepare and complete all necessary documentation to conclude the sale in accordance with the agreed terms.

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**Background Papers:** None

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**Category of Report:** OPEN

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## Statutory and Council Policy Checklist

<b>Financial Implications</b>
YES/ Cleared by:
<b>Legal Implications</b>
YES/ Cleared by:
<b>Equality of Opportunity Implications</b>
/NO Cleared by:
<b>Tackling Health Inequalities Implications</b>
/NO
<b>Human rights Implications</b>
/NO:
<b>Environmental and Sustainability implications</b>
YES/
<b>Economic impact</b>
YES/
<b>Community safety implications</b>
YES/
<b>Human resources implications</b>
/NO
<b>Property implications</b>
YES/
<b>Area(s) affected</b>
<b>Relevant Cabinet Portfolio Leader</b>
BRIAN LODGE
<b>Relevant Scrutiny Committee if decision called in</b>
Overview and Scrutiny Management Scrutiny and Policy Development Committee
<b>Is the item a matter which is reserved for approval by the City Council?</b>
YES/NO
<b>Press release</b>
YES/NO

## **Disposal of the Land at Rother Valley Way Sheffield**

### **1.0 SUMMARY**

- 1.1 This report is to seek Cabinet approval to enter into a conditional contract with UYE (Ltd) for the disposal of land at Rother Valley Way on a 99 year lease with an option to purchase the freehold interest. The conditional contract requires UYE Ltd to discharge the conditions that are attached to the planning permission for a Community Renewable Energy Centre.

### **2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE**

- 2.1 By the Council approving the sale of this site, UYE Ltd will, subject to the satisfaction of planning conditions being obtained, construct a power plant which will use waste wood to generate electricity and hot water. It is proposed that the hot water will be distributed by an underground pipe within public highway to an existing boiler house at the junction of Pedley Grove where it will be distributed to provide heat to residential property in Westfield. It is anticipated that 4 megawatts of thermal energy and 36 Megawatt hours of electricity will be generated annually with 45,000 tonnes of waste wood being recycled.

### **3.0 OUTCOME AND SUSTAINABILITY**

- 3.1 A definition of Sustainability is, "Development which meets the needs of the present without compromising the ability of future generations to meet their own needs." (National Planning Policy Framework)

By delivering energy from waste wood and therefore offsetting carbon emissions that would otherwise have been produced by energy delivered from non-renewable sources, the development is minimising the impact on climate change and is sustainable.

### **4.0 REPORT**

- 4.1 The site comprises 3.1 acres of relatively level land in the middle of the Holbrook Industrial Estate. The land is disused except for the grazing of horses by occupants of the nearby Travellers Site at New Street. It has been partially encroached upon by the creation of a large bund/mound by the adjacent engineering works immediately to the north. The bund extends along the entire northern boundary between the site and the engineering works. Further details over the issues surrounding this encroachment are set out in Appendix 2.
- 4.2 The Council's Environmental Protection Service has advised that the land was formerly used as an open cast mine and latterly as landfill. There is therefore a likelihood that contamination exists in the ground

and that some landfill gas is present.

4.3 The Planning Application was approved at the meeting of the City Centre South and East Planning and Highways Committee on the 24<sup>th</sup> Sept 2012. The recommendation to grant concluded that the site is appropriately located in an industrial area and an Environmental Statement included with the application, demonstrated that the proposals should have no significant impact.

4.4 The assessment also dealt with issues such as traffic generation, noise and air quality issues, as well as visual impact and the availability of alternative sites.

4.5 The proposed development will contribute to the Council's SDF Core Strategy target to exceed 60 MW of renewable energy capacity by the year 2021.

## **5.0 Legal Implications**

5.1 The proposed conditional contract will bind the Council to dispose of the land at an agreed rent to UYE Ltd and give the option to UYE to purchase the site at a price based on prevailing market value at the time.

5.2 The disposal achieves best value and the proposal is in accordance with Section 123 of the Local Government Act 1972. Although extensive public consultation has already taken place as part of the planning process and local opinion has been obtained, the Council may be obliged to publicise the proposed disposal of the open space in the local press.

## **6.0 Financial Implications**

6.1 Details of the financial arrangements are contained in Appendix 1, as this information is confidential.

6.2 Corporate Finance has assumed the revenue and capital generated from the disposal will be available corporately for use as part of the Capital Programme.

## **7.0 ALTERNATIVE OPTIONS CONSIDERED**

7.1 UYE Ltd has been trying to identify a suitable site for a Community Renewable Energy Centre for a number of years. A site immediately opposite Rother Valley Way was discounted at an early stage on the basis of its likely ecological impact. A further site immediately adjacent to the eastern boundary of the Traveller's Site was also discounted at an early stage on the basis of its likely impact on the living conditions of the travellers.

## **8.0 REASONS FOR RECOMMENDATIONS**

- 8.1 Conditional Planning consent has been granted. The development will allow the use of an under- utilised Council asset to create a sustainable source of power generation. The proposal will also generate full market value for the Council asset and help meet the Council's Environmental commitments.

## **9.0 RECOMMENDATIONS**

1. That the land at Rother Valley Way is declared surplus to the requirements of the Council and can be disposed of.
2. That Cabinet approve the conditional contract for the disposal of the site at Rother Valley Way to UYE Ltd in accordance with the terms of this report and delegate authority to the Director of Property & Facilities Management to finalise the terms of the sale.
3. That Cabinet authorise the Director of Property & Facilities Management to instruct the Director of Legal Services to prepare and complete all necessary documentation to conclude the sale in accordance with the agreed terms.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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## SHEFFIELD CITY COUNCIL Cabinet

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**Report of:** Executive Director (Place)

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**Date:** 12 December 2012

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**Subject:** Wybourn Site Disposals (Cricket Inn 1B & 1C)

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**Author of Report:** Tamsin Auckland

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### **Summary:**

This report seeks authority to dispose of two cleared sites at Wybourn, known as Cricket Inn 1B and 1C, to Great Places Housing Group (GPHG) for the development of housing for affordable rent. This follows the decision of Cabinet on 01 August 2012 to dispose of the first Cricket Inn development site, known as 1A, to GPHG for the same purpose.

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### **Reasons for Recommendations:**

Disposal of these sites would allow for residential development consistent with the Council approved Masterplan for Wybourn, Arbourthorne and Manor Park.

The development of approximately 70 new homes for affordable rent would help meet the identified shortfall in affordable housing in the city.

The provision of a mix of housing types, including bungalows, would provide greater housing choice, especially for local older people who may wish to move to more suitable accommodation, thus freeing up much needed family housing.

The development of the sites by GPHG, the local landlord of choice, would ensure that local people and stakeholders were properly consulted and that their needs and aspirations were at the forefront of the planning and development process.

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**Recommendations:**

- R1 The Cabinet decision of 1 August 2012 about the disposal of the site then identified at Appendix A and now described as Cricket Inn Site 1A be rescinded.
- R2 Subject to planning permission the site now shown at Appendix A as Cricket Inn 1A be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R3 Subject to planning permission the site now shown at Appendix A as Cricket Inn 1B be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R4 Subject to planning permission and funding for the development being secured the site now shown at Appendix A as Site 1C be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R5 The Director of Property & Facilities Management in consultation with the Director of Housing, Enterprise and Regeneration be authorised to agree terms for the disposal of the sites for the purposes set out in this report and to instruct the Director of Legal Services to complete the transfer on the terms agreed.
- R6 The proposed nomination arrangements set out at Section 6 of this report be agreed.

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**Background Papers:** None

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**Category of Report:** OPEN

## Statutory and Council Policy Checklist

<b>Financial Implications</b>
YES Cleared by: Paul Schofield
<b>Legal Implications</b>
YES Cleared by: Andrea Simpson
<b>Equality of Opportunity Implications</b>
NO
<b>Tackling Health Inequalities Implications</b>
NO
<b>Human rights Implications</b>
NO
<b>Environmental and Sustainability implications</b>
YES
<b>Economic impact</b>
NO
<b>Community safety implications</b>
NO
<b>Human resources implications</b>
NO
<b>Property implications</b>
YES
<b>Area(s) affected</b>
East Community Assembly
<b>Relevant Cabinet Portfolio Leader</b>
Cllr Harry Harpham
<b>Relevant Scrutiny Committee if decision called in</b>
Safer and Stronger Communities
<b>Is the item a matter which is reserved for approval by the City Council?</b>
NO
<b>Press release</b>
NO

## **WYBOURN SITE DISPOSALS (CRICKET INN 1B & 1C)**

### **1.0 SUMMARY**

- 1.1 This report seeks authority to dispose of two cleared sites at Wybourn, known as Cricket Inn 1B and 1C, to Great Places Housing Group (GPHG) for the development of housing for affordable rent. This follows the decision of Cabinet on 01 August 2012 to dispose of the first Cricket Inn development site, known as 1A, to GPHG for the same purpose.
- 1.2 Sites 1B and 1C could accommodate approximately 70 homes: a mixture of family housing and bungalows. In order to facilitate the delivery of this affordable housing, the sites would need to be transferred to GPHG at nil consideration.
- 1.3 A further report will be presented to Cabinet in due course detailing proposals for new housing on the remainder of the Cricket Inn development site, known as Cricket Inn 2, plus an additional cleared site on Maltravers Way. The Cricket Inn development sites are shown on the plan at Appendix A.

### **2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE**

- 2.1 In terms of Standing Up For Sheffield the Corporate Plan 2011-14, this disposal would help achieve the outcome of a Great Place to Live, by creating desirable, affordable housing and promoting a thriving neighbourhood.
- 2.2 The vision of successful neighbourhoods involves a variety and choice of housing types and tenures. The current Housing Market Assessment identifies an annual shortfall of 729 affordable homes per year in the city. The development of up to 70 affordable homes on sites 1B and 1C would go towards meeting this need.
- 2.3 The disposal of this site for new housing would allow the delivery of one of the strategic interventions identified in the Wybourn, Arbourthorne & Manor Park (WAMP) Masterplan, benefitting both existing and new residents.
- 2.4 The local economy would benefit from the construction of new homes. The Council will hold discussions with GPHG with the aim of maximising the use of local labour and other suppliers.

### **3.0 OUTCOME AND SUSTAINABILITY**

- 3.1 The new homes would raise the profile, desirability and sustainability of Wybourn as a place to live, adding to the choice of housing size, type and quality available in the area. In particular, the building of new bungalows would help sustain the Wybourn community, allowing older residents to move to more suitable accommodation within their existing neighbourhood.
- 3.2 GPHG are the local landlord of choice in Wybourn with a proven record of community engagement. Through managing the existing housing on the estate they are aware of the aspirations of the community and are working with them to deliver improvements to the area. The development of this site would allow them to further engage, involve and empower the community in improving Wybourn.
- 3.3 GPHG have developed a Consultation Blueprint that outlines their commitment to community involvement and a copy would be presented to the East Community Assembly prior to its implementation in relation to this project. The detailed scheme proposals for the sites would be subject to public consultation and GPHG would ensure that local residents, Members and other stakeholders would have the opportunity to be involved in and contribute towards developing the scheme.
- 3.4 GPHG would build the homes to meet the Homes and Communities Agency's Design and Quality Standards, ensuring that they would be well built, spacious and secure, with high standards of energy efficiency, lower running costs for residents and contributing to a lower carbon footprint for the City.
- 3.5 An increase in the number of properties at Wybourn would help support the local economy with the creation of greater demand for existing or additional local facilities, retail outlets and services.

### **4.0 BACKGROUND**

- 4.1 This area was subject of extensive masterplanning, as part of Sheffield's Housing Market Renewal programme, resulting in the WAMP Masterplan. On 11 May 2005 Cabinet approved the Masterplan and resolved that it be approved as material consideration in the planning process and relevant proposals be incorporated in the Sheffield Development Framework (SDF). The Masterplan recommended the building of new housing on the Cricket Inn development site (shown at Appendix A).

- 4.2 The Cricket Inn site was declared surplus by Cabinet on 24 January 2007, and Cabinet resolved that the Director of Housing [now Director of Housing Enterprise and Regeneration], in consultation with the Head of Corporate Property [Director of Property & Facilities Management] and Assistant Chief Executive Legal and Governance [Director of Legal Services] be authorised to select the successful developer in line with the approved site disposal strategy subject to the approval of the development scheme and terms of the disposal in accordance with the Council's constitution.
- 4.3 On 01 August 2012 Cabinet approved the disposal of site identified as 1A at Appendix A to GPHG to build 25 affordable properties.

## **5.0 SCHEME PROPOSAL**

- 5.1 GPHG proposal for Cricket Inn 1B & 1C is a mix of family housing and bungalows for affordable rent. The exact number of properties has not yet been determined but the first new homes should be available by 2014.
- 5.2 Funding has been secured from the Homes & Communities Agency (HCA) for the development of Cricket Inn 1B, which could accommodate approximately 30 properties.
- 5.3 Funding has not yet been secured for the development of Cricket Inn 1C, which could accommodate approximately 40 properties. However, GPHG expect to secure HCA funding in the near future and on that basis would submit a single planning application to include this site along with 1A and 1B.
- 5.4 It is proposed that the disposal of Cricket Inn 1C to GPHG should take place at the same time as the disposals of sites 1A & 1B subject to funding for the development being secured.
- 5.5 Since the decision of Cabinet on 01 August 2012, GPHA have revised their design for Site 1A so that the site can accommodate more than the 25 houses, apartments and bungalows originally envisaged. The latest estimate of the site's capacity is 29 homes although this may change during the planning process. The August disposal decision was specific to GPHG's original plans and so this report recommends that the decision be amended to allow for design and planning flexibility.

## **6.0 NOMINATION ARRANGEMENTS**

- 6.1 The existing housing stock in Wybourn comprises two and three bedroomed family houses so there is a lack of suitable provision for older residents. Therefore, GPHG have proposed that 80% of the bungalows built on sites 1A, 1B and 1C should be let to existing tenants on Wybourn who need or wish to downsize.

- 6.2 GPHG have also proposed that any apartments developed across sites 1A, 1B and 1C should be reserved for existing GPHG tenants. This will assist in addressing the impact of the Welfare Reform Act 2012 whereby housing benefit claimants in social housing are penalised if they are deemed to be underoccupying a property.
- 6.3 These proposals would free up larger family accommodation, of which there is a shortage across the City. Those properties vacated by the GPHG tenants who have transferred would then be available to the Council for nomination through the Lettings Policy.
- 6.4 100% of the family houses built on sites 1A, 1B and 1C would be available to the Council for nomination through the Lettings Policy.

## **7.0 FINANCIAL IMPLICATIONS**

- 7.1 During the formulation of the Local Investment Plan, the HCA made clear government's expectation that local authorities would maximise the use of their own resources to provide affordable housing (e.g. the provision of free land). The grant available to housing associations under the HCA's Affordable Homes Programme for 2011/15 is significantly less than for the previous period, and would not allow this scheme to be developed without the additional subsidy from the Council in the form of free land.
- 7.2 The disposal of Cricket Inn Site 1B to GPHG at nil consideration would constitute a Council contribution of £120,000 towards the provision of approximately 30 affordable homes, based on the current valuation of the site.
- 7.3 The disposal of Cricket Inn Site 1C to GPHG at nil consideration would constitute a Council contribution of £200,000 towards the provision of approximately 40 affordable homes, based on the current valuation of the site.
- 7.4 No provision has been made within the Neighbourhoods Investment Programme for a capital receipt being generated from the sale of these sites, so there is no direct impact on the planned capital programme.
- 7.6 The development of approximately 70 homes across these sites would produce a significant benefit to the Council through the government's New Homes Bonus and Affordable Homes Bonus scheme.
- 7.7 The Section 106 contribution from the scheme would also be programmed to be used in the local area to enhance public space and facilities.
- 7.8 The Council currently pays for the maintenance of the cleared sites so there would be a saving following transfer of responsibility to GPHG.

## **8.0 LEGAL IMPLICATIONS**

- 8.1 Disposal of the site to GPHG at nil consideration to develop affordable homes would constitute assistance in connection with privately let housing accommodation and would require the consent of the Secretary of State under Section 25 of the Local Government Act 1988. A general consent has been issued for financial assistance or gratuitous benefit consisting of disposal of land to registered providers of social housing for development as housing accommodation. No further consent is needed under section 32 of the Housing Act 1985 to the disposal of housing land.
- 8.2 When deciding whether to dispose of a site at a discount to its market value it must be considered whether the proposed disposal would be in the interests of the City and its inhabitants as a whole and as Council tax payers and would be consistent with the effective, economic and efficient discharge of the Council's functions.

## **9.0 ALTERNATIVE OPTIONS CONSIDERED**

### **9.1 Do not dispose of the site yet.**

In order to maximise receipt from the potential sale of the site it has been considered whether it would be appropriate to wait until an upturn in the economy before disposal. This would however mean that the site would be left undeveloped for an indeterminable time with no guarantee of developer interest in this site or potential best price offer.

It would also deny the opportunity to develop the site speedily and to fit with GPHG investment plans for the neighbourhood or resident expectation for the development of the site.

GPHG view continued investment in Wybourn as a high priority for their organisation, and the first new homes should be available by 2014.

The timely development of the site is also intended to raise developer confidence in the wider area which will be reflected in the viability of other potential projects.

This option would also delay the delivery of an important strategic intervention of the WAMP Masterplan.

## 9.2 **Open market with conditions/no conditions**

Although this option could potentially allow rapid development of the site and maximise receipt, this is improbable in the current economic downturn as we could not guarantee developer interest or potential best price offer.

If the site was sold for open market development it would reduce the opportunity for local residents to access the new housing. It would also deny opportunity for local lettings and compromise the investment strategy of GPHG.

The process would also delay appointment of a developer and a start on site.

## 9.3 **Disposal of the site to another Registered Provider**

This option would allow development by a Registered Provider other than the local resident's landlord of choice.

Although this would introduce a choice of landlord for residents, it may compromise the opportunity for aligning investment and maintenance strategies.

This option may also compromise the compatibility of local lettings policies to the detriment of local residents wanting to access properties at Wybourn.

## 9.4 **Disposal of the site to Sheffield Housing Company (SHC).**

This site is not on the current list of sites that has been offered to the SHC. If it were to be offered then there is no certainty as to when the site would be released and any agreed release date would be made on the SHC priorities rather than local need.

## 9.5 **Open competition with detailed development brief.**

The Council could agree a development brief and advertise the site to developers. This would allow the Council to be prescriptive and prioritise the development requirements; however, it would delay the release of the site, be Council resource intensive and not guarantee developer interest or potential best price offer.

If a condition were included in the development brief that required that the developer work in partnership with GPHG then this may deter developer interest or create a difficult working arrangement that may be detrimental to any scheme.



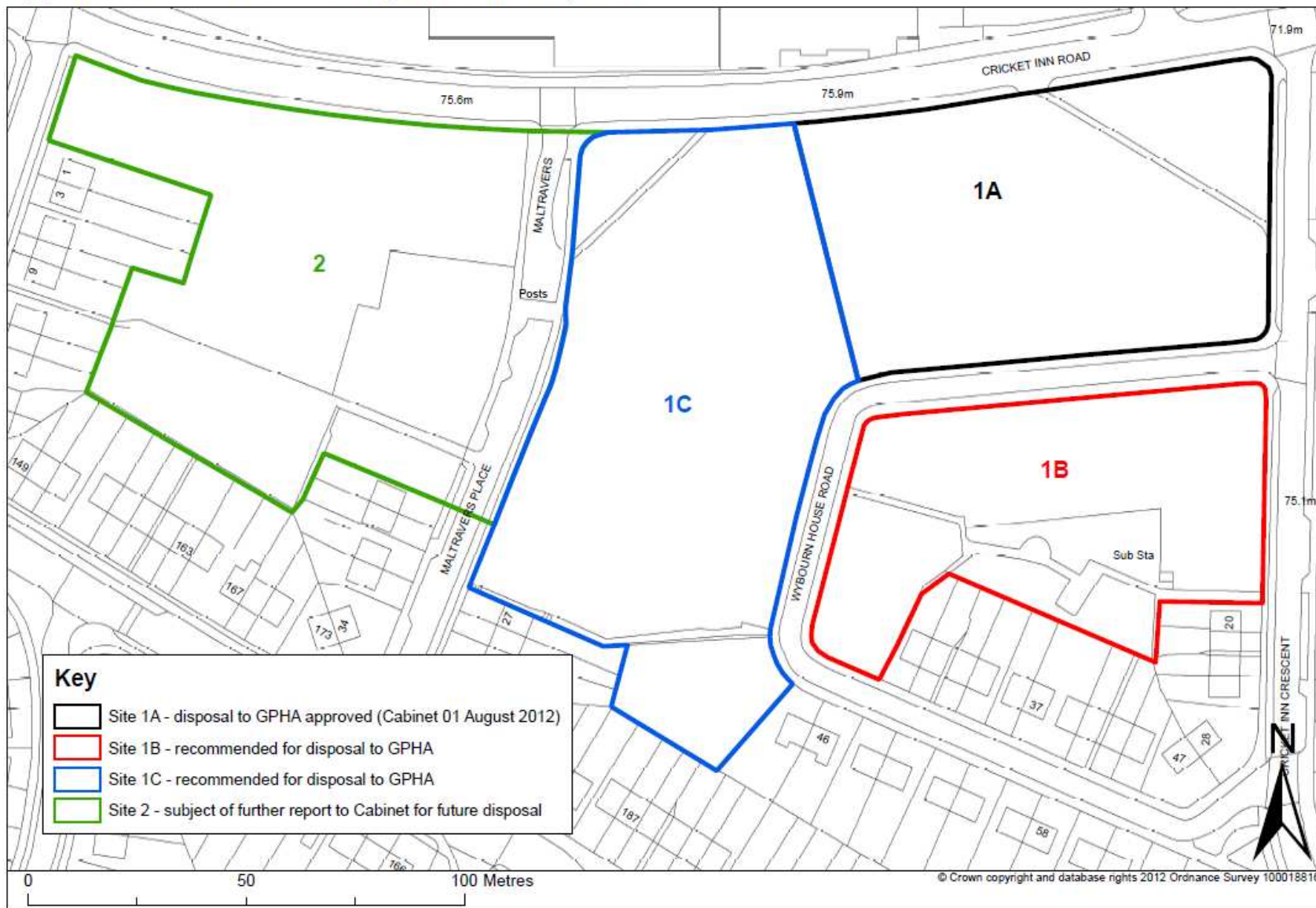
## **10.0 REASONS FOR RECOMMENDATIONS**

- 10.1 Disposal of these sites would allow for residential development consistent with the Council approved Masterplan for Wybourn, Arbourthorne and Manor Park.
- 10.2 The development of approximately 70 new homes for affordable rent would help meet the identified shortfall in affordable housing in the city.
- 10.3 The provision of a mix of housing types, including bungalows, would provide greater housing choice, especially for local older people who may wish to move to more suitable accommodation, thus freeing up much needed family housing.
- 10.4 The development of the sites by GPHG, the local landlord of choice, would ensure that local people and stakeholders were properly consulted and that their needs and aspirations were at the forefront of the planning and development process.

## **11.0 RECOMMENDATIONS**

- R1 The Cabinet decision of 1 August 2012 about the disposal of the site then identified at Appendix A and now described as Cricket Inn Site 1A be rescinded.
- R2 Subject to planning permission the site now shown at Appendix A as Cricket Inn 1A be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R3 Subject to planning permission the site now shown at Appendix A as Cricket Inn 1B be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R4 Subject to planning permission and funding for the development being secured the site now shown at Appendix A as Site 1C be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R5 The Director of Property & Facilities Management in consultation with the Director of Housing, Enterprise and Regeneration be authorised to agree terms for the disposal of the sites for the purposes set out in this report and to instruct the Director of Legal Services to complete the transfer on the terms agreed.
- R6 The proposed nomination arrangements set out at Section 6 of this report be agreed.

**Appendix A: Cricket Inn Development Sites, Wybourn.**



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## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Executive Director, Children Young People and Families Service

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**Date:** 12 December 2012

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**Subject:** Redesign of Early Years Services

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**Author of Report:** Julie Dale/ Julie Ward

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**Summary:** This paper sets out in principle the proposals to redesign early years Services in Sheffield. If approved, these proposals will form the Early Years Strategy.

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### **Reasons for Recommendations:**

The purpose of this report is to inform Members and seek approval in principle for proposals to redesign and streamline early years services in Sheffield in order to make savings in management, administration and premises costs whilst maintaining universal, early intervention and family support services that are flexible, accessible and of high quality. This is the next phase in the development, which builds on the consultation and proposals that formed the conclusions of the Early Years Review. The size, depth of the savings proposed and the timescale are as a result of the severe Government cuts to funding and changes in Government Strategies for early years. Due to these changes the Council will concentrate on being the Champion and advocate for children and families, will have an increased focus on 'uptake', quality assurance and value for money.

**Recommendations:** Members are asked to approve in principle;

- The proposed redesign and streamlining of the organisational structure in early years services in order to maximise access to high quality early learning and health services with the resources available.
- The proposed action plan for a quality improvement programme for all early years settings.
- The proposed reorganisation of the management and co-ordination of 36 Children's Centres into 17 Children's Centre Areas
- The proposal that existing contracts with providers (due to end in March 2013) are not renewed where services are no longer required or funding is not available. At the same time specifications for procurement of new targeted services will be developed.

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- The proposed cessation of grants to 16 childcare providers in the Private Voluntary and Independent sector and 4 in the statutory sector.
- The proposed reduction and transfer of the maintained childcare provision

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**Background Papers:**

- The Review of Early years and Multi Agency Services 0-5 2012 incorporating a summary of the Review of Early Years and 0-5 multi agency services consultation
- Draft Children's centre programme
- Draft Childcare strategy
- Draft Quality improvement programme
- Draft LA Maintained Sector Childcare Provision (Young Children's Centres)

**Category of Report:** OPEN

Statutory and Council Policy Checklist

Financial Implications
Cleared by: Patricia Phillipson
Legal Implications
Cleared by: Nadine Wynter
Equality of Opportunity Implications
Cleared by: Bashir Khan
Tackling Health Inequalities Implications
YES
Human rights Implications
NO:
Environmental and Sustainability implications
YES
Economic impact
YES
Community safety implications
NO
Human resources implications
YES –Cleared by Kath Selman
Property implications
YES
Area(s) affected
ALL
Relevant Cabinet Portfolio Leader
Cllr Jackie Drayton
Relevant Scrutiny Committee if decision called in
CYPF
Is the item a matter which is reserved for approval by the City Council?
YES/NO
Press release
YES

04/12/2012

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## 1. Summary

1.1 The purpose of this report is to inform members of and seek approval in principle for proposals to redesign and streamline early years services in Sheffield. Final plans for the children's centres will be informed by the outcome of consultation. This is the next phase of the proposed development of strategy as a result of the early years review; however the scale, depth and timeframe are as a result of the severe reduction in funding. The Council will have an increased focus on quality assurance and value for money.

### 1.2 Background

1.2.1 The funding available for early years services has reduced over the past two years and Sheffield City Council is expecting a further £6.8 million reduction to the Early Intervention Grant in 2013/14. The funding allocated to local authorities previously through the Early Intervention Grant (EIG) will now form part of the Revenue Support Grant which is facing further reductions in 2014/15. Free Early Learning Funding will be transferred to the Dedicated Schools Grant (DSG).

1.2.2 Therefore within this context, in 2011 there was a review of Sheffield's early years and multi-agency support services from pre-birth to early education. As part of the review extensive consultation took place with parents and users of the service and this has informed the redesign proposals to meet the needs of modern lifestyles and vulnerable families. This report outlines a substantial change programme for the early year's sector following the outcome of the consultation.

1.2.3 Both the reduction in Government Funding and the outcome from the consultations in the review have informed this report on the proposed redesign and streamlining of Sheffield's early years services.

### 1.3 The Strategic Vision

1.3.1 Our ambition for Sheffield is that every child, young person and family achieves their full potential by raising expectations and attainment and enabling enriching experiences. The Lead Member has given a strong commitment to high quality early years services with a key focus on school readiness and closing the equalities gap at the end of the foundation stage. This will be achieved by ensuring that "every school is a great school", "every child, young person and family is safe healthy and strong", "all young people are active, informed and engaged" and "every child has a great start in life", which will mean access to;

- High quality play, learning and support.
- Early health services
- Local services for all the family delivered through a whole household approach
- Flexible, accessible and affordable childcare

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- Timely interventions and support when needed.

1.3.2 We believe that providing parenting advice and support and early interventions will improve outcomes for young children and their families with a particular focus on the most disadvantaged, so children are equipped for life and ready for school no matter what their background or family circumstances. Evidence shows that development during the early years of a child's life lays an essential foundation for progress through out life, this impacts on families' ability to access education and improve their employment opportunities and life chances.

#### 1.4 **How will the Vision be achieved?**

1.4.1 Our approach will focus on organisations working in partnership and demonstrating commitment to this vision which will maximise positive outcomes in communities, and lead to improved universal services and better targeted resources As a result of the reduction in resources available the strategic vision will be more difficult to achieve.

1.4.2 This report reflects the proposed changes necessary to redesign and streamline the service with the reduced funding available and will focus on;

- Confirming the role and responsibility of the local authority as an advocate and champion for children and families.
- Changing the local authority role from a main delivery role to a quality assurance one.
- Providing information, advice and guidance to providers and families.
- Managing the statutory responsibilities and priorities
- Managing the change process to ensure services are more flexible, accessible, locally available and targeted
- Achieving better value for money by procuring good quality services at the most economically advantageous price.
- Promoting and ensuring best practice through collaboration.

#### 1.4.3 **Redesign Principles**

- **To ensure accessibility of services** – Our key partners are critical to the effectiveness of multi agency working and the delivery of flexible services within localities. Planning of prevention and early intervention services will take place within local areas and across partner organisations to include the implementation of the children's centre core purpose. (**Appendix 1 sets out the core purpose**). NHS Sheffield and Public Health play a central role in the delivery of these prevention and early intervention services, with health visitors and midwives in a key role. Therefore joint planning and commissioning of early health and support with our NHS partners will be a key feature in the future development of services. This will be supported by the City Council's procurement process which will

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deliver a broad range of family support services. This will allow the Private Voluntary and Independent sector (PVI) the opportunity to participate in planning and delivery.

- **To drive up quality of provision with a focus on children's readiness to learn** – There will be a standard benchmark of quality in the delivery of early learning and childcare services. We will continue to support the early years workforce and ensure that every setting knows what high quality play and best practice look like in an inclusive setting which can support the needs of children from diverse communities and with special needs. There will be investment in early reach and engagement within the redesigned children's centre areas for hard to reach families and children not currently attending pre-school. The statutory duty carried out by the local authority will be achieved through a robust childcare sufficiency assessment which will inform and facilitate the childcare market and be closely monitored to ensure all settings in receipt of Free Early Learning (FEL) grants provide best value for money and high quality environments. Further information will be available in background papers.
- **To improve efficiency and make savings on management, administration and premises costs**– It is proposed to redesign and streamline the existing 36 children's centres into 17 children's centre areas, taking into account the levels of need, historic patterns of usage, existing locations and the use of other Local Authority and community buildings across the city. (**Appendix 2 details new areas**). There will be efficiency gains from the multiple use of buildings, sharing facilities and resources. Management and administrative staffing structures will be reduced and services delivered at point of need. Families will be able to access flexible services; including electronic and face to face communication dependant on need. Resources will be targeted to the most vulnerable families and there will be more opportunity for partnership working across the statutory and voluntary agencies. It is important to state that this is not reducing the number of sites and buildings where services are delivered. It is about how the service is managed and allows us to ensure that at far as possible we are delivering savings on management costs and not the front line services. Where as before we had 36 registered children's centre areas coming with management and administration costs we are reducing this to 17, but we will have services delivered in the same number of areas across the city it is just the categorisation and organisation of this that is changing.

- 1.5 The strategic vision makes a direct contribution to the 'Standing Up for Sheffield', Corporate Plan 2011-14 by delivering the best possible use of our limited resources to meet the needs of Sheffield children and families. The plan requires that we only invest in efficient flexible and accessible services that children and families really need and we need to make sure that we are targeting our support at the people and families that need it most - whoever they are and wherever they live.

- 1.6 This is part of the Council's wider vision for 'Successful Children and Young People, Safe Healthy and Strong Families' and the key imperatives of tackling poverty and improving health and wellbeing. If agreed, the implementation of the proposals will enable a step change to be made in the way that children and families experience high quality early health, education and childcare.
- 1.7 This vision must be delivered within one of the most challenging funding settlements ever for children. The Government has indicated its intention to severely cut back the early intervention grant, which currently funds children's centres, while providing extra funding through the schools grant for free early learning places for disadvantaged 2 year olds. The changes in funding also mean that there is no longer any identifiable funding for childcare sustainability and this will become more challenging as we roll out 2 year old free early learning places and develop more flexible services (not just term time).

## **2. What does this mean for the People of Sheffield**

- 2.1 Despite recent funding cuts, families will be able to access good quality services locally, (within a reasonable distance from their home).
- All three and four year olds will still be able to access 15 hours of free nursery education.
  - More two years olds from disadvantaged areas will access free early learning that will give them a better start in life and more generally families from low income households will be able to access the full range of children centre services.
  - Services will be accessible and flexible to meet modern family lifestyles in convenient locations where families want to access them.
  - Information will be accessible through the channels families want when they need it.
  - Services will be delivered more efficiently ensuring that resources meet the needs of families at the point when they are needed.
  - There will be better integration of services supported by the development of a family Common Assessment Framework (CAF) and integrated screening which will;
    - reduce inequalities in child development and school readiness
    - improve parents aspirations, self esteem and parenting skills
    - improve child and family health life chances
  - There will be a clear strategy for communication with parents and those key partners involved in developing services for early years will contribute to the planning and evaluation of services.
  - We recognise that families will need to be supported through this period of change to early years services. Local forums and networks will be engaged and accessible to ensure that any impact will be minimal.

### **3. Outcomes and sustaining the future of early years services.**

- 3.1 It is essential that the services provided across the city will become more effective through joint planning and commissioning arrangements with key partners to provide a more creative and flexible approach to different ways of working. This includes shared use of resources to ensure that the needs of vulnerable families are met through the CAF and MAST process. There will be a commitment to listening to and responding better to parents and planning and delivering services in the new Children's Centre Areas and communities. Working together with our partners from health and the Private Voluntary and Independent sector and by developing solutions together we aim to improve the effectiveness of universal services, thereby reducing the need for families to have to access specialist services.
- 3.2 The procurement process will identify organisations able to deliver the required good quality services at the most economically advantageous price, in line with Best Value Guidance. This will enable all providers to have the opportunity to participate and invest in their future sustainability and development of services aligning with the Government's aim to help the voluntary and community sector shift from a reliance on central and local council grant based funding to be able to compete in open markets. Service performance will be managed through the Council's contract management processes that will ensure fairness and stronger accountability.
- 3.3 There is also a strong emphasis on improving the quality and flexibility of early learning through high quality play and childcare, thereby ensuring that all children have access to excellent early development, improving their readiness to learn at school age. Sharing expertise across early years settings will enhance partnership working and benefit families.

### **4. Proposed Plans**

#### **4.1 The redesign and reorganisational structure of children's centre areas**

- 4.1.1 Children's centres are defined in the Childcare Act 2006 as a place or group of places:
- which is managed by or on behalf of the local authority to secure that early childhood services are available in an integrated way
  - Through which early childhood services are made available –either on site or providing assistance on gaining access to services elsewhere
  - At which activities for young children are provided on site
- 4.1.2 Given the level of funding reduction it is our intention to reorganise the children's centre areas by taking into account the management, co-ordination and delivery of services. This includes analysis of levels of need, historic patterns of usage and the location and usage of other public buildings within

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the City Council's capital portfolio. Making savings to management, administration and premises costs will ensure that funding is directed more towards frontline delivery of services rather than the organisation of centres which will impact on achieving better outcomes for children and reduce administrative costs.

4.1.3 It is proposed that the existing 36 children's centres will be reorganised into 17 designated children's centre areas with outreach venues in every area. The outreach venues could be Schools, GP surgeries, community buildings or libraries. It is the duty of the Local Authority to remain the accountable body for the 17 Children's Centre areas.

4.1.4 The local authority's responsibility will be to continue with robust management and governance arrangements and co-ordination of Children's Centre Area Forums in order to embed this reorganisation of areas. This will include monitoring and evaluation of services to ensure that they are high quality, flexible, responsive to local need, meet Ofsted requirements and inform future planning. A procurement process for support services will be developed.

4.1.5 The proposed new areas will, where appropriate, develop;

- Shared management facilities, functions and resources
- Shared planning of services within and across boundaries
- Shared staff development, training and good practice
- Children's Centres Area Forums

4.1.6 There will be increased benefits for children and families including;

- More flexible, innovative services where families need them
- Improved reach and registration of the most vulnerable families
- Guaranteed "good quality" settings
  - Better use of community assets
  - Services driven by local needs
  - Ability to monitor impact
  - Economic and social benefits to families
  - Provides a more accessible service for families including foster carers and where appropriate support contact arrangements between looked after children and their parents.
  - Ability to link flexible childcare support for parents/carers in Education, Training and Employment.

4.1.7 There will be improved partnership working in order to;

- Make decisions about sufficiency of provision in consultation with Public Health and NHS Sheffield, Jobcentre Plus and other Children's Trust partners, PVI Providers, schools, local families and communities.
- Determine the best arrangements locally taking account of local communities and needs. Value for money and the ability to improve

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outcomes for all children, but especially the most disadvantaged, will be important guiding considerations.

- Make resources available to facilitate services, in particular to support target groups and address the inequalities gap across the City.
- Establish forums in each children's centre area and link into the wider community networks to give a broader picture of the area to inform planning of services.

4.1.8 A full review of the reach areas of the centres based on the most up to date data available has been undertaken. It needs to be recognised that there will be efficiency gains from reorganising the centres and aligning them with other service delivery units. However it will be necessary to decommission a number of the existing children's centres, these may become outreach sites. In the majority of cases children who are suffering from the effects of deprivation are within the most deprived reach areas and will be able to access the full service offer. The small numbers of children suffering from effects of deprivation living in the least deprived areas, will be targeted by the centres in their areas through outreach work and linked sites. The reach area numbers appear very large in the most affluent areas of the city, but following analysis of historic usage, and parental preferences, the City Council are confident that they can meet the needs of these parents through the development of services in linked sites and other public buildings such as libraries. This reflects how service delivery has evolved in these areas.

4.1.9 At this time it is recognised that the Local Authority is in the best position to continue to develop and shape the management and coordination of the children's centres.

4.1.10 There will be little impact on current service delivery to parents, and it is essential that we increase the registration and reach to the most vulnerable families. There will be an increase of outreach services and early intervention services delivered when families need them.

4.1.11 OFSTED as the regulatory body for children's centre inspections will need to be informed of the proposed changes. They have already announced that they are moving to a locality based approach to children's centre inspection. This will mean that inspections are carried out at the locality level rather than separate inspections of individual centres and their individual reach areas. Ofsted is currently consulting on the new inspection framework which will be rolled out to all children's centre inspections from April 2013. The results of this consultation will be considered as part of the process to implement the proposed changes.

## **4.2 Development of a procurement process for the delivery of high quality support services**

- 4.2.1 It is our intention to redistribute resources which currently support universal services to a targeted approach in order to meet the needs of the most vulnerable families with a view to driving up quality and providing best value for money. We intend to consult through the Multi Agency Allocation Meetings (MAAMS) in localities, on what future services will be required to meet families' needs. A service specification for family support services will be developed in preparation for procurement. Current contracts will not be renewed and will be part of the transition to a new commissioning framework.
- 4.2.2 We propose to procure a range of support services which will include putting in place a framework contract to provide opportunities for smaller voluntary and community organisations to participate in delivering services along with larger organisations and charities that specialise in working with complex families.
- 4.2.3 The specifications for support services will reflect the City Council's whole family approach and the needs of the 0-19 age range and will incorporate procurement of services to support the building successful family's initiative. There will however be an increased focus on vulnerable families with children under 5.

## **4.3 Childcare**

- 4.3.1 In Sheffield, there are over 200 childcare providers (including (Private, Voluntary & Independent (PVI) and Schools) and 500 childminders across the City. High quality childcare provision forms part of a menu of services that support improved life chances for children. It is one element of the Council's Early Years Strategy to improve outcomes for children, families and communities and for reducing inequalities in the long term. The long term benefits of high quality pre-school childcare provision where young children are supported to develop and learn has been well documented. In addition, by removing barriers to work for parents, childcare also supports the agenda to reduce poverty and the number of workless households where young children live. Parents cannot take up new job opportunities and progress in their careers without affordable, flexible local childcare to help them. Consequently childcare plays a crucial role in supporting the goal to reduce child poverty and in supporting wider economic development and regeneration.
- 4.3.2 The proposed key actions to take forward will be;
- To expand places for 2 year old Free Early Learning (FEL) from 700 to a possible 3000 by 2015, in line with Government proposals. It will be necessary to keep the childcare sector informed of the criteria for this expansion and facilitate development of the market to ensure sufficient places.

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- To discontinue the funding of childcare grants to 16 PVI providers and 4 statutory organisations. Historically these grants were intended to be short term for settings to develop their infrastructure; however it is no longer equitable or appropriate for the LA to provide funding to providers to sustain their childcare businesses.
- To retain a small pot of funding to be used as and when necessary for:
  1. Targeted short term fund where individual families face exceptional circumstances and require immediate childcare provision.
  2. Targeted short term projects to deliver priorities.
- The LA will focus on it's childcare sufficiency duty in it's role as market facilitator and advisor providing ongoing sufficiency information by:
  - i. Assessing demand for childcare at all levels
  - ii. Assessing the supply of childcare and
  - iii. Analysing the gap between supply and demand
  - iv. Publishing a Childcare Sufficiency Assessment document (CSA)
  - v. Keeping the childcare market informed of potential surplus places and gaps in provision

#### **4.4 Improving the Quality of Early Years Provision in all settings**

4.4.1 High quality provision is the best foundation for reducing inequalities between young children, because the characteristics of high quality early learning for all children are those that enable a focus on meeting the needs of every individual child. The local authority will monitor quality improvement across all Schools and private, voluntary and independent organisations. The Lead Member has given a strong commitment to ensuring that all providers should achieve the Quality Mark and focuses on readiness to learn and closing the equalities gap at the end of the foundation stage. We will achieve this through;

- The development and implementation of a quality improvement audit tool covering the 5 main components of the Early Years Foundation Stage.
- A review and development of the Sheffield Charter for Quality that we would expect every setting to obtain, to enable providers to build a wider range of skills, knowledge and competencies which will underpin their practice. This will become the Sheffield quality badge.
- Investment in early reach and engagement within the redesigned children's centre areas for hard to reach families and children not currently attending pre-school.

- Monitoring the provision of funding for 2, 3 and 4 year old FEL to ensure high quality childcare services are available across Sheffield which meets the needs of children, parents and families.
- Extending services provided to families to include home based care for children and families with specific needs and provision which will be flexible to families extended working patterns.
- Ensuring that all early years providers are inclusive and promote the role of the Special Educational Needs Co-ordinator (SENCO) and Equalities Needs Co-ordinator (ENCO).
- An early years city-wide network which will influence decisions based on research and development, and will provide an opportunity to share and disseminate good practice.

## **5. Communication and Consultation**

- 5.1 There was an extensive consultation with parents and stakeholders in 2011 as part of the Early Years Review which informed the redesign proposals.
- 5.2 A further communications strategy will be developed to include statutory and non-statutory consultation and provide information about the content of this report and the redesign of early years services. Information and consultation sessions will take place with families, providers, service users and employees.
- 5.3 Existing children's centre advisory boards will be brought together to form 17 proposed local forums which will come together as a city wide forum that focuses on business, sufficiency and local needs.
- 5.4 Additional forms of communication and consultation will be developed through the Community Assemblies, the Parent's Assembly and the BME Parent's Assembly and local networks. This will include support to families to ensure that any impact from the change to services is minimised.



## 6. Proposals

Areas	Proposed Activities	Dates
1. Improving the quality of early years provision in all settings	<ul style="list-style-type: none"> <li>FEL Code of Practice distributed</li> <li>Quality audit of relevant provision identified through OFSTED. Begun through rolling programme.</li> <li>Audit of the Sheffield Charter for Quality</li> </ul>	Oct 2012 Nov 2012  Nov 2012
2. Children's centre areas reorganised from 36 areas to 17	<ul style="list-style-type: none"> <li>Communicate and consult with all key stakeholders regarding the reorganised children's centre areas. Fulfil statutory process for decommissioning of children's centres</li> </ul>	Dec-March 2013
3. Existing contracts for services will cease on March 31 <sup>st</sup> 2013 – <b>see appendix 3.</b> Implement a procurement process to deliver redesigned support services at the most economically advantageous price.	<ul style="list-style-type: none"> <li>Notify existing contractors of appropriate notice periods</li> <li>Consult on impact and mitigation</li> <li>Develop service specification for family support services</li> <li>Assessment of TUPE implications</li> <li>In event TUPE applies embark on TUPE consultation process</li> <li>Implement the most appropriate procurement process and procurement timetable</li> </ul>	Dec 2012  Dec 2012/Jan 2013 Dec 2012/Mar 2013  Jan 2013  Jan 2013  Apr 2013
4. 16 Childcare grants currently allocated to the private voluntary and independent (PVI) sector will cease on March 31 <sup>st</sup> 2013	<ul style="list-style-type: none"> <li>Consultation on impact and mitigation plan</li> <li>Assessment of TUPE implications</li> <li>In event TUPE applies embark on TUPE consultation process</li> </ul>	Dec 2012 to Jan 2013  Jan 2013
5. Review of childcare maintained provision managed by the LA	<ul style="list-style-type: none"> <li>MER for maintained provision launched with full consultation process</li> <li>Transfer and reduction of services</li> </ul>	Jan/Feb 2013  Jan/Feb 2013
6. Redesigning of early years staffing structures to early years prevention teams	<ul style="list-style-type: none"> <li>MER and achieving change</li> </ul>	April 2013 – March 2014

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## **7. Financial Implications**

- 7.1.1 The financial implications reflect the impact of the proposed actions which are in response to recent Government changes to early years funding and the transition from existing universal services to a more targeted delivery approach.
- 7.1.2 The Early Intervention Grant has reduced by 27% (£6.8m) and will from 2013 be absorbed within the councils overall revenue grant.
- 7.1.3 The recent policy shift from central Government will see an increase in the provision of 2 year old Free Early Learning (FEL), alongside the 3 & 4 year old FEL. Funding in the region of £5m for 2013/14 for Sheffield is anticipated to fund the growth targeted for 2-year old expansion. In 2012-13 this funding was allocated to Local Authorities through the Early Intervention Grant (£1.395m for Sheffield). From 2013-14 funding for this initiative will cease from the Early Intervention Grant and will be included within the Dedicated Schools Grant
- 7.1.4 The Human Resource implications of this report mentions the possibility of TUPE transfer between employers and the redesign of internal services. Any financial implications of this will have to be quantified, in liaison with Human Resources.

7.1.5 The following table shows the funding proposals;

### Early Years Proposal (Net Numbers)

Expenditure Category		12-13 £'000	Saving £0	Resource for 13-14 £'000
Free Early Learning / Childcare (3-4 yr olds)	Schools	8,638	0	8,638
Free Early Learning / Childcare (3-4 yr olds)	PVIs	9,134	0	9,134
Funding for 2 year olds	School/PVIs	1,395	0	1,395 3,800*
<b>Sub Total Free Entitlement</b>		<b>19,167</b>	<b>0</b>	<b>22,967</b>
The following activities are funded from early years resources				
Children's Centres Hosting and Premises Contracts - External and New Childcare Grants		12,069	-3,578	8,491
Graduate Leader Funding Childcare Maintained Provision Early Years Teams Public Health Activities Quality Improvement Team				
<b>Total Early Years Non-FEL</b>		<b>12,069</b>	<b>-3,578</b>	<b>8,491</b>

\* This figure is based on estimates of 2 Year old places required and these figures are not yet confirmed (estimates based on Government guidance).

## 7.2 Proposed Actions to Achieve Financial Implications

7.2.1 The children's centre areas will be reorganised from 36 areas to 17. This reflects the current usage by families across the city and the potential to minimise accommodation and central costs. The current hosting & premises funding will cease and a new arrangement will be put in place to ensure improved clarity, value for money and use of resources.

7.2.2 Existing contracts (**See appendix 3**) are due to end on March 31<sup>st</sup> 2013 and will not be renewed. Services will be reviewed in line with the Council's priorities and linking to a more targeted approach to support the most vulnerable children and families. Future procurement will provide opportunities for local providers to engage and will improve services to children and families.

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7.2.3. Childcare grants currently allocated to 16 private voluntary and independent (PVI) organisations and 4 statutory organisations will cease on March 31<sup>st</sup> 2013. Historically these grants were intended to be short term for settings to develop their infrastructure; however it is no longer equitable or appropriate for the LA to provide funding to providers to sustain their childcare businesses. This is in line with the Government's aim to help the voluntary and community sector shift from a reliance on central and local council grant based funding to be able to compete in open markets. It will be necessary to ensure the childcare strategy for the city focuses on the sufficiency and flexibility of high quality childcare by working in partnership with childcare providers and enabling providers to maximise the free early learning funding. The pot of emergency sustainability funding will also cease on March 31<sup>st</sup> 2013 and providers will need to make sure they develop contingency plans to sustain their businesses.

7.2.4 The childcare provision maintained by the LA has undergone a review which recommends that this will transfer in a staged approach to Schools and PVI settings and by 2014/15 the local authority will no longer deliver any childcare provision.

7.2.5 The key priority for Sheffield will be to reach and register the most vulnerable families within all our children's centre areas and focus on early intervention. Graham Allen's report **Early Intervention: The Next Steps**-January 2011 states that this is an opportunity to make lasting improvements in the lives of our children, to forestall many persistent social problems and end their transmission from one generation to the next, and to make long-term savings in public spending

## **8 Legal Implications**

8.1 Sheffield City Council has a statutory duty under section 6 of the Childcare Act 2006 to secure sufficient childcare for parents in their area who require childcare in order to enable them to take up or remain in work, or to undertake education or training. The ability of councils to meet this duty is governed by the resources available to it – with the legislation framing sufficiency in terms of what is “reasonably practicable” within the funding available. In addition, section 7 of the Childcare Act 2006 places a duty on the Council to secure sufficient free early years provision for eligible children.

8.2 The proposed redesigning of the delivery of children's services in Sheffield must ensure that these and the other statutory duties are met. The Council must also have regard to any guidance given by the Secretary of State.

8.3 Local Authorities are also required by the Childcare Act 2006, as amended by the Apprenticeships, Skills, Children and Learning Act 2009, to make ‘sufficient provision’ of children's centres to meet local need and to review this on an on-going basis. The Council therefore needs to review all the children's centres to ensure they are providing the best possible, high quality provision with the funding that is available.

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- 8.4 There are some potential legal implications from the proposed restructuring of children's centres as this will require the Council to undertake a statutory public consultation as part of the exercise. Section 5d of the childcare act 2006 requires consultation before providing or ceasing to provide children's centres and before making any significant change to the services they provide. A possible outcome of this consultation is that contractual and staffing adjustments may be required within individual children's centres. If adjustments are required, then the appropriate legal, procurement and HR processes will be followed as necessary.
- 8.5 It will be necessary to terminate any grant agreements or contracts in accordance with their terms. If they are due to expire in any event then at an appropriate point the providers should be reminded of this and any existing provisions implemented. The TUPE implications and any costs will need to be considered.

## **9 Equality of Opportunity Implications**

- 9.1 The commitment to fairness, inclusion and social justice is at the heart of the Council's values. We believe that everyone must get a fair and equal chance to succeed and this starts in early years. We recognise however that some people and communities may need extra help to reach their full potential, particularly when they face multiple layers of disadvantage. In line with this commitment there has been comprehensive consideration given to the equality of opportunity implications including those on poverty in the implementation of the recommendations from the Review of Early Years and multi agency support (0-5) and each proposed activity has been subject to an EIA. The aggregate EIA highlights the potential implications of the change programme. However the focus of the proposed changes will be on meeting the needs of the most vulnerable children and families and so aim to reduce persistent inequalities that continue to exist. The role of the Equalities Needs Coordinator (ENCO) will be promoted across all early years provision. The EIA is attached as **appendix 4**.

## **10. Human Resource Implications**

- 10.1 It is recognised that there will be some changes which will provide concerns for staff, it is anticipated that there will be some job losses, some movement between establishments and the possibility of TUPE transfer between employers which will be considered as part of a TUPE assessment process. There are 2 groups of staff potentially affected by these proposals, both SCC staff and those employed in the PVI sector. The MER process only applies to SCC staff and TUPE assessment will apply to PVI staff. There will also be a requirement for employees work in a more flexible and innovative way. Trade Unions will be fully consulted on specific proposals within appropriate timescales.

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- 10.2 The HR Processes for managing change, reduction in numbers and TUPE Transfer will be worked through with HR and the full implications for staff including redeployment and redundancy options will be fully explored as part of this process.

## **11. Property Implications**

- 11.1 As proposals are developed for the reorganisation of the children's centres, there will be property implications which will need to be taken into consideration. These will be identified during the implementation stage and managed as appropriate. It is the Council's intention to make use of existing property assets that are available so as to ensure best value and this will be a key consideration during the reorganisation process.

- 11.2 Existing capital investments will be utilised to avoid any financial claw back.

- 11.3 Reorganisation will take into consideration;

- Ensuring that the right localities are used for the required activities
- to optimise the contribution our property assets make to the council's strategic and service objectives;
- prioritise investment in our operational assets to meet service delivery needs;
- to seek innovative value for money solutions for our operational property
- to maintain the economic and service delivery values of our property investments.
- to reduce the environmental impact of our operational property assets and to use our assets to promote sustainable neighbourhoods

## **12. Environmental and Sustainability**

- 12.1 It is not anticipated that there will be any negative effect on the environment caused by these proposals.

## **13 Recommendations:**

- 13.1 Members are asked to approve in principal;

- The proposed redesign and streamlining of the organisational structure in early years services in order to maximise access to high quality early learning and health services with the resources available.
- The proposed action plan for a quality improvement programme for all early years settings.

- The proposed reorganisation of the management and co-ordination of 36 Children's Centres into 17 Children's Centre Areas
- The proposal that existing contracts with providers (due to end in March 2013) are not renewed where services are no longer required or funding is not available. At the same time specifications for procurement of new targeted services will be developed.
- The proposed cessation of grants to 16 childcare providers in the Private Voluntary and Independent sector and 4 in the statutory sector.
- The proposed reduction and transfer of the maintained childcare provision

## Appendix 1

### **The “Core purpose” of sure start Children’s centres**

The coalition Government’s Core Purpose for Children’s Centres, taken from the ***Sure Start Statutory Guidance 2012\****, is set out in the vision below;

#### **Government vision:**

The Government believes that children’s centres should have a clear core purpose, focused on

**Improving outcomes for young children and their families, with a particular focus on the most disadvantaged families, in order to reduce inequalities in:**

- child development and school readiness;

Supported by improved:

- parenting aspirations, self esteem and parenting skills;
- 
- Child and family health and life chances

#### **Co-Produced statement of intent:**

The Government has worked with sector leaders to consider evidence and good practice, resulting in a co-produced statement of intent about how the core purpose can be achieved , by;

- Assessing need across the local community
- Providing access to universal early years services in the local area including high quality and affordable early years education and childcare
- Co-production of targeted evidence based early interventions for families in greatest need, in the context of integrated services
- Acting as a hub for the local community, building social capital and cohesion
- Sharing expertise with other early years setting to improve quality

[\\*http://www.education.gov.uk/childrenandyoungpeople/earlylearningandchildcare/a00191780/core-purpose-of-sure-start-childrens-centres](http://www.education.gov.uk/childrenandyoungpeople/earlylearningandchildcare/a00191780/core-purpose-of-sure-start-childrens-centres)

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## Appendix 2 New Children's Centre Areas

Area	Geographical areas covered
1	Stocksbridge/Deepcar and surroundings
2	High Green/Chapelton/Ecclesfield/Grenoside
3	Parson Cross/Foxhill/Colley
4	Southey/Shirecliffe/Longley
5	Stannington/Hillsborough/Middlewood
6	Walkley/Netherthorpe/Upperthorpe/Crookes
7	Brightside/Wincobank/Shiregreen
8	Firth Park/Stubbins
9	Burngreave/Firvale/Wensley
10	Darnall/Tinsley/Woodhouse/Handsworth
11	Birley/Hackenthorpe/Beighton/Intake/Charnock/ Crystal Peaks
12	Woodthorpe/Wybourn/Manor
13	Arbourthorne/Norfolk Park
14	Heeley/Hemsworth/Gleadless Valley/Meersbrook
15	Lowedges/Batemoor/Jordanthorpe/Norton/Greenhill/Woodseats
16	Sharrow/Broomhall/Nether Edge
17	Totley Beauchief/Bradway/Ecclesall/Crosspool/ Fulwood

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## Appendix 3

### Current Contracting Arrangements

Children's Centre Hosting and Premises funding	
	<ul style="list-style-type: none"> <li>• 18 school sites host children's centre activities</li> <li>• 5 PVI/other hosts</li> </ul>
Existing Contracts	
Provider Forums/Advice Services	<ul style="list-style-type: none"> <li>• Pre-school Learning Alliance (PLA),</li> <li>• Out of School Network (OSN),</li> <li>• Sheffield Information Link (SIL),</li> <li>• National Day Nursery Association (NDNA),</li> <li>• Cultural Mentoring</li> <li>• Community Legal Advice Service for South Yorkshire (CLASSY)</li> </ul>
Delivery of children's centre co-ordination and core offer	<ul style="list-style-type: none"> <li>• Action For Children,</li> <li>• NHS,</li> <li>• Manor Castle Development Trust</li> </ul>
Childcare subsidy grants	
	<ul style="list-style-type: none"> <li>• 20 settings in receipt of grants</li> <li>• 14 Voluntary/Community</li> <li>• 2 Private</li> <li>• 3 Schools</li> <li>• 1 NHS</li> </ul>
Support Services	
	<ul style="list-style-type: none"> <li>• Family Support and Parenting Support commissioned through a number of organisations</li> </ul>
NHS Agreements	
	<ul style="list-style-type: none"> <li>• Speech and Language,</li> <li>• Family Nurse Partnership</li> <li>• Breast-feeding initiative</li> </ul>

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## Sheffield City Council Equality Impact Assessment and Consultation



[EIA Intranet Help](#)

Reference Number (automatic)	99		
Name of Budget/Project Proposal	Implementation of the recommendations from the Review of Early Years and multi agency sup...		
Entered on Q Tier	<input checked="" type="checkbox"/> (Tick Yes)		
Q Tier Ref			
Budget/Project proposal	Budgets	Date	03/12/2012
EIA Creator	Khan Bashir (CYPD)	Service	Early Years
Portfolio (Select all that are involved)	<input checked="" type="checkbox"/> CYPF		

What are the brief aims of the Budget/Project proposal

To implement a substantial change programme for Sheffield's early years sector with key priorities to improve accessibility to services, improve outcomes at the end of the foundation stage and the reorganisation of Children's Centre areas to a more efficient model of delivery. This covers the following proposals:

- o The proposed redesign of early years services in order to improve access to high quality early learning and health services delivered flexibly and timely interventions at point of need.
- o The proposed action plan for a quality Improvement programme for all early years settings.
- o The proposed reorganisation of 36 Children's Centres to 17 Children's Centre Areas.
- o The proposal that existing contracts with providers, (due to end in March 2012) are not renewed where services are no longer required or funding is not available. At the same time specifications for procurement of new targeted services will be developed.
- o The proposed cessation of grants to 16 childcare providers in the Private Voluntary and Independent sector.
- o The proposed reduction and transfer of the maintained childcare provision

The final plans and EIA will be informed by the outcome of consultation.

Under the Public Sector Equality Duty we have to pay due regard to: "Eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relation." [More information is available on the Council website](#)

### Areas of possible impact

This is before any action/mitigation or changes, if there are both negatives and positives, any positive aspect of the proposal can be part of the mitigation

If you have identified significant change, medium or high negative outcomes or for example the impact is on specialist provision relating to the groups above, or there is cumulative impact you must complete the action plan.

Age	Staffing	<input type="checkbox"/> (tick to complete)	Customers	<input checked="" type="checkbox"/> (tick to complete)
Age Impact and Level			Negative	Medium

Provide details on Age Impact

Early Years Services are targeted at the 0-5 age range and their families. The redesign aims to ensure that services are prioritised to those most in need for help and support. However it is anticipated that the redesign will benefit families by giving them more opportunity to access high quality services in their local areas when they are needed. There should be improved outcomes for children at the end of the foundation stage. Stakeholders have already indicated the need for easier and friendly access to service delivery.

Overall it is anticipated that taken together the changes will result in an overall positive impact on children aged 0-18 who need to access childcare. The approach considers the Local Authorities duty (see Childcare Act 2006) to ensure there is sufficient childcare for parents in work or training and for all eligible children aged 2,3&4 years old to access FEL.

However, the changes to grant funding may have a negative impact on families where their children (usually aged 0-4 years) are accessing childcare provision in a children centre.

Age Action Plan  (tick to complete)  
 Action and mitigation There will be further consultation as a result of the proposed changes to or ending of contracted services. The action plan will be developed in line with consultation and evidence of impact.

Age Action Detail The lead manager of the Review will ensure that subsequent actions as a result of the report will be monitored.

Lead, timescale and how it will be monitored/reviewed

Disability  (tick to complete) Customers  (tick to complete)  
 Disability Impact and Level Neutral Low  
 All Early Years provision will be inclusive and promote the role of the Special Educational Needs Co-ordinator (SENCO) and the Equalities Needs Co-ordinator (ENCO) and funding and provision for children and their families will be more closely tailored to their needs. This will increase staff knowledge and skills in equality of opportunity and meeting the needs of disabled children .

Provide details on Disability Impact  
 Though the increase in fees will affect families where their children (usually aged 0-4 years) are accessing childcare provision in a children centre.

Children with a disability come under the "children in need" classification and provision for this children will continue to be a priority.

Disability Action Plan  (tick to complete)  
 Action and mitigation Where a setting is impacted that is providing specialist childcare we will support any family to access appropriate arrangements. Further consultation will inform the action plan around this

Disability Action detail This will be developed ongoing following consultation.

Lead, timescale and how it will be monitored/reviewed

Pregnancy/Maternity  (tick to complete) Customers  (tick to complete)  
 Pregnancy/Maternity Impact and Level Positive Low

Provide details on Pregnancy/Maternity impact



Each Children's Centre area will have a linked midwife, health visitor and multi agency support staff. Public health staff will be working more closely with LA staff to give wider service coverage to those families identified as being most vulnerable .

Early identification of families in need of additional support will be simplified and support to those families will be better coordinated. Stakeholders identified the need for easier access to health professionals.

The revised approach endeavours to ensure that there is equality in access to childcare for parents and their children across the city.

Pregnancy/Maternity Action Plan  (tick to complete)  
 Race Staffing  (tick to complete)  
 Race Impact and Level

Customers  (tick to complete)  
 Neutral Low

All Early Years provision will be inclusive and promote the role of the Equalities Needs Co-ordinator (ENCO) and funding will be distributed to meet the needs of minority groups. It is the intention to ensure that services are more inclusive and the views of stakeholders inform service delivery.

The location of the affected providers may impact on some groups more than others, some providers are in areas of higher concentration of BME communities.

The revised approach endeavours to ensure that there is equality in access to childcare for parents and their children across the city.

Provide details on Race Explanation Impact

Race Action Plan  (tick to complete)  
 Action and mitigation

There will be further consultation as a result of the changes to or ending of contracted services. The action plan will be developed in line with consultation and evidence of impact. It is not anticipated that there will be a negative impact in this area.

Race Action Detail This will be developed ongoing following consultation

Lead, timescale and how it will be monitored/reviewed

Religion/Belief Staffing  (tick to complete)  
 Religion/Belief Impact and Level

Customers  (tick to complete)  
 Neutral Low

Provide details on Religion/Belief Impact

It is not anticipated to have any impact on religion or belief. Provision should continue to be accessible for all including religious groups.

Religion/Belief Action Plan  (tick to complete)

Sex Staffing  (tick to complete)  
 Sex Impact and Level

Customers  (tick to complete)  
 Negative Low

Provide details on Sex Explanation Impact



These service users are primarily female. There will be some negative impacts and we recognise that families will need to be supported through this period of change to early years services. Local forums and networks will be engaged and accessible to ensure that any impact will be minimised or reduced.

However the revised approach following the early years review will contribute to the key imperatives of the Council's ambitions to tackle poverty and improve the health and well being of children across the City.

The main focus will be to meet the needs of the most vulnerable families and support local communities by distributing resources where they are most needed. Evidence of need and this approach will also help at a time of diminishing resources. Stakeholders support the need to target resources to those families most in need.

The revised approach endeavours to ensure that there is equality in access to childcare for parents and their children across the city.

Sex Action Plan	<input checked="" type="checkbox"/> (tick to complete)	
Action and mitigation	There will be further consultation as a result of the changes to or ending of contracted services. The action plan will be developed in line with consultation and evidence of impact. The effectiveness of the revised approach will be monitored and reviewed to ensure it delivers its aims and objectives.	
Sex Action Detail	This will be developed ongoing following consultation	
	Lead, timescale and how it will be monitored/reviewed	
Sexual Orientation	Staffing <input type="checkbox"/> (tick to complete)	Customers <input checked="" type="checkbox"/> (tick to complete)
Sexual Orientation Impact and Level	Neutral	Low
Provide details on Sexual Orientation Impact	It is not anticipated to have any impact on sexual orientation. Provision should continue to be accessible for all however the need to ensure that all provision is equitable is recognised and that some parents and carers may be LGB.	
Sexual Orientation Action Plan	<input checked="" type="checkbox"/> (tick to complete)	
Action and mitigation	The action plan will be developed in line with consultation and evidence of impact. It is not anticipated that there will be a negative impact in this area. The effectiveness of the revised approach will be monitored and reviewed to ensure it delivers its aims and objectives.	
Sexual Orientation Action Detail	This will be developed ongoing following consultation.	
	Lead, timescale and how it will be monitored/reviewed	
Transgender	Staffing <input type="checkbox"/> (tick to complete)	Customers <input checked="" type="checkbox"/> (tick to complete)
Transgender Impact and Level	Neutral	Low
Provide details on Transgender impact	It is not anticipated to have any impact on gender identity. Provision should continue to be accessible for all however the need to ensure that all provision is equitable is recognised and that some parents and carers may be Trans	
Transgender Action Plan	<input type="checkbox"/> (tick to complete)	
Carers	Staffing <input type="checkbox"/> (tick to complete)	Customers <input checked="" type="checkbox"/> (tick to complete)
Carers Impact and Level	Negative	Low
Provide details on Carers impact		

		<p>In relation to childcare provision we aim to provide local services however as a result of the changes to and ending of subsidies this may impact. This will be monitored in relation to carers to ensure families can access alternative arrangements where relevant.</p> <p>However overall it is anticipated that the proposed service redesign will benefit families by giving them more opportunity to access high quality services in their local areas when they are needed</p>
<p>Carers Action Plan Action and mitigation</p>	<p><input checked="" type="checkbox"/> (tick to complete)</p> <p>Travel plans will be monitored and where necessary we will respond in line with market management strategy to ensure that the needs of families are met locally</p> <p>he effectiveness of the revised approach will be monitored and reviewed to ensure it delivers its aims and objectives.</p>	
<p>Carers Action Detail</p>	<p>This will be developed ongoing following consultation.</p>	
<p>Lead, timescale and how it will be monitored/reviewed</p>		
<p>Voluntary/Community &amp; Faith Sector Voluntary/Community &amp; Faith Sector Impact and Level</p>	<p>Staffing <input type="checkbox"/> (tick to complete)</p>	<p>Customers <input checked="" type="checkbox"/> (tick to complete)</p> <p>Negative Medium</p> <p>There will be opportunities for the V C &amp; F sectors to work in partnership across all the early years' sectors and participate as a provider on the supply list for coordinated service delivery. Stakeholders have indicated that they would support this approach.</p> <p>All settings, irrespective of the sector they belong, have the opportunity to respond to changes in the market at any point. On a regular basis the LA will provide information on the state of the childcare market through sufficiency reporting mechanisms.</p> <p>In terms of grant funding changes, there will have more of an effect on the voluntary providers within Sheffield as the majority of funded providers are from the voluntary sector.</p> <p>In terms of the changes to subsidy not implementing the strategy means there is no equity between providers from other sectors who do not receive subsidy from the local authority.</p> <p>We recognise that families will need to be supported through this period of change to early years services.</p> <p>Local forums and networks will be engaged and accessible to ensure that any impact will be minimised or reduced.</p> <p>Providers will be asked to assess the impact of the proposed changes delivery or closure to childcare subsidy. Where they are providing specialised childcare we will work with this to ensure alternatives can be found.</p>
<p>Provide details on Voluntary/Community &amp; Faith Sector Impact</p>		
<p>Voluntary/Community and Faith Sector Action Plan</p>	<p><input checked="" type="checkbox"/> (tick to complete)</p> <p>Some providers currently receiving funding will be impacted by the proposed changes. This will be evaluated during a period of consultation. The effectiveness of the proposed revised approach will be monitored and reviewed to ensure it delivers its aims and objectives.</p>	
<p>Voluntary/Community and Faith Sector Action Detail</p>	<p>This will be developed ongoing following consultation.</p>	
<p>Lead, timescale and how it will be monitored/reviewed</p>		
<p>Financial Inclusion, poverty, social justice</p>	<p>Staffing <input type="checkbox"/> (tick to complete)</p>	<p>Customers <input checked="" type="checkbox"/> (tick to complete)</p>

Financial Inclusion, poverty, social justice Impact and Level

Negative Low  
 The revised approach following the review will contribute to the key imperatives of the Council's ambitions to tackle poverty and improve the health and well being of children across the City. The main focus will be to meet the needs of the most vulnerable families and support local communities by distributing resources where they are most needed. Evidence of need and this approach will also help at a time of diminishing resources. Stakeholders support the need to target resources to those families most in need.

Provide details on Financial Inclusion, poverty, social justice Impact

The revised approach endeavours to ensure that there is equality in access to childcare for parents and their children across the city. Where there is funding attached to childcare for Free Early Learning, then this is governed by formula funding and ensures an equitable offer taking into consideration levels of disadvantage. Hourly rates for paid for childcare are set by each individual provider.

Free provision for 2 year olds will be targeted at those children from disadvantaged families this strategy will help towards financial inclusion and reducing poverty by giving those children a better chance in life through high quality early years provision and will provide the opportunity for parents to work/train.

There will be better integration of services supported by the development of a family Common Assessment Framework (CAF) and integrated screening which will;

- Ø Reduce inequalities in child development and school readiness
- Ø Improve parents aspirations, self esteem and parenting skills
- Ø Improve child and family health life chances

The changes in grant funding could result in the potential exclusion of some service users that receive subsidised childcare and are not in employment, education or training as they are not entitled to any financial childcare grant support.

Financial Inclusion, poverty, social justice Action Plan  
 Action and mitigation

(tick to complete)

The effectiveness of the proposed revised approach will be monitored and reviewed to ensure it delivers its aims and objectives.

To ensure that there is equality in access to childcare for parents and their children across the city.

To meet the needs of the most vulnerable families and support local communities by distributing resources where they are most needed

Financial Inclusion, poverty, social justice Action Detail

This will be developed ongoing following consultation

Lead, timescale and how it will be monitored/reviewed

Cohesion

Staffing  (tick to complete)

Customers  (tick to complete)

Other/Additional

Staffing  (tick to complete)

Customers  (tick to complete)

Please Specify

Please Specify

Negative Low

Negative Medium



<p>Other/Additional Impact and Level</p> <p>Provide details on Other/Additional impact</p>	<p>Yes, there are some job losses anticipated and there will be an expectation that staff will work in a more flexible and innovative way. More partnerships will be formed with a range of organisations which will lead to a more diverse workforce with specific skills and experience to work with vulnerable young children and their families. There will be a supplemental EIA on staffing impacts as the proposals are developed.</p>	<p>The approach taken is structured and is seeking to ensure that every family can access childcare locally according to their needs.</p> <p>Changes will have a positive impact on parents and carers, for example the increase in provision of FEL to the most disadvantaged 2 year olds will also impact upon the lives of their parents / carers, who will be in receipt of a service for their child that will ensure suitable intervention in their child's life is available to support their development and potentially will provide the opportunity for the family to be signposted to other appropriate services. This additional FEL provision may support some parents into work or training earlier than they anticipated possible. There is a similar positive impact for parents and carers in relation to free places for 3-4 year old.</p> <p>There will be a positive impact as emergency support will be available to parents / carers via emergency childcare which will be available in situations where there is no other identified family member or friend that could look after the child / children at the time of an emergency. Targeted Intervention Childcare will provide support to vulnerable children and their families as part of a structured intervention care plan. This should help prevent the escalation of the family to more expensive services.</p> <p>It is anticipated that the changes will have a positive impact on children aged 0-5 whose parents need to access paid for childcare. This strategy considers the Local Authorities duty (see Childcare Act 2006) to ensure there is sufficient childcare to support parents in work or training.</p>
<p>Other/Additional/All groups/Workforce Action Plan Action and mitigation</p>	<p><input checked="" type="checkbox"/> (tick to complete)</p> <p>The effectiveness of the revised approach will be monitored and reviewed to ensure it delivers its aims and objectives.</p> <p>The action plan will be developed following consultation.</p>	
<p>Other/Additional/All groups/Workforce Action Detail</p>	<p>By lead manager, a review to be conducted for the end of the first year following implementation.</p> <p>Lead, timescale and how it will be monitored/reviewed</p>	
<p>Attach any supporting documents here</p>		
<p>Overall Summary of Possible Impact</p>		<p>Does this proposal have a geographical impact across Sheffield? <input checked="" type="checkbox"/></p>

The commitment to fairness, inclusion and social justice is at the heart of the Council's values. We believe that everyone must get a fair and equal chance to succeed and this starts in early years. We recognise however that some people and communities may need extra help to reach their full potential, particularly when they face multiple layers of disadvantage. In line with this commitment there has been comprehensive consideration given to the equality of opportunity implications including those on poverty in the implementation of the recommendations from the Review of Early Years and multi agency support (0-5) and each proposed activity has been subject to an EIA.

The aggregate EIA highlights the potential implications of the change programme. However the focus of the proposed changes will be on meeting the needs of the most vulnerable children and families and so aim to reduce persistent inequalities that continue to exist within a changed funding system.

The funding available for early years services has reduced over the past two years and Sheffield City Council is expecting a further £6.8 million reduction to the Early Intervention Grant in 2013/14. Free Early Learning Funding will be transferred to the Dedicated Schools Grant (DSG).

(to be used on EMT, Cabinet reports etc.)

<b>Review Date</b>	
Does the proposal/decision impact on or relate to Specialist provision?	<input checked="" type="checkbox"/> (Tick Yes)
Risk Rating	High
Is consultation required for this Budget/Project proposal?	<input checked="" type="checkbox"/> (Tick to complete)
What type of decision is this?	Executive Decision (Cabinet)
Are Staff affected aware of this proposal?	<input checked="" type="checkbox"/> (Tick Yes)
Consultation Start Date	10/12/2012 <span style="float: right;">End date 25/01/2013</span>
Consultation complete	<input type="checkbox"/> (Tick Yes)
Details of consultation	
Please includes details of who, where and what	
EIA Contact	Bashir.Kahn@sheffield.gov.uk
Lead Manager	Ward Julie (CYPD)
Portfolio Lead	Bashir.Khan@sheffield.gov.uk
EIA Completed	<input checked="" type="checkbox"/> This box should only be checked by the Portfolio Lead once the EIA has been fully completed and quality assured
Save EIA to Document Library	



## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Simon Green, Executive Director, Place

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**Date:** 12 December 2012

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**Subject:** Implementing the Community Infrastructure Levy in Sheffield

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**Author of Report:** Richard Holmes (2053387)

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### Summary:

The Community Infrastructure Levy (CIL) is a new way of securing contributions from developers towards infrastructure provision through the planning system. Cabinet agreed in September 2011 that the Council should work towards implementing a CIL, to ensure that major new development contributes to the provision of infrastructure improvements where viable. To a large degree the CIL will replace previous payments negotiated individually as planning obligations.

The first stage is to produce a *Preliminary Draft Charging Schedule* setting out the proposed rates that will be charged on new development, and this will be subject to a period of public consultation.

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### Reasons for Recommendations:

The CIL will help to deliver the City's strategic priorities for infrastructure provision, will be generated by economic growth and reinvested into economic growth and infrastructure. Successful implementation and investment of CIL funds will make the city more competitive.

The first stage in adopting a CIL is to produce a *Preliminary Draft Charging Schedule* setting out the proposed rates that will be charged on new development, and this will be subject to a period of public consultation.

The recommended CIL rates are based on the ability of development to pay. A Viability Study has provided evidence that some development in the city can afford to pay a CIL charge to help meet identified needs for infrastructure.

The CIL rates proposed represent a cautious approach to viability through the assumptions used and the inclusion of a 50% margin below the potential maximum affordable charge.

**Recommendations:**

It is recommended that Cabinet:

- Agrees to publish a Preliminary Draft Charging Schedule for public consultation;
- Agrees that the Council proposes a multiple rate CIL, to include a 'buffer', to deal with uncertainties in assessing future viability equating to 50% of the calculated 'margin' that could make a CIL contribution. The proposed rates are as set out in the Table in paragraph 7.2 of the report;
- includes an option in the Charging Schedule to allow for relief to be offered in exceptional circumstances;
- offers payment of CIL in instalments as a matter of course, as assumed in the viability study.

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**Background Papers:** Community Infrastructure Levy Viability Study 2012  
Community Infrastructure Levy: Overview. CLG, May 2011

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**Category of Report:** OPEN

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## Statutory and Council Policy Checklist

<b>Financial Implications</b>
YES Cleared by Paul Schofield (see paragraphs 4.25 and 4.26)
<b>Legal Implications</b>
YES Cleared by Nadine Wynter (see paragraph 4.24)
<b>Equality of Opportunity Implications</b>
YES Cleared by Ian Oldershaw (see paragraph 4.29)
<b>Tackling Health Inequalities Implications</b>
NO
<b>Human rights Implications</b>
NO
<b>Environmental and Sustainability implications</b>
YES (Section 3)
<b>Economic impact</b>
YES (Section 4)
<b>Community safety implications</b>
YES (See paragraph 2.1)
<b>Human resources implications</b>
YES (See paragraph 4.26)
<b>Property implications</b>
YES Cleared by Nalin Seneviratne (see paragraphs 4.27 and 4.28)
<b>Area(s) affected</b>
All (see Section 2 and paragraph 4.10)
<b>Relevant Cabinet Portfolio Leader</b>
Leigh Bramall
<b>Relevant Scrutiny and Policy Development Committee if decision called in</b>
Economic and Environmental Well-being
<b>Is the item a matter which is reserved for approval by the City Council?</b>
NO
<b>Press release</b>
NO



## IMPLEMENTING THE COMMUNITY INFRASTRUCTURE LEVY IN SHEFFIELD

### 1 SUMMARY

- 1.1 The Community Infrastructure Levy (CIL) is a new way of securing contributions from developers towards infrastructure provision through the planning system. Cabinet agreed in September 2011 that the Council should work towards implementing a CIL, to ensure that major new development contributes to the provision of infrastructure improvements where viable. To a large degree the CIL will replace previous payments negotiated individually as planning obligations.
- 1.2 The CIL will help to deliver the City's strategic priorities for infrastructure provision, will be generated by economic growth and reinvested into economic growth and infrastructure. It will be a key funding element of the Sheffield City Region Investment Fund (SCRIF). Successful implementation and investment of CIL funds will make the city more competitive.
- 1.3 The first stage is to produce a *Preliminary Draft Charging Schedule* setting out the proposed rates that will be charged on new development, and this will be subject to a period of public consultation. The Council then has an opportunity to consider issues raised by respondents before issuing a *Draft Charging Schedule*. This would be subject to a further public consultation with an opportunity for the Council to consider any additional matters raised. Finally, the Draft Charging Schedule must be submitted for independent examination (typically by a Planning Inspector).
- 1.4 The CIL rates must be based on the ability of development to pay. A Viability Study by independent consultants has provided evidence that some development in the city can afford to pay a CIL charge to help meet identified needs for infrastructure.
- 1.5 The CIL rates proposed represent a cautious approach to viability through the assumptions used and the inclusion of a 50% margin below the potential maximum affordable charge. There is, however, likely to be a trade-off between the delivery of affordable housing that is not included in the CIL charge and raising income through CIL. High rates of CIL could reduce the amount of affordable housing that developments can provide.
- 1.6 Cabinet is asked to note the recommendations of the Viability Study and agree that these potential CIL rates are reasonable as a basis for the initial consultation exercise. It is also asked to agree to offer phased CIL payments and CIL relief in exceptional circumstances.

## **2 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE**

### **2.1 The Community Infrastructure Levy (CIL):**

*“allows local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range of infrastructure that is needed as a result of development. This includes new or safer road schemes, flood defences, schools, hospitals and other health and social care facilities, park improvements, green spaces and leisure centres“<sup>1</sup>*

2.2 In the medium to long term, CIL will generate more funds for infrastructure than the current situation where contributions are negotiated on an individual basis as developments come forward (through Planning Section 106 (S.106) agreements). From April 2014, the Government is planning to restrict how local authorities use S.106 agreements to secure funding for community infrastructure. If the Council does not have a CIL in place by that time, the projects that can be secured through S.106 will become much more limited. This would affect the Council’s ability to raise money for essential infrastructure to support growth.

2.3 The money can be spent where it is most needed though some will be allocated directly to the neighbourhoods where the new development takes place. If the money is not raised it will mean gaps in infrastructure provision that could cause delays in providing for new homes and jobs. The new system would be fairer because all developments would contribute and there is more scope to use the money for strategic schemes, or where it will have the biggest impact.

## **3 OUTCOME AND SUSTAINABILITY**

3.1 The CIL will provide funds that will be used to help deliver infrastructure priorities in Sheffield. These priority projects will help to ensure that the new development the city needs is sustainable by addressing the additional demand that new development places on infrastructure.

## **4 THE COMMUNITY INFRASTRUCTURE LEVY**

### **Background to the CIL**

4.1 Government guidance explains that the purpose of the CIL is to support growth and the money raised can be used to fund the infrastructure needed to serve new development. The levy will be paid by most new development, although it will only be charged on new net additional floorspace and on larger schemes (100 square metres of net additional floorspace or single individual dwellings).

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<sup>1</sup> CIL Overview – Communities and Local Government, 2011  
<http://www.communities.gov.uk/publications/planningandbuilding/communityinfrastructurelevymay11>

4.2 The CIL will largely replace off-site S.106 financial contributions that have previously been negotiated on a site-by-site basis (for example, for open space improvements off-site but in the local area). S.106 will still be used to secure affordable housing, where appropriate, and for on-site mitigation. An amount of CIL will also be required to deliver a 'meaningful proportion' of infrastructure improvements locally but the Government has still to clarify how much this is.

4.3 The Government is committed to CIL – the CLG website states:

*“The levy is designed to be fairer, faster and more transparent than the previous system of agreeing planning obligations between local councils and developers under section 106 of the Town and Country Planning Act 1990.*

*The community infrastructure levy:*

- *gives local authorities the freedom to set their own priorities for what the money should be spent on*
- *gives local authorities a predictable funding stream that allows them to plan ahead more effectively*
- *gives developers much more certainty from the start about how much money they will be expected to contribute*
- *makes the system more transparent for local people, as local authorities have to report what they have spent the levy on each year<sup>2</sup>*

4.4 Many in the development industry have recognised the potential benefits of a CIL - the advantages to developers are:

- less negotiation on planning applications so quicker decisions;
- more certainty on obligations for developers – CIL liabilities can be factored in to development appraisals;
- CIL is a common approach across all authorities;
- CIL payments are proportionate to the scale of development so are fairer and more related to the ability to pay.

4.5 Cabinet have previously agreed in principle to the setting of a CIL.<sup>3</sup> A key stage in the process is to determine whether development would still be viable if it had to pay a CIL charge.

### **The CIL Viability Study**

4.6 The key to deciding the level of CIL is the overall impact on the viability of development, i.e. what can reasonably be afforded without making schemes unviable. A report by independent consultants indicates that development on certain types of sites and in certain parts of the city would be sufficiently viable to justify a CIL charge for some uses.

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<sup>2</sup> GOV.UK Website - <https://www.gov.uk/government/policies/giving-communities-more-power-in-planning-local-development/supporting-pages/community-infrastructure-levy>

<sup>3</sup> Sheffield City Council Cabinet Meeting 28 September 2011 - <http://meetings.sheffield.gov.uk/council-meetings/cabinet/agendas-2011/agenda-28th-september-2011>

## **Assumptions Used to Assess Viability**

- 4.7 Some consultation on a potential CIL has already taken place. A stakeholder workshop session was held where local landowners, developers and agents were invited to contribute to the assumptions used as inputs to the appraisal model. This enabled them have an input to the viability work and to 'reality-check' the assumptions and the resulting proposed CIL rates. Members of the Development Forum, Agents Forum and other businesses registered as statutory planning consultees were all invited to this event.
- 4.8 The viability report has found that the potential for residential schemes to make CIL contributions varies particularly depending on the location and the current use of the site. The viability of non-residential schemes depends mainly on the value of the end use proposed. Government guidance requires that charging authorities do not set their CIL at the margins of viability, so a 50% buffer was applied to the maximum potential rates to give discounted rates that we are proposing to consult on.
- 4.9 The recommended rates allow for the provision of other planning policy requirements. As well as CIL, housing developers will still be expected to contribute to affordable housing. This has been factored in to the appraisals used in the viability assessments.

## **Results of the Viability Study**

- 4.10 CIL rates have to be set based on the viability of development. The proposal is to adopt multiple rates that vary by housing market area and end use, rather than a single rate across all development in all areas. This is in line with the recommendations of the Viability Study and other evidence. There would be nil rates for some commercial uses but all housing areas would pay at least a nominal rate.
- 4.11 The broad findings for uses are:
- Residential uses are viable to pay a CIL charge in all areas (albeit marginally in some areas). Rates would be highest in the south-west of the city, with lower rates in the north-west, south-east, south and City Centre. The lowest rates would be in the north and east of the city, areas that are more marginal at the current time;
  - Student housing is sufficiently viable in all areas;
  - Hotels are sufficiently viable in all areas;
  - Offices and Industry are not sufficiently viable in any areas;
  - Certain types of retail and leisure uses in certain locations are sufficiently viable;
  - Community buildings are not sufficiently viable.
- 4.12 The recommended rates for consultation are shown in the table in paragraph 7.2.

## **The Likely Impact of CIL on Development**

- 4.13 The Viability Study suggests that the proposed CIL rates would typically amount to between one and two percent of the total costs of any new development, and our own research supports this conclusion. Our evidence also suggests that these proposed rates would generally be lower on major schemes than current S.106 payments. This is because CIL will be paid by more developments so the cost will be spread around (smaller schemes below the affordable housing and open space contribution thresholds do not normally make any financial contribution at all, due to the cost and time involved in drafting a S.106 agreement). Currently, less than 2% of planning applications involve a S.106 payment – this proportion will be many times higher under CIL.
- 4.14 The rates represent a cautious approach to ensuring the right balance between achieving a reasonable CIL income and not putting overall viability at risk. The inclusion of a 50% margin below maximum potential rates, plus a cautious approach to assumptions will ensure this is the case.
- 4.15 We have compared our proposed rates with other local authorities, including Leeds and Newcastle, and concluded that they are consistent. No competitive disadvantage would result although, as stated earlier, proposed CIL rates have to be based only on the viability evidence available, not on comparisons with other areas.

## **Potential Scale of CIL Income**

- 4.16 Using the suggested rates in paragraph 7.2 could give an income of up to £4 million per year once the system is effectively up and running and CIL income is routinely collected (2017 onwards). This assumes that the market recovers and all the sites identified do come forward.

## **What will be Different? - Comparison with Section 106 Funding**

- 4.17 The ability to negotiate planning obligations under S.106 has been limited as part of the CIL legislation. They may be negotiated only where the infrastructure would be:
- necessary to make the development acceptable in policy terms
  - directly related to the development
  - fairly and reasonably related in kind and scale to the development.
- 4.18 From April 2014 S.106 will be further restricted, limiting to five the number of contributions that may be pooled to pay for an infrastructure project. In other words, S106 may be used for infrastructure relating to the development itself but not for making contributions towards infrastructure that is less directly related to the contributing developments, as this is what the CIL has been introduced for.
- 4.19 S.106 payments have to be related to the development taking place, so they are more restricted in what they can be spent on. The majority of an individual CIL payment can be spent in any location and on any scheme that is a priority, so it

can be pooled without restriction and investment targeted on strategic priorities and outcomes.

- 4.20 Over the period since 1994, S.106 receipts have averaged around £1 million a year. The annual receipts rose steadily to a peak of £3m in 2006, so that over the last 10 years the average has been £1.5m/year. By far the largest share of the money was open space contributions.
- 4.21 CIL has the potential to exceed S.106 due to more development paying and the fact that it will not be discretionary. In the long term, once a CIL has become established, the charge will result in a modest reduction in land values and individual developments will be more able to absorb the charge.

### **The Need for CIL to Fund Infrastructure**

- 4.22 Work by the Corporate Infrastructure Working Group has identified significant infrastructure needs, as there are substantial gaps in provision for new development that are not otherwise funded.
- 4.23 We are not required at this stage to produce any great detail on infrastructure needs other than to demonstrate a funding gap in general terms. Work on the Infrastructure Delivery Plan will focus on the specific projects that are likely to be priorities for future CIL funding. These will be the types of schemes set out in paragraph 2.1. An Infrastructure Needs Assessment has already identified a list of schemes that have funding gaps totalling many millions of pounds.

### **Legal Implications and the Timetable for Implementing CIL**

- 4.24 Setting up a CIL has to be done through legislation that was made in 2010<sup>4</sup>, amended in 2011<sup>5</sup> and will be subject to some further amendments. Once the Preliminary Draft Charging Schedule has been approved by Cabinet and published for consultation, the next stage will be to prepare the Draft Charging Schedule, which will be submitted for public examination. Future stages are:
- Amendments in response to consultation on the Preliminary Draft Charging Schedule
  - Revised documentation - a Draft Charging Schedule and supporting evidence
  - Report to Cabinet and, if necessary, Full Council
  - Submission to an independent Examiner
  - Hearings (likely to be up to 1 day) or examination through written representations (i.e. no hearing)
  - A Final Report
  - Report to Cabinet
  - Adoption (April 2014).

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<sup>4</sup> <http://www.legislation.gov.uk/ukdsi/2010/9780111492390/contents>

<sup>5</sup> <http://www.legislation.gov.uk/ukdsi/2011/987/made>

## **Financial Implications**

- 4.25 It is expected that, once established, there will be additional income from a CIL when compared with the current S.106 process (see paragraphs 4.16 to 4.21 above).
- 4.26 The Council has already incurred costs relating to CIL through officer time and commissioning the Viability Study. These operating costs will continue to be incurred as we work towards implementation of the CIL and we will also likely to incur operational costs once CIL is adopted. However, the CIL regulations allow for up to 5% of CIL revenue to be claimed by the Council to cover these costs. We will seek to reduce the amount of CIL revenue used to cover the administration costs as far as possible in order to direct funding at infrastructure provision. Allocation of funding, revenue recovery and prioritisation of schemes will be undertaken through the Council's capital approval governance arrangements.

## **Property Implications**

- 4.27 The CIL would be chargeable on all new development, including buildings funded or constructed by or on behalf of the Council.
- 4.28 CIL receipts could be eligible to be spent by the Council on new buildings or structures where they are defined as infrastructure and are identified as a priority for CIL spending.

## **Equality of Opportunity Implications**

- 4.29 The main benefits of CIL have been set out previously in Section 2. Many of the infrastructure projects that a CIL would help to deliver would benefit those reliant on public services such as state schools and public transport, as well as those living in areas where air quality is poor, for example. For this reason, CIL is considered to offer potential benefits to poorer residents and communities in Sheffield, so will have a positive equality impact.

## **5 ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 One option is not to implement a CIL, as it is not compulsory. Wolverhampton and Doncaster have decided not to implement a CIL at present. But most councils are working on a CIL because funding for essential infrastructure is not otherwise available (60 authorities have already published a Preliminary Draft Charging Schedule).
- 5.2 If implemented, the Council has the option to set either a single or multiple rate CIL. A single rate would be where all development in all areas pays the same amount per square metre. This would have the advantage of simplicity. However, as the rate has to be based on viability, multiple rates may be appropriate to reflect variations in the viability of different types of development and different locations. The Viability Study has recommended multiple rates due to significant variations in viability across different uses and areas. A

multiple rate is likely to raise more total CIL revenue and better reflects the actual viability of individual developments.

## **6 REASONS FOR RECOMMENDATIONS**

- 6.1 The CIL will help to deliver the City's strategic priorities for infrastructure provision, will be generated by economic growth and reinvested into economic growth and infrastructure. It will be a key funding element of the Sheffield City Region Investment Fund (SCRIF). Successful implementation and investment of CIL funds will make the city more competitive.
- 6.2 The first stage in adopting a CIL is to produce a *Preliminary Draft Charging Schedule* setting out the proposed rates that will be charged on new development, and this will be subject to a period of public consultation.
- 6.3 The recommended CIL rates are based on the ability of development to pay. The Viability Study has provided evidence that some development in the city can afford to pay a CIL charge to help meet identified needs for infrastructure.
- 6.4 The CIL rates proposed represent a cautious approach to viability through the assumptions used and the inclusion of a 50% margin below the potential maximum affordable charge.

## **7 RECOMMENDATIONS**

### **CIL Rates**

It is recommended that Cabinet:

- 7.1 Agrees to publish a Preliminary Draft Charging Schedule for public consultation;
- 7.2 Agrees that the Council proposes a multiple rate CIL, to include a 'buffer', to deal with uncertainties in assessing future viability equating to 50% of the calculated 'margin' that could make a CIL contribution. The proposed rates are:



## Proposed CIL Rates

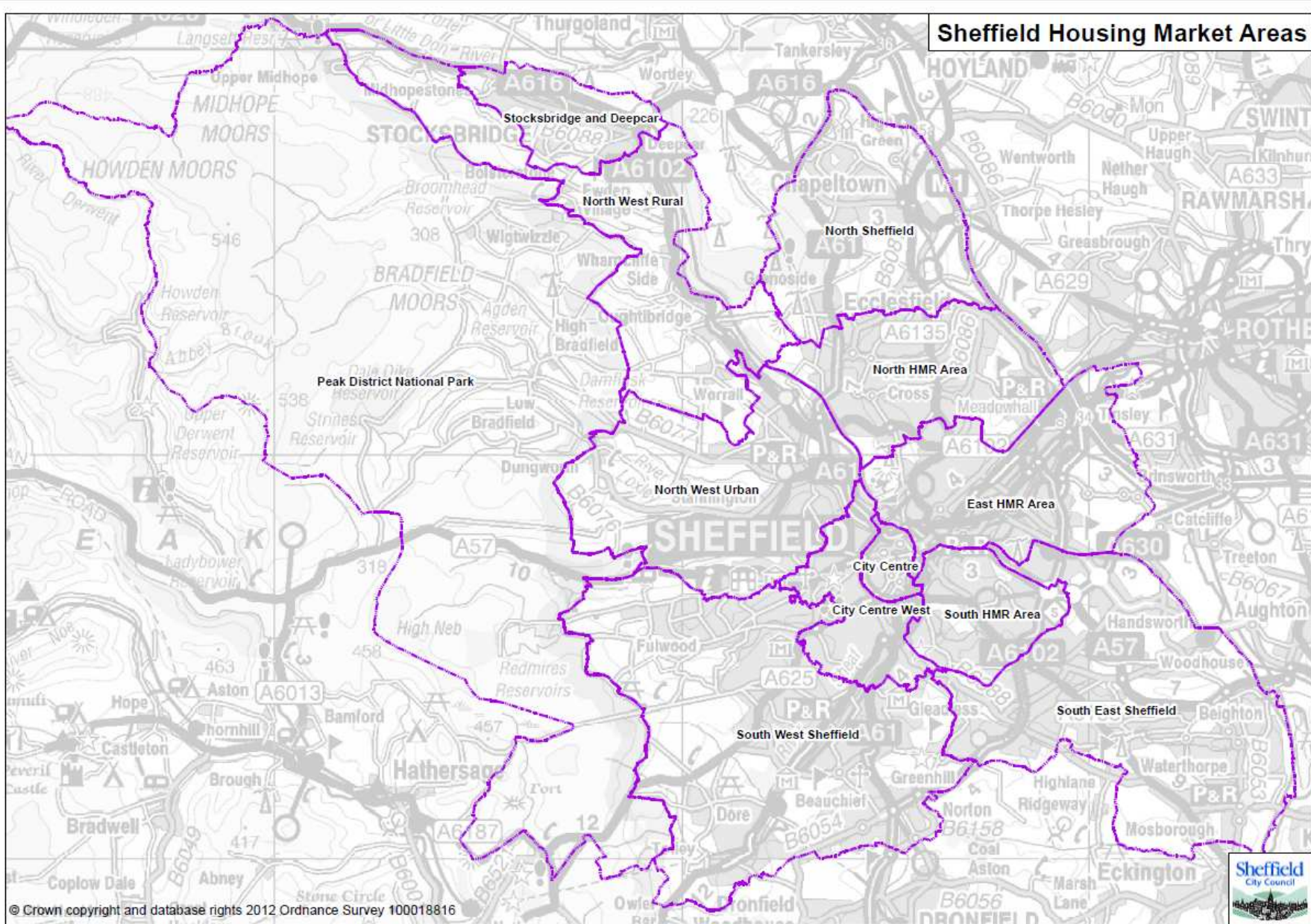
Development type	Suggested CIL rates (£/sq.m.)			
Residential	North and East HMR Areas,	North-west urban, South-east, Stocksbridge & Deepcar	South HMR Area, City Centre West, North, North-west rural and City Centre	South-west
	£20	£30	£50	£100
Student Housing	£50			
Hotel	£45			
Prime Retail Area (City Centre and Meadowhall)	£60			
Retail warehouse/ superstores, car showrooms and out-of-town D2 leisure	£60			
All other uses	Nil			

## CIL Implementation

It is also recommended that Cabinet agrees that the Council:

- 7.3 includes an option in the Charging Schedule to allow for relief to be offered in exceptional circumstances;
- 7.4 offers payment of CIL in instalments as a matter of course, as assumed in the viability study.

**APPENDIX 1 - SHEFFIELD HOUSING MARKET AREAS**



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## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Jayne Ludlam, Executive Director, Children, Young People and Families

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**Date:** 12 December 2012

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**Subject:** Home to School Transport Policy

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**Author of Report:** John Bigley, Manager, Admissions & Access

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**Summary:** This report provides a summary of the responses to the consultation process on the proposal to withdraw the discretionary element of free transport that is currently approved for attendance at denominational schools with effect from September 2013. The Council consulted upon two proposals. First to withdraw all discretionary provision from September 2013 and second to withdraw provision on a year by year basis from September 2013.

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### **Reasons for Recommendations:**

The current provision to fund denominational transport is discretionary. Under the current economic climate there is an urgent necessity to explore all areas of potential savings and efficiency.

The proposed change in policy would also ensure that all children are treated more equitably. Under current arrangements a child may receive a free bus pass to attend a Catholic School even though that may not be their nearest school. If a non-Catholic student wishes to attend an out of catchment area school that is beyond the statutory walking distance they are not provided with free transport.

**Recommendations:** To receive the report and consider options outlined at Section 7.

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**Background Papers:** Consultation Document

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**Category of Report:** OPEN

**If Closed add – ‘Not for publication because it contains exempt information under Paragraph... of Schedule 12A of the Local Government Act 1972 (as amended).’**

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\* Delete as appropriate

## Statutory and Council Policy Checklist

<b>Financial Implications</b>
YES Cleared by:
<b>Legal Implications</b>
YES Cleared by: Nadine Wynter
<b>Equality of Opportunity Implications</b>
YES Cleared by: Bashir Khan
<b>Tackling Health Inequalities Implications</b>
YES/NO
<b>Human rights Implications</b>
YES/NO:
<b>Environmental and Sustainability implications</b>
YES/NO
<b>Economic impact</b>
YES/NO
<b>Community safety implications</b>
YES/NO
<b>Human resources implications</b>
YES/NO
<b>Property implications</b>
YES/NO
<b>Area(s) affected</b>
ALL
<b>Relevant Cabinet Portfolio Leader</b>
Cllr. Jackie Drayton
<b>Relevant Scrutiny Committee if decision called in</b>
Children, Young People and Families
<b>Is the item a matter which is reserved for approval by the City Council?</b>
NO
<b>Press release</b>
YES/NO

## **Children & Young People Cabinet Member Portfolio**

### **REPORT TITLE HOME TO SCHOOL TRANSPORT POLICY**

#### **1.0 SUMMARY**

- 1.1 This proposal is in response to the urgent requirement to reduce expenditure in light of the budget settlement from the Coalition Government for the 2013/14 financial year and beyond.
- 1.1.2 If implemented the proposal to withdraw discretionary transport with effect from September 2013/14 would save the Authority expenditure of approximately £250K each year.
- 1.1.3 Sheffield City Council's Home to School Transport Policy sets out the circumstances in which it will provide free transport, in the form of a bus pass, to assist pupils to get to School. Under the current budgetary pressures and in order to ensure efficiency and equity in its use of resources, the Council has decided that it would like to consider making changes to the discretionary part of the policy to be brought in for the 2013/14 school year starting in September 2013.
- 1.1.4 The proposal is to withdraw any free bus pass that is currently offered under the provisions of the policy for attendance at a denominational school.
- 1.1.5 Many other Authorities have or will be withdrawing the provision of free bus passes for attendance at denominational schools for the same reasons. This includes the other South Yorkshire Authorities Barnsley, Doncaster and Rotherham.
- 1.1.6 Families who meet specific requirements have a statutory entitlement to free transport if they wish to attend a school on grounds of religion or belief that is between 2 and 15 miles from their home address. This entitlement is unaffected by this proposal.

#### **2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE**

- 2.1 This proposed amendment does not impact on a parent's right to apply for their child to attend a denominational school. Any such application will be considered under the individual school's admission policy.
- 2.1.2 In reviewing discretionary transport that is currently provided it is clear that the current policy and practices do not treat all pupils equally: some pupils receive free transport to attend their preferred school and others do not. Parents who want a denominational education for their child can get help with transport whereas those who want a school for a particular specialism do not.

### **3.0 OUTCOME AND SUSTAINABILITY**

- 3.1.1 The current policy is not fair or equitable. The fact that the Council only funds Catholic children to attend Catholic schools means that it could be open to challenge from parents of other faiths.
- 3.1.2 At a time when the Council is having to make significant cuts to the services it provides, including to the most vulnerable in our community, this change of policy will enable the Authority to re-direct funds to other areas that have a far greater need.

### **4.0 MAIN BODY OF THE REPORT**

#### **Background**

- 4.1.1 The legislation which places a duty on the local authority to provide free home to school transport is contained principally in the Education Act 1996 as amended by later legislation including the Education Act 2002 and the Education and Inspections Act 2006. Local authorities have a duty to provide free home to school transport for eligible children of compulsory school age living in the local authority's area. There is no legal obligation to provide free transport for children who are below or above compulsory school age. Compulsory school age is defined in section 8 of the Education Act 1996 and in associated regulations.
- 4.1.2 Section 508B of the 1996 Act sets out the duty to provide free travel arrangements for 'eligible children' to 'qualifying schools' The Authority will continue to make arrangements for free transport where there is a statutory duty to do so. Statutory criteria are:

- Children with special education needs who have a disability or mobility problem.
- Children who live within the statutory walking distance to school, however there is no suitable available route.

The statutory walking distances are:

- (a) for a child under the age of 8 years - 2 miles;
- (b) for a child aged 8 years and over - 3 miles.

- Children who live outside the statutory walking distances and no suitable school place is available nearer to their home.
- Children entitled to free school meals, or whose parents are in receipt of their maximum level of Working Tax Credit.



- 4.1.3 Section 509AD of the 1996 Act places a duty on local authorities in fulfilling their duties in relation to travel, to have regard to the wish of the parent for their child to attend a school on the grounds of the parent's religion or belief. Although Section 509AD states that "*a local authority in England must have regard, amongst other things ..... to the parents' religion or belief based on preference,*" arrangements for transport under this section are discretionary and need not be implemented or can be discontinued.

Any Local Authority therefore has the right to discontinue such discretionary provision.

- 4.1.4 The proposal would withdraw discretionary free transport to denominational schools with effect from September 2013.

## **4.2 Outcomes from the Consultation**

- 4.2.1 The consultation exercise was conducted between 29 October and 4 December 2012.

- 4.2.2 There were a total of 326 responses received, broken down as follows:

Against the proposal

Parents	308
Schools/Governors	6
Secondary Headteachers	All
Sheffield Hallam Diocese	1

In support of the proposal

Parents	10
Schools/Governors	1

## **4.3 Summary of Key Points Raised in the Consultation:**

- 4.3.1 Parents against the proposal:

Full responses are too numerous to provide in the main body of the report but are provided for Cabinet Members in the Leader's Office. A summary of the main themes raised by respondents is provided below in their own words. In each case officer comments and perspectives are given in italics below the view of respondents.

### **Issue 1: Location of the two Catholic Schools**

The fact that both Catholic Secondary schools are located where they are means that many families have no option but to travel long distances to access them. This is not a fault of parents or children.

*The Local Authority acknowledges this point but sees the choice of a Catholic school as a matter of parental preference not necessity. The importance for parents of the decision about a school place is not underestimated.. That is why parents have been contacted directly and the deadline for applications for Y7 has been extended so as to ensure that they do not suffer any detriment and also why secondary Headteachers have been asked to be responsive and sensitive to any approaches by families to visit.*

## **Issue 2: Article 2 of the European Convention of Human Rights and other Legal Challenge**

The First Protocol of the European Convention of Human Rights reinforce the principle that no child shall be denied the right to education in accordance with the wishes of parents especially with regard to their own philosophical and religious conventions.

We would respectfully point out that we were not consulted on this proposal through a fair or reasonable timeframe. The proposal is restrictive in that it may amount to discrimination and moreover a serious breach of the rights of ourselves and more seriously the rights of our children. By removing bus subsidies the choice for my family to elect for our children to have a religious education may be hindered or removed due to a lack of ability to afford the necessary transport costs.

I believe that the actions of the local government concerning this matter ought to be widely publicized for the contentiousness of its demands at both local and national level.

*Article 2 states:*

*“No person shall be denied the right to education. In the exercise of any functions which it assumes in relation to education and to teaching, the State shall respect the right of parents to ensure such education and teaching in conformity with their own religions and philosophical convictions.”*

*This confirms a right to education, it does not confirm a guarantee to study at a specific school. The proposal to withdraw free transport does not prevent any parent from applying for and attending a voluntary aided school.*

## **Issue 3: Removing Parental Choice**

By removing the subsidy for families to go to their chosen school the Local Authority are basically removing the choice for many families as they will not be able to afford to travel. No Catholic child should be denied the opportunity of a Catholic education solely because their parents cannot afford transport costs.

*Entitlement to statutory free transport would remain for families who meet the "Low Income" definition (children entitled to free school meals, or whose parents are in receipt of the maximum level of Working Tax Credit). Children whose parents wish them to attend non denominational schools that are more than 3 miles from their home address do not receive free transport. This proposal would make the current system more equitable.*

#### **Issue 4: The Consultation Period is Invalid**

You may wish to note that the consultation period is invalid. It should have started much earlier as students were applying for places for September 2013 so that they could make an informed choice. The launch date was 29 October but your letters were posted on this date. This means that we received the letters after the consultation period had begun.

The consultation timescale is unrealistic and seems to have been deliberately introduced to prevent any meaningful consultation from taking place. Other Authorities have considered similar proposals, taking a year for their deliberations and fully involving all stakeholders. Why does Sheffield introduce this proposal at the start of the half term break with such a short timescale?

*It is acknowledged that the consultation should have ideally taken place before parents were asked to make applications for places in September 2013. The closing date for applications was 31 October 2012. However all parents who have submitted a preference for a Catholic secondary school have been contacted directly to make them aware of the consultation and to allow them to comment.. . In addition, the consultation has been extended to 4 December, allowing for 26 working days of consultation in total. If the proposed withdrawal of free transport is to be implemented, parents will have the opportunity to amend their application in light of the new policy*

#### **Issue 5: Council Policy, Social and Financial Impact**

The proposal is at odds with the Local Authority and Government's desire to improve parental choice and accessibility. For Catholic children from deprived areas seeking access to education for their children the proposed withdrawal of services runs against this commitment. The Authority's stance may create schools that are elitist, i.e. the Catholic schools serve only those families who can afford to send their families there.

This proposal goes against the City Council's environmental targets as it will force more families into using their cars to transport their children to school.

I have three children at Notre Dame. If I had to pay for transport for all three children it would cost £7.20 a day, £36 a week, £144 a month and £2000 a year.

*The Authority will continue to provide free bus passes to those who qualify under the low income criteria. It is acknowledged that there will be financial implications for families that do not qualify just as there currently is for families of other faiths who wish to attend a church school because of their beliefs but do not receive free transport. This also applies to any parent applying for a non-catchment school which is more than 3 miles away on the grounds of the school specialism.*

### **Issue 6: The Proposal is Discriminatory**

This is another attack on the rights of parents to choose a school with a religious character. The proposal implicitly suggests that you should choose your local community school. The letter from the Authority states that anyone applying for a Catholic School may wish to reconsider their preferences in light of any possible change in policy. This appears to be blatant discrimination.

*Parents have been advised of the consultation and if the provision is withdrawn will have the opportunity to change their preference if transport was one of the main reasons for their decision. Parents ultimately still have the right to apply for whichever schools they wish.*

### **Issue 7: Proposed Scale of Implementation**

The Local Authority is proposing a change for September 2013 for the incoming Year 7 but is also suggesting they are looking at extending the proposal to all year groups. This means that parents/carers with children already at our schools will need to fund transport costs that they were not aware of when they originally applied.

*This issue has been raised by a number of parents of children already in receipt of passes. The Authority will carefully consider all views received in relation to this aspect of the proposal.*

### **Issue 8: Expand Provision of Free Transport**

In my opinion ALL children should receive free transport from home to school. This would reduce the number of cars on the roads doing the "school run" thereby reducing congestion in the rush hour and it would educate our younger generation in public transport use. I am aware that this is a proposal that would demand an increase not decrease in funding but it is I feel something that should be given consideration before any reductions in help with transport costs are made.

*The reason that the Authority is consulting about the withdrawal of discretionary passes is the need to review all Council Services under the current budget pressures. Under the current financial climate the Authority could not therefore fund transport for all children.*

### **Issue 9: Impact on low income families**

It will be those who are most in need who are hit hardest. i.e. families with an income just high enough to ensure that they are not entitled to statutory benefits and subsidies. Typically a family with two children will have to find over £400 a year.

I feel that Sheffield Council is once again rewarding people who don't work and don't pay their way.

*It is acknowledged that this proposal would require some families to fund their own transport to attend a denominational school. This is no different to the position for many other families in the city who choose to attend schools other than their catchment school.*

### **Issue 10: Impact on Other Schools**

I would be interested to know if any calculations have been undertaken to establish the knock on effects on admissions to other Sheffield schools. Children who may no longer be in a position to afford to travel to a faith school will presumably take a place at a different local school therefore displacing a child who will in turn be required to travel to a different school further away.

*If the proposal is implemented all parents would have the right to apply for other schools if the cost of transport proved to be a barrier. There can not however be any guarantees of places at alternative schools as that will be dependent on the availability of places.*

### **Issue 11: Impact on Deprived areas**

For Catholic children from more deprived areas seeking to access education for their children the proposed withdrawal of this service runs against the commitment to improving parental choice and access. The Authority's stance may create schools that are elitist, i.e. serving only families who can afford to send their children there.

*As confirmed in issue 5 above there would be no change in the statutory provision for families meeting the low income criteria.*

### **Issue 12: Impact on Children already receiving passes**

If we had realised that there could be a possibility that the free transport to school may not continue, then very sadly we would have had to make

a very real decision and informed choice as to whether or not we could even afford to send our children to a catholic school. It would now be very unfair and cruel to my children to have to remove the girls from Notre Dame after they are both so happy and settled at school.

*The Authority acknowledges the possibility that some families may feel that they have to transfer school due to the cost of transport.*

### **Issue 13: Impact on environment**

This proposal would inevitably lead to a greater number of car journeys during rush hour as travel by car will be far cheaper for many families. This will not only cause more congestion but is bound to have a detrimental effect on the safety of pupils walking to school. This seems quite ironic as Sheffield City Council is constantly trying to encourage people to use public transport and leave their cars at home.

*It is anticipated that the current bus services will remain place. There should not be any requirement for parents to take their children to schools in their car.*

### **Issue 14: This proposal is too late for those applying for Year 7 places in September 2013**

*The Authority does not underestimate the importance of this decision for parents. That is why we have ensured that parents in this position have been contacted directly and have extended the deadline for application so as to ensure that they do not suffer any detriment and also why we have asked secondary Headteachers to be responsive and sensitive to any approaches by families to visit*

#### **4.3.2 Schools & Governors against the proposal**

Responses against the proposal were received from Notre Dame Catholic High School, St Marie's Catholic Primary School, Sacred Heart Catholic Primary School and 1 Governor from Notre dame and 1 Governor from St Ann's Catholic Primary School.

The reasons for opposing the proposal are largely the same as those summarised above in section 4.3.1.

#### **4.3.3 A letter in support of the objection raised by All Saints and Notre Dame schools has been submitted and signed by all **Secondary Headteachers**.**

The full responses are available in the Leaders Office for Cabinet Members

#### **4.3.4 Sheffield Hallam Diocese**

Sheffield Hallam Diocese objects to the proposal. The Diocese raises many of the concerns identified in 4.3.1. The full response is available in the Leaders Office for Cabinet members. Additional concerns are summarised as follows:

The Diocese of Hallam calls on Sheffield City Council to abandon any plans that would result in an end to the funding of 'discretionary' transport for Catholic students attending Catholic schools. The Council should acknowledge the fact that Catholic schools have been a key partner in the local school sector over many years, that this position is enshrined in law and that Sheffield City Council has a duty to enable Catholic children to attend their nearest Catholic school. The removal of subsidised transport seriously damages this partnership arrangement and the historical tradition on which it was based.

The Diocese believes that no Catholic child should be denied a Catholic education because their parents cannot fund transport.

The Diocese questions the legality of the proposal under Article 2 of the European Convention on Human Rights.

There is a concern about the impact on Catholic Schools longer term if large Catholic families can no longer afford to send their children to Catholic Schools.

There is concern about the environmental impact if families resort to transporting children by car as a consequence of being unable to fund transport by bus.

#### **4.3.5 In support of the proposal**

Responses in favour of the proposal were received from parents and a Governor.

I think that the zero bus pass system should be either made available to all children attending a Catholic School or none at all (apart from children on free school meals). My children are C of E and attend a Catholic school due to our Christian faith. As you are aware they do not receive a free bus pass. A much fairer system would treat all pupils equally regardless of their faith.

I would agree with the comments in the consultation document regarding the unfairness of the current system. I am personally aware of some who get a pass who live closer to the school than those who don't. I also think that at times when cuts are being made to important services such as libraries that this is one cost that the Council should not cover. I think only those who cannot afford transport costs should get help but those that can afford it should not. I think your intention to protect families on

low income is sound. I expect that you will get a lot of negative feedback so thought it important you should get some support.

I think it would make sense to cut the amount of money it costs the LEA to provide free home to school transport. I say this as a parent who has two children attending a church school and chair of Governors at Emmaus Primary School. I would definitely prefer funds to be spent on Education and not bus fares.

I have only recently become aware that Catholic children receive this benefit while non-catholic children have to pay for bus fares. It seems a rule that is not explained to parents and is almost kept quiet about. This discriminates against non-Catholics.

I know of a number of families who 'go through the process' of becoming a Catholic but never attend church or actively 'practice' the catholic ways. They do this to secure a place at a Catholic school simply because they are outstanding schools as deemed by OFSTED. I have also been told by parents that they have moved primary schools to increase their chance of getting into a catholic secondary school. Therefore not all pupils at Catholic schools go there for religious reasons but to simply to ensure their children get the best education on offer. This needs to be addressed.

I would imagine that the people affected will voice their opinions but fear the ones that do not receive benefit will not be so inclined to do so. I would have to question, has every council tax payer been sent a letter to voice their opinions or just parents of children at catholic schools.

I think families on low income regardless of religion should be entitled free transport and this should continue.

*It should also be noted that the Council only consulted with parents of children who currently attend a denominational school. It did not consult with the wider population. Consequently the majority of responses were heavily opposed to any change to the current arrangements, this is to be expected.*

*The Sheffield Star covered this issue on 23 November. In response to the article there were a significant number of responses from the wider population that were in support of the proposal.*

#### **4.3.6 Schools & Governors in favour of the proposal**

A Governor from a Catholic School:

I do not feel that I can support the Diocesan position on this. I believe that parents who select particular schools, in this case Catholic schools, have to accept that this choice may come with certain conditions such as buying particular uniforms, contribution to Diocesan Building Fund, support of the Catholic ethos.



I do not think it is the Local Authority's responsibility to subsidise travel in this way. If there are hardship issues which need to be considered then I think this is down to the churches supporting these Catholic families and the Catholic schools themselves to look for solutions.

As the Catholic High Schools are both academies, I am sure that they would be able to find funds to support these families if they so wished.

Full responses are provided in the Leaders Office for Cabinet Members.

#### **4.4 Financial Implications**

- 4.4.1 The cost of providing free transport to denominational schools for the 2011/12 academic year was £275K. Of this £21K was statutory provision for children from Low Income families. Net discretionary expenditure was therefore £254K. This represents a significant saving in terms of the overall budget position for the Council which Members must consider in light of the need to find a further £50M of savings in 2013/14.

#### **4.5 Legal Implications**

- 4.5.1 As stated in earlier paragraphs of this report, the Council has responsibilities under section 508B of the Education Act 1996 to provide free transport to "eligible" children to the nearest "qualifying" school. Currently the Council also provides support on a discretionary basis, under sections 508C and 509AD of the 1996 Act, to some pupils that attend denominational schools but who are not eligible under section 508B.
- 4.5.2 Section 29 of the Equality Act 2010 requires the Council to have due regard to the need to eliminate discrimination and to promote equality of opportunity between different protected groups. However the Equality Act does not apply to the provision of transport on faith grounds as the discrimination provisions on the grounds of age and religion or belief do not extend to transport arrangements as stated in paragraph 11 of part II of part 2 of Schedule 3.
- 4.5.3 In light of the above statutory provisions the Council can lawfully decide either to withdraw the discretionary transport incrementally or to withdraw the support completely.
- 4.5.4 However before making any changes to the current discretionary arrangements, proper consideration must be given to the consultation and equalities impact assessment provided for in this report. The Council will also take account of the requirements of disabled parents and children in the application of the changes and make reasonable adjustments where required by individual circumstances.

#### **4.6 Equalities Implications**

4.6.1 An Equalities Impact assessment has been carried out.

#### **5.0 REASONS FOR THE PROPOSAL**

5.1.1 The current provision to fund denominational transport is discretionary. Under the current economic climate the Authority has a duty to explore all areas of potential savings and efficiency.

5.1.2 The proposed change in policy would also ensure that all children are treated more equitably. Under current arrangements a child may receive a free bus pass to attend a Catholic School even though that may not be their nearest school. If a non-Catholic student wishes to attend an out of catchment area school that is beyond the statutory walking distance they will not be provided with free transport.

#### **6.0 REASONS FOR EXEMPTION (if a Closed report)**

6.1 None

#### **7.0 RECOMMENDATIONS**

7.1.1 This report is to inform the Cabinet of the outcome of the consultation process. Cabinet is asked to make a decision based on the following options:

- i) To retain the current provision for funding discretionary transport for attendance at denominational schools.
- ii) To withdraw current provision for funding discretionary transport on a phased basis commencing with entry to Reception and Year 7 in September 2013 and each subsequent year. Under this option pupils currently receiving a pass under discretionary criteria would continue to receive it until they finish at their current school.
- iii) To withdraw all current provision for discretionary transport with effect from September 2013. This would include the withdrawal of passes for pupils who are currently in receipt of them under the current policy.

Author Jayne Ludlam  
Job Title Executive Director, Children, Young People and Families  
Date 5 December 2012.

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# Sheffield City Council Equality Impact Assessment



[Guidance for completing this form is available on the intranet](#)

Help is also available by selecting the grey area and pressing the F1 key

**Name of policy/project/decision:** Home to School Transport

**Status of policy/project/decision:** Amendment

**Name of person(s) writing EIA:** John Bigley

**Date:** 25 October 2012

**Service:** Inclusion and Learning Services

**Portfolio:** Children, Young People and Families

**What are the brief aims of the policy/project/decision?** To revise our Home to School Transport Policy to remove the discretionary provision for denominational transport .

**Are there any potential Council staffing implications, include workforce diversity?** No

Under the [Public Sector Equality Duty](#), we have to pay due regard to: “Eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations.” [More information is available on the council website](#)

Areas of possible impact	Impact	Impact level	Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)
Age	None	Low	
Disability	None	Low	Any child that has a disability that requires them to receive assisted transport to and from school would not be affected by this proposal. The statutory duty on the Council in such circumstances would remain.
Pregnancy/maternity	None	Low	
Race	None	Low	
Religion/belief	Negative	High	<p>Currently in Sheffield free denominational transport is predominantly accessed by Catholic children as the only denominational secondary schools in Sheffield are Catholic. Families of other faiths could potentially see this as unequal and unfair, which could leave the Council open to claims for transport support for families to access other faith provision in neighbouring authorities. No children of other faiths receive free transport for attendance at their preferred schools in Sheffield unless they meet the statutory walking distance requirements. The proposed changes would ensure that all children and families are treated equally with regard to home to school transport.</p> <p>The proposed changes would directly impact on a limited number of families. Just over 1000 pupils currently receive free bus passes to attend denominational secondary schools, approximately 3% of the whole secondary school population.</p>

Areas of possible impact	Impact	Impact level	Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)
			The proposed change will have no impact on families who meet the statutory “low income” criteria as the statutory requirement to provide free transport on grounds of religion or belief remains.
<b>Sex</b>	None	Low	
<b>Sexual orientation</b>	None	Low	
<b>Gender reassignment</b>	None	Low	
<b>Financial inclusion, poverty, social justice cohesion or carers</b>	Negative	Medium	<p>The proposed change will affect the Catholic community in particular, particularly with regard to their ability to access a place at a Catholic if that is their preference, or their expectation. . However, there will be no impact on families that meet the statutory “low income” definition. i.e. where the child is eligible for Free School Meals or the family is in receipt of the Higher rate of Working Tax Credit . Families meeting this criteria will still qualify for free transport on the grounds of religion and belief.</p> <p><b>There is a financial impact upon families that currently receive free transport, if it were to be withdrawn.</b></p> <p>However, the proposal to withdraw the discretionary element of this provision, will align our policy to mirror the arrangements to those where a parent who expresses their preference for their child to attend a non-catchment community school. They do not qualify for free transport.</p> <p>Any child that no longer qualifies for a free pass may still use the dedicated busses and pay the minimum fare, currently 60p a journey.</p> <p><b>Families who are currently in receipt of free transport may be forced to consider the current school placement of their child if they cannot afford to pay for transport. This may be perceived as divisive and creating social division whereby only those that can afford to pay for transport can attend denominational schools.</b></p>
<b>Voluntary, community and faith sector</b>	Negative	High	<p>There are some direct implications for Catholic and Church of England schools, families and both Diocesan Bodies. There may be a perception of discrimination against families wishing to attend schools on grounds of religion or belief.</p> <p>The Diocese of Hallam and Notre Dame School have explained that their understanding of the organisation of Catholic provision in the city was based on an</p>

Areas of possible impact	Impact	Impact level	Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)
			<p>expectation that Catholic pupils attending the Catholic primaries would be able to transfer to the Catholic secondary schools. They make the point that if the free bus passes were withdrawn, it would be unequal for those Catholic families living three miles or more from a Catholic secondary school because they would not have zero fare bus pass to assist with their travel to secondary. Their view is that this would result in a narrower social intake at the Catholic schools which are located closer to the more affluent residential areas of Sheffield.</p> <p>Families with children already attending a denominational school applied for places under the current policy criteria. Many Catholic families would therefore be faced with a change in provision from that available at the time they applied to attend the school in the first year. One impact of this proposal could be that some Catholic families can no longer afford to send their children to a Catholic School.</p> <p>Any child that does no longer qualify for a free pass may still use the dedicated busses and pay the minimum fare, currently 60p a journey.</p>
Other/additional:	-Select-	-Select-	
Other/additional:	-Select-	-Select-	
Other/additional:	-Select-	-Select-	

**Overall summary of possible impact (to be used on EMT, cabinet reports etc):** Sheffield City Council is reviewing all areas of discretionary expenditure as areas for possible savings. This proposal is following the approach already taken by many local authorities. Within South Yorkshire Barnsley has already adopted a similar policy with Doncaster and Rotherham currently consulting on similar arrangements.

If you have identified significant change, med or high negative outcomes, you **must** complete the action plan.

**Review date:**

**Reference number:**

**Entered on Qtier:**

**Action plan needed:** -Select-

**Approved (Lead Manager):** Alena Prentice **Date:** 26 October 2012

**Approved (EIA Lead person for Portfolio):** Bashir Khan **Date:** 26 October 2012

**Risk rating:** High

## Action plan

<b>Area of impact</b>	<b>Action and mitigation</b>	<b>Lead, timescale and how it will be monitored/reviewed</b>
Religion/belief	Consult on proposed withdrawal of discretionary denominational transport	29 October – 4 December 2012
Religion/belief	Submit responses and report to Cabinet	12 December 2012
Religion/belief	Notify prospective parents prior to their making application for school places in the 2013/14 academic year. Reception and Year 7	13 December 2012
Religion/belief	Implement new arrangements	September 2013
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		

**Approved (Lead Manager): Alena Prentice Date: 26 October 2012**

**Approved (EIA Lead Officer for Portfolio): Bashir Khan Date: 26 October 2012**