

Council

Wednesday 6 February 2013

2.00 pm

**Council Chamber, Town Hall,
Pinstone Street, Sheffield S1 2HH**

The Press and Public are Welcome to Attend

COUNCIL

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The Press and Public are Welcome to Attend

MEMBERS OF THE COUNCIL

THE LORD MAYOR (Councillor John Campbell)
THE DEPUTY LORD MAYOR (Councillor Vickie Priestley)

1	<i>Arbourthorne Ward</i> Julie Dore John Robson Jack Scott	10	<i>Dore & Totley Ward</i> Keith Hill Joe Otten Colin Ross	19	<i>Mosborough Ward</i> David Barker Isobel Bowler Tony Downing
2	<i>Beauchief & Greenhill Ward</i> Simon Clement-Jones Clive Skelton Roy Munn	11	<i>East Ecclesfield Ward</i> Garry Weatherall Steve Wilson Joyce Wright	20	<i>Nether Edge Ward</i> Anders Hanson Qurban Hussain Nikki Bond
3	<i>Beighton Ward</i> Helen Mirfin-Boukouris Chris Rosling-Josephs Ian Saunders	12	<i>Ecclesall Ward</i> Roger Davison Diana Stimely Penny Baker	21	<i>Richmond Ward</i> John Campbell Martin Lawton Lynn Rooney
4	<i>Birley Ward</i> Denise Fox Bryan Lodge Karen McGowan	13	<i>Firth Park Ward</i> Alan Law Chris Weldon Shelia Constance	22	<i>Shiregreen & Brightside Ward</i> Sioned-Mair Richards Peter Price Peter Rippon
5	<i>Broomhill Ward</i> Shaffaq Mohammed Stuart Wattam Jayne Dunn	14	<i>Fulwood Ward</i> Andrew Sangar Janice Sidebottom Sue Alston	23	<i>Southey Ward</i> Leigh Bramall Tony Damms Gill Furniss
6	<i>Burngreave Ward</i> Jackie Drayton Ibrar Hussain Talib Hussain	15	<i>Gleadless Valley Ward</i> Cate McDonald Tim Rippon Steve Jones	24	<i>Stannington Ward</i> David Baker Vickie Priestley Katie Condliffe
7	<i>Central Ward</i> Jillian Creasy Mohammad Maroof Robert Murphy	16	<i>Graves Park Ward</i> Denise Reaney Ian Auckland Bob McCann	25	<i>Stockbridge & Upper Don Ward</i> Alison Brelsford Philip Wood Richard Crowther
8	<i>Crookes Ward</i> Sylvia Anginotti Geoff Smith Rob Frost	17	<i>Hillsborough Ward</i> Janet Bragg Bob Johnson George Lindars-Hammond	26	<i>Walkley Ward</i> Ben Curran Nikki Sharpe Neale Gibson
9	<i>Darnall Ward</i> Harry Harpham Mazher Iqbal Mary Lea	18	<i>Manor Castle Ward</i> Jenny Armstrong Terry Fox Pat Midgley	27	<i>West Ecclesfield Ward</i> Trevor Bagshaw Alf Meade Adam Hurst
				28	<i>Woodhouse Ward</i> Mick Rooney Jackie Satur Ray Satur

John Mothersole

Chief Executive

Contact:

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PUBLIC ACCESS TO THE MEETING

The Council is composed of 84 Councillors with one-third elected three years in four. Councillors are democratically accountable to the residents of their Ward. The overriding duty of Councillors is to the whole community, but they have a special duty to their constituents, including those who did not vote for them

All Councillors meet together as the Council. Here Councillors decide the Council's overall policies and set the budget each year. The Council appoints the Leader and at its Annual Meeting will appoint Councillors to serve on its Committees. It also appoints representatives to serve on joint bodies and external organisations.

A copy of the agenda and reports is available on the Council's website at 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 Council meetings. Please see the website or contact Democratic Services for further information.

Council meetings are normally open to the public but sometimes the Council 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.

FACILITIES

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.

**COUNCIL AGENDA
6 FEBRUARY 2013**

Order of Business

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

Members to declare any interests they have in the business to be considered at the meeting

3. MINUTES OF PREVIOUS COUNCIL MEETING

To receive the record of the proceedings of the meeting of the Council held on 23rd January, 2013 and to approve the accuracy thereof.

4. PUBLIC QUESTIONS AND PETITIONS AND OTHER COMMUNICATIONS

(a) To receive any questions or petitions from the public, or communications submitted by the Lord Mayor or the Chief Executive and to pass such resolutions thereon as the Council Procedure Rules permit and as may be deemed expedient

(b) Petitions Requiring Debate

The Council's Petitions Scheme requires that any petition containing over 5,000 signatures be the subject of debate at the Council meeting. The following qualifying petitions have been received:-

(i) Petition regarding proposed funding reductions in the Early Years Service

To debate a petition containing approximately 10,000 signatures objecting to proposed funding reductions in the Early Years Service. The wording of the petition is as follows:-

"We the undersigned recognise that Sheffield's Community Nurseries and Children's Centres provide universal, culturally sensitive, high quality education and care as well as preventative services for ALL families. They support parents on low incomes to gain access to employment. They support parents to access further education or gain basic skills. More importantly they give children from deprived backgrounds the important early year's experience that gives them the right start in life.

In 2011-12 seven nurseries in Sheffield got an “Outstanding” grade from Ofsted, five of these will be placed at risk if these proposals go forward, making a mockery of the “Narrowing the Gap” and “Raising attainment” agenda as they are all in areas of deprivation. We believe that the Council has not fully understood the impact of these cuts. We the undersigned confirm our opposition to the Early Years Redesign and our opposition to Sheffield City Council’s decision to withdraw funding from community nurseries and remove the early education and care from Children’s Centres which will have a devastating effect in the deprived communities at a time when they need it most. We call on the Council to take immediate action and call on them to:

- *shelve these proposals*
- *consult with communities about the models of support they require*
- *look at alternative areas to reduce costs.*

(ii) *Petition regarding the proposed closure of Stocksbridge Leisure Centre*

To debate a petition containing approximately 7,500 signatures expressing concern over the proposals to close Stocksbridge Leisure Centre. The wording of the petition is as follows:-

“We the undersigned are very concerned citizens of Stocksbridge, Deepcar and surrounding areas over the proposals to close Stocksbridge Leisure Centre. We urge Sheffield City Council to seriously consider an alternative to closure of this important and much needed community facility.”

5. MEMBERS' QUESTIONS

- 5.1 Questions relating to urgent business – Council Procedure Rule 16.6(ii).
- 5.2 Supplementary questions on written questions submitted at this meeting – Council Procedure Rule 16.4.
- 5.3 Questions on the discharge of the functions of the South Yorkshire Joint Authorities for Fire and Rescue, Integrated Transport and Pensions - Section 41 of the Local Government Act 1985 – Council Procedure Rule 16.6(i).

(NB. Minutes of recent meetings of the three South Yorkshire Joint Authorities have been made available to all Members of the Council

via the following link <https://meetings.sheffield.gov.uk/council-meetings/full-council>)

6. REPRESENTATION, DELEGATED AUTHORITY AND RELATED ISSUES

To consider any changes to the memberships and arrangements for meetings of Committees etc., delegated authority, and the appointment of representatives to serve on other bodies

7. CHANGES TO THE CONSTITUTION

Report of the Chief Executive.

8. CHANGES TO COUNCIL TAX DISCOUNTS FOR SECOND HOMES AND EMPTY PROPERTIES

Report of the Executive Director, Resources, on proposals considered by the Cabinet on 12th December, 2012.

9. HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN 2012-17 UPDATE AND HOUSING REVENUE ACCOUNT BUDGET AND RENT INCREASE 2013

Report of the Chief Executive on recommendations referred by the Cabinet at its meeting held on 16th January, 2013.

10. NOTICE OF MOTION GIVEN BY COUNCILLOR JULIE DORE

That this Council:-

- (a) reconfirms its anger and dismay at the Council's budget position which is now significantly worse than was previously estimated because the Government are making additional unfair cuts to Sheffield as a result of their failure to grow the economy and notes that, even without the additional cuts, the Council was already facing an unprecedented level of cuts, which will have a massive impact on Council services in Sheffield;
- (b) notes that the Council has a £50 million budget gap for 2013/14 and this is in addition to the £140 million that has been reduced from the Council's budget over the past two years, meaning that future cuts will unavoidably have a bigger impact on Council services that are valued by local people;
- (c) is appalled that despite the Council having to set its budget on 1st

March, 2013, the Local Government Finance Settlement was not given until the week before Christmas and believes that this demonstrates a complete disregard for local government;

- (d) regrets that the Government provided inaccurate figures to the Council and the public on the Settlement which were used to create an inaccurate and grossly misleading representation of the reductions facing local authorities and believes that this demonstrates their incompetence;
- (e) continues to oppose the unfairness of the cuts which see councils with the highest levels of deprivation receiving the majority of the cuts whilst some of the wealthiest areas in the country receive almost no cuts at all;
- (f) notes recent research from Newcastle City Council which indicates that Sheffield will receive a cut of nearly £200 per person between 2010/11 and 2014/15, wealthy areas are receiving significantly less cuts with Guildford receiving a cut of just £24.14 per person, Wokingham £26.53 and Epsom and Ewell just £15.18;
- (g) believes that the Deputy Prime Minister continues to betray and fail the people of Sheffield and is shocked that the main opposition group continue to support the unfair cuts that the Government are making to Sheffield;
- (h) regrets that due to the Deputy Prime Minister's complete inability to offer any plausible defence for the decisions his Government is making to impose unprecedented cuts to Sheffield City Council at the same time as wealthier councils receive just a fraction of the cuts, the Deputy Prime Minister and main opposition group have resorted to spouting factually inaccurate untruths about Council spending;
- (i) instructs the Chief Executive to write to the Deputy Prime Minister and Leader of the Main Opposition Group to explain recent inaccuracies and misrepresentations recently propagated by the Deputy Prime Minister and main opposition group;
- (j) expects that in the future these inaccuracies will not be included in any statement or material issued by the party of the Deputy Prime Minister and the main opposition group;
- (k) notes that unfortunately many other councils across the country are facing significant reductions in services and this is reflected in the letters written to the Secretary of State for Communities and Local Government by all Core City Leaders explaining the impact that the cuts will have on their cities;
- (l) further notes that in the past two years, the Council has made £140 million of budget reductions and as far as possible has done so limiting the impact on front line visible Council services, however, recognises that the Government have continued to cut to a level

that will mean it is no longer possible to avoid significant reductions to front line services;

- (m) further notes that proposals to balance the 2013/14 budget are now subject to consultation and impact upon areas across the Council, including sports and leisure, health and care, youth services, early years, and Community Assemblies, acknowledging that, with the exception of child protection, no area of the Council will be unaffected by the cuts;
- (n) further notes that the proposals are still subject to consultation and the budget will be approved at Full Council on 1st March, 2013; and
- (o) confirms the present Administration's determination to protect services as far as possible, focusing on the long term and recognises the Administration's focus on protecting services for the vulnerable.

11. NOTICE OF MOTION GIVEN BY COUNCILLOR SHEILA CONSTANCE

That this Council:-

- (a) regrets that since this Government came to power there are more homeless people and people visiting food banks in Sheffield than ever before;
- (b) notes that the need for people to visit food banks has increased drastically over the past two years;
- (c) further notes that The Trussell Trust said its food bank network had fed almost 110,000 people since April 2012, compared with a total of 128,697 in the whole of 2011-12;
- (d) is aware that there are now seven food banks in Sheffield, which has more than doubled since the Coalition came to power;
- (e) is concerned about the disproportionate impact of homelessness on young people, who are more financially vulnerable and have less accommodation options open to them;
- (f) is doing what it can to help prevent homelessness in Sheffield but is faced with budget cuts which will mean less people will receive support when there is greater need;
- (g) believes that this need for emergency shelter and food supplies has increased due to tough economic pressures;
- (h) is aware that many families who need emergency food are working families that are struggling to pay bills as well as feed their families;

- (i) is also aware that the majority of people who need emergency food need help due to disruptions in benefit payments;
- (j) expects this situation to get worse with the introduction of universal benefits; and
- (k) is thankful that the churches and volunteer groups in Sheffield give up their time and resources to help people who need emergency support and hopes they will continue to do this.

12. NOTICE OF MOTION GIVEN BY COUNCILLOR ANDREW SANGAR

That this Council:-

- (a) notes with regret the proposal of the current Administration to abolish Community Assemblies;
- (b) believes Community Assemblies have been a wholly positive step for the Council in encouraging local engagement, strengthening local accountability, and empowering local councillors and communities;
- (c) furthermore, confirms that, despite the claims of the current Administration, the work of Community Assemblies and the number of residents engaged extends far beyond the formal meetings;
- (d) in addition, notes that a number a public sector organisations have aligned their structures to Community Assemblies to ensure better partnership working;
- (e) believes that the end of Community Assemblies would spell a return to the Town-Hall-knows-best attitude, where local concerns are increasingly ignored by Town Hall bureaucrats;
- (f) furthermore, regrets that the demise of Community Assemblies will lead to a further entrenchment of what is believed to be a 'favoured areas' policy and that, as a result, thousands of Sheffieldsers will not get a fair deal from the Council;
- (g) notes the comments of the Labour Chair of the Northern Community Assembly in The Sheffield Star that plans to cut Community Assemblies were "regrettable", "appalling", "not an easy move" and "not something we wanted to do" and furthermore that the Assemblies have been "extremely valuable";
- (h) feels that some funding should be retained to ensure Community Assemblies can continue to operate and support their communities;
- (i) however, believes that even if funding is withdrawn, the formal

structures and branding of Community Assemblies should be retained; and

- (j) therefore, calls upon the Administration, regardless of the outcomes of the Budget Council meeting on 1st March, 2013, to maintain the broad structure of Community Assemblies with some officer support from the Council.

13. NOTICE OF MOTION GIVEN BY COUNCILLOR HARRY HARPHAM

That this Council:-

- (a) believes that northern cities are being unfairly cut by this Government;
- (b) feels it is wrong, unfair and divisive that less affluent areas and cities are facing much bigger cuts than more affluent ones;
- (c) believes that this is demonstrated by recent research from Newcastle City Council which indicates that Sheffield will receive a cut of nearly £200 per person between 2010/11 and 2014/15, wealthy areas are receiving significantly less cuts with Guildford receiving a cut of just £24.14 per person, Wokingham £26.53 and Epsom and Ewell just £15.18;
- (d) is pleased to be working with the Core Cities group to represent England's eight largest city economies outside London to drive campaigns for a fair settlement;
- (e) supports the letter sent to Rt. Hon. Eric Pickles, MP, Secretary of State for Communities and Local Government, outlining the unfair nature of cuts that are hitting the Core Cities and notes that the letter was signed by all Core City Leaders who all articulated concerns about the impact that the level of cuts that the Government are imposing on their budgets will have on Council services in all Core Cities;
- (f) welcomes the Come Together conference hosted in Liverpool on 18th January, 2013 attended by both political and faith leaders from cities across the country and supports the Sheffield representation at the event; and
- (g) resolves to continue to work constructively in partnership with other cities to stand up for the interests of our cities and hopes that the overwhelming objection to the Government's unfair policy of targeting cuts at areas of higher deprivation will lead to a reconsideration of this policy.

14. NOTICE OF MOTION GIVEN BY COUNCILLOR JACKIE DRAYTON

That this Council:-

- (a) regrets that a further £6.8 million reduction to the Early Intervention Grant in the coming financial year, in addition to significant reductions to funding in previous years, indicates that Government cuts are being targeted directly at services to give children, young people and families the opportunity to fulfil their potential;
- (b) completely condemns the cuts to Early Intervention Grant and recalls warnings by sector leaders that these cuts would have a significant impact on services provided by local authorities;
- (c) supports the letter by the Leader of the Council and Cabinet Member for Children, Young People and Families to the Secretary of State for Communities and Local Government and the Deputy Prime Minister objecting to cuts to the Early Intervention Grant;
- (d) regrets that the Secretary of State for Communities and Local Government and the Deputy Prime Minister refused to listen to warnings about cuts to Early Intervention Grant and included heavy reductions in the Local Government Finance Settlement;
- (e) acknowledges that proposals in the Early Years review include measures to deliver some of the savings necessitated by the Government's cuts to the Early Intervention Grant;
- (f) further acknowledges that due to the level of the cuts to the Early Intervention Grant and the subsequent expansion of Free Early Learning, funding can no longer be identified for childcare sustainability and the Early Years Review therefore includes proposals to end grants to 16 childcare providers which is a continuation of the policy adopted by the previous Administration and notes comments by the previous Cabinet Member for Children, Young People and Families and current Deputy Leader of the Main Opposition Group in The Star newspaper on 7th January 2011 "We will have significantly less money than we previously had so we have to ensure we are putting it to the best possible use, supporting the most disadvantaged families, ... Tough economic times can give new opportunities to review how services are provided and to question if they are being provided in the most efficient way. It is about getting better value for money. Our funding needs to be redirected so those most in need are benefiting directly. ... Centres will have to charge market rates for their services if their parents can afford them."
- (g) regrets the potential impact that the removal of grants from the 16 childcare providers will have on their organisations, however acknowledges that this is ultimately a consequence of the

Government's decision to cut the Early Intervention Grant so heavily, as stated by the previous Cabinet Member for Children, Young People and Families that "we will have significantly less money than we previously had";

- (h) is committed to making sure childcare is available in all areas across the City and understands that whilst changes in Government policy direct a change in the Council's role towards a market facilitator, the Early Years Review identifies that temporary arrangements need to be put in place to ensure that early years provision can continue in the transitional period in between the ending of current arrangements and the expansion of Free Early Learning and welcomes that this was reconfirmed at the Scrutiny Committee meeting on 24th January, 2013;
- (i) notes that the Early Years Review indicates longer term proposals to ensure that all providers are given the help they need to develop a sustainable business model and maximise the funding opportunities available following changes in Government policy and the development of Free Early Learning;
- (j) further notes that proposals in the Early Years Review also include changes to the organisation and management of Sheffield's Children's Centres, however, acknowledges that proposals in this area are to make savings to management, administration and premises costs and not to reduce the number of outlets in which services are provided, noting the statement in the Cabinet Report that there will be little impact on current service delivery to parents, however, understands that the locations of where this support is provided may change;
- (k) further notes that details of service provision following the organisational changes will be made available and any changes to locations of support will be effectively communicated to parents and welcomes that this was reconfirmed at the Scrutiny Committee meeting on 24th January; and
- (l) further notes that any future proposals agreed following the consultation period will be subject to further scrutiny.

15. NOTICE OF MOTION GIVEN BY COUNCILLOR COLIN ROSS

That this Council:-

- (a) notes the Redesign of Early Years Services agreed by the Cabinet on 12th December, 2012;
- (b) understands the anger from parents and providers at the proposals, given the pitiful consultation process and the ongoing lack of detail

regarding the future model;

- (c) is dismayed that the Cabinet are still yet to publish details of how the future 17 Children's Centre Areas will work in practice, with just weeks to go until the implementation of a new system;
- (d) highlights that thanks to Liberal Democrat policy of 15 hours Free Early Learning for disadvantaged 2-year-olds, £3.8 million of new funding will be invested in Sheffield next year;
- (e) however, regrets the lack of support that has been provided to voluntary and community sector organisations to adapt to the new funding system, leaving many facing a potential cliff-edge in funding;
- (f) believes local parents and providers are not getting a fair deal from this Council;
- (g) notes the recommendations of the Children, Young People and Families Scrutiny and Policy Development Committee, agreed by all Labour members, specifically that the Cabinet:
 - (i) considers what transitional arrangements are needed to be put in place to ensure that good quality early years provision is able to be sustained; and
 - (ii) provides further details of provision within the 17 areas, and gives assurances that a comprehensive communications plan is developed to inform parents of the locations of support, and the type of support available, in the 17 new areas; and
- (h) calls upon the Cabinet to seriously reconsider their proposals for local children's centres in line with the Scrutiny Committee's recommendations.

16. NOTICE OF MOTION GIVEN BY COUNCILLOR JACK SCOTT

That this Council :-

- (a) would like to thank the Gritters and Snow Wardens on behalf of the Council and the people of Sheffield for all their hard work keeping Sheffield's roads safe through the bad weather;
- (b) appreciates that Community Snow Wardens are unpaid volunteers who give up their time to help their local communities;
- (c) acknowledges the unprecedented bad weather we have had and would like to reassure residents we will do our best to combat any

further snow in the City;

- (d) is pleased there have been no major incidents throughout the bad weather; and
- (e) urges this Government to look seriously at climate change which has led to this unprecedented cold spell in the UK.

17. NOTICE OF MOTION GIVEN BY COUNCILLOR JOHN ROBSON

That this Council:

- (a) opposes the Government's decision to cull badgers in England;
- (b) is aware of strong objections to badger culling in the UK which resulted in a petition of over 150,000 people;
- (c) notes that Parliament voted against the cull in October 2012 with a huge majority of 147 votes to 28;
- (d) regrets the u-turn taken by Government to cull between 70-95% of the country's badgers with over 7,500 condemned in pilot studies in West Gloucestershire and West Somerset set to go ahead this summer;
- (e) acknowledges that despite contradicting statements there is strong scientific evidence that culling badgers will not make a difference to the numbers of bovine TB;
- (f) notes that leading scientists in this field agree that a cull will make little or no difference and that free shooting has not been scientifically tested anywhere and could even spread bovine TB in the short term as badgers move around more;
- (g) reminds the Government that badgers are a legally protected species and to kill them without knowing the full facts is a disgrace;
- (h) will not voluntarily allow badger culling on land in its ownership if the cull is extended after the pilot scheme; and
- (i) urges the Government to reconsider the decision as there is no scientific, economic or moral basis for culling.

18. NOTICE OF MOTION GIVEN BY COUNCILLOR ALISON BRELSFORD

That this Council:

- (a) recalls the decision of the Cabinet in October 2011 to remove

£200,000 of refurbishment funding from Stocksbridge Leisure Centre;

- (b) believes this decision formed part of a long-term plan by the Administration to deny the people of Stocksbridge their leisure centre;
- (c) highlights that Stocksbridge is unique in its isolated location and its lack of public transport links to other leisure sites;
- (d) notes that while the Administration are proposing to close leisure facilities in Sheffield, the Coalition Government is investing £10million Olympic Legacy funding in leisure facilities across the City;
- (e) feels that Stocksbridge is not getting a fair deal from this Council; and
- (f) calls upon the Administration to reconsider their proposals for Stocksbridge Leisure Centre.

19. NOTICE OF MOTION GIVEN BY COUNCILLOR NIKKI SHARPE

That this Council:

- (a) supports the Early Day Motion proposed by Alan Meale MP to Keep Mary Seacole on the national curriculum;
- (b) is aware of history which records the many heroic and compassionate acts carried out unselfishly by renowned war nursing heroine Mary Seacole for innumerable wounded soldiers injured on the Crimean War's bloody battlefields;
- (c) notes her efforts have rightly become part of the nation's schools educational curriculum with further recognition of her contribution shortly to be revealed by the unveiling of a large bronze statue in her memory to be erected in the grounds of St Thomas' Hospital facing the Houses of Parliament;
- (d) is therefore greatly alarmed by reports that the Secretary of State for Education has announced plans to overhaul the core history content taught to our nation's schoolchildren which won't include the story of her exploits on behalf of others;
- (e) further notes that the teaching of Black historical figures is widely recognised to be beneficial to the success of Black pupils and in closing the GCSE achievement gap and indeed it is to the advantage of pupils from all backgrounds in our increasingly diverse schools and society, and that Mary Seacole, as a

Jamaican/Scottish figure, is a positive role model and is well-respected in NHS circles;

- (f) is also aware that Mary Seacole is the only Black figure to feature in the national curriculum not connected to civil rights or enslavement and removing someone who was voted by the public the Greatest Black Briton (100greatblackbritons.com) sends out the wrong signals, and believes we should be taught more Black history not less;
- (g) believes the children of Sheffield, and indeed the nation, are best served by being reminded of such unselfishness and hopes the Secretary of State will desist in his attempt to undermine her memory; and
- (h) calls upon our local Members of Parliament to support the campaign to lobby the Government to retain inclusion of Mary Seacole in the national curriculum.



Chief Executive

Dated this 29 day of January 2013

The next ordinary meeting of the Council will be held on 1 March 2013 at the Town Hall

ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

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

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Agenda Item 3

Minutes of the Meeting of the Council of the City of Sheffield held in the Council Chamber, Town Hall, Pinstone Street, Sheffield S1 2HH, on Wednesday 23 January 2013, at 2.00 pm, pursuant to notice duly given and Summonses duly served.

PRESENT

THE LORD MAYOR (Councillor John Campbell)
THE DEPUTY LORD MAYOR (Councillor Vickie Priestley)

1	<i>Arbourthorne Ward</i> Julie Dore John Robson Jack Scott	10	<i>Dore & Totley Ward</i> Keith Hill Joe Otten Colin Ross	19	<i>Mosborough Ward</i> David Barker Isobel Bowler Tony Downing
2	<i>Beauchief Greenhill Ward</i> Simon Clement-Jones Clive Skelton Roy Munn	11	<i>East Ecclesfield Ward</i> Garry Weatherall Steve Wilson Joyce Wright	20	<i>Nether Edge Ward</i> Anders Hanson Qurban Hussain Nikki Bond
3	<i>Beighton Ward</i> Helen Mirfin-Boukouris Chris Rosling-Josephs Ian Saunders	12	<i>Ecclesall Ward</i> Roger Davison Diana Stimely Penny Baker	21	<i>Richmond Ward</i> John Campbell
4	<i>Birley Ward</i> Denise Fox Bryan Lodge Karen McGowan	13	<i>Firth Park Ward</i> Alan Law Chris Weldon Shelia Constance	22	<i>Shiregreen & Brightside Ward</i> Sioned-Mair Richards Peter Price Peter Rippon
5	<i>Broomhill Ward</i> Shaffaq Mohammed Jayne Dunn	14	<i>Fulwood Ward</i> Andrew Sangar Sue Alston	23	<i>Southey Ward</i> Tony Damms Gill Furniss
6	<i>Burngreave Ward</i> Jackie Drayton Ibrar Hussain Talib Hussain	15	<i>Gleadless Valley Ward</i> Cate McDonald Tim Rippon Steve Jones	24	<i>Stannington Ward</i> David Baker Vickie Priestley Katie Condliffe
7	<i>Central Ward</i> Mohammad Maroof Robert Murphy	16	<i>Graves Park Ward</i> Denise Reaney Ian Auckland Bob McCann	25	<i>Stockbridge & Upper Don Ward</i> Alison Brelsford Philip Wood Richard Crowther
8	<i>Crookes Ward</i> Sylvia Anginotti Geoff Smith Rob Frost	17	<i>Hillsborough Ward</i> Janet Bragg Bob Johnson George Lindars-Hammond	26	<i>Walkey Ward</i> Ben Curran Nikki Sharpe Neale Gibson
9	<i>Darnall Ward</i> Harry Harpham Mazher Iqbal Mary Lea	18	<i>Manor Castle Ward</i> Jenny Armstrong Terry Fox Pat Midgley	27	<i>West Ecclesfield Ward</i> Alf Meade Adam Hurst
				28	<i>Woodhouse Ward</i> Mick Rooney Jackie Satur Ray Satur

1. FORMER COUNCILLOR SIR IRVINE PATNICK

The Lord Mayor (Councillor John Campbell) announced the death of former Councillor and Sheffield Member of Parliament, Sir Irvine Patnick. Members of the Council observed a minute's silence in memory of Sir Irvine. Later in the meeting, Members of the Council paid tribute to him.

2. COUNCILLORS PENNY BAKER AND DAVID BAKER - 25TH WEDDING ANNIVERSARY

On behalf of the Council, the Lord Mayor (Councillor John Campbell) congratulated Councillors Penny Baker and David Baker on the occasion of their 25th Wedding Anniversary.

3. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Trevor Bagshaw, Leigh Bramall, Jillian Creasy, Martin Lawton, Lynn Rooney, Janice Sidebottom and Stuart Wattam.

4. DECLARATIONS OF INTEREST

There were no declarations of interest.

5. MINUTES OF PREVIOUS COUNCIL MEETING

RESOLVED: On the Motion of Councillor Pat Midgley, seconded by Councillor Gill Furniss, that the minutes of the meeting of Council held on 5th December 2012 be approved as a correct record.

6. PUBLIC QUESTIONS AND PETITIONS AND OTHER COMMUNICATIONS

Petitions

(a) Petition Requesting for Free Skate Parks in the City

The Council received a petition containing six signatures and requesting the Council to provide free skate parks in the City.

Representations on behalf of the petitioners were made by Terry Allingham. Mr Allingham stated that there were 2 or 3 large skate parks in Sheffield. Devonshire Green was one such site, although it was relatively small. In some cases, litter accumulated at the Skate Park in the morning. The petition requested more free facilities for

people who wanted to skate or use scooters, which would help people to develop their skills, attract new skaters, would help to provide activity or hobby which might reduce incidents of anti social behaviour among young people and helped people to develop qualities such as courage and dedication. It also provided a potential public tourist attraction for the City.

Mr Allingham made reference to his own personal experience in suffering from depression and to the beneficial effects of learning to skate on his wellbeing, a skill which he had taught himself by watching a video on You Tube after he had purchased a pair of rollerblades. He stated that skating was a 'healthy addiction' in that it provided focus, promoted perseverance and it had helped him to recover from his depression.

He added that skating was a great activity for young people, including those in their early 20s and it was an activity which gave people something to focus upon and a distraction from other less healthy activities or addictions, which might cause young people to get into trouble.

The Council referred the petition to the Cabinet Member for Culture, Leisure and Sport (Councillor Isobel Bowler). Councillor Bowler thanked Mr Allingham for sharing his personal story about how skating had changed his life. In addition to Devonshire Green, there were 4 other parks in the City which provided facilities for skaters and there was a funded plan to provide another skate park in Hackenthorpe. Further consideration could also be given to the promotion of skating and other opportunities such as training.

Councillor Bowler indicated that she would be pleased to meet with Mr Allingham to discuss matters further and she commented that he had put forward a strong case which was inspirational.

(b) Petition Requesting a Bus Shelter on Wincobank Avenue

The Council received a petition containing 40 signatures requesting a bus shelter on Wincobank Avenue.

The Council referred the petition to the Cabinet Member for Business, Skills and Development (Councillor Leigh Bramall) and to the South Yorkshire Passenger Transport Executive.

(c) Petition Requesting the Removal of the Bus Stop on Longley Avenue West

The Council received a petition containing 14 signatures requesting the removal of the bus stop on Longley Avenue West.

The Council referred the petition to the Cabinet Member for Business,

Skills, and Development (Councillor Leigh Bramall) and to the South Yorkshire Passenger Transport Executive.

(d) Petition Requesting Improved Parking Facilities for Customers using Millhouses Shopping Centre

The Council received a petition containing 228 signatures requesting improved parking facilities for customers using Millhouses Shopping Centre.

The Council referred the petition to the Cabinet Member for Business, Skills and Development (Councillor Leigh Bramall).

Public Questions

(a) Public Question on Redesign of Early Years' Service

(i) Emma Chadwick asked whether the Council understood that the position in relation to the redesign of the Early Years' Service was still unclear to parents and that it was felt that the Council was making the situation sound better than it really was. She compared the number of people who might have participated in the Council's consultation with the 1,554 people who had signed the petition, presented to Cabinet on 12 December 2012 concerning early years' services. She asked how many parents had indicated that they agreed to these cuts in the early years' service.

(iii) Linda Edwards stated that she understood that £3.8 million needed to be saved from the Early Years' budget and asked why Multi-Agency Support Teams (MAST) were not included in the planned savings as all Early Years' Providers had been. She suggested that some of the savings could have been found from the budget for MASTs. She stated that she had found difficulty in ascertaining the size of the budget allocation for MASTs and, following the submission of two Freedom of Information requests, different budget figures had been obtained and, therefore, it was difficult to accurately evaluate the current position.

(iv) Sally Pearse asked how the Council would ensure that meaningful consultation would take place in view of the short timescales involved. She questioned the quality of the consultation in that the Advisory Board had been given only 24 hours notice of a consultation event, which had excluded many part-time providers from taking part in the consultation. She also suggested that the consultation document included leading questions and that accessing the on-line consultation was too complicated, making it difficult for people to make their views known.

(v) Elaine Bennett stated that the nurseries affected by the Council's

proposals provided for a high percentage of children with special needs and asked where would these children be placed given that specialist nurseries were full.

(vi) Leanne McMain stated that the questions asked in the consultation were misleading and loaded and the consultation did not refer to budget cuts and suggested, therefore, that the consultation was not real or meaningful. She asked that Members consult with Council officers with a view to proper consultation being carried out.

Councillor Jackie Drayton (Cabinet Member for Children, Young People and Families) thanked the questioners for their comments. She agreed that it was vital that any consultation needed to be meaningful, but suggested that the responses to the consultation received so far did not provide a true or balanced view of the Early Years' Service in the City. Councillor Drayton referred to some questions which were included in the consultation concerning: (i) the proposed audit of Early Years' settings in order to achieve high quality services, (ii) whether the Council should focus resources on encouraging those families who have not previously used early years' services and who need support, to use such services and (iii) did people agree that resources should be focussed on the most vulnerable children and families. Negative responses had been received regarding all three questions, which were difficult to comprehend and, she considered, did not contribute to the consultation in a meaningful way. However, the Council would continue to strive to do all it could to ensure that every single parent took part in the consultation, including the voices of those who had contributed to the Council's review of early years, in order to secure an accurate assessment of opinion on the Council's proposals.

As regards the comments made concerning the consultation being too quick, Councillor Drayton responded that the Council had been preparing for the Early Years' Review for a number of years and had held numerous meetings in many formal and informal settings, both with parents and service providers on a City-wide and area basis, as well as providing to parents and carers a large number of communications about the Service, including letters, pamphlets etc. She added that the Council had carried out a detailed and exhaustive programme of consultation and this consultation had continued when Cabinet, at its meeting on 12 December had given approval in principle to the proposals that were out for consultation now and until the end of January.

In relation to MASTs, Councillor Drayton reminded the questioners that these teams comprised officers from agencies other than the Council, including the South Yorkshire Police, Midwives, the Youth Offending Team, Schools and Early Years' services, with the aim of working jointly with children and families across the City to improve their health and well being, school attendance, behaviour and early years' provision. The teams were crucial in identifying children and

families with additional needs through high quality early intervention support services to avoid potential crisis situations and to provide families with one point of contact rather than their continual referral between agencies. She added that some of the services provided by the voluntary and community and charitable sectors were also important in supporting early years' intervention and prevention.

If early intervention and prevention services were not in place, then the risks would increase of families moving into crisis situations with associated additional long term costs of support and a reduced positive outlook for the families concerned. The Council would continue, with its partners, to work within the MAST system and its whole household approach to address the problems faced by vulnerable families in view of MASTs importance to long-term family outcomes.

Councillor Drayton added that whilst she knew that Early Years' services could make a positive difference to the lives of children and families, the cuts were being imposed on the Council by the Government. Early Intervention Grant of £6.8m had been cut by 28% at the same time as a change in the way Early Years services were provided had been required by the Government. The previous Labour Government had implemented a SureStart Programme of early childcare, but the present Government had now changed the emphasis from supplying funding for childcare to funding free early learning for 2, 3 and 4 year olds. The Council had no further money to fund childcare and it was important that the public understood this. She wished to say that although the proposals made savings in management, premises and administration, it was impossible to cut £3.5m out of a budget without it making a difference, but we would do all we can to protect services to children and families.

Councillor Drayton apologised for some of the scaremongering rumours about the future of the Early Years' service, which must have caused great worry for vulnerable families and children. She stated that we should all be working together to support children and families across the City, particularly those children with a disability and vulnerable families and we needed to strive to provide support in the face of Government cuts instead of listening to the scaremongering on these issues. The Council would continue to seek the views of as many parents, carers and providers as possible under the current consultation and ideally, would not wish to see any nurseries close.

(b) Public Questions on the future of Stocksbridge Leisure Centre

(i) Mr Colin Poppleton referred to the consideration being given by the Council to the closure of the Stocksbridge Leisure Centre and to his families' use of the Leisure Centre over the past 10 years or so. He asked whether it was true that the Council had a legal obligation to keep the Centre open for swimming as swimming was included within

the school curriculum. He commented that the Council had a moral obligation to keep the Centre open as Stocksbridge was a remote area and as such would provide difficulties to families and children in using other Leisure Centres in view of the travelling involved.

(ii) Mr Steven Woodcock referred to the proposed savings which had been identified in respect of the Stocksbridge Leisure Centre and which amounted to £400,000 per annum which equated to approximately £8,000 per week – requiring an estimated £1 per week contribution from each household in Stockbridge and Deepcar. Therefore, could it not be argued that it would be a small price to pay for residents of this area to keep the Leisure Centre open. He also commented that given that residents in Stocksbridge and Deepcar were unlikely to use any other sporting facilities in the City (which received a subsidy), was it right that residents of the area contributed to such a subsidy through the Stocksbridge Town Council (STC).

Councillor Isobel Bowler (Cabinet Member for Culture, Sport and Leisure) responded that the legal position was that schools had a responsibility for national curriculum targets relating to children's swimming. Should a pool not be available at Stocksbridge, then the Council would work with those schools which used Stocksbridge Leisure Centre for swimming to help them discharge their duty. If necessary, the Council would work with schools on travel arrangements to access other pools.

As respects the cost of the Leisure Centre, Councillor Bowler indicated the facility would require a future subsidy of £400,000 in order to keep it open. However, in order to create further time to explore a solution to the problem, she had been in discussion with the STC and Sport England and a further £40,000 had been identified in order to keep the Leisure Centre operational for a further month (three months' from 1st February to 30 April)

Councillor Bowler hoped this period would provide an opportunity for the City Council to work with the STC to identify potential future options for the benefit of the community and a letter had been sent to the members of STC to this effect. She, and the Council's Director of Culture, had met with Sport England representatives and had advised the latter of the special circumstances of the Stocksbridge and Deepcar communities which were generally isolated. Sport England had offered to work with the Council and the STC to develop business plans for the Leisure Centre and the identification of alternative sources of funding which, she hoped, the STC would take up. She added that Sport England had confirmed that they believed a business case could be made for sustainable facilities in Stocksbridge.

However, Councillor Bowler indicated that the Council were unable to find any sustainable funding for next year and the following years as the Council had, unfortunately, less and less funding available. She

offered to meet with the local community again, if required and stated that the Council would again meet with STC and others on 1st February, 2013 in an attempt to identify a solution for Stocksbridge.

(c) Public Question on Citizen' Charities

Jonathan Marsden asked rather than cut expenditure, would it be possible to organise Citizen's into Charities so that every citizen could offset income tax into such Charities, as they did at Eton?

Councillor Julie Dore (The Leader of the Council) indicated that she could not possibly comment on the individual scheme mentioned. However, she did not approve of tax avoidance schemes, believing in a progressive tax system. She stated that she was more than willing, through taxation, to subscribe to services and the welfare system which was there to protect the sick, vulnerable and those in work. She, therefore, believed wholeheartedly that people should pay their taxes.

(d) Public Question on Housing Waiting List

Ms. Margaret Tew expressed concern that she had been told by Sheffield Homes that she had been at the top of the housing waiting list but nevertheless she had been overlooked, with priority being given to others who had not been on the list as long as she had, namely 12 years. She asked why she was moving down the waiting list and were Council homes only being given to those older people who wished to downsize? She also suggested that some homes were not occupied by their tenants for long periods and some homes had been allocated to some who were not entitled to them according to the Council's policy.

Councillor Harry Harpham (Cabinet Member for Homes and Neighbourhoods) responded that he did not know the details of Ms. Tew's case but suggested if she wished to let him have the details he would get back to her. However, Councillor Harpham stressed that the overriding problem in housing was insufficiency. The Council needed to encourage those people who were living in homes that they acknowledged were too big for them to live in smaller, more economically manageable homes with smaller rents. This would free up, in some cases, a family home which were in short supply in the City where, in general, there was insufficient housing.

Councillor Harpham added that the Government had reduced the social housing budget by 60% and now there was a need for Government action to stimulate the building of new housing which was desperately needed. He added that he had sympathy with Ms. Tew's predicament and re-iterated that he would contact her on the matter. The Council was continually looking at its Allocations Policy as people had to wait long periods before they were allocated a Council tenancy and the range of priority criteria was considered to be too broad. He

stated that a report would be submitted to Cabinet in the next few months to address the issues that Ms. Tew raised. However, he was concerned at the comments she had made regarding the under-utilisation of properties on the estate where she lived and the occupation of properties by tenants that they were not entitled to.

(e) Public Question on new Housing Development on Green Belt site at Long lane, Loxley

Mr. Ken Fletcher asked whether the Council would investigate an alleged breach of planning conditions in respect of an application for planning permission approved by a meeting of the West and North Planning and Highways Committee on 23rd October, 2012 regarding a housing development being built on a green belt site between Long Lane and Hanson Road, Loxley.

Mr Fletcher indicated that the Loxley Valley Preservation Society had discovered that the site facilities and compound to the development had been built on green belt land adjacent to the site and that no permission had been sought from the Council on this matter. He stated that this was fundamentally wrong and that this caused problems with respect to access to and from the site facilities, the storage of inflammable equipment, as well as the use of the green belt site by heavy traffic and potential drainage problems that local residents were concerned about. He suggested that the Council should, amongst other things, seek a response from the developer as to how it was going to deal with the access and egress of traffic from the site to Long Lane which cut across green belt land.

Mr Fletcher added that he and other residents had accepted the decision of the Planning Committee to grant conditional planning permission in respect of the development. However, he and other residents could not accept any use of the site or adjoining land that was over and above the permission granted. He, therefore, asked that the Council investigate how the planning permission granted was being implemented and open the matter up to further public scrutiny.

In response, Councillor Julie Dore (the Leader of the Council) stated that she would refer the request made by Mr Fletcher for the Council to investigate the circumstances of the planning application and the adherence to planning conditions to Councillor Leigh Bramall (Cabinet Member for Business, Skills and Development) in order that he could contact Mr Fletcher.

(f) Public Question on Availability of Information

Mr Nigel Slack commented that on the 21st November 2012 he had asked a question in Cabinet about the censorship of the 'Final Business Case' documents of the Amey Highways Contract". He had received a promising response in that Councillor Lodge offered to look

at it again, Councillor Scott said he would provide information about the reason for the redaction and Councillor Dore said she would look at the issue of redaction in general.

Since then (2 months) he had received no further information, comment or contact regarding this subject and, at the time of writing this question, the website remains unchanged and the report still heavily censored.

In raising this subject again he drew the Council's attention to the recent comments by the highly respected Labour MP, Michael Meacher, during a speech in the House of Commons on 17th January. "...specious claims of commercial confidentiality when ATOS (a private company) is the sole provider of what is clearly a public service..."

Mr Slack asked whether the Council had any further response at this time or an indication when a response may be expected?

Councillor Bryan Lodge (Cabinet Member for Finance and Resources) responded that he replied to Mr Slack at the Cabinet meeting on 21st November, 2012 that the information Mr Slack had referred to was information to be considered by an imminent meeting of the Audit Committee and, therefore, it would not be appropriate for Councillor Lodge to comment. Since the Audit Committee meeting on 13th December, 2013, officers had been fully engaged in working out the implications of the Government's grant settlement for Sheffield which had been received shortly after the Audit Committee. However, he had now discussed with officers, the information within the report submitted to the Audit Committee and to which Mr Slack originally referred and he was still of the opinion that the information should remain confidential due to its commercial nature and the fact that it could only be released on the permission of the company concerned. He added that he fully expected that where information on commerciality was included in reports, then these would not be available publicly.

However, the Council tried to remain as open and transparent as it could and placed details of every transaction amounting to more than £250 on the Council website.

Councillor Julie Dore (the Leader of the Council) added that appropriate procedures had to be followed prior to the redaction of any information and each case was dealt with on an individual basis. She suggested that, if Mr Slack felt that any information had been inappropriately redacted, then he should bring it to the Council's attention.

- (g) Public Question on Sheffield Environmental Services Limited

Mr. Nigel Slack referred to the fact that recently he had occasion to look at the Council's contract register and stated that he noticed at that time that the contract for the City's waste management is detailed as being placed with a company called 'Sheffield Environmental Services Limited'. He suggested that one may be of a mind to think that this is a bit of strategic camouflaging by a huge multinational with a dubious reputation to give the impression of being a local company.

Mr Slack asked could the Council tell him if this was a recent change of name for Veolia or was it simply an unfortunate misleading piece of information that had found its way onto the register.

Councillor Jack Scott (Cabinet Member for Environment, Recycling and Streetscene) responded that Sheffield Environmental Services (SES) Limited was the company with whom the Council had originally signed a contract in 2001 for the running of the Council's Energy Recycling facility. At the time, it was wholly owned by Onyx and was now owned by Veolia. SES was a special purpose vehicle designed solely for the contract it holds. This is a common approach in Private Finance Initiatives for recycling and waste facilities and had been adopted by local authorities nationally. Cllr Scott stated he did not feel there was anything untoward in this structure.

7. REPRESENTATION, DELEGATED AUTHORITY AND RELATED ISSUES

RESOLVED: On the Motion of Councillor Pat Midgley, seconded by Councillor Gill Furniss, that (a) approval be given to the following changes to the memberships of Committees, Panels, Groups, etc:-

Senior Officer Employment Committee - Councillor David Baker to replace Councillor Simon Clement-Jones

(b) approval be given to the appointment of representatives to serve on other bodies as follows:-

Sheffield Media and Exhibition Centre Ltd - Councillor Neale Gibson to replace Councillor Bob Johnson.

8. IMPLEMENTING THE GOVERNMENT'S COUNCIL TAX BENEFIT CHANGES

It was moved by Councillor Julie Dore, seconded by Councillor Mazher Iqbal, that Council approve the Council's Council Tax Support scheme as set out in Appendix D to the report of the Executive Director of Resources now submitted, to come into force on 1st April 2013.

Whereupon, it was moved by Councillor Simon Clement-Jones, seconded by Councillor Shaffaq Mohammed as an amendment, that the recommendation set out in the report of the Executive Director, Resources now submitted in

relation to the Council Tax Support Scheme be replaced by the following resolution:-

“RESOLVED: That this Council:-

- (a) laments the previous Government’s inability to handle public finances, increasing the national deficit year-on-year from 2001 onwards, reaching a total of £43bn prior to the economic crash;
- (b) notes that the previous Government built up a record national deficit, where £1 in every £4 the Government spent was borrowed, leaving the current Government to clean up the mess they had created;
- (c) reminds Members of the commitment of the previous Government to halve the deficit by 2014, by pledging £82bn worth of cuts;
- (d) deplores Her Majesty’s Opposition, who despite making this pledge, have refused to provide any credible plans of how they would have cut the national deficit in Government;
- (e) however, notes the comments of the Leader of the Opposition and the Shadow Chancellor who have refused to commit to reinstate funding for Local Government if elected, and therefore assumes that they will not overturn the proposed cut in Council Tax Benefit;
- (f) recalls the amendment submitted by Councillor Simon Clement-Jones to the July 2012 meeting of Full Council, which called upon the Government to reconsider the policy, and the amendment submitted by Councillor Diana Stimely to the November 2012 meeting of Full Council, which repeated concerns over the policy;
- (g) for the avoidance of doubt, reiterates its concern at the proposal to reduce the grant for Council Tax Benefit by 10% in 2013;
- (h) maintains that, whilst the Government is taking the right steps in reducing the cost of welfare, the reduction in Council Tax Benefit grant is the wrong policy and should be reconsidered;
- (i) however, notes the Government offer of a £1.1 million Transition Fund if Sheffield’s Council Tax Support Scheme meets certain criteria, including a maximum reduction of 8.5%;
- (j) believes that meeting the Government’s criteria would benefit thousands of struggling families and bring another £1 million into the City;
- (k) understands that struggling families could benefit by £11.53 a month by adopting this policy;
- (l) highlights that members of the ruling Group have had months to consider proposals for Council Tax Benefit and the implications of

alternative proposals;

- (m) thanks the Coalition Government for giving local authorities more flexibility in raising Council Tax funds from second and empty homes, which is projected to increase income for this Council by £2.5 million next year;
- (n) furthermore, understands that £1 million, allocated to Fairness Commission outcomes, remains unspent;
- (o) believes that if Labour councillors were serious about helping the most vulnerable in the City they would use this fund to mitigate against benefit cuts;
- (p) therefore approves the Council's Council Tax Support Scheme as set out in Appendix D to this report, to come into force on 1st April, 2013, with the following three amendments:-
 - (i) recommends that £500,000 of the funding earmarked for the Fairness Commission outcomes should be used to secure the Government's Transition Grant;
 - (ii) recommends that the remaining shortfall of £2.2 million in meeting the criteria of the Transition Grant should be funded from increased income from new taxes on second and empty homes; and
 - (iii) recommends this decision be reviewed for subsequent financial years only if the Government increases or extends its grant mechanisms for this purpose; and
- (q) notes, in accordance with Council Procedure Rule 10.5, the advice of the Director of Finance that the Administration has assumed the £2.2m second and empty homes figure in order to prepare a balanced budget, and appreciates that if this amendment is passed, a balanced budget will still need to be set by the Council on 1st March, 2013."

On being put to the vote, the amendment was lost.

The votes on the above amendment were ordered to be recorded and were as follows:-

For the amendment (20)	The Deputy Lord Mayor (Councillor Vickie Priestley) and Councillors Simon Clement Jones, Shaffaq Mohammed, Robert Murphy, Sylvia Anginotti, Rob Frost, Colin Ross, Joe Otten, Keith Hill, Diana Stimely, Penny Baker, Roger Davison, Sue Alston, Andrew Sangar, Denise Reaney, Ian Auckland, Anders Hanson, David Baker, Katie Condliffe and Alison
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Brelsford.

Against the amendment
(55)

The Lord Mayor (Councillor John Campbell) and Councillors Julie Dore, John Robson, Jack Scott, Clive Skelton, Roy Munn, Ian Saunders, Helen Mirfin Boukouris, Chris Rosling Josephs, Bryan Lodge, Denise Fox, Karen McGowan, Jayne Dunn, Jackie Drayton, Ibrar Hussain, Talib Hussain, Mohammad Maroof, Geoff Smith, Mary Lea, Harry Harpham, Mazher Iqbal, Joyce Wright, Steven Wilson, Garry Weatherall, Sheila Constance, Chris Weldon, Alan Law, Steve Jones, Tim Rippon, Cate McDonald, George Lindars Hammond, Robert Johnson, Janet Bragg, Pat Midgley, Jenny Armstrong, Terry Fox, Tony Downing, David Barker, Isobel Bowler, Nikki Bond, Sioned Mair Richards, Peter Price, Peter Rippon, Tony Damms, Gill Furniss, Richard Crowther, Philip Wood, Neale Gibson, Nikki Sharpe, Ben Curran, Adam Hurst, Alf Meade, Jackie Satur, Mick Rooney and Ray Satur.

Abstained on the
amendment (0)

Nil

(Note: Councillor Robert Murphy voted for paragraphs (g) and (i) to (m) and abstained on the remaining paragraphs of the amendment and asked for this to be recorded.)

It was then moved by Councillor Bryan Lodge, seconded by Councillor Harry Harpham, as an amendment, that the recommendation set out in the report of the Executive Director, Resources now submitted in relation to the Council Tax Support Scheme be replaced by the following resolution:-

“RESOLVED: That this Council:-

- (a)(i) deplores the Government’s shambolic mishandling of welfare reform including the localisation of Council Tax Benefit which will be implemented from April 2013;
- (ii) opposes the Government’s changes to Council Tax Benefit which will see a £5.5 million cut in funding for Council Tax Benefit this year alone;
- (iii) believes that the localisation of Council Tax Benefit has been completely mismanaged by the Government and is the passing of responsibility for cuts to local authorities;
- (iv) regrets that due to a harsher settlement than expected, the Council Tax Support has been cut by nearly £1 million more than expected and

the cap proposed in the Cabinet Report of 17th October 2012 of 80% has had to be lowered to 77% which means that working age recipients will have to pay 23% of their Council Tax Bill;

- (v) understands that this 77% cap means a family living in a band A property will have to pay at least £4.32 per week (£225 per year);
 - (vi) welcomes the proposal to operate a hardship fund to help those in severe financial hardship;
 - (vii) notes research by the Institute for Fiscal Studies which indicates that the working poor will be hit hardest by the cuts to Council Tax Benefit, completely contradicting the Government's stated aims in its welfare reform programme;
 - (viii) further notes research by the Local Government Association warning that the cut is also likely to hit hardest councils in the most deprived areas of the country and authorities in the wealthiest areas of the country will receive a smaller cut;
 - (ix) regrets that this mirrors the Government's unfair policy of giving heavy cuts to Sheffield whilst at the same time some of the wealthier areas of the country are receiving almost no cuts at all;
 - (x) further regrets that this is a further example of this Government hitting the most vulnerable the hardest, which is exemplified by cuts to housing benefit, the reassessment of Incapacity Benefit Claimants and cuts to tax credits;
 - (xi) regrets that this cut to Council Tax Benefit is the result of a decision made by Government and is in addition to their heavy cuts to the Council's budget and that, as a result of the £50 million budget gap, and worse to come in future years, the Council could not intervene to prevent this being passed on without further cuts to services which are already being hit extremely hard due to the Government's manifestly unfair cuts; and
 - (xii) therefore acknowledges that as this cut has been made by the Government, it is fully within the power of the Deputy Prime Minister to reverse the cut and proposes to write to the Deputy Prime Minister calling on him to intervene to reverse its decision instead of continuing to stand by and allow some of the poorest people in the City to be hit by these changes; and
- (b) approves the Council's Council Tax Support Scheme as set out in Appendix D to this report, to come into force on 1st April, 2013."

On being put to the vote, the amendment was carried.

The votes on the above amendment were ordered to be recorded and were

as follows:-

For the amendment (55) The Lord Mayor (Councillor John Campbell) and Councillors Julie Dore, John Robson, Jack Scott, Clive Skelton, Roy Munn, Ian Saunders, Helen Mirfin Boukouris, Chris Rosling Josephs, Bryan Lodge, Denise Fox, Karen McGowan, Jayne Dunn, Jackie Drayton, Ibrar Hussain, Talib Hussain, Mohammad Maroof, Geoff Smith, Mary Lea, Harry Harpham, Mazher Iqbal, Joyce Wright, Steven Wilson, Garry Weatherall, Sheila Constance, Chris Weldon, Alan Law, Steve Jones, Tim Rippon, Cate McDonald, George Lindars Hammond, Robert Johnson, Janet Bragg, Pat Midgley, Jenny Armstrong, Terry Fox, Tony Downing, David Barker, Isobel Bowler, Nikki Bond, Sioned Mair Richards, Peter Price, Peter Rippon, Tony Damms, Gill Furniss, Richard Crowther, Philip Wood, Neale Gibson, Nikki Sharpe, Ben Curran, Adam Hurst, Alf Meade, Jackie Satur, Mick Rooney and Ray Satur.

Against the amendment (19) The Deputy Lord Mayor (Councillor Vickie Priestley) and Councillors Simon Clement Jones, Shaffaq Mohammed, Sylvia Anginotti, Rob Frost, Colin Ross, Joe Otten, Keith Hill, Diana Stimely, Penny Baker, Roger Davison, Sue Alston, Andrew Sangar, Denise Reaney, Ian Auckland, Anders Hanson, David Baker, Katie Condliffe and Alison Brelsford.

Abstained on the Councillor Robert Murphy amendment (1)

After a right of reply from Councillor Julie Dore, the original Motion, as amended, was put as a Substantive Motion in the following form and carried:-

RESOLVED: That this Council:-

- (a)(i) deploras the Government's shambolic mishandling of welfare reform including the localisation of Council Tax Benefit which will be implemented from April 2013;
- (ii) opposes the Government's changes to Council Tax Benefit which will see a £5.5 million cut in funding for Council Tax Benefit this year alone;
- (iii) believes that the localisation of Council Tax Benefit has been completely mismanaged by the Government and is the passing of responsibility for cuts to local authorities;

- (iv) regrets that due to a harsher settlement than expected, the Council Tax Support has been cut by nearly £1 million more than expected and the cap proposed in the Cabinet Report of 17th October 2012 of 80% has had to be lowered to 77% which means that working age recipients will have to pay 23% of their Council Tax Bill;
 - (v) understands that this 77% cap means a family living in a band A property will have to pay at least £4.32 per week (£225 per year);
 - (vi) welcomes the proposal to operate a hardship fund to help those in severe financial hardship;
 - (vii) notes research by the Institute for Fiscal Studies which indicates that the working poor will be hit hardest by the cuts to Council Tax Benefit, completely contradicting the Government's stated aims in its welfare reform programme;
 - (viii) further notes research by the Local Government Association warning that the cut is also likely to hit hardest councils in the most deprived areas of the country and authorities in the wealthiest areas of the country will receive a smaller cut;
 - (ix) regrets that this mirrors the Government's unfair policy of giving heavy cuts to Sheffield whilst at the same time some of the wealthier areas of the country are receiving almost no cuts at all;
 - (x) further regrets that this is a further example of this Government hitting the most vulnerable the hardest, which is exemplified by cuts to housing benefit, the reassessment of Incapacity Benefit Claimants and cuts to tax credits;
 - (xi) regrets that this cut to Council Tax Benefit is the result of a decision made by Government and is in addition to their heavy cuts to the Council's budget and that, as a result of the £50 million budget gap, and worse to come in future years, the Council could not intervene to prevent this being passed on without further cuts to services which are already being hit extremely hard due to the Government's manifestly unfair cuts; and
 - (xii) therefore acknowledges that as this cut has been made by the Government, it is fully within the power of the Deputy Prime Minister to reverse the cut and proposes to write to the Deputy Prime Minister calling on him to intervene to reverse its decision instead of continuing to stand by and allow some of the poorest people in the City to be hit by these changes; and
- (b) approves the Council's Council Tax Support Scheme as set out in Appendix D to the report of the Executive Director, Resources as now submitted, to come into force on 1st April, 2013."

9. AUDIT COMMITTEE - ANNUAL REPORT 2011-12

The Council received the Annual Report of the Audit Committee 2011/12 and the Chair of the Audit Committee (Councillor Ray Satur) gave an introduction to the work of the Committee and expressed thanks to Members of the Audit Committee and officers supporting the Committee.

10. SCRUTINY AND POLICY DEVELOPMENT COMMITTEES - UPDATE REPORT

The Council received a report providing an overview of activity undertaken during the Municipal Year by each of the Council's Scrutiny and Policy Development Committees. The Committee Chairs (Councillors Chris Weldon, Gill Furniss, Helen Mirfin-Boukouris and Mick Rooney) each gave a brief introduction to the work of their respective Committees.

The Council received and noted the report of the Overview and Scrutiny Management Committee.

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Report to Council

Report of: Chief Executive

Date: 6 February 2013

Subject: Changes to the Constitution

Author of Report: Dave Ross – Democratic Services
0114 273 5033

Summary:

This report provides details of proposed changes to the Constitution.

Recommendations:

That the Council (a) considers adopting the changes to the following Parts of the Constitution, as set out in the report and appendices:-

- (i) Part 2 - Articles 4, 7, 9, 11,12 and 16
- (ii) Part 3 - Responsibility for Functions
- (iii) Part 4 - Council Procedure Rules and Miscellaneous Matters
- (iv) Part 4 - Contracts Standing Orders
- (v) Part 4 - Access to Information Rules
- (vi) Part 4 - Executive Procedure Rules
- (vii) Part 5 - Officers' Code of Conduct
- (viii) Part 5 - Protocol for Member/Officer Relations
- (ix) Part 7 - Management Structure and Proper Officers; and

(b) notes that the changes relating to creating the statutory post of Director of Public Health and setting up a statutory Health and Well Being Board will take effect from 1 April 2013.

Background Papers:

None

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial implications
NO
Legal implications
YES
Equality of Opportunity implications
NO
Tackling Health Inequalities implications
N/A
Human rights implications
N/A
Environmental and Sustainability implications
N/A
Economic impact
N/A
Community safety implications
N/A
Human resources implications
N/A
Property implications
N/A
Area(s) affected
None
Relevant Cabinet Portfolio Leader
Cllr Julie Dore
Relevant Scrutiny Committee if decision called in
Not applicable
Is the item a matter which is reserved for approval by the City Council?
Yes
Press release
NO

1. Introduction

1.1 This report provides details of proposed changes to the Council's Constitution.

2. Background

2.1 To ensure that the Constitution is kept up to date, there is a regular review process and, where changes are required, these are submitted to Full Council for approval. Changes were last approved by Full Council in September 2012.

2.2 In addition, the Director of Legal Services, in consultation with the Lord Mayor, has delegated authority to make any minor and consequential drafting changes to the Constitution. There have been no changes made under delegated authority since 2011.

3. Proposed Changes and Reasons

3.1 Following the latest review, a number of changes are proposed to the Constitution and have been discussed with the Council's Corporate Members' Group.

3.2 Procedural Motions (Council Procedure Rules)

3.2.1 It is proposed to introduce a single process for dealing with procedural motions at meetings of the Council. The current Council Procedure Rules (CPR) are ambiguous or self contradictory in relation to these types of motions and, accordingly, the Corporate Members' Group has suggested one consistent process as follows:

- The mover speaks to his/her motion for a maximum of 30 seconds;
- The motion shall be formally seconded;
- A maximum of one speaker from each political group officially recognised by the Council, other than that of the mover's Group, shall be allowed to speak to the motion for a maximum of 30 seconds per speaker;
- The mover shall not have a right of reply;
- The Lord Mayor shall then put the motion to the vote.

3.2.2 The following CPRs are proposed to be amended to reflect this single process for dealing with procedural motions:-

- CPR 9 (Order of Council Business)
- CPR 11 (Motions which may be moved without notice at Council meetings)
- CPR 17.9 (Alteration of Motion or Amendment)
- CPR 17.10 (Withdrawal of Motion or Amendment)
- CPR 17.12 (Motions which may be moved during debate)
- CPR 17.13 (Closure Motions)

The proposed changes to these Procedure Rules are set out in Appendix A.

3.2.3 As regards the closure motions "to proceed to the next business" and "that the question now be put", the Corporate Members' Group wish to retain the current requirement that the Lord Mayor shall put the procedural motion to the vote if not less than five persons have spoken on the motion under debate, and at least one member of each of the political parties recognised by the Council as constituting an identifiable and separate Party Group, having previously indicated to him/her a wish to contribute to the debate, has been given the opportunity to do so.

3.3 Right of Reply (Council Procedure Rule 17.13 c)

3.3.1 The Corporate Members' Group has confirmed that "a right to reply, [for the mover of a motion] at the end of the debate on the motion, immediately before it is put to the vote", as set out in CPR 17.11 (a), is to be interpreted as the final contribution on the final amendment on motions with two or more amendments.

3.3.2 The closure motion "That the question be now put" (CPR 17.13 (c)) is required to be amended to make this Rule consistent with the above interpretation of when the Right of Reply should be exercised. Additional wording is to be introduced to the final sentence of the Rule so as to read as follows:-

"If it is passed **in circumstances where debate is on the motion or final amendment to a motion** he/she will give the mover of the original motion a right of reply before putting his/her motion to the vote." The proposed change to the Procedure Rule is set out in Appendix A.

3.4 Point of Order and Personal Explanation (Council Procedure Rules 17.14 (b) and 17.15)

3.4.1 Arising from an issue at Full Council and discussion at the Corporate Members' Group, it is proposed that Council Procedure Rule 17.14 (b) (Point Of Order) is amended to allow the Lord Mayor to be asked for advice on the whole of business before Council and 17.15 (Personal Explanation) is amended to allow a member to raise a point of personal explanation at any time during Council. The proposed changes are set out at Appendix B.

3.5 Contracts Standing Orders (Part 4)

3.5.1 The majority of changes to the Contracts Standing Orders are to tidy up and correct drafting errors in the previous version. Some sections have been expanded to provide greater clarity on contracts that were always subject to standing orders (i.e. Part B Services and contracts let in relation to grants) or processes around approvals for procurement strategy and contract award. The only substantive change is in relation to signing of contracts. To comply with regulations, those contracts that must be in writing (and therefore must have two officers signing) are now stated as those over the values of £25,000 (Goods) and £50,000 (Works and Services) or if below those values where there has been a competitive process. It is expected that the practice will be to have all contracts in writing. The Director and Assistant Directors of Commercial Services have been added as contract signatories in those cases. The proposed changes are set out at Appendix C.

3.6 Responsibility for Functions (Article 7.06, Part 3 and Executive Procedure Rules)

- 3.6.1 A minor change is required to Article 7.06 to more accurately reflect the potential scope of the Leader's scheme of delegation and to make the process of implementing changes to the Leader's scheme of delegation more efficient and transparent. The proposed change is set out at Appendix D.
- 3.6.2 A number of amendments are required to the list of Local Choice Functions in Part 3.2 of the Constitution to reflect the abolition of Police Authorities and to bring the numbering of the table in line with the relevant statutory instrument. It is also necessary to correct an omission relating to local area agreements (notwithstanding that no such Agreement is currently in place) and to recommend that these functions are allocated to the Executive. A minor change is proposed to Part 3.5.4 to make the wording clearer and to bring it into line with the equivalent wording used in the Leader's scheme of delegation. The proposed changes are set out at Appendix E.
- 3.6.3 A number of minor changes are required to the Executive Procedure Rules. It is proposed to amend Procedure Rule 1.1 to more accurately reflect that the Leader's scheme of delegation is separate from the Constitution and the potential scope of the Leader's scheme of delegation. The amendment to Procedure Rule 1.2 is to correct some minor anomalies and the change to Rule 1.3 is to reflect a complex legal situation more accurately and succinctly. The proposed changes are set out at Appendix F.
- 3.7 Policy Framework (Article 4.01 and Part 3.3.3)
- 3.7.1 A change is required to remove plans that are no longer legally required to be approved by Full Council from Article 4.01 that relates to Full Council and Part 3.3.3 that relates to functions which may not be exercised solely by the Executive. The proposed changes are set out at Appendices G and H.
- 3.8 Appointment of the Leader (Article 7.02 and Council Procedure Rules 5.2 g and 24.1)
- 3.8.1 A change is required to Article 7.02 and Council Procedure Rules 5.2 (g) and 24.1 to reflect that the Localism Act 2011 now requires that the Leader is appointed annually. It is also necessary to reflect in Articles 7.02 and 7.03 that the sanction of suspension is no longer available as the previous Standards regime was abolished by the Localism Act 2011. The proposed changes are set out at Appendices I and J.
- 3.9 Access to Information Rules (Part 4)
- 3.9.1 A number of changes are required to the Access to Information Procedure Rules to reflect the requirements of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, arising from the Localism Act 2011. These relate to the publishing of the Forward Plan and Executive decisions.
- 3.9.2 It is necessary to delete paragraphs 7a, 7b and 7c of the categories of exempt information as they relate to the previous Standards regime and have been repealed. There is also a proposed minor clarification relating to key decisions, urgency and call-in with the addition of an additional paragraph in Rule 15.

- 3.9.3 The proposed changes are set out at Appendix K.
- 3.10 Deputy Chief Executive (Article 16, Council Procedure Rules – Miscellaneous Matters, Officers’ Code of Conduct and Protocol for Member/Officer Relations)
- 3.10.1 There are a number of references to ‘Deputy Chief Executive’ in the Constitution and it is proposed that these are deleted and, where these relate to the role of Monitoring Officer, are replaced by the ‘Director of Legal Services’. The proposed changes are set out at Appendix L.
- 3.11 Revised Whistleblowing Policy (Officers’ Code of Conduct - Part 5)
- 3.11.1 The Whistleblowing Policy (Appendix C to the Officers’ Code of Conduct) has been revised to incorporate a number of improvements and is attached at Appendix M.
- 3.12 Public Health (Articles 9 and 12 and Part 7 – Management Structure and Proper Officers)
- 3.12.1 The Council takes over responsibility for Public Health on 1st April 2013. This will include creating the statutory post of Director of Public Health and setting up a statutory Health and Well Being Board. A number of changes to the Constitution are required from 1st April relating to Articles 9 and 12.01 and Part 7 – Management Structure and Proper Officers. The proposed changes are set out at Appendix N.
- 3.13 Annual Council (Council Procedure Rule 5.2)
- 3.13.1 A minor change is required to Council Procedure Rule 5.2 (m) to reflect that there is no longer a legal requirement for Annual Council to appoint a Standards Committee. The proposed change is set out at Appendix O.
- 3.14 Joint Arrangements (Article 11)
- 3.14.1 Minor changes are required to Article 11 to reflect the replacement of the well-being powers in section 2, Local Government Act 2000 by the general power of competence in section 1, Localism Act 2011 and the introduction of Police and Crime Panels. The proposed changes are set out at Appendix P.
- 3.15 Miscellaneous Matters (Council Procedure Rules)
- 3.15.1 A minor change is required to Miscellaneous Matters B6 (part of the Council Procedure Rules) to bring the arrangements for dealing with Appeals against Dismissal or Disciplinary Action in line with existing established processes. The proposed change is set out at Appendix Q.
4. **Legal Implications**
- 4.1 Except where delegated by Council (see paragraph 2.2 above), variations to the Constitution may only be made by Full Council.

5. **Financial Implications**

5.1 There are no financial implications.

6. **Recommendations**

6.1 That the Council (a) considers adopting the changes to the following Parts of the Constitution, as set out in the report and appendices:-

- (a) Part 2 - Articles 4, 7, 9,11,12 and 16
- (b) Part 3 - Responsibility for Functions
- (c) Part 4 - Council Procedure Rules and Miscellaneous Matters
- (d) Part 4 - Contracts Standing Orders
- (e) Part 4 - Access to Information Rules
- (f) Part 4 - Executive Procedure Rules
- (g) Part 5 - Officers' Code of Conduct
- (h) Part 5 - Protocol for Member/Officer Relations
- (i) Part 7 - Management Structure and Proper Officers; and

(b) notes that the changes relating to creating the statutory post of Director of Public Health and setting up a statutory Health and Well Being Board will take effect from 1 April 2013.

Chief Executive

EXTRACTS FROM COUNCIL PROCEDURE RULES

9 Order of Council Business

9.1 The business of the Council shall be taken in the order in which it appears in the Council Summons.. However, the Council may, by a resolution passed on a motion duly moved and seconded, ~~and without debate~~ direct the order of precedence to be changed, in circumstances where the subject of a motion proves to generate public interest reflected by a significantly increased attendance by members of the public at a Council meeting and it is therefore deemed appropriate to take the motion in question as an earlier item of business. The motion to change the order of business shall be dealt with in accordance with the process set out in Council Procedure Rule 11(b).

Comment [SCC1]: Reflects process agreed by the Corporate Member Group

9.2 The Council shall, where appropriate, consider any item referred from the Cabinet or Scrutiny and Policy Development Committee and shall take such action on the issues as may be deemed appropriate.

11 Motions which may be moved without notice at Council Meetings

(a) Subject, where appropriate, to the provisions of Council Procedure Rule 17.12, the following motions may be moved without notice:-

(i) Appointment of Chair at a meeting from which the Lord Mayor and Deputy Lord Mayor are absent.

(ii) Motions and Amendments where it is not reasonably possible to comply with Council Procedure Rules 10.1 and 12.1.

~~(iii) To proceed to the next business, subject to the provisions of Council Procedure Rule 17.13.~~

Comment [SCC2]: Relocated with other "closure motions"

~~(iv) That the question be now put, subject to the provisions of Council Procedure Rule 17.13.~~

(iv) That the meeting or debate be adjourned, subject to the provisions of Council Procedure Rule 17.13. ~~Council does now adjourn.~~

Comment [SCC3]: Accords with 17.12(v)

(vi) Suspending all or any particular Council Procedure Rule and Financial Regulations, subject to the provisions of Council Procedure Rule 4.

(vii) ~~(vi)~~—That a member be no longer heard and/or be excluded from the meeting, subject to the provisions of Council Procedure Rule 19.

~~(viii)~~ ~~(vii)~~—To vary the order of business, subject to the provisions of Council Procedure Rule 9.1.

~~(ix)~~ ~~To alter a motion or amendment, subject to the provisions of Council Procedure Rule 17.9.~~

Comment [SCC4]: Accords with 17.12(ii) and 17.9

~~(xviii)~~ To withdraw a motion or amendment, subject to the provisions of Council Procedure Rule 17.10.

~~(ixi)~~ Motions referred to in Council Procedure Rule 13.1 (a) and (b).

~~(xii)~~ To exclude the public and press pursuant to existing legislation relating to access to information, as amended from time to time., subject to the provisions of Council Procedure Rule 28.

~~(xiii)~~ In relation to the accuracy of the minutes.

~~(xiv#)~~ To refer something to an appropriate body or individual.

~~(xviii)~~ To appoint a Committee or member arising from an item on the Summons for the meeting.

~~(xiv)~~ ~~To proceed to the next business.~~

~~(xvi)~~ To give the consent of the Council where it is required by the Constitution.

(b) ~~After the mover has spoken to his/her motion for a maximum of 30 seconds, it shall be formally seconded. A maximum of one speaker from each political group officially recognised by the Council, other than that of the mover's Group, shall be allowed to speak to the motion for a maximum of 30 seconds per speaker. The mover shall not have a right of reply. The Lord Mayor will then put the motion to the vote.~~

Comment [SCC5]: Reflects process agreed by the Corporate Member Group

17.9 Alteration of motion or amendment

- (a) A member may alter a motion or amendment of which he/she has given notice with the consent of the meeting. ~~The meeting's consent will be signified without discussion.~~

- (b) A member may alter a motion or amendment which he/she has moved without notice with the consent of both the meeting and the seconder. ~~The meeting's consent will be signified without discussion.~~

- (c) The motion to alter a motion or amendment shall be dealt with in accordance with the process set out in Council Procedure Rule 17.12(b).

Comment [SCC6]: Reflects process agreed by the Corporate Member Group

17.10 Withdrawal of motion or amendment

- (a) A member may withdraw a motion or amendment which he/she has moved, or given notice of, with the consent of both the meeting and the seconder. ~~The meeting's consent will be signified without discussion.~~ No member may speak on the motion after the mover has asked permission to withdraw it unless permission is refused.

- (b) The motion to withdraw a motion or amendment shall be dealt with in accordance with the process set out in Council Procedure Rule 17.12(b).

Comment [SCC7]: Reflects the process agreed by the Corporate Member Group

17.11 Right to reply

- (a) The mover of a motion has a right to reply at the end of the debate on the motion, immediately before it is put to the vote.
- (b) The mover of the amendment has no right of reply to the debate on his or her amendment.
- (c) Subject to the provisions of Council Procedure Rule 17.13, a Member who has formally seconded a motion or amendment and who has been permitted to reserve his/her speech until a later period in the debate will not be deemed a speaker for the purposes of counting five persons, but will lose his/her right to speak if he/she has not spoken prior to the passing of a motion that the question be now put.

17.12 Motions which may be moved during debate

- (a) When a motion or amendment is under debate, no other motion may be moved except the following procedural motions:-
- (i) to withdraw a motion or amendment;
 - (ii) to alter a motion or amendment;
 - (iii) to proceed to the next business, subject to the provisions of Council Procedure Rule 17.13;

- (iv) that the question be now put, subject to the provisions of Council Procedure Rule 17.13;
- (v) to adjourn a debate or the meeting, subject to the provisions of Council Procedure Rule 17.13;
- (vi) to suspend a particular Council Procedure Rule, subject to the provisions of Council Procedure Rule 4;
- (vii) to exclude the public and press in accordance with existing legislation relating to access to information, as amended from time to time;
- (viii) to not hear further a Member or to exclude him/her from the meeting, subject to the provisions of Council Procedure Rule 19.

- (b) After the mover has spoken to his/her motion for a maximum of 30 seconds, it shall be formally seconded. A maximum of one speaker from each political group officially recognised by the Council, other than that of the mover's Group, shall be allowed to speak to the motion for a maximum of 30 seconds per speaker. The mover shall not have a right of reply. The Lord Mayor will then put the procedural motion to the vote.

Comment [SCC8]: Reflects the process agreed by the Corporate Member Group

17.13 Closure motions

- (a) A member may move, ~~without comment~~, the following motions at the end of a speech of another member:-
 - (i) to proceed to the next business;
 - (ii) that the question be now put;
 - (iii) to adjourn a debate; or
 - (iv) to adjourn a meeting.
- (b) If a motion to proceed to next business is moved, seconded and spoken upon and, if not less than five persons have spoken on the motion under debate, and at least one member of each of the political parties recognised by the Council as constituting an identifiable and separate Party Group, having previously indicated to him/her a wish to contribute to the debate, has been given the opportunity so to do, the Lord Mayor will give the mover of the original motion a right of reply and then put the procedural motion to the vote.
- (c) If a motion that the question be now put is moved, seconded and spoken upon and, if not less than five persons have spoken on the motion under debate, and at least one member of each of the political parties recognised by the Council as constituting an identifiable and separate Party Group, having previously indicated to

him/her a wish to contribute to the debate, has been given the opportunity so to do, the Lord Mayor will put the procedural motion to the vote. If it is passed in circumstances where debate is on the motion or final amendment to a motion, he/she will give the mover of the original motion a right of reply before putting his/her motion to the vote.

Comment [SCC9]: Addition agreed by the Corporate Member Group to clarify that the Right of Reply is to be the final contribution on a motion under debate.

- (d) If a motion to adjourn the debate or to adjourn the meeting is seconded and the Lord Mayor thinks the item has not been sufficiently discussed and cannot reasonably be so discussed on that occasion, he/she will put the procedural motion to the vote without giving the mover of the original motion the right of reply. If a majority of Members vote in favour of the motion, the remaining business of the day shall stand adjourned to a time fixed by the Lord Mayor at the time the meeting is adjourned, or, if he/she does not fix a time, to the next ordinary meeting of the Council.

Comment [SCC10]: Paragraphs (b) and (c) - The Corporate Member Group wished to retain the provisions relating to minimum number of speakers and political party contributions in relation to "closure motions".

EXTRACT FROM COUNCIL PROCEDURE RULES**17.14 Point of Order**

- (a) A Member may raise a point of order at any time. The Lord Mayor will hear the Member immediately. A point of order may only relate to an alleged breach of these Council rules of procedure or the law. The Member must indicate the rule or law and the way in which he/she considers it has been broken. The ruling of the Lord Mayor on the matter will be final.
- (b) A Member may call upon the Lord Mayor to advise the meeting as to whether an issue has arisen ~~in the motions presented to the meeting, or in the resulting debate,~~ of factual inaccuracy ~~or significant ambiguity~~; or defamation or discrimination. The Lord Mayor, advised by the Chief Executive, will advise the meeting as to what action should be taken if such an issue has arisen.

17.15 Personal Explanation

A Member may, at any time, request to address the meeting to provide a personal explanation where he/she has made a mis-statement that is being quoted by a later speaker, or where another Member has misquoted or misunderstood what the Member had said, ~~during the present debate~~. The Lord Mayor will decide whether or not to permit the request, and the Lord Mayor's ruling shall not be challenged. The Member shall confine his/her personal explanation to correcting the misunderstanding.

STANDING ORDERS OF THE COUNCIL

(C) CONTRACTS

C.1 DEFINITIONS AND INTERPRETATION

C.2 GENERAL

- C.2.1 Compliance with Standing Orders
- C.2.2 Exemptions
- C.2.3 Contraventions
- C.2.4 Legal Requirements
- C.2.5 Contract Value
- C.2.6 Conflicts of Interest
- C.2.7 Nomination
- C.2.8 Transfer of Employees

C.3 COMMISSIONING

- C.3.1 General
- C.3.2 Commissioning responsibilities of the Client

C.4 PROCUREMENT STRATEGY

- C.4.1 General
- C.4.2 Contract Value less than £25,000
- C.4.3 Contract Value £25,000 or more for Goods
- C.4.4 Contract Value £50,000 or more for Works or Services

C.5 TENDERS

- C.5.1 Requirements
- C.5.2 Health and Safety

C.6 CONTRACT AWARD

- C.6.1 Authority to award Contracts
- C.6.2 Selecting the Successful Contractor

C.7 CONTRACTS

- C.7.1 Forms of Contract
- C.7.2 Contracts – Signed or by Deed
- C.7.3 Contracts – By Deed
- C.7.4 Contracts – Signed
- C.7.5 Contracts Register
- C.7.6 Contract Management
- C.7.7 Payment in Advance

ORDER C.1 - DEFINITIONS AND INTERPRETATION

C.1.1 In these Contracts Standing Orders the following words shall have the meanings given to them below:

“CHAS or SSIP”	Health and Safety pre-qualification schemes: CHAS – www.chas.gov.uk SSIP – www.ssip.org.uk <u>CHAS – www.chas.gov.uk</u> <u>SSIP – www.ssip.org.uk</u>
“Client”	The person responsible for the Commissioning and delivery of goods, <u>works</u> or services on behalf of their Service, who is working directly with the Procurement Professional; the ‘Client’ of the Procurement Professional who is responsible for the tendering process.
“Commissioning”	A continuous process through which Commissioners identify need; plan, source, deliver and performance manage activity. See ‘The Commissioning Process’ document, available from Commercial Services, for more information.
“Contract”	Except where the context requires a different meaning, a contract for the purchase or hire by the Council of <u>work, goods, works or services</u> or supplies.
“Contract Lead”	The person who has overall administrative control of the Contract.
“Contractor”	Includes a tenderer or any other person or organisation delivering a Contract.
“Contract Value”	The estimated total of the money payments to be made by the Council and the value of materials or other benefits to be retrieved or enjoyed by the Contractor for the whole period of the Contract, including any potential extensions; it is exclusive of VAT.
“<u>Corporate Council</u> Contract”	A Contract competitively let by <u>Corporate Procurement Commercial Services</u> , on behalf of

	the Authority, where there is a routine or commonly recurring requirement across the Council.
“Council Seal”	The emblem used as a means of authentication by the Council and which is in the form of an impression in paper, wax or other medium.
“Criteria”	Means the information provided to enable the evaluation of tenders received.
“European Union Procurement Directives”	DIRECTIVE 2004/18/EC, as amended & DIRECTIVE 2004/17/EC, as amended.
“External Body”	As defined under the circumstances at C.1.1.3; this specifically excludes external organisations that are contracted to supply goods, <u>works</u> or services to or on behalf of the Council, unless compliance with the competitive requirements of these Orders is a term of the Contract.
“High Risk Work”	Work that involves or includes demolition; the removal or treatment of asbestos; confined spaces or work at height (such as the erection, alteration or dismantling of scaffolding, work on roofs and steeples, abseiling or window cleaning).
“In-House Provider”	A Council department which <u>provides can provide goods and, works or services to other Council departments as if they were an external supplier. The goods and services provided have been deemed to provide value whether charged for money for internal Clients or not. It does not include any separate legal entity..</u>
“Orders”	These Standing Orders for Contracts.
“Tender Process Manual”	The processes, procedures and templates issued by Commercial Services which must be adhered to by Procurement Professionals.

“Procurement Professional”	A Council officer who is either 1) a qualified procurement professional or 2) a procurement professional by way of their Council role as a buyer of goods, works or services, or works. Commercial Services will hold a list of Procurement Specialists. <u>Professionals.</u>
“Public Procurement Regulations” or “Regulations”	The Public Contracts Regulations 2006, as amended & The Utilities Contracts Regulations 2006, as amended.
“Senior Responsible Officer” or “SRO”	The Head of Service, or other delegated Officer nominated in writing by the Head of Service- <u>to act in their place.</u>
“RIDDDOR”	The Reporting of Injuries, Diseases and Dangerous Occurrence Regulations 1995.
“School Contract”	A Contract let by the governing body of a school acting in the exercise of its powers in respect of a delegated budget.

C.1.2 A reference in these Orders to any Act of Parliament shall include a reference to any statute for the time being in force replacing or re-enacting that Act.

ORDER C.2 - GENERAL

C.2.1 Compliance with Standing Orders

C.2.1.1 All Contracts shall comply with these Orders unless:

C.2.1.1.1 an exemption applies (see Order C.2.2); or

C.2.1.1.2 the contract: is a School Contract;

- ~~is a School Contract;~~
- ~~relates to a grant administered by the Council for a particular purpose, where it has been agreed with the Director of Commercial Services that competition is not appropriate; or~~
- ~~relates to funding received by the Council, which the Council administers on the funding body's behalf, where the funding body has attached grant conditions which make compliance with these Orders unachievable, and where this has been agreed by the Director of Commercial Services.~~

C.2.1.2 Officers must comply with Contracts Standing Orders.

C.2.1.3 Each Senior Responsible Officer (SRO – see Order C.1.1) shall ensure that Contracts let by his or her Service comply with these Orders.

C.2.1.4 External Bodies

External Bodies (see Order C.1.1) shall also be required to comply with these Orders (or alternatively, any other written procurement rules adopted by that body which have been approved by the Director of Commercial Services) whenever the External Body undertakes a procurement of goods, works or services in any of the following circumstances:

- Where the External Body is undertaking the procurement on behalf of the Council, specifically acting as its procurement agent; or
- Where the procurement is being undertaken by the External Body on its own behalf, or for some third party, but is being funded by financial assistance from the Council and it is a condition of that assistance that these Orders shall apply; or
- Where the Council is the “accountable body” for the External Body; or

- Where the External Body is a company under the control of the City Council within the meaning of *section 68 Local Government and Housing Act 1989*.

C.2.1.5 Where the External Body is another local authority undertaking the procurement as the 'commissioning authority' on behalf of the Council and any other parties, the financial regulations and procurement rules of that other local authority may be relied upon. However, the SRO for the Service to which the Contract relates shall ensure that the procurement is carried out in accordance with applicable EU Procurement Rules and Regulations and obtain confirmation of this in writing from the commissioning authority.

C.2.1.6 Part B Services

Under the European Public Procurement Directives and the Regulations Part B Services are exempt from the detailed procurement procedures. However they are subject to general EU Treaty law on procurement and the statutory duty to provide Best Value. Best practice is that this is best proven by utilising proper competitive procurement procedures. Therefore it has been determined that these Orders apply in full to Part B Services.

C2.1.7 Grant Funding

Where a the Council receives a grant to fund the provision of works or services where there is more than one potential supplier of the works or services, or where the grant is for the purpose of stimulating a new service and an assessment reveals there are existing suppliers who could develop the new service then these Orders apply in full to the procurement of the works or service.

Where there are no existing suppliers with the required competence then a waiver of these Orders should be sought to allow a grant to be used to stimulate the development with an agreed partner. Any waiver granted will be time limited so that when the new service is operational other new entrant suppliers have the opportunity to bid for the service provision.

Where funding received by the Council, which the Council administers on the funding body's behalf and the funding body has attached grant conditions which make compliance with these Orders unachievable, and this has been agreed by the Director of Commercial Services, then to the extent necessary to comply with the grant conditions these Orders do not apply.

C.2.2 Exemptions

C.2.2.2 ~~The~~For the avoidance of doubt, the following types of expenditure are exempt from the competitive requirements set out in these Orders, and a Waiver of Standing Orders (See Order C.2.2.3) is not required (If in doubt, seek advice from Commercial Services):

C.2.2.2.1 Offers of employment which make an individual an employee of the Council.

C.2.2.2.2 When dealing with:

- Acquisition, disposal or transfer of interests in or rights over land/property (which do not form part of a wider transaction where the Council procures works, goods or services);
- Disposal of surplus goods;
- Items purchased or sold by public auction (in accordance with arrangements agreed by the ~~Strategic~~Executive Director of Resources);
- Compensation Payments e.g. relating to Compulsory Purchase Orders and Insurance;
- Customer refunds e.g. Planning Refunds, Rent Refunds etc.

C.2.2.2.3 For certain Contracts with statutory undertakers, where the Council is obliged by statute or any other legal provision to use only the statutory undertaker (e.g. works orders only with utility infrastructure providers – Gas Mains, for example). Officers should seek to negotiate such terms and conditions that are in the best interests of the Council.**

C.2.2.2.4 For expenditure with sole source organisations, such as Central Government bodies; these are statutory services where no genuine alternative exists. **

**Lists of exempted suppliers relating to Orders C.2.2.2.3 and C.2.2.2.4 are held by Commercial Services; for further information see <http://intranet/managers/procurement-projects/policy/contracting-rules--procedures>.

C.2.2.2.5 For expenditure with In-House Providers (see Order C.1.1)

Where the Council has an In-House Provider, that is capable of meeting a requirement, they must be used without competition, except where the Council has

determined that Supplies or Services of a particular kind will be subject to a competitive process. Where it is deemed that an In-House Provider ~~will~~ might not provide value for money, the Director of Commercial Services ~~may permit~~ will advise on any benchmarking process that should take place and whether there ought to be a competitive process ~~whereby~~. Any involvement of the In-House Provider is invited to submit a quote/tender alongside external providers. In such cases, in that process will be by the Director of Commercial Services ~~shall manage the process, and all considerations~~ TUPE, for example ~~must be adequately taken into account~~. A list of In-House Providers ~~will~~ that have been assessed as providing value for money for internal Clients may be held by Commercial Services.

C.2.2.2.6 For expenditure with ~~Corporate Council~~ Contracts (see Order C.1.1)

Where the Council has a ~~Corporate Council~~ Contract, that is capable of meeting a requirement, they must be used without competition, except where the Council has determined that Supplies or Services of a particular kind will be subject to a competitive process. A list of Corporate Contracts will be held by Commercial Services.

All queries in relation to the above exemptions should be directed to Commercial Services; in cases of dispute, the Director of Commercial Services' decision will be final.

C.2.2.3 The Director of Commercial Services may also grant an exemption from a requirement or number of requirements of these Orders in special circumstances by way of a Waiver of Contracts Standing Orders. The decision shall include the reasons for the exemption. Guidance on Waivers of Standing Orders, available from Commercial Services, must be adhered to for any such request.

C.2.3 **Contraventions**

Officers have a duty to report unauthorised breaches to the Director of Commercial Services.

C.2.4 **Legal requirements**

Every Contract shall be let in accordance with legal requirements, including the Public Procurement Regulations and EU Treaty law. Those requirements shall prevail in the case of any conflict with these Orders.

C.2.5 **Contract Value (see Order C.1.1)**

The Contract Value must not be underestimated, and the Contracts must not be subdivided in order to avoid the application of ~~any public procurement rules and regulations, of which~~ the EU Directives, the Regulations or these Orders ~~from a part~~.

C.2.6 **Conflicts of Interest**

In keeping with the Council's Financial Regulations, Officers and Members must formally declare any relationships with existing or potential Council Contractors prior to the obtaining of quotations or the awarding of Contracts, in accordance with relevant Codes of Conduct.

C.2.7 **Nomination**

The Council will not nominate sub-contractors or suppliers to its Contractors. However, Contractors will be actively encouraged to utilise local suppliers or sub-contractors and to recruit locally, whilst complying with relevant legislation.

C.2.8 **Transfer of Employees**

Where a Contract will result in the transfer of employees, the relevant policies and procedures of the Council should be complied with at all times.

ORDER C.3 - COMMISSIONING

C.3.1 General

In all cases, the Council's approved approach to Commissioning should be followed. This is available from Commercial Services.

C.3.2 Commissioning responsibilities of the Client (see Order C.1.1)

C.3.2.1 Before starting the process of letting a Contract, the Client will need to consider a range of issues in order to ensure that the right approach is adopted. The responsibilities of the Client include:

C.3.2.1.1 Defining what the requirement is – including desired quality standards and outcomes – and how much it is likely to cost;

C.3.2.1.2 Ensuring appropriate budgetary and other approval (including approval of the procurement strategy in accordance with the Leader's scheme of delegations) has been granted;

C.3.2.1.3 Ensuring needs analysis for the requirement has been carried out adequately with stakeholders and end users;

C.3.2.1.4 Ensuring sustainability ~~including Equality and Diversity~~ considerations are adequately considered;

C.3.2.1.5 Ensuring appropriate consideration has been given to potential Human Resources, Legal and any other implications;

C.3.2.1.6 Ensuring requirements align with the Council's objectives and priorities, as defined in the Corporate Plan and adopted policies;

~~C.3.2.1.7~~ C.3.2.1.7 Ensuring compliance with any statutory and other duties in the commissioning process are complied with e.g. Equalities Act 2010, Best Value duty, Public Services (Social Value) Act 2012 duties, public law consultation duties, requirements of Compact with voluntary sector etc.

C.3.2.1.8 Ensuring a Procurement Professional (see Order C.1.1) is engaged at an early stage of the Commissioning process, and undertakes any resulting tendering exercise. Commercial Services holds a list of Procurement Specialists.

For further information, please contact Commercial Services.

ORDER C.4 - PROCUREMENT STRATEGY

C.4.1 General

C.4.1.1 The procurement strategy used on all tendering for every Contract with a Contract Value over £25,000 (Goods) ~~and/or~~ over £50,000 (Works or Services) ~~every Contract must or where subject to a tender by virtue of order 4.2.4 i~~ must be consistent with this Order and any relevant legislation and this must be confirmed by the Director of Commercial Services (or another duly ~~delegated~~ authorised officer). Where appropriate, the financial, human resources, legal and equalities implications must be agreed with the relevant department before the procurement strategy is presented to the Director of Commercial Services. Where it is known that for ~~spenda~~ Contract with a Contract Value under ~~the~~ these financial ~~threshold~~ thresholds a tendering exercise would ~~be~~ produce the best outcome for the Council, the SRO should contact Commercial Services, where a Procurement Professional will be allocated to undertake the procurement exercise.

C.4.1.2 For Capital Expenditure Projects the SRO must also obtain approval from the Capital Programme Group (CPG). Confirmation that the procurement strategy is consistent with this Order and any relevant legislation, as required by C.4.1.1, may be obtained at the CPG.

C.4.1.3 The procurement strategy for every Contract must also be approved in accordance with the Constitution and the Leader's Scheme of Delegations by ~~Council, the~~ Cabinet, a Cabinet Member, a Committee or an Officer. For the avoidance of doubt, this is in addition to the confirmation of the Director of Commercial Services under order C.4.1.1

C.4.1.4 Where it is decided that a competitive tender process will be undertaken (see Order C.5), a Procurement Professional (see Order C.1.1) must run the tendering process, in conjunction with the Client, in adherence with the Tender Process Manual and associated instructions and with reference to the Procurement Policy issued by Commercial Services.

C.4.2 Contract Value less than £25,000 (Goods) or less than £50,000 (Works or Services)

C.4.2.1 The SRO is responsible for ensuring a clear audit trail is maintained for the necessary period for all decisions made.

C.4.2.2 Reasonable steps shall be taken to ensure value for money for the Council which, as a minimum, shall include:

-
- C.4.2.2.1 First considering use of the Council In-House Provider or existing Council Contracts ~~or partnering arrangements~~ (see Orders C.2.2.2.5 and C.2.2.2.6).
- C.4.2.2.2 Where no applicable in-house provision or Council Contract ~~or partnering arrangement~~ exists:-
- Value £0 - £250: obtain at least 1 verbal quote and record the details
 - Value £250 - £2,500: obtain at least three competitive quotations, verbal or written, and record the details
 - Value £2,500 - £25,000; (Goods) or £50,000 (Works or Services): Invite 3, or more, written quotations and record the details
- C.4.2.4 Irrespective of the value, if your proposed purchase would provide better value through a more competitive process – for example there is a supply market for the product or service required - or is complex or difficult to describe – for example, the appointment of consultants or the buying of a bespoke service – you should seek tenders rather than quotes (see Order C.5).
- C.4.3 Contract Value £25,000 or more for Goods**
- C.4.3.1 For Contracts of Goods with a value in excess of £25,000, a formal tender process must take place. The Council must treat the tender process with probity and act in an open and transparent way throughout. For further details, refer to Orders C.1.4 and C.2.1.
- C.4.3.2 A Procurement Professional must determine the appropriate choice of tender procedure to follow, as detailed in the Tender Process Manual or required by law.
- C.4.3.3 Each Contract to be let shall be given appropriate publicity to bring it to the attention of suitable providers.
- C.4.3.4 Some Contracts will be subject to the rules set down in the European Union Procurement Directives and Regulations. These rules will apply to Contracts for supplies, services and works above certain thresholds; the level of each threshold is subject to review. Only certain services are fully covered by the Regulations. The Procurement Professional undertaking the tender exercise will be responsible for compliance with the Regulations, where applicable, including checking the threshold levels. Appropriate time must be allocated to enable the required EU procurement processes to take place.
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C.4.4 Contract Value £50,000 or more for Works or Services

- C.4.4.1 For Contracts of ~~Services~~works or services with a value in excess of £50,000, a formal tender process must take place. The Council must treat the tender process with probity and act in an open and transparent way throughout. For further details, refer to Orders C.1.4 and C.2.1.
- C.4.4.2 A Procurement Professional must determine the appropriate choice of tender procedure to follow, as detailed in the Tender Process Manual or required by law.
- C.4.4.3 Each Contract to be let shall be given appropriate publicity to bring it to the attention of suitable providers.
- C.4.4.4 Some Contracts will be subject to the rules set down in the European Union Procurement Directives- and Regulations. These rules will apply to Contracts for supplies, services and works above certain thresholds; the level of each threshold is subject to review. Only certain services are fully covered by the Regulations. The Procurement Professional undertaking the tender exercise will be responsible for compliance with the Regulations, where applicable, including checking the threshold levels. Appropriate time must be allocated to enable the required EU procurement processes to take place.

ORDER C.5 - TENDERS

C.5.1 Requirements

C.5.1.1 SROs should ensure that, where quotations or tenders for under £25,000 (Goods) and £50,000 (~~Works or Services~~) are opened within their Service, a procedure similar to that set out in this Order is adopted for recording the method used and the outcome for audit purposes.

C.5.1.2 No person or economic operator shall be included in or excluded from:

- any list of tenderers or persons with whom the Council may negotiate;
- any standing list; or
- the Approved List;

unless authorised in accordance with the Constitution and the Leader's Scheme of Delegations by the Council, Cabinet, a Cabinet Member, a Committee or an Officer.

C.5.1.3 Bankruptcy and Liquidation

No tender shall be invited from, and no Contract entered into with, any person or economic operator who:-

C.5.1.3.1 is bankrupt or in liquidation;

C.5.1.3.2 has any receiver or administrative receiver appointed to it;

C.5.1.3.3 has any winding up order made or (except for the purpose of amalgamation or reconstruction) a resolution of voluntary winding up passed in respect of it.

C.5.1.4 Electronic Tendering

All tenders must be undertaken electronically, using the Council's electronic-tendering system; ~~tender submissions should only be received from bidders in hard copy where a bidder has expressly requested such a provision. (YORtender).~~ Any exemptions from this must be authorised by the Assistant Commercial Director ~~(managing the Commercial Process Team).~~ In any tender process all bids must be submitted by the same means.

C.5.1.5 Tender Submission

Tenders need to be in by a specified date and time and this should be clearly set out in the tender documents that go out to tenderers. Generally, late tenders (i.e. ones received after the time and date set for their return) will not be considered. However, exceptionally there is scope for flexibility with these and they may be accepted after considering their position if it is clear beyond dispute that it was despatched in good time and the delay is outside of the control of the tenderer. If in doubt about whether to accept a late tender consult the Director of Commercial Services who will liaise with the Director of Legal Services where appropriate. Late tenders not considered shall not be opened until after all other tenders have been opened and shall then be returned to the tenderer.

C.5.1.6 Hard Copy Tendering

C.5.1.6.1 Where hard-copy submission is permitted tenders must be submitted in a plain envelope, without any marks identifying the bidding organisation, but must be clearly identifiable as a tender.

C.5.1.6.2 Tenders must be addressed and delivered to a designated office. All tenders received will be marked with the date and time of receipt and listed in a register and held in safe custody until the time of opening as set down in the tender documents.

C.5.1.7 Tender Opening

Where Tenders are received under the provisions of these Orders, the following shall apply:

C.5.1.7.1 Electronic Tender Opening

Tenders received electronically shall be 'opened' within the electronic tendering system by ~~delegated~~authorised officers within the Commercial Process Team. These officers shall not have any conflicts of interest with the tender process and shall be appointed by the Assistant Commercial Director (managing the Commercial Process Team). ~~Tenders submitted electronically must be opened by the same officers and at the same time as hard copy tenders received, if applicable.~~

C.5.1.7.2 Hard-copy Tender Opening

Tenders received in hard copy shall be opened together at one time in a suitable place and in the presence of two officers who shall not have any conflicts of interest with the tender process and shall be appointed by the Assistant Commercial Director (managing the Commercial Process Team); ~~Commercial Services~~. Both Officers shall initial each tender and sign a schedule of the tenders opened.

C.5.2 **Health and Safety**

C.5.2.1 For High Risk Work or services regardless of value (see Order C.1.1) or for works or services of Contract Value £25,000 or above – including, without limitation, those that are applicable and notifiable under the Construction (Design and Management) Regulations 2007 – Contractors shall be required to provide:

(1) Selection Stage (Pre-Qualification)

(a) At the earliest reasonable stage in the letting of the Contract and no later than the time when expressions of interest are received, Contractors shall provide either:

- a valid registration with the Contractors Health and Safety Scheme (CHAS) or equivalent scheme registered with the Safety Schemes in Procurement (SSIP) Forum (see Order C.1.1);

or the following:

- if requested, a copy of the Contractor's current Health and Safety Policy document;
- a detailed breakdown of the number and nature (i.e. type of injury, disease etc.) of RIDDOR reports that the Contractor has had to make within the last 5 years; and
- details of any breaches of health and safety legislation by the Contractor, or employees of the Contractor, which have led to either the serving of a prohibition or improvement notice, or both, within the last 5 years.

(b) For those operations to which the Construction Design and Management Regulations 2007 (CDM) Regulations apply:

- Contractors must hold a valid registration with the Contractors Health and Safety Scheme (CHAS) or

equivalent scheme registration with the Safety Schemes in Procurement (SSIP) Forum.

- (c) In both (a) and (b) above, any other health and safety information deemed necessary by the OD Manager (Safety & Employee Wellbeing) required because of the size or specialised nature and risks associated with the Contract.

(2) Tender Stage

At the tender stage (unless defined as low risk work by the OD Manager - Safety and Employee Well Being):

- a clear specification of the resources they propose to provide to control and manage the significant health and safety risks; and
- evidence of competence to carry out the safety critical aspects of the work in accordance with health and safety law.

This information shall be forwarded to the Contract Lead (or equivalent) for approval. Where the Contract Lead believes (for reasons of the complexities of the health and safety requirements) specialised assistance is required, the OD Manager (Safety & Employee Wellbeing) will provide advice on the adequacy of the material submitted.

(3) Monitoring the Contract

On commencement of the work the Contract Lead will put in place methods to monitor the health and safety performance of the Contractor commensurate with the size, scope and risks associated with the Contract. Where required the O D Manager (Safety & Employee Wellbeing) will provide advice.

C.5.2.2 No such Contract shall be awarded unless:-

- (1) the Contractor's documents referred to in C.5.2.1 have been approved by the appropriate persons described above; or
- (2) in exceptional circumstances (for example, very specialised Contracts with intricate health and safety requirements) with the direct approval of the OD Manager (Safety & Employee Wellbeing).

ORDER C.6 - AWARD OF CONTRACT

C.6.1 Authority to award Contracts

C.6.1.1 The ~~procurement and proposal to~~ award ~~of every~~ Contract ~~must be clearly defined within the contract award approval form and~~ must be consistent with these Orders and any relevant legislation and this must be confirmed by the Director of Commercial Services (or ~~another duly delegated~~ other officer authorised by the Director of Commercial Services) for Contracts with a Contract Value over £25,000 (Goods) and over £50,000 (~~Services~~). ~~Where appropriate, the financial, human resources, legal and equalities implications must be agreed with the relevant department before the procurement strategy is presented to the Director of Commercial Services.~~ Works or Services).

C.6.1.2 For Capital Expenditure Projects the SRO must also obtain approval from the Capital Programme Group (CPG). Commercial Services sign-off, as required by C.5.1.1, may be obtained at the CPG.

C.6.1.3 No Contract shall be entered into unless also authorised in accordance with the Constitution and the Leader's Scheme of Delegations by the ~~Council~~, Cabinet, a Cabinet Member, a Committee or an Officer. For the avoidance of doubt, this is in addition to the confirmation of the Director of Commercial Services under order C.6.1.1.

C.6.2 **Selecting the Successful Contractor**

C.6.2.1 Subject to C.6.2.2, every Contract shall be awarded to the Contractor submitting the most economically advantageous tender or quote on the basis of pre-determined evaluation criteria.

C.6.2.2 Where a procurement procedure would lead to acceptance of a tender or quotation which:

- (a) would not be the most economically advantageous tender decided by reference to pre-determined evaluation criteria (where payment is to be **made** by the Council); or
- (b) would not be the highest amount of money which could be received by the Council (where payment is to be **received** by the Council);

the person or body authorised in accordance with the Constitution and the Leader's Scheme of Delegations to award the Contract may still approve the award of the Contract, in conjunction with the Director of Commercial Services. The reasons for such a decision shall be formally recorded.

ORDER C.7 - CONTRACTS

C.7.1 Forms of Contract

C.7.1.1 ~~The~~For the purposes of The Local Authorities (Executive Arrangements) (Modification of Enactments and Further Provisions) (England) Order 2001 the Council has specified that the following Contracts must be in writing:

C.7.1.1.1 Those with a Contract value greater than £25,000 (Goods) or £50,000 (Works or Services);

C.7.1.1.2 Any Contract awarded after a competitive process as determined under order C.4.2.4;

C.7.1.1.3 Any Contract as specifically directed under this order by the Director of Commercial Services or the Director of Legal Services, or an Officer acting on their behalf.

C.7.1.2 It is recommended that all other Contracts are in writing and where not must be evidenced in writing. For the purposes of these Orders a Contract is in writing if all the terms agreed between the parties are set out in a document which is signed or sealed in accordance with these Orders. A Contract is evidenced in writing if all the terms agreed between the parties are set out in a number of documents which can be produced to prove the terms of the agreement.

C.7.1.3 For Contracts which are required to be in writing by virtue of order C.7.1.1 the Procurement Professional will determine the appropriate form of Contract to use.

C.7.1.2 In all cases it is expected that Model Forms of Contract should be used as standard; additional relevant clauses specific to the Contract should be added, where applicable. Model Forms of Contract for Goods, Services and Consultancy are available from Commercial Services. Contact Commercial Services for further advice.

C.7.2 Contracts – Signed or by Deed

C.7.2.1 Contracts of Contract Value ~~less than~~between £2500 and £500,000 shall be signed unless the Director of Legal Services recommends otherwise.

C.7.2.2 Contracts of Contract Value £500,000 or more shall be by deed and so under the Council Seal, except with the approval of the Director of Legal Services.

C.7.3 Contracts – By Deed

C.7.3.1 The Council Seal shall only be applied in the presence of the Director of Legal Services, the Assistant Director of Legal Services (People), the Assistant Director of Legal Services (Place) or some other person authorised by the Director of Legal Services who shall also attest the sealing and enter brief particulars of it, signed by him or her, in a book kept for the purpose.

C.7.3.2 The Council Seal shall only be applied to a document when there ~~is~~are the necessary ~~authority~~authorities in place for the award of the Contract.

C.7.4 **Contracts – Signed**

C.7.4.1 The Director of ~~Legal~~Commercial Services, ~~the any~~ Assistant Director of Commercial Services, the Director of Legal Services (~~People~~) or ~~the and any~~ Assistant Director of Legal Services (~~Place~~) are each authorised by the Council to sign ~~Contracts~~.

~~C.7.4.2 Where any~~ Contract.

~~C.7.4.2 Any Contract that falls within order 7.1.1 must, in order to comply with The Local Authorities (Executive Arrangements) (Modification of Enactments and Further Provisions) (England) Order 2001, be signed by two persons on behalf of the Council. In these cases such Contracts shall be signed by the SRO and any person authorised under order C.7.4.1.~~

~~C.7.4.3 Any other Contract that~~ is not by deed, ~~the Contract~~ can be signed by the relevant SRO (see Order C.1.1).

~~C.7.4.3 Where any property is to be purchased by the Council at auction, the Director of Legal Services may authorise in writing a person to bid at the auction on the Council's behalf and that person will also be authorised to sign any Contract arising for the purchase of the property.~~

~~C.7.4.4 A contract shall only be signed when there are the necessary authorities in place for the award of the Contract except that the Director of Commercial Services may waive the requirement for the contract award approval document to be signed. For the avoidance of doubt, the requirement for contract awards to be approved in accordance with the Leader's scheme of delegation cannot be waived.~~

C.7.5 **Contracts Register**

~~Once a Contract~~ The Council via Commercial Services is required by Government to publish an up to date contract register on the internet. The e-

tendering system (YORtender) automatically produces this once a tender has been awarded-it. It is the responsibility of the SRO to ensure that all Contract details ~~required by Commercial Services that have not been let through YORtender~~ are provided to Commercial Services in a timely fashion.

C.7.6 **Contract Management**

It is the responsibility of the SRO to ensure appropriate Contract management arrangements are put in place, as specifically defined by Commercial Services.

C.7.7 **Payment in Advance**

The Council does not normally agree to provide payment in advance of satisfactory performance or delivery. Advice must be sought from the Director of Commercial Services where payment in advance is required by a Contractor.

Article 7 - The Executive

7.06 Responsibility for Functions

The Leader will maintain a scheme of delegation setting out responsibilities for executive functions as between the Cabinet as a whole, individual Executive Members, Committees of the Cabinet (the membership of which can only include Cabinet Members), Area Committees (Community Assemblies), Officers and joint arrangements or otherwise as permitted by law. ~~Executive functions may also be exercised by an individual Member of the Council in the circumstances permitted by section 236, Local Government and Public Involvement in Health Act 2007.~~ The Leader will notify the Monitoring Officer of any changes to the Leader's Scheme ~~within 48 hours of them being made.~~ These changes will come into effect on receipt of the notification by the Monitoring Officer (or his/her deputy) or at such later time as the Leader may specify at the time of notification.

Proposed Amendments to Part 3 of the Constitution

3.2 LOCAL CHOICE FUNCTIONS

The following table indicates which local choice functions are to be exercised as non-executive functions and which as executive functions. Those which are non-executive are delegated in accordance with this Part of the Constitution or exercised by Full Council, as indicated in the table or if not otherwise delegated. The exercise of those which are executive functions is for the Leader, either personally or through the Leader's Scheme of Delegation of Executive Functions.

	Local Choice Function	Statutory Provision	Executive or Non-Executive	Delegation of Functions
1.	Any function under a local Act other than a function specified or referred to under Regulation 2 or Schedule 1.		Non-executive	Reserved to Full Council subject to specific delegations to Area Committees (Community Assemblies) if included in their terms of reference or to officers as set out in the Authority's arrangements for officer delegations.
2.	The determination of an appeal against any decision made by or on behalf of the Authority.	Local Authorities (Functions & Responsibilities) Regulations 2000 (S.I. 2853).	Non-Executive	Delegations to Council committees if included in their terms of reference or to officers as set out in the Authority's arrangements for officer delegation.
3.	The appointment of Review Boards.	Regulations made under Sub-section (4) of section 34 (determination of claims and reviews) of the	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive

	Local Choice Function	Statutory Provision	Executive or Non-Executive	Delegation of Functions
		Social Security Act 1998.		Functions.
4.	The making of arrangements in respect of appeals against the exclusion of pupils from maintained schools.	Subsection (1) of Section 67 of Schedule 18 to the 1998 Act.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.
5.	The making of arrangements in respect of admission appeals.	Section 94(1) and (4) of, and schedule 24 to, the 1998 Act.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.
6.	The making of arrangements in respect of children to whom section 87 applies: appeals by governing bodies.	Section 95(2) of, and Schedule 25 to, the 1998 Act.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.
7.	The making of arrangements under S.20 (questions on police matters at Council meetings) Police Act 1996 for enabling questions to be put on the discharge of the functions of a Police Authority. Not	Section 20 Police Act 1996.	Non-executive	Reserved to Full Council subject to specific delegations to officers as set out in the Authority's arrangements for officer delegations.

	Local Choice Function	Statutory Provision	Executive or Non-Executive	Delegation of Functions
	<u>applicable following the abolition of the South Yorkshire Police Authority.</u>			
8.	The making of appointments under paragraphs 2-4 (appointment of members by relevant Councils) of Schedule 2 (Police Authorities established under section 3) to the Police Act 1996 <u>Not applicable following the abolition of the South Yorkshire Police Authority.</u>	Paragraphs 2 to 4 of Schedule 2 of the Police Act 1996.	Non-executive	Reserved to Full Council subject to specific delegations to officers as set out in the Authority's arrangements for officer delegations.
<u>9.</u>	<u>Repealed</u>			
<u>910.</u>	Any function relating to contaminated land.	Environmental Protection Act 1990, Part IIA.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.
<u>101.</u>	The discharge of any function relating to the control of pollution or the management of air quality.	Pollution Prevention and Control Act 1990; Environment Act 1995 (Part IV); Environmental Protection Act 1990 (Part I); Clean Air Act 1993.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.

	Local Choice Function	Statutory Provision	Executive or Non-Executive	Delegation of Functions
142.	The service of an abatement notice in respect of a statutory nuisance.	Environmental Protection Act 1990, Section 80(1).	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.
123.	The passing of a resolution that Schedule 2 to the Noise and Statutory Nuisance Act 1993 should apply in the authority's area.	Noise and Statutory Nuisance Act 1993, Section 8.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.
134.	The inspection of an authority's area to detect any statutory nuisance.	S.79 Environmental Protection Act 1990.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.
145.	The investigation of any complaint as to the existence of a statutory nuisance.	S.79 Environmental Protection Act 1990.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.
156.	The obtaining of information as to interests in land.	Town and Country Planning Act 1990, Section 330.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.
167.	The obtaining of particulars of persons interested in land.	Local Government (Miscellaneous Provisions) Act 1976, Section 16.	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive

	Local Choice Function	Statutory Provision	Executive or Non-Executive	Delegation of Functions
				Functions.
178.	The making of agreements for the execution of highways works.	Highways Act 1980, Section 278 (substituted by the New Roads and Street Works Act 1991, Section 23).	Non-executive	Delegations to Council Committees if included in their terms of reference or to officers as set out in the Authority's arrangements for officer delegation.
189.	The appointment of any individual: (a) to any office other than an office in which he is employed by the Council; (b) to any body other than - (i) the Council; (ii) a joint committee of two or more authorities; or (c) to any Committee or Sub-Committee of such a body, and the revocation of any such appointment		Appointment of any Member of the Council or any other individual not being an officer of the Council - Non-executive Appointment of any officer of the Council - Executive	Reserved to Full Council Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions
1920.	The making of agreements with other local authorities for the placing of staff at the disposal of those other authorities.	Local Authorities (Functions & Responsibilities) Regulations 2000 (S.I. 2853) as amended by the Local Authorities (Functions & Responsibilities)	Executive	Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.

	Local Choice Function	Statutory Provision	Executive or Non-Executive	Delegation of Functions
		(Amendment) Regulations 2001 (S.I. 2212).		
<u>21.</u>	<u>Not Applicable</u>			
<u>22.</u>	<u>Functions under sections 106, 110, 111 and 113 of the Local Government and Public Involvement in Health Act 2007 relating to local area agreements.</u>		<u>Executive</u>	<u>Delegated in accordance with the Leader's Scheme of Delegation of Executive Functions.</u>

Note: The numbering in the above table is taken from Schedule 2, Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended).

3.5.4 Director of Legal Services

For the avoidance of doubt, only the Director of Legal Services shall have authority to commence, defend or settle any legal proceedings and may ~~de~~ arrange for the discharge of this function as he or she considers necessary or appropriate to protect the interests of the Council.

Extract from Executive Procedure Rules

1. Arrangements for the exercise of executive functions

1.1 Executive decisions

The Leader may discharge any function which is the responsibility of the Executive and must also determine and keep up to date a Scheme of Delegation (~~to be kept up to date in Part 3 of this Constitution~~) which may provide for executive functions to be discharged by:

- (i) the Cabinet as a whole;
- (ii) an individual Executive Member;
- (iii) a Committee of the Cabinet;
- (iv) an Officer;
- (v) an Area Committee (Community Assembly);
- (vi) Joint Arrangements; ~~or~~
- (vii) another local authority;

or otherwise as permitted by law.

1.2 Appointments and delegations by the Leader

At its Annual Meeting, the Leader will present to the Council the names and Wards of the Members he or she has appointed to the Executive, to any Committee of the Cabinet and to be the Deputy Leader. Where the Leader removes an Executive Member or the Deputy Leader from office, in accordance with Article 7, or appoints a Councillor to a vacancy in one of those offices, the Monitoring Officer will present a report to the next Ordinary Meeting of the Council setting out the changes made by the Leader.

At its Annual Meeting, the Leader will also present to the Council the Scheme of Delegation of Executive Functions he or she has made. This will contain, for the coming year, the following information in relation to executive functions and decisions:

- the extent to which they have been delegated to each individual or body ~~described as referred to~~ in paragraph 1.1 of this Rule, including details of any limitation to the authority delegated; and
- the terms of reference ~~and constitution~~ of such Cabinet Committees as the Leader appoints ~~and the names of the Executive Members appointed to them~~.

Where the Leader amends the Scheme of Delegation of Executive Functions in accordance with Article 7, the Leader will inform the Monitoring Officer and the Leader, or in his or her absence the Monitoring Officer will as soon as practicable present a report to ~~the next~~ Ordinary Meeting of the Council setting out the changes made by the Leader.

1.3 Sub-delegation of executive functions

Subject to any further restrictions imposed by the Leader in his or her Scheme of Delegation of Executive Functions, where executive functions have been delegated to the Cabinet, a Cabinet Committee, an Executive Member or an Area Committee they may be delegated further by such bodies or individuals in accordance with any statutory provisions ~~statutory provisions~~ about the discharge ~~delegation~~ of executive functions, ~~and unless the Leader specifies otherwise:~~

- ~~(a) — Where executive functions have been delegated to the Cabinet, they may be delegated further to any of the individuals or bodies described in paragraph 1.1 of this Rule.~~
- ~~(b) — Where executive functions have been delegated to a Cabinet Committee or an Executive Member, they may be delegated further to an Area Committee, an officer, a Joint Arrangement or another local authority.~~

The delegation of an executive function does not prevent it from being discharged by the individual or body who delegated it.

Article 4 - The Full Council

4.01 Meanings

- (a) **Policy Framework.** The Policy Framework means the following plans and strategies:-

- ~~•Annual Library Position Statement;~~
- ~~•Children and Young People's Plan;~~
- ~~•Crime and Disorder Reduction Strategy;~~
- Development plan documents (Section 15, Planning and Compulsory Purchase Act 2004);
- ~~•Plans and alterations which together comprise the Local Development Plan (Section 27, Town and Country Planning Act 1990);~~
- Licensing Authority Policy Statements under the Licensing Act 2003 and the Gambling Act 2005;
- Local Transport Plan;
- Sustainable Community Strategy;
- ~~•Youth Justice Plan.~~

- (b) **Budget.** The annual budget which includes the allocation of financial resources to different services and projects, including:

- revenue expenditure;
- proposed contingency funds including reserves and balances;
- setting the Council Tax (and any other local tax which may be within the control of the Council);
- decisions relating to the control of the Council's borrowing requirement;
- capital expenditure;

and the Treasury Management Strategy.

- (c) **Housing Land Transfer.** Housing Land Transfer means the approval or adoption of applications (whether in draft form or not) to the Secretary of State for approval of a programme of disposal of 500 or more properties to a person or body under the Leasehold Reform, Housing and Urban Development Act 1993, or to dispose of land used for residential purposes where approval is required under sections 32 or 43 of the Housing Act 1985.

EXTRACT FROM PART 3 – RESPONSIBILITY FOR FUNCTIONS

3.3.3 FUNCTIONS WHICH MAY NOT BE EXERCISED SOLELY BY THE EXECUTIVE

The Executive will prepare in draft and submit to Full Council for adoption as elements of the Budget and Policy Framework those policies, plans and strategies listed below. Council may require the Executive to reconsider or amend any draft plan or strategy submitted for consideration.

- ~~Annual Library Plan: Section 1(2) Public Libraries and Museums Act 1964~~
- ~~Children and Young People's Plan: Children and Young People's Plan (England) Regulations 2005~~
- ~~Crime and Disorder Reduction Strategy: Sections 5 and 6, Crime and Disorder Act 1998~~
- Development Plan documents, plans and alterations required by Section 15 Planning and Compulsory Purchase Act 2004 ~~and Section 27, Town and Country Planning Act 1990~~
- Licensing Authority Policy Statement: Section 349, Gambling Act 2005
- Local Transport plan: Section 108, Transport Act 2000
- Sustainable Community Strategy: Section 4, Local Government Act 2000
- ~~Youth Justice Plan: Section 40, Crime and Disorder Act 1998~~

A plan or strategy relating to the Council's borrowing, investments, capital expenditure and determination of minimum revenue provision

Article 7 - The Executive

7.01 Role and Composition

The Executive will consist of the Council's Leader (the Leader) together with at least two but not more than nine Councillors appointed by the Leader to be Executive Members. These Councillors together will comprise the Cabinet. The Executive will exercise all of the Council's functions which are not the responsibility of any other part of the Council, whether by law or under this Constitution.

7.02 The Leader

The Leader will be a Councillor ~~elected~~ appointed to the position of Leader by the Council at its Annual Meeting for a period of one year. The Leader will hold office until the ~~day when the Council holds its first next~~ Annual Meeting after the Leader's normal day of retirement as a Councillor⁴; unless he or she:

- (a) resigns from the office; or
- ~~(b) is suspended from being a Councillor under Part III of the Local Government Act 2000 (although he or she shall resume office at the end of the period of suspension); or~~
- ~~(c)(b) is no longer a Councillor for any reason other than during the period between the Leader's normal day of retirement as a Councillor and its first Annual Meeting thereafter; or~~
- ~~(d)(c) is removed from office by resolution of the Council.~~

The Leader will:

- (a) Act as the Council's principal public spokesperson;
- (b) Give overall political direction to the Council;
- (c) Appoint the Deputy Leader and other Executive Members;
- (d) Exercise the executive functions of the Council and determine the Scheme of Delegation for executive functions (and for the avoidance of doubt nothing in the Scheme of Delegation shall in any way limit the authority of the Leader to exercise the Council's executive functions);
- (e) Chair meetings of the Cabinet; and

⁴~~In accordance with Section 44E and 44F Local Government Act 2000~~

- (f) Represent the Council on such external bodies (where the function of the outside bodies relates to executive functions of the Council) as the Leader may determine.

7.03 The Deputy Leader

The Leader will appoint one of the Executive Members to act as Deputy Leader.

The Deputy Leader will hold office until the end of the Leader's term of office unless he or she:

- (a) resigns from the office; or
- ~~(b) is suspended from being a Councillor under Part III of the Local Government Act 2000 (although he or she shall resume office at the end of the period of suspension); or~~
- ~~(be)~~ is no longer a Councillor; or
- ~~(dc)~~ is no longer an Executive Member; or
- ~~(ed)~~ is removed from office by the Leader who must give written notice of any removal to the Monitoring Officer and the person concerned. The removal will take effect five working days after receipt of the notice by the Monitoring Officer.

Where a vacancy occurs in the office of Deputy Leader, the Leader must appoint another Councillor to the position by giving notice to the Monitoring Officer. The appointment will take effect five working days after receipt of the notice by the Monitoring Officer.

If for any reason:

- (a) the Leader is unable to act; or
- (b) the office of elected Leader is vacant

the Deputy Leader will act in his or her place.

If for any reason:

- (a) the Leader is unable to act or the office is vacant; and
- (b) the Deputy Leader is unable to act or the office of Deputy Leader is vacant

the Cabinet must act in the Leader's place, or arrange for an Executive Member to act in his or her place.

EXTRACTS FROM COUNCIL PROCEDURE RULES

5 Meetings of the Council and Other Bodies

- 5.1 The annual meeting of the Council shall be held in the Town Hall at 11.30 a.m. on the third Wednesday in May.
- 5.2 The annual meeting will:
- (a) elect a person to preside if the Chair is not present;
 - (b) elect the Lord Mayor (Chair) of Council;
 - (c) elect the Deputy Lord Mayor (Deputy Chair) of Council;
 - (d) receive any apologies for absence from Members of the Council;
 - (e) receive declaration from Members of interests in the matters to be considered at the meeting;
 - (f) approve the minutes of the last meeting
 - (g) ~~if necessary,~~ appoint a Leader of the Council;
-

24 Election-Appointment and Removal of Leader

- 24.1 The Council shall at its Annual Meeting ~~appoint held in 2010, or at any other subsequent Annual Meeting held on a day when the Leader's term of office is to end by virtue of Section 44E(3) Local Government Act 2000~~ elect a Leader ~~for a period of one year to act for a four year term or to the end of their current term of office as a Ward Councillor.~~ If the Council fails to elect the Leader at the relevant Annual Meeting, the Leader is to be elected at a subsequent meeting.
- 24.2 The Leader may be removed from office by resolution of the Council.

ACCESS TO INFORMATION PROCEDURE RULES

1. SCOPE

These rules apply to all meetings of the Council, its Committees, Overview and Scrutiny and Policy Development Committees, Area Committees, the Standards Committee and Regulatory Committees and the Executive (together called meetings).

2. ADDITIONAL RIGHTS TO INFORMATION

These rules do not affect any more specific rights to information contained elsewhere in this Constitution or the law.

3. RIGHTS TO ATTEND MEETINGS

- 3.1 Members of the public and the media shall, subject to the exceptions contained in these and other Rules in this Constitution, be entitled to attend all meetings to which these Rules apply.
- 3.2 Attendance at meetings may be limited by the capacity of the room in which the meeting is held. The Chair of the meeting may eject members of the public from a meeting in respect of disturbance or unruly behaviour. At meetings of the Full Council, in addition to Members and officers of the Council, admittance to the floor of the Council Chamber shall be at the discretion of the Lord Mayor.
- 3.3 Photography, video and sound recording shall be at the discretion of the Chair of the meeting. This shall generally be permitted where meetings are held in public, provided adequate notice has been given and convenient arrangements can be made.

4. NOTICE OF MEETING

The Council will give at least five clear working days' notice (excluding the days on which the meeting is called and on which it is held) of any meeting to which these Rules apply by posting details of the meeting at Sheffield Town Hall and/or Howden House and on the Council's website, except that where the meeting is convened at shorter notice in accordance with these Rules, details shall be posted from the time the meeting is convened.

5. ACCESS TO AGENDA AND REPORTS BEFORE THE MEETING

The Council will make copies of the agenda and reports which are open to the public, available for inspection at Sheffield Town Hall [and on the Council's web-site](#) at least five clear working days before the meeting except that:

(a) where the meeting is convened at shorter notice in accordance with these Rules, copies of the agenda and reports shall be available for inspection from the time the meeting is convened; and

(b) where an item is added to an agenda in accordance with these Rules, copies of which are open to inspection by the public, copies of the item (and of the revised agenda) and copies of any report for the meeting relating to that item, shall be available for inspection for the time the item was added to the agenda.

6. ITEMS OF BUSINESS

An item of business may not be considered at a meeting unless:

(a) A copy of the agenda including the item (or a copy of the item) is available for inspection by the public for at least five clear days before the meeting; or,

(b) Where the meeting is convened at shorter notice in accordance with these Rules, such copies are available for inspection from the time the meeting is convened; or

(c) There are, in the opinion of the Chair of the meeting, special circumstances for considering the item as a matter of urgency, which shall be specified in the minutes of the meeting.

7. SUPPLY OF COPIES

The Council will supply to any person, on payment of a charge for copying, postage and any other costs, copies of:-

(a) any agenda and reports which are open to public inspection;

(b) any further statements or particulars necessary to indicate the nature of the items in the agenda; and

(c) if the Monitoring Officer thinks fit, any other documents supplied to Councillors in connection with an item.

8. ACCESS TO MINUTES AND DOCUMENTS AFTER THE MEETING

The Council will make available for inspection and, upon payment of a charge for copying, postage and any other costs, copies of the following for six years after a meeting:

- (a) the minutes of the meeting or records of decisions taken, together with reasons, for all meetings of the Executive, excluding any part of the minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;
- (b) a summary of any proceedings not open to the public where the minutes open to inspection would not provide a reasonably fair and coherent record;
- (c) the agenda for the meeting; and
- (d) reports relating to items when the meeting was open to the public.

9. BACKGROUND PAPERS

9.1 List of background papers

The officer responsible for a report will set out in it a list of those documents (called background papers) relating to the subject matter of the report which in his/her opinion:

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) which have been relied on to a material extent in preparing the report

but does not include published works or those which disclose exempt or confidential information (as defined in these Rules) and in respect of Executive reports, the advice of a political advisor.

9.2 Public inspection of background papers

The Council will make available for public inspection for four years after the date of the meeting one copy of each of the documents on the list of background papers. These documents will be available on the Council's website and at the Sheffield Town Hall.

10. SUMMARY OF THE PUBLIC'S RIGHTS

A written summary of the public's rights to attend meetings and to inspect and copy documents will be included in each agenda for Council meetings which will be kept at and available to the public at the Town Hall, Pinstone Street, Sheffield S1 2HH or on the Council's website.

11. EXCLUSION OF ACCESS BY THE PUBLIC TO MEETINGS AND DOCUMENTS

11.1 Confidential information – requirement to exclude public

The public must be excluded from meetings whenever it is likely that confidential information would be disclosed.

Confidential information means:

(a) information provided to the Council by a Government Department upon terms (however expressed) which forbid the disclosure of the information to the public; and

(b) information the disclosure of which to the public is prohibited by or under any enactment or by order of the Court.

11.2 Exempt information – discretion to exclude public

The public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed.

Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in Article 6.

Exempt information means information falling within one or more of the following categories, subject to the conditions relating to that category.

Category	Condition
1. Information relating to an individual	Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information and provided the information does not relate to proposed development for which the Local Planning Authority may grant itself planning permission under Planning Regulations.
2. Information which is likely to reveal the identity of an individual	Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information, provided the information does not relate to proposed development for which the Local Planning Authority may grant itself planning permission under Planning Regulations.
3. Information relating to the financial or business affairs of any particular person (including the authority holding the information)	Information falling within this paragraph is not exempt if it must be registered under various statutes, such as the Companies Acts, Charities Acts, Friendly Societies Acts, Industrial and Provident Societies Acts or the Building Societies Acts. Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the Council or a Minister of the Crown and employees of, or office holders under, the Council.	Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information, provided the information does not relate to proposed development for which the Local Planning Authority may grant itself planning permission under Planning Regulations.
5. Information in respect of which a claim to legal professional privilege could be maintained in	Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption

Category	Condition
legal proceedings	outweighs the public interest in disclosing the information, provided the information does not relate to proposed development for which the Local Planning Authority may grant itself planning permission under Planning Regulations.
6. Information which reveals that the Council proposes a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or b) to make an order or direction under any enactment	Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information, provided the information does not relate to proposed development for which the Local Planning Authority may grant itself planning permission under Planning Regulations.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime	Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information, provided the information does not relate to proposed development for which the Local Planning Authority may grant itself planning permission under Planning Regulations.
7a Information which is subject to any obligation of confidentiality (for the Standards Committee and its Sub-Committees only)	Specific rules apply to hearings of Standards Committees only pursuant to the Relevant Authorities (Standards Committee) (Amendment) Regulations 2006. Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
7b Information relating in any way to matters concerning national security (for the Standards Committee and its Sub-Committees only)	Specific rules apply to hearings of Standards Committees only pursuant to the Relevant Authorities (Standards Committee) (Amendment) Regulations 2006. Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Category	Condition
7c Information presented to a Standards Committee or any of its Sub-Committees of a Standards Committee relating to any matter referred to it under Chapter II of Part II of the Local Government Act 2000 and related Regulations.	Specific rules apply to hearings of Standards Committees only pursuant to the Relevant Authorities (Standards Committee) (Amendment) Regulations 2006. Information is exempt information if and so long as in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

11.3 Exclusion of access by the public to reports

If the Monitoring Officer thinks fit, the Council may exclude access by the public to reports which in his or her opinion relate to items during which, in accordance with this Rule, the meeting is likely not to be open to the public. Where the whole or part of any report for a public meeting is not available for inspection by the public, every copy of the report shall be marked “not for publication” and it shall be stated on the report:

- that it contains confidential information; and either
- Identifies which of the descriptions of confidential or exempt information in this Rule may apply; or
- Indicates that the report or part of the report contains the advice of a political assistant.

12. TAKING KEY DECISIONS

12.1 Public access to Executive meetings

A meeting of the Executive must (subject to the general exception and special urgency provisions of these Rules) comply with the public access requirements of these Rules:

(a) when it meets collectively (as the Cabinet or a Cabinet Committee) to make a Key Decision (as defined in Article 13 of this Constitution); or

(b) when it meets with an officer present (other than a Political Assistant) for a substantive discussion of a Key Decision to be taken collectively, within the following 28 days. This requirement does not apply to meetings whose sole purpose is for officers to brief members.

12.2 Advance notice of Key Decisions

Subject to the general exception and special urgency provisions of these Rules, a Key Decision may not be taken by the Executive Cabinet, Cabinet Committee or individual Cabinet Member, an Area Committee, an officer or through Joint Arrangements unless:

- (a) ~~at least 28 days' published notice of the decision to be taken is given notice, in the form of a Forward Plan which complies with these Rules, has been published in connection with the matter in question (the Cabinet and Cabinet Highways Forward Plans will be used to give the required notice); and~~
- (b) ~~at least five clear working days have elapsed since the publication of the Forward Plan; and~~
- (be) where the decision is to be taken at a meeting of the Cabinet or a Cabinet Committee, notice of the meeting has been given in accordance with these Rules.

13. THE FORWARD PLAN

~~13.1 Period of Forward Plan~~

~~Forward Plans will be prepared by the Leader to cover a period of four months, beginning with the first day of any month. They will be prepared on a monthly basis and subsequent plans will cover a period beginning with the first day of the second month covered in the preceding plan.~~

~~The Forward Plan will be updated on a monthly basis and a new Forward Plan produced at least 14 days before the first day on which the Forward Plan will come into effect. Any outstanding matters from the previous Forward Plan will be included in the latest Forward Plan.~~

~~The most recent Forward Plan shall be taken to have superseded any earlier Forward Plan.~~

13.12 Contents of the Forward Plan

Each Forward Plan will contain details of matters which the Leader has reason to believe will be subject of a Key Decision to be taken by the Executive (Cabinet, cabinet Committee or individual Cabinet Member), an Area Committee, an officer, or through Joint Arrangements during the period covered by the Plan. In relation to each matter, the following

particulars (apart from any exempt or confidential information or the advice of a Political Assistant).will be included:

- (a) the matter in respect of which a decision is to be made;
- (b) where the decision taker is an individual, his or her name and title, if any, and where the decision taker is a body, its name and ~~details of membership~~ a list of members;
- (c) the date on which, or the period within which, the decision will be taken;
- ~~(d)~~ a list of the documents submitted to the decision taker for consideration in relation to the matter.
- ~~(ed)~~ the identity of the principal groups whom the decision taker proposes to consult before taking the decision;the address from which, subject to any prohibition or restriction on their disclosure, copies of, or extracts from, any document listed is available;
- ~~(fe)~~ that other documents relevant to those matters may be submitted to the decision maker;the means by which any such consultation is proposed to be undertaken;
- ~~(fg)~~ the procedure for requesting details of those documents (if any) as they become available;the steps any person might take who wishes to make representations to the Executive or decision taker about the matter in respect of which the decision is to be made, and the date by which those steps must be taken; and
- ~~(g)~~ a list of the documents submitted to the decision taker for consideration in relation to the matter.

~~14~~ **PUBLICITY IN CONNECTION WITH KEY DECISIONS**

~~The Monitoring Officer will publish once a year a notice in at least one newspaper circulating in the area, stating:~~

- ~~(a)~~ that Key Decisions are to be taken on behalf of the Council;
- ~~(b)~~ that a Forward Plan containing particulars of the matters on which Key Decisions are to be taken will be prepared on a monthly basis;

- ~~(c) — that the Plan will contain details of the Key Decisions to be made for the four month period following its publication;~~
- ~~(d) — that each Plan will be available for inspection at reasonable hours free of charge at the Council's offices and on the Council's website;~~
- ~~(e) — that each Plan will contain a list of the documents submitted to the decision takers for consideration in relation to the Key Decisions on the Plan;~~
- ~~(f) — the address from which, subject to any prohibition or restriction on their disclosure, copies of, or extracts from, any document listed in the Forward Plan is available;~~
- ~~(g) — that other documents may be submitted to decision takers;~~
- ~~(h) — the procedure for requesting details of documents (if any) as they become available; and~~
- ~~(i) — the dates on each month in the following year on which each Forward Plan will be published and available to the public at the Council's offices.~~

145. GENERAL EXCEPTION FOR A MATTER NOT IN THE FORWARD PLAN

~~If it has not been possible to give 28 days' notice of a matter which is likely to be a Key Decision, then the decision may only be made if :- has not been included in the Forward Plan, then subject to the following Rule relating to special urgency, the decision may still be taken if:~~

- ~~(a) — the decision must be taken by such a date that it is impracticable to defer the decision until it has been included in the next Forward Plan and until the start of the first month to which the next Forward Plan relates;~~
- ~~(ab) the Monitoring Officer has given written notice to the Chair of a relevant Overview and Scrutiny and Policy Development Committee, or if there is no such person, each Member of that Committee, by notice in writing of the matter about which the decision is to be made;~~
- ~~(eb) the Monitoring Officer has made copies of that notice available to the public at the offices of the Council and on the Council's website;~~

~~(cd)~~ at least 5 clear days have elapsed since the Monitoring Officer complied with paragraphs (a) and (b) in this Rule; ~~and~~

~~(d)~~ As soon as reasonably practicable after the Monitoring Officer has complied with paragraphs (a), (b) and (c) he or she must—

(i) make available at the Sheffield Town Hall offices, a notice setting out the reasons why it has not been possible to give 28 days’; and (ii) publish that notice on the Council’s website.

~~(ee)~~ where the executive decision is to be taken at a meeting of the Cabinet or a Cabinet Committee, or by Individual Member or Officer the ~~meeting complies with the~~ public access requirements of these Rules must be complied with.

156. SPECIAL URGENCY FOR TAKING A KEY DECISION

Where the date by which a Key Decision must be taken makes it impracticable to comply with the previous General Exception Rule, then the decision can only be taken if the decision taker (if an individual) or the Chair of the Body making the decision, has obtained agreement that making the decision is urgent and cannot reasonably be deferred from

(a) the Chair of a relevant ~~Overview and~~ Scrutiny and Policy Development Committee; or

(b) if there is no such person or that person is unable to act, the Lord Mayor; or

(c) if neither of those persons is able to act, the Deputy Lord Mayor.

As soon as reasonably practicable after the Monitoring Officer has complied with paragraph (a), (b) and (c) he or she must—

(i) make available at the Sheffield Town Hall offices, a notice setting out the reasons why it has not been possible to give 28 days’; and (ii) publish that notice on the Council’s website.

A Key Decision taken under paragraphs 14 and 15 of these Rules will be exempt from call-in.

The Leader will submit an annual ~~quarterly~~ report to the Council containing details of each ~~on the~~ executive decisions taken under this

Rule ~~in the preceding three months~~. The report will include ~~:- the number of decisions so taken and a summary of the matters in respect of which each decision was made.~~

(a) particulars of each decision made; and

(b) a summary of the matters in respect of which each decision was made.

167. RIGHTS OF OVERVIEW AND SCRUTINY AND POLICY DEVELOPMENT COMMITTEES OVER KEY DECISIONS

167.1 When an Overview and Scrutiny and Policy Development Committee can require a report

If ~~an Overview and~~ Scrutiny and Policy Development Committee considers that ~~an executive decision~~ Key Decision has been taken which was not:

(a) ~~treated as being a key decision~~included in the Forward Plan;
~~and/or~~

(b) a relevant Scrutiny and Policy Development Committee are of the opinion that the decision should have been treated as a key decision

~~(b) properly decided in accordance with the previous general exception and special urgency Rules;~~

the Committee may by resolution require the Executive which is responsible for the decision to submit a report to the Council within such reasonable time as the Committee may specify~~ies~~.

The Monitoring Officer may also require such a report and shall do so on behalf of the Committee when so requested by the Chair or any 5 Members of the Committee.

167.2 Executive report to Council

When required in accordance with this Rule, the Executive will prepare a report for the next available meeting of the Council, except that if the next meeting of the Council is within 7 days of receipt of the written notice, or the resolution of the Committee, then the report may be submitted to the meeting after that.

The report to Council will set out particulars of the decision, including reasons for the decision,; the individual or body making the decision, and if the Leader/Executive is of the opinion that it was not a key decision, the reasons for that opinion.

178 PRIVATE MEETINGS OF THE CABINET OR CABINET COMMITTEES

178.1 ~~The Leader~~An Executive Committee, –will, subject to this Rule, decide whether the Executive or part of such meetings will relating to matters which are not Key Decisions, ~~will~~ be held in public or private.

178.2 In circumstances where it has been decided to hold an Executive meeting or part of a meeting in private~~If the Leader decides to hold a private meeting, Me, 28 clear days before such a private meeting , the Monitoring Officer will :-~~

(a) make available at the Sheffield Town Hall, a notice of its intention to hold the meeting in private, including a statement of the reason for the meeting to be held in private; and

(b) publish that notice on the Council's website..

~~members of the~~ 17.3 Cabinet or a Cabinet Committee will be entitled to receive 5 clear working days notice of a meeting to which they are summoned, unless the meeting is convened at shorter notice as a matter of urgency. The Council will also:-

(a) make available at the Sheffield Town Hall, a further notice of its intention to hold the meeting in private; and

(b) publish that notice on the Council's website, which will provide:-.

- a statement of the reasons for the meeting to be held in private;
- details of any representations received by the decision-making body about why the meeting should be open to the public; and
- a statement of its response to any such representations.

~~17.4~~ 18.3 ~~The Cabinet or a Cabinet Committee may meet in private if:~~

~~(a) it meets to consider a matter that does not involve a Key Decision; or~~

~~(b) it meets to consider a matter in respect of which a Key Decision will be made, but the date for such decision included in the Forward Plan is more than 28 days after the date of the meeting and no officer is present (other than a Political Assistant);~~

~~(c) the principal purpose of the meeting is for an officer to brief the decision maker in matters connected with the making of an executive decision. Where the date by which a meeting must be held makes compliance with the above impracticable, the meeting may only be held in private where the decision-making body has obtained agreement from—~~

~~(a) the Chair of the relevant Scrutiny and Policy Development Committee; or~~

~~(b) if there is no such person, or if the Chair of the relevant Scrutiny and Policy Development Committee is unable to act, the Lord Mayor; or~~

~~(c) where there is no Chair of either the relevant Scrutiny and Policy Development Committee or the Lord Mayor are unable to act, the Deputy Lord Mayor, that the meeting is urgent and cannot reasonably be deferred.~~

~~As soon as reasonably practicable after the decision-making body has obtained agreement to hold a private meeting, it must—~~

~~(a) make available at Sheffield Town Hall a notice setting out the reasons why the meeting is urgent and cannot reasonably be deferred; and~~

~~(b) publish that notice on the Council's website..~~

178.54 The Head of Paid Service, the Chief Finance Officer and the Monitoring Officer, and their nominees are entitled to attend any meeting of the Cabinet and Cabinet Committees. The Executive may not meet unless the Chief Executive has been given reasonable notice that a meeting is to take place. A private meeting of the Executive may not meet to take any decision unless the Head of Paid Service, the Chief Finance Officer or the Monitoring Officer or their nominees are present or have waived their entitlement to attend. An Executive meeting may only take a decision if there is an officer present with responsibility for recording and publishing the decision.

189. BASIS OF DECISIONS BY THE EXECUTIVE

189.1 Decisions to be based on reports and with an officer present

A decision may only be taken by the Executive:

- (a) on the basis of a written report, setting out key legal, financial, service, equal opportunities, human rights, land and property and corporate implications, as well as the reasons for report recommendations and the alternatives considered and rejected; and
- (b) other than in the case of a decision taken by an individual Executive Member, when the Monitoring Proper-Officer or his or her nominee is present.

189.2 Record of executive decisions

As soon as is reasonably practical after a decision has been made by Executive Members at a meeting or individually, whether made in public or private, the Monitoring Officer shall ensure that a written statement is produced in respect of every executive decision made which includes:

- a record of the decision, including the date it was made;
- a record of the reasons for the decision;
- details of any alternative options considered and rejected when the decision was made;
- a record of any conflict of interest declared by any Member of the decision making body or, in the case of a decision by an individual Executive Member, any conflict of interest declared by any other Executive Member consulted by him/her in relation to the decision; and,
- in respect of any declared conflict of interest, a note of any relevant dispensation granted by the Monitoring Officer Standards Committee

189.3 Decisions subject to call-in

All decisions of the Executive, whether taken collectively or by individual Executive Members, must be published and may be subject to call-in in accordance with the Scrutiny Procedure Rules in Part 4 of this Constitution.

1920. DECISIONS BY INDIVIDUAL EXECUTIVE MEMBERS

1920.1 Any decisions taken by an individual Executive Member of the Executive, must comply with the previous Rule 19.

1920.2 When an officer prepares a report which is to be given to an individual Executive Member for decision, he or she must first give a copy of that report to the Monitoring Officer.

1920.3 The Monitoring Officer will publish the report to the relevant ~~Overview and Scrutiny~~ and Policy Development Committee, the Chief Executive and Chief Finance Officer. Subject to the exceptions in these Rules, the report will be made publicly available as soon as reasonably practicable.

1920.4 The Executive Member may not make any Key Decision except in compliance with the requirements of these Rules relating to Key Decisions and will not make the Key Decision until the report on which it is to be based has been available to the ~~Overview and Scrutiny~~ and Policy Development Committee and, if appropriate, for public inspection for 5 clear working days.

204. **KEY DECISIONS MADE BY OFFICERS**

204.1 An officer may only make a Key Decision on the basis of a written report setting out key legal, financial, service, equal opportunities, human rights, land and property and ~~and~~ corporate implications and in compliance with the requirements of these Rules relating to Key Decisions.

204.2 Where an officer receives a report which he or she intends to take into account in making a Key Decision he or she must ensure that the Monitoring Officer receives a copy of the report and makes it available in accordance with this Rule.

204.3 The Monitoring Officer will publish the report to the relevant ~~Overview and Scrutiny~~ and Policy Development Committee, the Chief Executive and the Chief Finance Officer. Subject to the exceptions in these Rules, the report will be made publicly available as soon as reasonably practicable.

204.4 The officer will not make the Key Decision until the report has been available to the ~~Overview and Scrutiny~~ and Policy Development Committee and, if appropriate, for public inspection for 5 clear working days.

204.5 As soon as is reasonably practicable after an officer has made a Key Decision he or she shall produce a written statement including:

- a record of the decision, including the date when it was made;
- a record of the reasons for the decision;
- details of any alternative options considered and rejected when the decision was made;
- a record of any conflict of interest declared by any Member who was consulted by the officer in relation to the decision; and,
- in respect of any declared conflict of interest, a note of any relevant dispensation granted by the Monitoring Officer Standards Committee.

204.6 Key Decisions by officers must be published and may be subject to call-in in accordance with the Scrutiny Procedure Rules in Part 4 of this Constitution

21. DECISIONS MADE BY OFFICERS OTHER THAN KEY DECISIONS

21.1 As prescribed by the Local Government (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 certain categories of Executive Decisions taken by officers (other than Key Decisions) are required to be recorded

Officers must comply with the the above Regulations and general principles of open and transparent decision making. The Director of Legal Services will provide guidance as to which decisions fall within the regulation.

21.2 The Regulations also require all papers considered by the decision maker to be published on the website. To simplify this procedure a short report should be prepared for the decision maker to base their decision on.

~~222.~~ **OVERVIEW AND SCRUTINY AND POLICY DEVELOPMENT COMMITTEES' RIGHTS OF ACCESS TO EXECUTIVE DOCUMENTS**

~~222.1~~ **Rights to copies**

Subject to the limitations in this Rule, ~~an Overview and~~ Scrutiny and Policy Development Committee will be entitled to a copy of any document which:

(a) is in the possession or under the control of the Executive; and

(b) contains material relating to;

- any business which has been transacted at a public or private meeting of the Executive; or
- any decision taken by an individual Executive Member; or
- any ~~Key~~ Decision that has been taken by an officer.

22.2 Where a member of a Scrutiny and Policy Development Committee requests a document that falls within paragraph 23.1 (a) and (b), the Executive must provide the document as soon as is reasonably practicable and in any case no later than 10 clear days after the Executive receives the request.

~~22.32~~ Limitations on rights

~~An Overview and~~ Scrutiny and Policy Development Committee will not be entitled to:

- (a) any document that is in draft form;
- (b) any part of a document that contains exempt or confidential information, unless that information is relevant to an action or decision they are reviewing or scrutinising or intend to ~~scrutinise~~ scrutinise and any review contained in any programme of work of such a Committee or Sub-Committee of such a Committee; or
- (c) any document or part of any document which contains the advice of a Political Adviser.

~~23.3~~ ADDITIONAL COUNCILLORS' RIGHTS OF ACCESS TO EXECUTIVE DOCUMENTS

~~23.3.1~~ Material relating to previous business

Subject to the following exception, all Councillors will be entitled to inspect any document (except those in draft form) which:

- (a) is in the possession of or under the control of the Executive; and
- (b) contains material relating to:

- any business which has been transacted at a ~~private~~ public meeting of the Executive; or
- any decision made by an individual Executive Member; or
- any Key Decision that has been taken by an officer.
- any Officer decision prescribed by the Council as advised by the Director of Legal Services for the purpose of Regulation 13 (4) of the Local Government (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

(c) contains material relating to any business transacted at a private meeting of the Executive only where that information falls within :-

(i) paragraph 3 of Schedule 12A to the Local Government Act 1972 – information relating to the financial or business affairs of any particular person (including the Authority holding the information) (except to the extent that the information relates to any terms proposed or to be proposed by or to the Authority in the course of negotiations for a contract)

(ii) paragraph 6 of Schedule 12A to the Local Government Act 1972 – information which reveals that the Council proposes to:-

(A) give under any enactment, a notice under or by virtue of which requirements are imposed on a person; or

(B) make an order or direction under any enactment.

Such documents shall be available for inspection by any Member when the meeting concludes or, where a Member makes an executive decision or an officer makes a key decision, immediately after the decision has been made.

This provision does not require a document to be available if it appears to the Monitoring Officer that:

- it contains confidential or exempt information as defined in these Rules, (other than paragraphs 3 and 6 of Schedule 12A of the Local Government Act 1972 as stated above); or
- it contains the advice of a Political Assistant.

| ~~233.22~~ **Material relating to Key Decisions**

All Councillors will be entitled to inspect any document (except those in draft form) in the possession or under the control of the Executive which relates to any Key Decision unless it contains confidential or exempt information as defined in these Rules or the advice of a Political Assistant.

| ~~233.33~~ **Rights to be additional**

These rights are additional to any other rights Councillors may have.

Extract from Article 16 - Suspension, Interpretation and Publication of the Constitution

16.04 Definitions

In this Constitution '**Executive Director**' means an Officer designated in the Council's management Structure in Part 7 as an Executive Director ~~or the Deputy Chief Executive.~~

Extract from the Council Procedure Rules

(B) MISCELLANEOUS MATTERS

B1 Officers

- (1) For the purposes of Section 4 of the Local Government and Housing Act 1989, as modified by Schedule 5 to the Local Government Act, 2000, the Head of Paid Service shall be the Chief Executive.
- (2) For the purposes of Section 5 of the Local Government and Housing Act 1989, "the Monitoring Officer" shall be the ~~Deputy Chief Executive~~Director of Legal Services.

Extract from Officers' Code of Conduct

APPENDIX G

Politically Restricted Posts (PoRPs) (Revised May 2012)

Legal Background

The Local Government and Housing Act 1989 (LGHA) introduced the principle of Politically Restricted Posts (PoRPs) in local authorities. This Act had the effect of restricting the political activities of certain local authority employees. The LGHA was amended in 2009 by the Local Democracy, Economic Development and Construction Act 2009.

Restricted Posts

Posts may be politically restricted because

- they are specified as PoRPs in accordance with the legislation; or
- it has been determined that they fall within the sensitive duties related criteria of the legislation

Specified Posts within Sheffield City Council

These post holders are politically restricted without the right of appeal

Statutory Officers

The Head of the Paid Service (Chief Executive)

Director of Children's Services under Children's Act 2004 (Executive Director CYPF)

Director of Adult Services under LASSA 1970 (Executive Director Communities)

Chief Finance Officer under Section 151 of LGA 1972 (Executive Director of Resources)

The Monitoring Officer (~~Deputy Chief Executive~~Director of Legal Services)

Non Statutory Chief Officers

Officers reporting directly to the Head of the Paid service excluding secretarial/clerical support.

Deputy Chief Officers

An officer reporting directly or is directly accountable to one or more of the statutory or non statutory Chief Officers.

Officers Exercising Delegated Powers

Officers whose posts are specified by the authority in a list maintained in accordance with section 100G (2) of the Local Government Act 1972.

Assistants for Political Groups

Sensitive Duties Posts within Sheffield City Council

The duties of a post under a local authority fall within this subsection if they consist of or involve one or both of the following sensitive duties i.e.

- giving advice on a regular basis to the authority itself, to any committee or sub-committee of the authority or to any joint committee on which the authority are represented; or where the authority are operating executive arrangements, to the executive of the authority, to any committee of that executive; or to any member of that executive who is also a member of the authority
- speaking on behalf of the authority on a regular basis to journalists or broadcasters

These post holders can appeal against political restriction on the grounds that the criteria have been wrongly applied.

Teachers and Headteachers are exempt from political restriction, whatever their role.

A list of all Politically Restricted Posts within Sheffield City Council is held by the relevant Proper Officer (Chief Executive). Any modifications to this list must be reported and recorded accordingly.

Restrictions on Post Holders

Employees in PoRPs are debarred from standing for or holding elected office as

- Local councillors
- MPs
- MEPs
- Members of the Welsh Assembly
- Members of the Scottish Parliament

These restrictions are incorporated as a term in the employee's contract of employment under Section 3 of the Local Government (Politically Restricted Posts) Regulations 1990.

They are also restricted from

- Canvassing on behalf of a political party or a person who is or seeks to be a candidate
- Speaking to the public at large or publishing any written or artistic work that could give the impression that they are advocating support for a political party

Appeals against inclusion on the list of politically restricted posts

Post holders who are politically restricted because they hold specified posts have no right of appeal.

- Appeals are made to the Head of Paid Service
- Post holders of sensitive posts that are politically restricted may appeal on the grounds that the authority has wrongly applied the duties-related criteria
- Appeals may be made by the current post holder or by an individual who has been offered employment in a politically restricted post
- There is no timescale during which a post holder must make an appeal
- To appeal, employees should send a letter formally seeking exemption and a job description to the Monitoring Officer (~~Deputy Chief Executive~~Director of Legal Services), Town Hall, Pinstone Street, Sheffield, S1 2HH

- If the appeal is successful, the Monitoring Officer will notify HR Connect at Capita, so that it may be noted on the records for the individual and for the post

Please Note: This document is a summary, if you require further details or are unsure about any of the content please contact the Director of HR, Town Hall, Pinstone Street, Sheffield S1 2HH.

Extract from the Protocol For Member / Officer Relations

Key Officer Roles

Statutory Posts Certain Senior Officers hold posts with mandatory statutory responsibilities including the Chief Executive, the Monitoring Officer (~~Deputy Chief Executive~~Director of Legal Services), appointed under Section 5 of the Local Government and Housing Act 1989 and the Chief Finance Officer (Director of Corporate Resources) appointed under Section 151 Local Government Act 1972. Members must respect these responsibilities and accept that these Officers may be required to give advice or make decisions which Members may not agree with or support.

SHEFFIELD CITY COUNCIL

WHISTLEBLOWING**SEE IT – SAY IT****SECTION 1 – INTRODUCTION AND POLICY****1.1****INTRODUCTION**

All of us at one time or another have concerns about what is happening at work. Usually these concerns are easily resolved. However, when they are about unlawful conduct, financial malpractice or dangers to staff, the public or the environment, it can be difficult to know what to do.

You may be worried about raising such issues or may want to keep the concerns to yourself, perhaps feeling it's none of your business or that it's only a suspicion. You may feel that raising the matter would be disloyal to colleagues, managers or to the Council. You may decide to say something but find that you have spoken to the wrong person or raised the issue in the wrong way and are not sure what to do next.

Sheffield City Council has introduced this policy to enable you to raise your concerns about such issues at an early stage and in the right way. We believe that enabling our employees to raise concerns safely is an important part of corporate health and we want to promote this. We would prefer you to raise the matter when it is just a concern rather than wait for proof provided you believe the concern is true and we encourage you to do so through this procedure.

The Council's Code of Conduct for employees requires that you report genuine concerns of fraud, theft or unethical behaviour etc. This policy provides you with ways of doing that.

If something is troubling you which you think we should know about or look into, please use this policy. If, however, you are aggrieved about your personal position, please use the Grievance Procedure - which you can view on the Council's Intranet site or get from your manager or the Human Resources Team. [If you are complaining that you have suffered harassment, discrimination, victimisation or bullying at work please use the Dignity and Respect Procedure which is on the intranet. If, however, your concern is about the dignity and respect of others then it may be appropriate to use this procedure.](#) This Whistleblowing Policy is primarily for concerns where the interests of others or of the organisation itself are at risk.

This policy applies to employees of Sheffield City Council including those on permanent, temporary or fixed terms contracts and casual workers. School based employees are not within the scope of this policy but have a separate policy agreed by the Governing Body.

It does not apply to members of the public who should raise their concerns through the Council's complaints procedure either online at: [Customer Feedback - Online Form](#) by telephone on 2735000 or by email at: complaint@sheffield.gov.uk

1.2**THE COUNCIL'S ASSURANCES TO YOU**Your safety

The Council is fully committed to this policy. It will be followed by managers at all levels. If you raise a genuine concern under this policy, you will not be at risk of losing your job or suffering any form of retribution as a result. Provided you are acting in good faith, it does not matter if you are mistaken. Of course we do not extend this assurance to someone who maliciously raises a matter they know is untrue.

Confidentiality

The processes of investigating any complaints or issues raised must comply with natural justice and that will often lead to disclosure of the source of the information. We will not tolerate the harassment, bullying or victimisation of anyone raising a genuine concern, however, we recognise that you may nonetheless want to raise a concern in confidence under this policy. If you ask us to protect your identity by keeping it confidential, we will not disclose it without your consent. If the situation arises where we are not able to resolve the concern without revealing your identity (for instance because your evidence is needed in court) we will discuss with you whether and how we can proceed.

Remember that if you do not tell us who you are, it will be much more difficult for us to look into the matter, protect your position or give you feedback. While we will consider anonymous reports, this policy is not well suited to concerns raised anonymously.

Information and support

The Council has a number of Contact Advisors who can provide advice and information to help you explore the appropriate routes to raise your concern. The Contact Advisors can also provide support as the investigation progresses.

If you are a member of a recognised Trade Union your Trade Union can also support you.

Your right to support in meetings

You have the right to be accompanied by your Trade Union Representative or a work colleague who is not involved and would not be called as a witness, in any meetings, which have a connection to your whistleblowing concern.

The meetings you may be required to attend are: ~~This could be~~

- Meeting a manager or Whistleblowing Contact or Co-ordinator to raise the concern
- Meeting an investigation officer in connection with the concern
- Taking part as a witness in any action taken as a result of raising the concern.

1.3**HOW TO RAISE A CONCERN IN THE COUNCIL**

We hope you will feel able to raise your concern with your manager or another manager in your service area, but we know that this will not always be the case and may not be

appropriate. For this reason we have provided a number of different ways to raise your whistleblowing concern and these are described in Section 2.

This section will tell you about

- How to raise a concern
- Who will receive and handle the information on behalf of the Council
- Your right to be represented or supported in any meetings

1.4 HOW WE WILL HANDLE THE MATTER

Once you have told us of your concern, we will look into it to assess initially what action should be taken. This may involve an internal inquiry or a more formal investigation e.g. by the Police or by an external regulatory body.

We will tell you who is handling the matter, how you can contact them and whether further assistance may be needed from you.

If your concern falls more properly within the Grievance Procedure [or the Dignity and Respect Procedure](#) we will tell you.

When you raise the concern you may be asked how you think the matter might best be resolved. If you do have any personal interest in the matter, you must tell us at the outset.

In Sections 2 and 3 we have set out what you can expect from us when we handle and respond to your concern.

1.5 IF YOU ARE THE SUBJECT OF A COMPLAINT UNDER THIS POLICY

If you are the subject of a complaint under this policy and procedure you have the right to be accompanied by your Trade Union Representative or a work colleague at any meetings relating to the complaint but this should not be your line manager as they may be required to implement any recommendations that come out of the investigation.

The Council's Contact Advisors can provide support and guidance about the whistleblowing procedure and investigations to both parties. You can access that support if you have whistleblowing allegations raised against you.

If you are the subject of a complaint or investigation under this policy your confidentiality will be respected as with any other procedure.

1.5 INDEPENDENT ADVICE

If you are unsure whether to use this policy or you want independent advice at any stage,

you may contact:

- [A Whistleblowing Contact – contact details are provide in Appendix C or on the intranet](#)
- Your union – contact details are provided in Appendix C or are available on the Council’s Intranet service
- The independent charity Public Concern at Work on 020 7404 6609. Their lawyers can give you free confidential advice at any stage about how to raise a concern about serious malpractice at work.

1.6

EXTERNAL CONTACTS

We hope this policy gives you the reassurance you need to raise such matters internally, but if you feel unable to raise the concern internally we would prefer you to raise the matter with the appropriate agency than not at all. Provided you are acting in good faith and you have evidence to back up your concern, you can also contact

- Your local Council member (if you live in the area of the Council)
- External Audit (Audit Commission)
- Relevant professional bodies or regulatory organisations
- Your Solicitor
- The Police
- Other bodies prescribed under the Public Interest Disclosure Act, eg
 - Information Commissioner’s Office
 - Serious Fraud Office
 - Environment Agency
 - Health and Safety Executive

If you do take the matter outside the Council, you need to ensure that you do not disclose confidential information, or that disclosure would be privileged. You should, therefore, first check with Legal Services, who will give you confidential advice; you do not have to give your name if you do not wish to. You will find a contact telephone number in Appendix C.

1.7

IF YOU ARE DISSATISFIED

If you are unhappy with our response, remember you can use the other routes detailed in this Policy at paragraph 1.6.

While we cannot guarantee that we will respond to all matters in the way that you might wish, we will try to handle the matter fairly and properly. By using this policy, you will help us to achieve this.

[If you are unhappy with the way you are treated when raising your concern or during the investigation, you can raise this under the Grievance Procedure or under the Dignity and Respect procedure as appropriate but you should not use these alternative procedures to raise the same issues that you raised in your original whistleblowing complaint.](#)

SECTION 2 – RAISING A WHISTLEBLOWING CONCERN

2.1 WHAT TYPES OF CONCERNS CAN BE RAISED

You can use the Whistleblowing Policy to raise concerns about something, involving employees ~~or Members of the Council~~, which is happening at work that you believe to be

- Unlawful conduct
- Financial malpractice
- Causing a danger to staff, the public or the environment
- Contradicting the Council's Code of Conduct
- Deliberate concealment of any of the above.

We have provided some examples of the kind of issues the Council would consider as malpractice or wrong-doing that could be raised under this Policy at **Appendix B**, however, this should not be considered to be a full list.

If you are in doubt – raise it!

2.2 WHO WILL RECEIVE AND HANDLE THE INFORMATION

The council has trained and prepared members of staff to handle whistleblowing concerns. Some staff will act as **Whistleblowing Contact Officers** and will be a first point of contact for you, as an alternative to speaking to your manager. We have also named **Whistleblowing Co-ordinators**, who will be responsible for considering or investigating the matter and letting you know what is happening.

We have tried to make roles and responsibilities as clear as possible so that you can be confident that your concerns will be addressed properly. These are set out in **Appendix A** to this policy.

The Monitoring Officer has overall responsibility for the maintenance and operation of this policy. The Monitoring Officer will report outcomes, as necessary to the [Standards Committee Council](#), in a form that will maintain your confidentiality as far as possible. ~~The Monitoring Officer is the Deputy Chief Executive. The Monitoring Officer may delegate this responsibility to the Deputy Monitoring Officer.~~ Contact details are provided at the end of this document.

2.3 HOW TO RAISE A CONCERN

There are a number of different ways to raise a whistleblowing concern. You can choose the one that suits you. It doesn't matter which, you can be assured that a named manager will properly consider it. However you decide to raise the concern, please ensure that you state that you are doing so under the Whistleblowing Policy.

If at any stage we feel that your concern is a grievance [or a complaint about dignity and respect](#), rather than a whistleblowing matter, we will tell you.

You [or your trade union representative on your behalf](#) can:

a) Raise it with your supervisor, manager or a more senior manager in your service.

If you have a concern, which you believe is covered by the Whistleblowing Policy, we hope you will feel able to raise it first with your supervisor or manager.

If you feel unable to raise the matter with your line manager, for whatever reason (for example, they may be involved in the issue that you are concerned about), you could raise it with a more senior manager in your service or you can use one of the alternative options below.

You can do this verbally or in writing, by letter or email.

Make sure you ask for your concern to be considered under the Whistleblowing Policy.

Please say if you want to raise the matter in confidence so that arrangements can be made to speak to you in private.

b) Raise it with a Whistleblowing Contact Officer

You can use any of the contact numbers listed to raise your concern in confidence. You will speak to a member of Council staff who is trained and prepared to take your call and who will pass it onto the most appropriate Whistleblowing Co-ordinator for consideration or investigation.

c) Raise it directly with a Whistleblowing Co-ordinator ~~or Council Monitoring Officer.~~

If you feel the matter is so serious that you cannot discuss it with your manager or a Whistleblowing Contact Officer, you can raise your concern directly with a Whistleblowing Co-ordinator or the Councils Monitoring Officer who will allocate it to an appropriate Whistleblowing Co-ordinator.

~~Concerns can be raised verbally, by arranging a meeting with the appropriate officer, or in writing by letter or email.~~

d) Raise it with the Council's Monitoring Officer.

If you feel the matter is so serious that you cannot discuss it with any of the officers set out above you can raise it with the Councils Monitoring Officer who will allocate it to an appropriate Whistleblowing Co-ordinator.

Concerns can be raised verbally, by arranging a meeting with the appropriate officer, or in writing by letter or email.

ed) Using email

There is no reason why you cannot use email to raise a whistleblowing concern. However, if you choose to use email, please take extra care to make sure that your message is sent to the correct person and consider that, due to the nature of email it may be read by other people. Putting your concerns into an email is the same as writing a letter. To help make sure your concerns are seen and handled quickly, mark the subject box:

Whistleblowing – confidential – recipient only.

fe) Raising concerns anonymously

If you choose not to tell us who you are, it will be much more difficult for us to look into the matter or to protect your position or to give you feedback. While we will consider anonymous reports, our policy and procedure are not well suited to concerns raised in this way. Please take time to read the policy which sets out our assurances to you if you raise a concern under this procedure.

Your right to support in meetings

If you are asked to attend a meeting in connection with the concern you have raised you may be accompanied in the meeting by your Trade Union Representative or a work colleague (who is not involved and would not be called as a witness), in any meetings, which have a connection to your whistleblowing concern.

SECTION 3 – THE PROCEDURE

STAGE 1 - VERIFICATION

Concerns raised under this procedure may be resolved by the person that you raise them with. This could be your supervisor, manager or a more senior manager in your service. If they are not able to resolve the matter or you have raised your concern with a Whistleblowing Contact it will be referred, on the day that it is received, to the Whistleblowing Co-ordinator most appropriate to the nature of the complaint.

The Whistleblowing Co-ordinator will make initial enquiries to assess whether an investigation is required and, if so, what form it should take. Although you are not expected to prove the truth of any allegation, you will need to demonstrate that there is a sufficient reason for making initial enquiries. This policy provides protection to employees who raise issues in the genuine belief that there is serious cause for concern. If the complaint is found to be in bad faith disciplinary action may be considered.

If it is confirmed that the Whistleblowing Procedure is the appropriate route and an investigation is required, the concern will be recorded, an Investigating Officer will be identified and an investigation commissioned by the Whistleblowing Co-ordinator in consultation with the appropriate service manager or Director. Where managers or Directors within the service may be the subject of the allegations then the Whistleblowing Co-ordinator will consult with a more senior manager within the service or, where appropriate, with a manager from another service or Portfolio. The Whistleblowing Co-ordinator will tell you who will investigate and the likely timescale for the investigation.

If there is insufficient information to make a decision about the most appropriate investigation route the Whistleblowing Co-ordinator will ask you for more information. To ensure that your concern is dealt with efficiently and appropriately it is important that the right process is followed.

If the Whistleblowing Co-ordinator considers that the concern falls within the scope of another procedure, such as the Grievance Procedure or Dignity and Respect, they will tell

you and advise that it is referred to the relevant manager for appropriate action. This does not mean that your concern is not taken seriously but that it can be addressed more effectively using another procedure. You will be informed which procedure will be used to address the concerns you have raised.

If it is decided not to investigate further you will be told what enquiries have been made and the reasons for the decision.

The verification of your complaint should take place within 10 working days of you raising it.

When any meeting is arranged to discuss your concerns, you have the right to be accompanied by a Trade Union Representative or other person employed by the Council who is not involved in the area of work to which the concern relates and who also could not be called as a witness.

STAGE 2 – THE INVESTIGATION

In consultation with the appropriate service manager or Director, the Whistleblowing Co-ordinator will identify an investigating officer or team. Where managers or Directors within the service may be the subject of the allegations then the Whistleblowing Co-ordinator will consult with a more senior manager within the service or, where appropriate, with a manager from another service or Portfolio, the Monitoring Officer or the Chief Executive.

The investigating officer or team will be supported by a HR Advisor.

The Whistleblowing Co-ordinator and the service manager or Director will jointly commission the investigation.

The Investigating Officer ~~will~~ may ask you to put your concerns in writing and provide as much evidence as possible. It may also be necessary to ask you to provide a witness statement. You will have the opportunity to confirm that it is accurate and complete.

You will be asked to agree that the information you have provided and your name may be disclosed so that we can decide how the Council will respond and investigate the issue.

If you do not want to disclose your identity the Whistleblowing Co-ordinator will decide how to proceed in consultation with the Monitoring Officer.

The Investigating Officer may need to contact you or other witnesses during the investigation.

The investigation will be carried out as quickly as possible but the time taken will depend on the nature of the matters raised and the availability and clarity of the information required however we aim to conclude whistleblowing investigations within 12 weeks wherever possible. You will be informed if this is not achievable and you will also be advised when the investigation is concluded. ~~updated at 28 day intervals unless this is not practicable.~~

If you are required to take part in the investigation you have the right to be accompanied by a Trade Union Representative or other person employed by the Council who is not involved in the area of work to which the concern relates and who also could not be called as a witness.

STAGE 3 – THE OUTCOME

The investigation will be concluded with a written report of enquiries made, the findings on the strength of the evidence and whether the substance of the allegations has been established. If the investigation concludes that the allegations are not substantiated the report will conclude whether the concerns were raised in good faith.

The report will be presented to and considered by the Whistleblowing Co-ordinator and the commissioning manager or Director. The commissioning manager or Director will be responsible for implementing agreed recommendations with the support of the Whistleblowing Co-ordinator or HR where appropriate. A clear and reasonable timescale should be set for implementing the recommendations which shouldn't exceed three months.

The report will include appropriate recommendations and will be presented, in the first instance, to the commissioning Whistleblowing Co-ordinator. They will be responsible for ensuring it is presented to the appropriate officers, internal and external bodies.

Where legal and confidentiality constraints allow, you will receive information about the outcome of any investigation. As this procedure is aimed at raising concerns where the interests of others or the organisation may be at risk, the person raising the complaint will not normally receive the report. Where legal and confidentiality constraints allow, you will receive information about the outcome of any investigation. This may include findings and recommendations.

The Council will take steps to minimise any difficulties which you may experience as a result of raising a concern. For instance, if you are required to give evidence in criminal or disciplinary proceedings, the Council will advise you about the procedure and will provide support.

Monitoring

A central record of all whistleblowing complaints, including dates, substantive issues, findings and outcomes is retained by Human Resources. This is provided on a ~~quarterly~~regular basis to the Monitoring Officer who provides reports as necessary to the ~~Standards Committee~~Council. The Monitoring Officer will be updated on a regular basis where cases are investigated.

Revised October 2012

Appendix A

ROLES AND RESPONSIBILITIES

Monitoring Officer

The Monitoring Officer has a statutory duty to consider issues, which have or may result in the Council being in contravention of the law or a Code of Practice. For this reason the Monitoring Officer has overall responsibility for the maintenance and operation of this policy.

The Monitoring Officer will receive an updated log of whistleblowing complaints on a ~~quarterly~~monthly basis including details of complaints received, action taken and analysis ~~of~~of trends. The Monitoring Officer will provide information relating to whistleblowing issues and trends to the Council as appropriate.

~~Whistleblowing Contacts~~Contact Advisors

The ~~Whistleblowing Contacts~~Contact Advisors are trained volunteers drawn from across the Council and from each Portfolio. Their contact details are published in the Whistleblowing Policy and on the Intranet.

The ~~Whistleblowing Contacts~~Contact Advisors are responsible for

- Receiving the initial contact from the individual raising their concern
- Providing support and guidance on the policy and procedure
- Referring the complaint to the appropriate Whistleblowing Co-ordinator
- Completing reporting requirements

The ~~Whistleblowing Contacts~~Contact Advisors are trained to handle situations and individuals sensitively, fairly and promptly and to maintain confidentiality wherever possible.

Whistleblowing Co-ordinators

The Whistleblowing Co-ordinators are named officers from the following services

- Human Resources e.g. for employment matters
- Legal e.g. for issues relating to unlawful practice
- Governance e.g. for concerns relating to decision making
- Audit e.g. for concerns relating to financial irregularity, fraud, corruption, theft
- Finance e.g. for matters relating to financial irregularity, financial mismanagement
- Health and Safety e.g. for issue about unsafe or dangerous practices
- Safeguarding e.g. for matters involving service to children and vulnerable adults
- Commercial Services.

Their role is to

- Receive complaints relating to their specific professional area referred by the ~~Whistleblowing Contacts~~Contact Advisors or directly from individual employees
- Make initial enquires and assess whether an investigation is required and, if so, what form it should take
- If appropriate, commission the investigation, receive and consider findings in consultation with the commissioning manager or Director

- Where the concerns or allegations fall within the scope of specific procedures (e.g. disciplinary procedure) refer them to the relevant manager for consideration under those procedures except where this may result in investigation by a person who may potentially be implicated
- Communicate with the individual who initially raised the concern to inform them of the process to be followed, progress and the outcome
- Complete reporting requirements

Human Resources

The Human Resources Team are responsible for:

- Development and maintenance of the policy
- Communicating and publicising the policy
- Maintaining the list of ~~Whistleblowing Contacts~~Contact Advisors and Coordinators and ensuring that appropriate briefing and training is provided
- Provide advice to managers on the appropriate procedure for concerns raised initially under this procedure
- Supporting investigations

Human Resources Business Support Team

The Human Resources Business Support Team will:

- Maintain a central log of whistleblowing complaints, actions and outcomes
- Provide the updated log to the Monitoring Officer on a monthly basis including details of complaints received, action taken and analysis of trends

Corporate Risk Management Group

The Corporate Risk Management Group will receive quarterly reports on whistleblowing issues including analysis of trends.

Audit Committee

The Audit Committee will receive ~~quarterly~~ reports on ~~whistleblowing finance or fraud related~~ issues raised through the whistleblowing procedure.~~including analysis of trends that emerge through this and other arrangements including the grievance procedure.~~

The Audit Committee will also consider the operation of the policy in its annual review of governance arrangements in terms of accessibility and robustness.

Standards Committee

The Standards Committee role is to check within ethical governance frameworks (which are reviewed annually) that the policy exists and is implemented and to be informed about implications for conduct and ethics within the Council.

EXAMPLES OF CONCERNS WHICH MAY BE RAISED

This list shows the kind of issues that may be raised under the Whistleblowing Policy. However, there may be other concerns that can be raised under the policy that are not shown here. A Whistleblowing Contact will be able to advise you if you are not certain whether this is the appropriate process.

- Poor or unprofessional practice by a member of staff or an agency which results in the service user not getting the same quality of service which is available to others
- Improper/unacceptable behaviour towards a service user which could take the form of emotional, sexual or verbal abuse, rough handling, oppressive or discriminatory behaviour or exploitative acts for material or sexual gain
- Any unlawful activities, whether criminal or a breach of civil law
- Fraud, theft or corruption
- Concerns regarding possible breaches of Health and Safety Regulations
- Harassment, discrimination, victimisation or bullying of employees and/or service users
- Leaking confidential information in respect of Council activities or records
- Doing undisclosed private work which may conflict with working for the Council, or which are being carried out during working time
- Inappropriate contact with members of the public within Council facilities, or whilst carrying out Council duties or outside of working time
- Taking gifts or inducements
- Inappropriate use of external funding
- Maladministration as defined by the Local Government Ombudsman
- Breach of any statutory Code of Practice
- Breach of, or failure, to implement, or comply with any Council policy
- Misuse of Council assets, including computer hardware and software, buildings, stores, vehicles

WHISTLEBLOWING CONTACT OFFICERS

If you are unable to report a genuine concern by any of the means explained in the policy, you may choose to telephone one of your Directors' numbers as listed below. Outside normal office hours, a voicemail or answer machine facility will be in operation. Please remember that you must leave your name and telephone number at which you can be contacted.

Deputy Chief Executive Team

Alistair Griggs	Director of Modern Governance	34019
Joe Fowler	Director of Communications and Performance	34019
James Henderson	Director of Policy and Research	53126
Edward Highfield	Director of Economy, Enterprise & Skills	53126
Chris Shaw	Director of Health Improvement	53126
Lynne Bird	Director of Legal Services	34018

Resources Leadership Team

Eugene Walker	Director of Finance	35872
Julie Toner	Director of Human Resources	34081
Cheryl Blackett	Head of Human Resources, Policy & Governance	34080
Sue Palfreyman	Head of Human Resources, Service Delivery	35530
Sue Kelsey	Interim Head of Schools HR Service	2930880
Nalin Seneviratne	Director of Property & Facilities Management	34120
Paul Green	Director of Information Services	36818
Barry Mellor	Commercial Director	2053819
Julie Bullen	Director of Customer Services	36967
Kevin Foster	Director of Transformation Programme	2053478
Neil Dawson	Head of Transport Services	2037595

Children, Young People and Families

Jayne Ludlam	Deputy Executive Director of Children & Families	2930063
John Doyle	Director of Business Strategy	35663
Maggie Williams	Children's Commissioner	2930968
Tony Tweedy	Director of Lifelong Learning, Skills & Communities	2296140

Place

John Charlton	Deputy Executive Director/Director of Streetforce	36552
Paul Billington	Director of Culture and Environment	35071
Les Sturch	Director of Development Services	35909
Mick Crofts	Director of Business Strategy	36148
Sue Millington	Senior Strategy Manager	35128
Andy Nolan	Director of Sustainable Development	36135

Communities		
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Eddie Sherwood	Director of Care and Support Communities	34840
Miranda Plowden	Director of Commissioning	35057
Jan Fitzgerald	Interim Director of Community Services	34486
Bev Coukham	Director of Business Strategy	35094

WHISTLEBLOWING CO-ORDINATORS

Human Resources

Cheryl Blackett	Head of Human Resources, Policy and Governance	34080
Sue Palfreyman	Head of Human Resources, Service Delivery	35530
Sue Kelsey	Interim Head of Schools HR Service	2930880

Legal

Lynne Bird	Director of Legal Services	34019
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Governance

Alistair Griggs	Director of Modern Governance	36629
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Audit

Steve Gill	Chief Internal Auditor	34363
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Finance

Eugene Walker	Director of Finance	35872
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Health and Safety

Steve Clark	OD Manager, Safety and Employee Well-being	34796
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Safeguarding

Cath Erine	Service Manager	36870
Karen Bennett	Service Manager	2053846
Des Charles	Service Manager	35819

TRADE UNION REPRESENTATIVES

Jon Mordecai	UNISON	2736307
Mark Keeling	UNITE	2736486
Shelagh Carter	GMB	2768017

(Contact Officers/Co-ordinators/Trade Union Representatives last updated June 2011)

Article 9 - The Standards Committee and Health and Wellbeing Board

9.01 Standards Committee

The Council (in this Article 'the City Council') will establish a Standards Committee to determine complaints under the Code of Members' Conduct referred to it by the Monitoring Officer and promote high standards of Councillor conduct.

9.02 Composition

(a) Committee Membership.

The Standards Committee will comprise not more than eight Members of the City Council with proportionality disapplied (5 Labour and 3 Liberal Democrat members, with one Member from each Party to be present at each meeting) and, on an interim basis until guidance is issued by the Government, the membership will also include up to 5 non-voting co-opted members (the 4 existing Independent Members of the Standards Committee and 1 representative of the three Parish/Town Councils);

(b) Chair and Deputy Chair.

The Chair and Deputy Chair of the Committee and of its Sub-Committees shall be appointed by the Committee or Sub-Committee; and

(c) Quorum.

The quorum for meetings of the Committee and any of its Sub-Committees shall be three and must include representatives of two political parties

9.03 Role and Functions

The Standards Committee and its Sub-Committees will have the terms of reference set out in Part 3 of this Constitution. The Committee will exercise the following role and functions:

- (a) promoting and maintaining high standards of conduct by Councillors, Co opted Members;
- (b) advising the Council on the adoption or revision of the Councillors' Code of Conduct and Protocols relating to Councillor and Officer behaviour;

- (c) discharging, the functions of hearing complaints against Councillors concerning the Councillors' Code of Conduct referred by the Monitoring Officer;
- (d) the exercise of the above functions in relation to the Parish Councils wholly or mainly in its area and the Members of those Parish Councils.

9.04 Health and Wellbeing Board

Established in accordance with and to discharge the statutory functions under Health and Social Care Act 2012.

9.05 Membership

· Four Elected Members:

- o The Leader of the Council
- o The Cabinet Member responsible for Adult Social Care & Public Health
- o The Cabinet Member responsible for Children & Young People
- o The Cabinet Member for Homes and Regeneration
- Four Clinical Commissioning Group (CCG) clinical representatives
- A representative from Sheffield Healthwatch
- Chief Executive, City Council
- Chief Operating Officer, CCG
- Director of Public Health
- Executive Director, Children, Young People & Families
- Executive Director, Communities
- A representative of the NHS Commissioning Board (who will contribute to the JSNA and the JHWS and to discussions related to services commissioned by the NHS Commissioning Board)

9.06 The Health and Wellbeing Board may appoint additional persons.

9.07 Powers and Responsibilities

- Promote the integration of Health, Social Care and Public Health
- Promote Joint Commissioning
- Duty to provide an opinion as to whether LCG Commissioning Plan has taken into account Joint Health and Wellbeing Strategy (JHWS)
- Joint duty to prepare and publish Joint Strategic Needs Assessment (JSNA) and JHWS and to involve third parties

- [Duty to have record NHS Commissioning Plan and consider flexibilities under the NHS Act 2000](#)
- [Duty to encourage integrated working in Health and Social Care under the NHS Act 2006](#)

Extract from Article 12 – Officers

(c) Statutory Officers

In addition to the Head of the Paid Service, the Council will designate officers, as identified in Part 7 of this Constitution, to the following posts:

Monitoring Officer, under the Local Government and Housing Act 1989

Chief Finance Officer, under Section 151 of the Local Government Act 1972

Director of Children’s Services, under the Children Act 2004

Director of Adult Social Services under the Local Authority Social Services Act 1970

(The Director of Adult Services and Director of Children's Services will be the relevant Executive Director with responsibility for Adults and Children respectively).

[Director of Public Health under Section 73A National Health Service Act 2006 \(local authorities and the NHS\)](#)

Extract from Part 7 – Management structure and Proper Officers

2. PROPER OFFICERS

2.1 The following are the Proper officers of the Council for the purposes stated:-

The Local Authorities (Standing Orders) (England) Regulations 2000	Description	Proper Officer
<u>Health and Social Care</u>	<u>Description</u>	<u>Proper Officer</u>

<u>Act 2012</u>		
<u>Section 30 to 37</u>	<u>Officer to carry out the role of Director of Public Health.</u>	<u>Director of Public Health</u>

EXTRACT FROM COUNCIL PROCEDURE RULES

5 Meetings of the Council and Other Bodies

5.1 The annual meeting of the Council shall be held in the Town Hall at 11.30 a.m. on the third Wednesday in May.

5.2 The annual meeting will:

- (m) appoint at least one Overview and Scrutiny and Policy Development Committee, ~~a Standards Committee~~ and such other Committees as the Council considers appropriate to deal with matters which are not reserved to Full Council nor are Executive functions (as set out in Part 3 of this Constitution);

Article 11 – Joint Arrangements

11.01 ~~Arrangements to Promote Well-being~~ General Power of Competence

The Council or the Executive, ~~in order to promote the economic, social or environmental well-being of its area,~~ may, subject to restrictions and limitations, exercise its general power of competence (section 1, Localism Act 2011) to:-

- (a) enter into arrangements or agreements with any person or body;
- (b) co-operate with, or facilitate or co-ordinate the activities of, any person or body; and
- (c) exercise on behalf of that person or body any functions of that person or body.

11.02 Joint Arrangements

- (a) The Council may establish joint arrangements with one or more local authorities (including non-principal authorities) to exercise functions which are not executive functions in any of the participating authorities, or advise the Council. Such arrangements may involve the appointment of Joint Committees with these other local authorities. The appointment of individuals to Joint Committees which exercise non-executive functions is a function of the Full Council.
- (b) The Executive may establish joint arrangements with one or more local authorities to exercise functions which are executive functions. Such arrangements may involve the appointment of Joint Committees with these other local authorities. The appointment of individuals to such Joint Committees exercising executive functions is itself an executive function and, unless provided otherwise in any particular case by the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012, only members of the Executive may be appointed to such Joint Committees.
- (c) The Council may, with the agreement of the Executive, establish joint arrangements with one or more local authorities to exercise functions some but not all of which are executive functions. Such arrangements may involve the appointment of Joint Committees with these other local authorities. Appointments of individuals to a Joint Committee exercising both executive and non-executive functions will be made by Full Council with the agreement of the Executive.
- (d) The Council nominates representatives to the South Yorkshire Joint Authorities and to the South Yorkshire Police and Crime Panel.

- (e) The Council and the Executive must maintain a list and details of the joint arrangements they have established.

11.03 Procedure for Joint Committees

The Access to Information Procedure Rules in Part 4 of this Constitution apply to Joint Committees.

If all the members of a Joint Committee are Executive Members in each of the participating authorities then its Access to Information regime is the same as that applied to the Executive.

If the Joint Committee contains Members who are not Executive Members of any participating authority then the Access to Information regime in Part VA Local Government Act 1972 will apply.

11.04 Delegation to and from other Local Authorities

- (a) The Council may delegate non-executive functions to another local authority or, in certain circumstances, the Executive of another local authority.
- (b) Arrangements can only be made for a non-executive function to be carried out by the Executive of another local authority if that function is the responsibility of that other authority's Executive.
- (c) The Executive may delegate executive functions to another local authority or the Executive of another local authority in certain circumstances.
- (d) The decision whether or not to accept such a delegation from another local authority shall be reserved to the Full Council in respect of non-executive functions and to the Leader in respect of executive functions.

11.05 Contracting Out

The Council (for functions which are not executive functions) and the Executive (for executive functions) may contract out to another body or organisation functions which may be exercised by an Officer and which are subject to an order under Section 70 of the Deregulation and Contracting Out Act 1994, or under contracting arrangements where the contractor acts as the Council's agent under usual contracting principles, provided there is no delegation of the Council's discretionary decision making.

EXTRACT FROM COUNCIL PROCEDURE RULES**(B) MISCELLANEOUS MATTERS****B6 Appeals against Dismissal or Disciplinary Action**

Appeals against dismissal or disciplinary action shall be to a Panel of the Council which shall comprise two Members of the majority group and one from a minority group who have been accredited by attending appropriate training sessions ~~and through receipt of the Appeals Panel Handbook.~~ Appeals against dismissal by reason of redundancy shall be to a panel of authorised chief officers.

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SHEFFIELD CITY COUNCIL

Report to Council

Report of: Laraine Manley – Director of Resources

Date: 6th February 2013

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

Author of Report: Jon West

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

- in respect of properties that have been empty for 2 years, that Council Tax liability will be increased by 50%.

1.6 Cabinet recommended that Council should approve the above proposals which were presented to Members on 12th December 2012.

Reasons for Recommendations:

Adopting the proposed changes to Council Tax discounts for second homes and empty properties will potentially generate income in excess 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 Council approve the proposals relating to Council Tax discounts and the Empty Homes Premium detailed in this report and set out in Appendix 1 to come into force on 1st April 2013.

Background Papers: n/a

Category of Report: OPEN

Statutory and Council Policy Checklist

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

REPORT TO COUNCIL

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
 - in respect of properties that have been empty for 2 years, that Council Tax liability will be increased by 50%.

2. Proposed Changes

- 2.1 Appendices 1 and 2 to this report set 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 1st 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 and a realistic level of revenue for the Council whilst minimising any additional burden on the administrative process brought about by 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 excess 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 Council approve the proposals relating to Council Tax discounts and the Empty Homes Premium detailed in this report and set out in Appendix 1 to come into force on 1st April 2013.

Council Tax Discounts and Empty Homes Premium applicable in Sheffield under the Local Government Finance Act 1992, from 1st 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

Discount Changes	Current Discount/ Exemption	Proposed Discount	Income Potential
Second homes	10% ongoing	0%	£155k
Empty unfurnished properties in need of repair	100% for 12months	25% discount for 12 months	£350k
Empty unfurnished properties	100% discount for a maximum of 6 months.	10% discount for 6 months	£1.7m
Long term empty premium (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](#)

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	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>
Disability	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>
Pregnancy/maternity	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>
Race	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>
Religion/belief	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>

Areas of possible impact	Impact	Impact level	Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)
Sex	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.
Sexual orientation	Neutral	Low	We do not believe that customers of a different sexual orientation will be disproportionately affected by these changes.
Transgender	Neutral	Low	We do not believe that transgender customers will be disproportionately affected by these changes.
Financial inclusion, poverty, social justice, cohesion or carers	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>
Voluntary, community & faith sector	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>
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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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REPORT OF THE CHIEF EXECUTIVE

MEETING OF THE CITY COUNCIL
6th FEBRUARY, 2013

At its meeting on 16th January 2013, the Cabinet received a joint report of the Executive Directors of Communities, Place and Resources, which provided the 2013/14 update to the Housing Revenue Account (HRA) Business Plan 2012-17. The Cabinet made a recommendation on the proposed HRA Revenue Budget 2013-14 and rent increase which is required to be approved by the City Council.

The Cabinet minute, including the recommendation required to be approved by the Council, is set out below:-

HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN UPDATE, HRA BUDGET AND RENT INCREASE 2013/14

The Executive Directors of Communities, Place and Resources, submitted a joint report which provided the 2013/14 update to the Housing Revenue Account (HRA) Business Plan 2012-17.

RESOLVED: That this Cabinet recommends to the meeting of the City Council on 6th February, 2013 that :-

- (a) the HRA Business Plan update report for 2013/14 be approved;
- (b) the HRA Revenue Budget for 2013/14 as set out in Appendix B of the Cabinet report be approved ;
- (c) an increase in rents for Council dwellings by an average of 4.8% from April 2013 be approved;
- (d) an increase in annual rents for garages and garage sites by an average of 4.8% from April 2013 be approved;
- (e) an increase in community heating charges by 5% in 2013/14 be approved;
- (f) the Director of Commissioning, Communities, in consultation with the Cabinet Member for Homes and Neighbourhoods, be granted delegated authority to increase the sheltered housing service charge in the event of the City Wide Care Alarms charge being increased in 2013/14;
- (g) charges for furnished accommodation, interim accommodation, and burglar alarms be not increased; and
- (h) the Director of Commissioning, Communities and the Director of Finance, in consultation with the Cabinet Member for Homes and Neighbourhoods, be granted delegated authority to authorise prudential borrowing as allowed under current government guidelines.

(NOTE: A copy of the Executive Directors' joint report has been circulated to all Members of the City Council with the Council Summons.)

John Mothersole
Chief Executive



SHEFFIELD CITY COUNCIL Cabinet Report

Report of: Executive Director, Communities
Executive Director, Place
Executive Director, Resources

Date: 16th January 2013

Subject: Housing Revenue Account (HRA) Business Plan 2012-17
update report, HRA Budget and Rent Increase 2013/14

Author of Report: Liam Duggan & Louise Cassin, 293 0240

Summary:

This report provides the 2013/14 update to the Housing Revenue Account (HRA) Business Plan 2012-17. It includes proposals to provide additional support to tenants affected by welfare reform, a new programme of council housing new build, a new programme of communal area refurbishment and sets out an improved long term financial position for the business plan.

This report also presents a 2013/14 revenue budget for the HRA.

A separate report on the Capital Programme, which includes the Council Housing Investment programme 2013/14, will be discussed by Cabinet on 13th February 2013. This will include details of the Council's funded capital investment plan for council housing. The service and financial plans for the HRA in this report complement the Council Housing Investment programme.

Rent increases continue to be driven by Government's national social rent policy and harmonisation with the housing association sector with the target for rent convergence set at 2015/16.

Reasons for Recommendations:

To maximise the financial resources to deliver outcomes on key services in the context of the new national council housing finance regime.

To contribute to making neighbourhoods a great place to live by ensuring continued investment into Sheffield's council housing.

To continue to plan for the long term sustainability of services whilst taking every opportunity to introduce service improvements.

Recommendations:

It is recommended that:

1. The HRA Business Plan update report for 2013/14 is approved
2. The HRA Revenue Budget for 2013/14 as set out in Appendix B to this report is approved
3. Rents for Council dwellings are increased by an average of 4.8% from April 2013
4. Annual rents for garages and garage sites are increased by an average of 4.8% from April 2013
5. Community heating charges increase by 5% in 2013/14
6. The Director of Commissioning, Communities in consultation with the Cabinet Member for Homes and Neighbourhoods, be granted delegated authority to increase the sheltered housing service charge in the event of the City Wide Care Alarms charge being increased in 2013/14
7. Charges for furnished accommodation, interim accommodation and burglar alarms are not increased
8. The Director of Commissioning, Communities and the Director of Finance, in consultation with the Cabinet Member for Homes and Neighbourhoods, be granted delegated authority to authorise prudential borrowing as allowed under current government guidelines

Background Papers:

Report to Cabinet, *Housing Revenue Account Business Plan 2012-17*, 25th January 2012

<http://meetings.sheffield.gov.uk/council-meetings/cabinet/agendas-2012/agenda-25th-january-2012>

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Liz Orme
Legal Implications
YES Cleared by: Andrea Simpson
Equality of Opportunity Implications
YES Cleared by: Phil Reid
Tackling Health Inequalities Implications
NO
Human rights Implications
NO
Environmental and Sustainability implications
YES
Economic impact
YES
Community safety implications
NO
Human resources implications
YES Cleared by: Jo Wright-Coe
Property implications
NO
Area(s) affected
All Community Assembly areas
Relevant Cabinet Portfolio Leader
Cabinet Member for Homes and Neighbourhoods Cabinet Member for Finance
Relevant Scrutiny Committee if decision called in
Safer and Stronger Communities Scrutiny Committee
Is the item a matter which is reserved for approval by the City Council?
YES
Press release
YES

HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN REVIEW 2012/17 REVENUE BUDGET AND RENT INCREASE 2013/14

1.0 SUMMARY

- 1.1 This report provides the 2013/14 update to the Housing Revenue Account (HRA) Business Plan 2012-17. It includes proposals to provide additional support to tenants affected by welfare reform, a new programme of council housing new build, a new programme of communal area refurbishment and sets out an improved long term financial position for the business plan.
- 1.2 This report also presents a 2013/14 revenue budget for the HRA.
- 1.3 A separate report on the Capital Programme, which includes the Council Housing Investment programme 2013/14, will be discussed by Cabinet on 13th February 2013. This will include details of the Council's funded capital investment plan for council housing. The service and financial plans for the HRA in this report complement the Council Housing Investment programme.
- 1.4 Rent increases continue to be driven by Government's national social rent policy and harmonisation with the housing association sector with the target for rent convergence set at 2015/16.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE?

- 2.1 The Council owns approximately 41,200 homes that are home to over 48,000 Sheffield people as tenants. In addition, approximately 2,200 leaseholders also receive housing services from the Council. The HRA is a statutory account that includes the resources that provide council housing services to tenants. It will be the Council's current tenants and future tenants who will be affected by the ongoing choices that are made in the HRA Business Plan.
- 2.2 One of the aims of the business plan update is to monitor the long term sustainability of council housing as a vital service for Sheffield people. The foundation of the HRA Business Plan is to ensure that council homes are occupied because letting homes generates the rental income which funds all aspects of council housing.
- 2.3 The guideline rent increase arising from the national social rent policy will affect council tenants. In line with the Government's formula, annual rents will increase by an average of 4.8% in 2013/14 (as illustrated at Appendix C).
- 2.4 The Council is reviewing the City Wide Care Alarms charges for 2013/14. The sheltered housing service charge includes an amount for city wide alarms. Any change in the cost of the care alarms service would result in changes to the sheltered housing service charge. A decision on the City Wide Care Alarms Charge will be made in March 2013 as part of the council's wider budget decisions.

- 2.5 Charges for furnished accommodation, interim accommodation and burglar alarms will remain unchanged.
- 2.6 A new build programme of 75 new council homes over the next 3 years will provide new and existing tenants with greater choice and availability of high demand social rented family housing, as well as providing a boost to the economy.
- 2.7 A new refurbishment programme addressing the standards of communal areas in low rise flats will benefit around 3000 properties and make smaller dwellings more attractive for people looking to downsize.

3.0 OUTCOMES AND SUSTAINABILITY

- 3.1 The proposals in this update report are aimed at maximising financial resources to deliver outcomes to council tenants in the context of the Government's HRA reform settlement, developments to national policy (Right to Buy and welfare reform), the current economic climate and reductions in government funding.
- 3.2 The HRA is the 'landlord account' that covers the day to day housing management and repairs services for council tenants. It includes the rental income and other income from tenants and all related expenditure.
- 3.3 The original HRA Business Plan 2012-17 forecast that all planned activity was fundable over the long term but financial challenges remained. These included
 - the need to delay investment to homes from the early to the later years of the plan,
 - an inability to make provision for the repayment of debt in full over 30 years,
 - a number of items which could not be funded so were not built into the plan e.g. refurbishment of communal areas.
- 3.4 The Council must ensure that under self-financing council housing has a sustainable future in Sheffield. The purpose of the HRA Business Plan 2012/17 and the update report for 2013/14 is to ensure that the investment and services required for council housing, including debt to be serviced, can be met by the income raised in the HRA.
- 3.5 Building new council housing will allow the HRA to retain any additional Right to Buy receipts generated as a result of the government's 'reinvigoration' of Right to Buy and will provide an additional rental income stream for the HRA in the long term.
- 3.6 The start of a programme to refurbish communal areas will make flats more attractive to tenants and residents looking to downsize and should reduce tenancy turnover.
- 3.7 The improved financial position of the business plan means that resources are now available to tackle the maintenance backlog earlier

than originally planned.

- 3.8 The revised 30 year affordability profile for the plan which takes account of the changed financial and planning assumptions in this report is that the HRA does now have the capacity to repay the principal debt sum over the 30 year life of the plan. This is an improved position from the original business plan position and indicates a more secure financial footing with reduced exposure to interest rate risk.

4.0 THE HRA BUSINESS PLAN 2012-17

- 4.1 The objectives of the City Council's first business plan for the HRA under the new self-financing arrangements 2012-17 were;
- Create balanced budgets for next five years, and
 - Prioritise investment that will reduce costs over the long term and allow us to begin funding activity that is currently unaffordable.
- 4.2 The business plan set out the main areas of investment in the early years, aimed at reducing costs overall:
- activity to mitigate the impact of welfare reform,
 - making the best use of the homes we have by improving the rehousing process and supporting tenants to sustain their tenancies,
 - invest to save projects for estate services with an emphasis on reducing fly tipping costs, and
 - reducing the maintenance backlog in the early years, with heating systems as a top priority.
- 4.3 These priorities were to be funded from the following key income and efficiency choices:
- implementing the rent increase as set by Government's national social rent policy,
 - limited prudential borrowing within the borrowing limit,
 - closing the Decent Homes affordability gap,
 - invest to save projects on estate services,
 - reducing the funding available for the Going Local budget,
 - efficiency savings on support costs.

5.0 REVIEWING THE 2012-17 BUSINESS PLAN

- 5.1 The first business plan for the HRA under the new self financing arrangements was approved in January 2012. In this first year of 'self financing' it has not been necessary to undertake a wholesale review of the policy choices set out in the original business plan.
- 5.2 However, since the business plan was published in January 2012 a small number of key factors have had a significant impact on the plan. These are set out in section 6 of this report. Because of their significance these factors have been the focus of the review in 2012 and the focus of the council's conversation with tenants. This has led

to new strategic policy choices being made in this business plan update.

- 5.3 As well as these new strategic choices all the original planning assumptions and targets in the plan have been reviewed and where necessary updated for 2013/14.
- 5.4 During the first year of the business plan, tenants have been informed and consulted via:-
 - City Wide Forum (20th September 2012)
 - The Annual Residents and Governors Conference (5th October 2012)
 - City Wide Forum (15th November 2012)
- 5.5 Tenants also made a contribution to individual areas of the business plan indirectly through Partnership Groups, Challenge for Change and consultation events.
- 5.6 The City Wide Forum in September provided an opportunity to remind tenants of the original business plan and to provide information on progress of the key business plan projects.
- 5.7 The Annual Residents and Governors Conference highlighted the likelihood that additional resources would be available to the business plan as a result of the changed planning assumptions and asked tenants for their view on potential new investment priorities:
 - maintenance backlog,
 - unfunded items,
 - new build,
 - welfare reform mitigation,
 - other priorities
- 5.8 Whilst the support of tenants through welfare reform was a consistently high priority, no clear view emerged on the other strategic priorities of tenants. The feedback from tenants at the Annual Residents and Governors Conference was fed back to the City Wide Forum in November together with an update on the review of the business plan.
- 5.9 In January an update report on the HRA Business Plan will be presented to the Safer and Stronger Communities Scrutiny Committee. The committee will be asked to provide feedback on the business plan update and particularly the proposals being put forward for the support of tenants through welfare reform.
- 5.10 This report to Cabinet and the HRA Business Plan update will be discussed with tenant representatives at the City Wide Forum on 11th January 2013. Comments made and views expressed will be reported verbally to Cabinet.

6.0 SUMMARY OF KEY CHANGES FOR 2013/14

- 6.1 A number of significant factors have changed since the business plan was published. These can be split into factors that improve and factors that have a negative impact on the financial outlook of the plan.
- 6.2 Factors **improving** the financial outlook of the plan:
- The Council's separation of HRA debt from General Fund debt as part of the transition to 'self financing' gave the HRA greater opportunity to take advantage of cheaper borrowing than originally forecast.
 - The decision to bring the delivery of Council Housing in house from April 2013 has been accompanied by efficiency savings. This will also result in the Sheffield Homes reserve being absorbed into the HRA.
- 6.3 Factors **negatively impacting** the financial outlook of the plan
- The Government has changed the Right to Buy policy. This sees the maximum price discount to tenants increase, the ring fence of any additional receipts to new affordable housing and requires that these receipts are matched by new resources at a ratio of 30:70 if they are to be retained locally.
 - The Council's developing understanding of the likely impact of welfare reform is resulting in higher than originally forecast arrears levels.
- 6.4 The net impact of all the changes is that the financial position of the business plan is significantly improved such that new investment activity can be factored in whilst still improving the long term viability of the plan.
- 6.5 The key strategic choices for the HRA Business Plan update 2013/14 are:-
1. A new build programme of 75 new council homes in the next 3 years.
 2. Additional resources allocated to support tenants and mitigate the potential impacts of welfare reform
 3. A programme of refurbishment to the communal areas of low rise flats starting with investment in door entry security and extending to new flooring and windows
 4. The improved financial position of the business plan means that resources are now available to tackle the maintenance backlog earlier than anticipated
 5. The Council's capacity to repay debt over 30 years is improved
- 6.6 The following sections provide an overview of the key changes affecting each of the main chapters in the HRA Business Plan 2012-17.

7.0 INCOME AND RESOURCES

- 7.1 It is proposed that in line with Government policy, rents for dwellings be increased by an average of 4.8%, equivalent to an average of £3.23 per week. Appendix C sets out the average rents per house size in Sheffield.
- 7.2 This is in line with the Government's national social rent policy for social housing. The policy aims to ensure that the rent for a similar sized property in a similar area has the same rental value regardless of whether it is owned by the local authority or a housing association. The Government expects the sector to reach target rents by 2015/16.
- 7.3 The self-financing settlement assumes our rent increase is in line with the Government formula. So, if the Council does not increase the rents by this amount this would have an impact on the HRA Business Plan. Savings would need to be identified from services or investment to offset the income shortfall.
- 7.4 The HRA Business Plan assumes rental income in line with the national social rent policy for social housing.
- 7.5 It is recommended that the charges for garages and garage sites are increased by 4.8% in line with the average annual rent increase for dwellings. In recognition of investment required on some garage sites, a strategy for garage sites is being developed in 2012/13. Discussion with tenants on this is underway.
- 7.6 The Council is reviewing the City Wide Care Alarms charges for 2013/14. The sheltered housing service charge includes an amount for city wide alarms. Any change in the cost of the care alarms service would result in changes to the sheltered housing service charge. A decision on the City Wide Care Alarms Charge will be made in March 2013 as part of the council's wider budget decisions.
- 7.7 The Community Heating service charge will increase by 5% in 2013/14 in order to begin addressing the difference between the charge passed to tenants and the current cost of energy. Any accumulated balances on the community heating account will be retained to smooth the impact of future price rises.
- 7.8 Charges for furnished accommodation, interim accommodation and burglar alarms will not be increased in 2013/14.
- 7.9 Detail in the HRA Business Plan update report, section 3 summarises the key changes for Income and Resources.

8.0 HOMES

- 8.1 The 2012-17 HRA Business Plan set out proposals for a £257m investment programme over 5 years which funded essential investment work, the completion of the Decent Homes forward programme by 2014, a programme of heating system renewal, the start of roof and electrical system replacement programmes and other projects.
- 8.2 No changes have been made to these original investment priorities and the £257m 5 year investment programme remains although some re-profiling of spend has taken place between years in order to allow time for tenants to have a meaningful say in how the investment is delivered locally.
- 8.3 In addition to the existing programme new priorities have been identified and new resources allocated. From 2013/14 a new build programme of 75 new council homes will commence. This will represent around £9.5m additional activity over 3 years which will make use of any additional Right to Buy receipts generated through the Government's 'reinvigoration' of the Right to Buy policy.
- 8.4 Also in addition to the existing investment programme will be the start of a new communal area refurbishment programme. This will be funded from £1.5m additional HRA resource matched with £1.4m existing resources for basic maintenance of communal areas brought forward from later in the 30 year plan.
- 8.5 These initial proposals for new investment activity are made for the next 3 years although current projections show that additional resources are likely to be available beyond this. How such additional resources are made best use of will be the subject of future discussions with tenants as the actual level of resource becomes clearer.
- 8.6 In order to maintain a 5 year planning horizon, a year 6 (2017/18) has been added to the programme consistent with the priorities and funding levels set out in the 2012-17 Business Plan. This sees the heating system renewal programme reduce as the programme winds down, the roof replacement programme continue at a high level and the electrical replacement programme grow. By year 6 it is expected that regeneration costs and waste remodelling costs have ended.
- 8.7 Whilst beyond the current 5 year planning horizon it is anticipated that the 2018/19 budget for roofs will be at least £16.4m in order that the roofing programme can continue as planned and all roofs with a higher priority can be addressed.
- 8.8 The improved financial position of the business plan means that resources are now available to tackle the maintenance backlog earlier than anticipated over the 30 year life of the plan.
- 8.9 Detail in the HRA Business Plan update report, section 4 summarises the key changes for Homes.

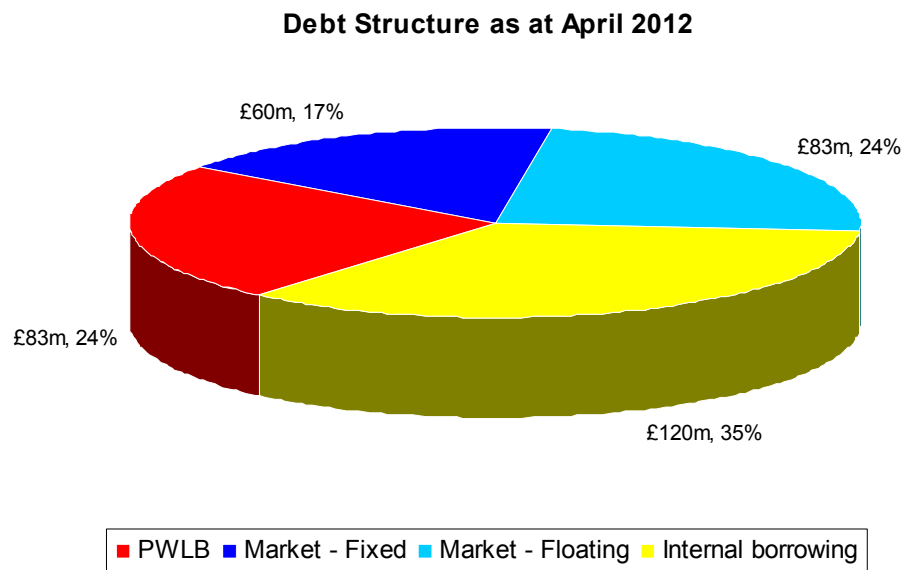
9.0 TENANT SERVICES

- 9.1 The Government's welfare reform continues to represent a risk to income management and other service areas such as rehousing and tenancy support. A key priority for tenant services will be the ongoing work to mitigate this impact and to ensure that all income owed is collected. The 2013/14 update report sets out how the resource allocated to the support of tenants through welfare reform in the business plan will be added to with immediate effect in order to provide a more comprehensive package of support to tenants.
- 9.2 The completion date for the lettings policy review is now March 2013, with implementation in April 2014. The implementation date for the new lettings website is now July 2013. Due to the slippage to the timetable, corresponding implementation costs and efficiency savings will be delayed.
- 9.3 A review of the delivery arrangements of estate services, including green and open space management on council housing land begun and a pilot established in the North east of the city to test integrated working between Sheffield Homes Estate Officers and Sheffield City Council Parks staff. It is proposed that the 10% efficiency target for Sheffield Homes and Parks in relation to the work undertaken on council housing land is delayed from 2013/14 to 2014/15 in order to allow time for tenants to have input into the future of the service via Future of Council Housing service design and Challenge for Change.
- 9.4 Savings from changes to the bulky waste service are being realised as planned. Proposals have been developed for a programme of education and enforcement to tackle the high cost of fly tipping and these will be shared with tenants prior to a phased implementation from late 2012/13.
- 9.5 Provision is made for a Going Local budget of £400k in 2013/14 although tenants will be consulted prior to April on whether this should be reduced to £200k to allow £200k to be added to the resources made available for investment in communal area refurbishment. This proposal comes as a high proportion of the Going Local budget is currently allocated to communal areas.

10.0 DEBT AND TREASURY MANAGEMENT

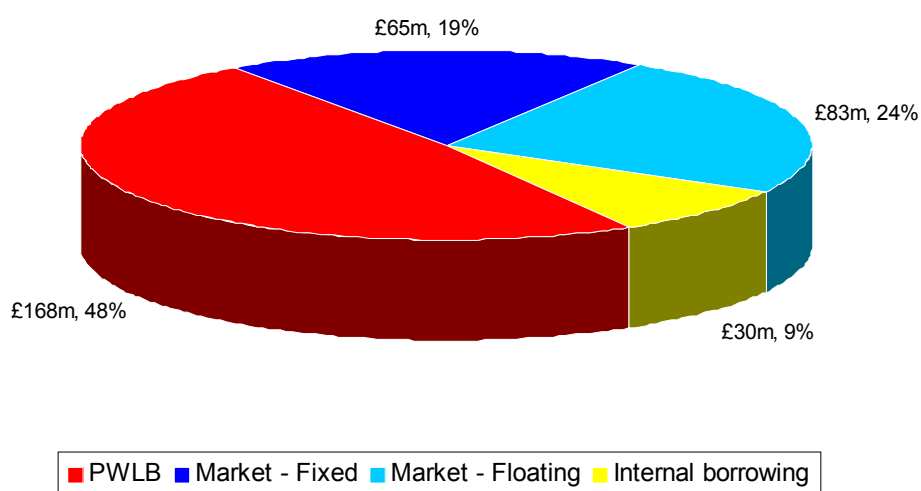
- 10.1 The move to self financing resulted in £518m of Sheffield's HRA debt being written-off by Government on 28th March 2012. This reduced the HRA's borrowing requirement from £864m to £346m. This took the HRA's share of the Council's overall borrowing requirement from 68% to 45%.

- 10.2 The move to self-financing means that the Council had to separate out HRA debt from General Fund debt and manage and account for each separately. Therefore the HRA was required to take 45% of the Council's debt portfolio which consists of fixed-rate PWLB (Public Works Loans Board) loans, fixed-rate bank LOBO (Lender Option Borrower Option) loans, floating-rate bank LOBO loans and internal borrowing.
- 10.3 HRA debt has now been separated from the General Fund for debt management purposes with each type of loan equitably assigned between HRA and General Fund. As at April 2012 the HRA's debt structure was as follows;



- 10.4 At the start of the year the HRA had a significant amount of internal borrowing. Internal borrowing represents the Council's use of cash reserves to finance capital expenditure. This was only a temporary measure and throughout the year a significant proportion of the HRA's internal borrowing needed to be replaced by external borrowing.
- 10.5 This has given the HRA to opportunity to take advantage of highly favourable borrowing rates throughout the year which has resulted in lower than forecast interest rate costs to the HRA for 2012/13 and beyond.
- 10.6 Currently the HRA's debt structure is forecast to be as follows;

Debt Structure forecast April 2013



- 10.7 Over a 30 year period the interest rate risks for the HRA will still be significant due to the amount of floating-rate debt and the need to refinance existing debt as it matures.
- 10.8 In order to mitigate interest rate risk, the business plan aims to make provision for the repayment of debt over a 30 year period whilst mitigating short term interest rate risk through the risk based reserves strategy.
- 10.9 A debt repayment plan will be developed for any new borrowing undertaken by the HRA under self financing. In the coming months work will also be undertaken to explore the potential for a repayment strategy for existing HRA debt in order to further reduce interest rate risk exposure to the HRA and allow flexibility for future investment requirements.

11.0 VALUE FOR MONEY

- 11.1 The 2012/13 business plan set out how greater value for money from the Council and Sheffield Homes will be achieved with 10% savings targets on support costs in 2012/13 and 7.5% savings targets in 2013/14. It is expected that these savings targets will be achieved.
- 11.2 Since the HRA business plan was published a tenant ballot has been held in respect of the Future of Council Housing project and a decision has been made to bring council housing delivery in house from 2013/14 with a view to realising efficiency savings as a result. These efficiency savings and the Sheffield Homes reserve have now been factored in to the business plan together with an initial budget for implementing the transition.
- 11.3 No decision has yet been made in relation to the future of the Repairs and Maintenance service post 2014 but the planning assumption of a

2% efficiency on the service post 2014 remains.

12.0 BUSINESS PLAN GOVERNANCE

- 12.1 The business plan set out how strong governance of the plan must include tenant and resident scrutiny of the business plan alongside councillor oversight / involvement and officer responsibility. The plan set out initial draft arrangements for governance of the plan which were to be developed during the course of 2012/13 in partnership with tenants and stakeholders and which would be subject to review once the outcomes of the Future of Council Housing and Repairs and Maintenance Procurement Strategy projects were known.
- 12.2 Initial draft arrangements for the governance of the business plan are in place and include the existing tenant and resident engagement structures, the annual Delivery Action Plan, Challenge for Change, Cabinet Member and Cabinet decision making, the HRA Business Plan board and the Safer and the Stronger Communities Scrutiny Committee.
- 12.3 In 2012, the Future of Council Housing project launched a project group called 'The opportunity to have my say'. This project group will build on the existing approaches to consultation and governance that are working well to make recommendations on the future shape of engagement and governance structures for council housing. The scoping of the project began in November 2012 and the work of the project group will run into 2013.

13.0 RISK MANAGEMENT

- 13.1 The risk management plan continues to form the basis of the Council's risk management strategy for the HRA Business Plan.
- 13.2 One of the most significant changes to the risk profile of the business plan in 2012 is as a result of the changed Right to Buy policy which has the potential to result in increased sales numbers and rent loss. This will be mitigated by the HRA retaining part of the Right to Buy receipts equivalent to the debt each sold property supported in the business plan before the receipt is pooled for new affordable housing.

14.0 FINANCIAL ASSUMPTIONS IN THE HRA BUSINESS PLAN

- 14.1 Reserves are maintained at the appropriate level to fund potential future financial pressures from risks such as welfare reform, maintenance backlog and interest rate changes.
- 14.2 The cost of Council Housing Services (previously the payment to Sheffield Homes for the delivery of housing services) for 2013/14 is held at the 2011/12 level of £29.9m as it was in 2012/13. This reflects the support cost efficiencies set out in section 7 of the business plan offset by the cost of some new service enhancements (e.g. welfare

reform mitigation) which is set out in section 5 the business plan.

- 14.3 The budget for the delivery of the investment programme (previously capital management fee) in 2013/14 will be held at £3.7m.
- 14.4 2012/13 Council budgets for the delivery of housing services will be reduced to £8.2m in 2013/14. This is in line with value for money savings on support costs as set out in section 7 of the original business plan.
- 14.5 The revenue repairs budget for 2013/14 has increased by assumed contractual inflation and adjusted for stock numbers. The communal facilities budget will increase by £200k in 2013/14 to reflect the cost of communal street lighting on council estates chargeable to the HRA. All other delegated budgets will remain at cash standstill in 2013/14 for the second year.
- 14.6 Detail in Annex A of the business plan update summarises the key financial assumptions.

15.0 HRA BUDGET PROPOSALS FOR 2013/14

- 15.1 The HRA Business Plan update (at Appendix A) sets out the proposals for 2013/14 and includes the key changes described in the Income, Homes, Tenant Services and Value for Money sections above. The HRA revenue budget for 2013/14 is set out in Appendix B to this report.

16.0 FORECAST OUTTURN 2012/13

- 16.1 Regular revenue budget monitoring reports have been brought during the year to Cabinet. These have shown a better projected outturn compared with the original budget.
- 16.2 The position for the HRA as at the end of October 2012 was a projected in-year surplus of £6.7m. A contribution to the Capital Programme of £0.4m will be made leaving a net surplus of £6.3m compared with a budgeted deficit of £1.3m. This is an improvement of £7.6m.
- 16.3 Further monitoring reports updating the 2012/13 position will be presented in accordance with the Council's budget monitoring timetables.

17.0 RECOMMENDED HRA BUDGET 2013/14

- 17.1 The 2013/14 HRA revenue budget is set out in Appendix B. The HRA opening reserve for 2013/14 is expected to be £25.5m (this includes the Sheffield Homes reserves of £7.5m as a result of Sheffield Homes transferring back to the Council).
- 17.2 The 2013/14 budget is based on an assumed in year surplus of £7.3m. This together with £15.5m from reserves will be used to make a

£22.8m contribution towards funding the 2013/14 capital investment programme.

- 17.3 By 31st March 2014 HRA Reserves are expected to be £10m with community heating reserves forecast to be £1.3m

Summary Recommended Budget 2013/14	HRA revenue (£m)
Forecast HRA balance (net) brought forward at 1 April 2014	25.5
Net Surplus/(Deficit) for year	7.3
Contribution to the Capital Programme	22.8
Forecast HRA Reserve Balance Carried Forward at 31 March 2014 (excluding community heating)	10.0
Community heating balance at 31 st March 2014	1.3

- 17.4 In accordance with the HRA's risk based reserve strategy it is recommended that £10m is maintained in 2013/14 in revenue reserves.

- 17.5 It is proposed to retain a community heating reserve of £1.1m to smooth out the impact of expected future energy price increases.

18.0 FINANCIAL IMPLICATIONS

- 18.1 The 2013/14 budget is the second annual budget set under the self-financing system. It follows the principles set out in the original business plan and allows for a continuation of services to tenants, revenue repairs to properties and also financial support for the Council Housing Investment programme by means of a contribution from revenue.
- 18.2 In addition, any annual revenue surpluses on the account are planned to provide further funding for capital investment.
- 18.3 The Council Housing Investment programme up to 2017-18 may require the HRA to undertake further borrowing as allowed under the current government guidelines. In these early years of self financing the debt strategy for the HRA will continue to be reviewed and developed in accordance with the Council's delegated treasury management policy.
- 18.4 Further details on the Council Housing Investment programme will be set out in the report to Cabinet on 13th February.
- 18.5 Appendix B details the initial five-year projections for the HRA income and expenditure account. These are based on current assumptions and will be reviewed during 2013/14 in the light of any known changes.

19.0 LEGAL IMPLICATIONS

- 19.1 The duty to keep a Housing Revenue Account and prevent a debit balance on it and restrictions as to what may be credited or debited to the account (the "ring-fence") are governed by Part VI of the Local Government and Housing Act 1989. This has included provision for annual HRA subsidy paid by central Government to local housing authorities, as determined by the Secretary of State.
- 19.2 The housing finance provisions of the Localism Act, amended Part VI of the 1989 Act by abolishing HRA subsidy but providing for the Secretary of State to make a determination providing for the calculation of a settlement payment to or from each local housing authority. This settlement and its implications for the self-financing HRA have informed the HRA Business Plan.

20.0 HUMAN RESOURCES IMPLICATIONS

- 20.1 Sheffield Homes staff all TUPE transfer into the City Council on 1st April 2013.
- 20.2 The majority of staff will be placed within the Communities portfolio with a smaller number in Resources.

21.0 ENVIRONMENTAL & SUSTAINABILITY IMPLICATIONS

- 21.1 Any environmental and sustainability issues arising from the Council Housing Investment programme within this report will be dealt with the Capital Programme report to Cabinet in February 2013.

22.0 EQUALITY OF OPPORTUNITY IMPLICATIONS

- 22.1 Consideration has been given to equalities relating to the HRA budget and business plan options and a full Equalities Impact Assessment (EIA) has been completed. Issues raised will be addressed through regular monitoring against actions in the EIA.
- 22.2 The Capital Programme report to Cabinet on 13th February 2013 will deal with any equalities considerations relating to the Council Housing Investment programme.
- 22.3 Any in-year proposed change in policy or service provision will require an individual Equality Impact Assessment.

23.0 PROPERTY IMPLICATIONS

- 23.1 There are no additional property implications for the Council arising from the recommendations in this report.

24.0 ALTERNATIVE OPTIONS CONSIDERED

- 24.1 To increase rents for Council dwellings by less than the government formula – The self financing settlement from Government assumed the Council's rent increases are in line with the Government formula. If the Council does not increase rents by this amount this would mean pound for pound savings would need to be found to offset the income shortfall. We would then have to live within this reduced resource envelop for every subsequent year or until the council raised rents by above guideline.
- 24.2 Not to undertake a council housing new build programme - the change to the Government's Right to Buy policy means that if the council is to retain any additional receipts raised by the increased sales discounts now available to tenants, the receipt must be used as a contribution to new affordable housing. The alternative of using these receipts for a new build programme would be to pass the receipts to another registered provider such as a housing association who could then provide the affordable housing. However this would be unlikely to result in homes at social rent.

25.0 REASONS FOR RECOMMENDATIONS

- 25.1 To maximise the financial resources to deliver outcomes on key services in the context of the new national council housing finance regime.
- 25.2 To contribute to making neighbourhoods a great place to live by ensuring continued investment into Sheffield's council housing.
- 25.3 To continue to plan for the long term sustainability of services whilst taking every opportunity to introduce service improvements.

26.0 RECOMMENDATIONS

- 26.1 It is recommended that:
- The HRA Business Plan update report for 2013/14 is approved
 - The HRA Revenue Budget for 2013/14 as set out in Appendix B to this report is approved
 - Rents from Council dwellings are increased by an average of 4.8% from April 2013
 - Annual rents for garages and garage sites are increased by an average of 4.8% from April 2013
 - Community heating charges increase by 5% in 2013/14
 - The Director of Commissioning, Communities in consultation with the Cabinet Member for Homes and Neighbourhoods, be

granted delegated authority to increase the sheltered housing service charge in the event of the City Wide Care Alarms charge being increased in 2013/14

- Charges for furnished accommodation, interim accommodation, and burglar alarms are not increased
- The Director of Commissioning, Communities and the Director of Finance, in consultation with the Cabinet Member for Homes and Neighbourhoods, be granted delegated authority to authorise prudential borrowing as allowed under current government guidelines.

Richard Webb, Executive Director - Communities Portfolio
Simon Green, Executive Director – Place Portfolio
Laraine Manley, Executive Director - Resources Portfolio,

**The Sheffield City Council Housing Revenue Account (HRA)
Business Plan 2012/17 update report for 2013/14**
(Please see separate document)

Year	2012/13 (Forecast outturn as at October 2012)	2013/14	2014/15	2015/16	2016/17	2017/18	Total 2013/14 to 2017/18
	£m	£m	£m	£m	£m	£m	£m
Income							
INCOME TOTAL	-142.2	-147.4	-153.9	-161.1	-166.0	-170.9	-799.3
Income from rents	-136.0	-141.4	-147.9	-155.0	-159.8	-164.5	-768.6
Other income	-6.2	-6.0	-6.0	-6.1	-6.2	-6.4	-30.7
Expenditure							
Homes – revenue repairs	32.7	33.1	33.1	33.9	34.8	35.4	170.3
Homes – funding for Capital programme – depreciation	36.4	37.1	38.0	38.9	39.9	40.9	194.8
Tenant services (including overheads/support costs)	49.9	51.3	50.8	51.8	52.8	54.3	261.0
Interest on debt	15.7	17.6	17.3	17.5	17.8	18.1	88.3
Other expenditure	0.8	1.0	2.7	2.1	2.2	3.4	11.4
Total	135.5	140.1	141.9	144.2	147.5	152.1	725.8
Surplus (-) or Deficit	-6.7	-7.3	-12.0	-16.9	-18.5	-18.8	-73.5
Opening revenue reserve							
Opening revenue reserve	-11.7	-25.5	-10.0	-10.0	-10.0	-10.0	
Surplus (-) or Deficit	-6.7	-7.3	-12.0	-16.9	-18.5	-18.8	
Contribution to the Capital Programme	0.4	22.8	12.0	16.9	18.5	18.8	
Sheffield Homes Reserve	-7.5	0.0	0.0	0.0	0.0	0.0	
Closing revenue reserve	-25.5	-10.0	-10.0	-10.0	-10.0	-10.0	

City Wide average weekly rent by bedsize

Bedsize	Average weekly rent 2012/13 £	Average weekly rent 2013/14 £	Increase £
Bedsit	57.34	60.09	2.75
1 bed	60.02	62.90	2.88
2 bed	67.18	70.40	3.22
3 bed	75.37	78.99	3.62
4 bed	81.54	85.45	3.91
Total (all bedrooms average)	67.19	70.42	3.23

Note: The above rents are for illustrative purposes only as they are based on city wide averages. Actual individual property rents will vary from these figures.

Proposed Community Heating Charges from April 2013

Bedsize	Full heating		Partial heating	
	Current Prices £/week	Prices April 2013 £/week	Current Prices £/week	Prices April 2013 £/week
Unmetered heat*				
Heating & hot water				
Bedsit	10.52	11.05	9.72	10.21
1 Bedroom	10.92	11.47	10.00	10.50
2 Bedroom	13.55	14.23	12.59	13.22
3/4 Bedroom	14.59	15.32	13.55	14.23
Heating only				
Bedsit	7.74	8.13	7.17	7.53
1 Bedroom	7.93	8.33	7.17	N/A
2 Bedroom	10.00	10.50	9.72	10.21
Metered heat				
Leverton/ Hanover/ Netherthorpe	Ticket price Standing charge	£ per 100kwh £ per week	4.05 3.40	4.25 3.57
Hillside	Ticket price Standing charge	£ per 100kwh £ per week	2.80 2.90	2.95 3.05
Balfour House	Ticket price Standing charge	£ per 100kwh £ per week	3.15 4.29	3.30 4.50

*Note: For sheltered schemes the above prices are split into dwelling heating and communal heating. The communal element of charges will increase from £2.80 to £2.94 per dwelling per week

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**Sheffield City Council Housing Revenue Account
(HRA) Business Plan 2012-17:
2013/14 update report**

1. INTRODUCTION

a. Purpose of this report

This is the Housing Revenue Account (HRA) Business Plan 2012-17 update report for 2013/14. The report provides a progress report and update on the existing 5 year plan extended to include 2017/18. This report:-

- Sets HRA rents and charges for 2013/14 (year 2 of the business plan)
- Sets HRA budgets for 2013/14
- Reports on progress and sets out new policy choices
- Refreshes the 5 year planning budgets and where appropriate updates the long term planning assumptions
- Provides a 30 year affordability profile based on the updated planning and financial assumptions in the report

This report has been developed part way through the first year of the business plan, so there is no full year data to report and no cause for a wholesale review of our original priorities. The emphasis of the report is therefore to highlight key factors that have changed since the business plan was published in January 2012 and how the council proposes to respond to them.

b. Report structure

The report follows the same structure as the HRA Business Plan

1. Introduction
2. Governance
3. Income and resources
4. Homes
5. Tenant Services
6. Debt and Treasury Management
7. Value for Money

Sections 3- 7 of the report include an explanation of what is covered in this section of the business plan, key risks, key developments and other developments.

A financial summary is set out within each section. Where new financial targets are being proposed in the financial summary tables, the original financial assumptions are shaded grey.

c. Background

i. A Self-Financing Housing Revenue Account

From April 2012, all Local Authorities with retained stock in England moved from a national subsidy system of council housing funding to a new system of local 'self-financing'.

The introduction of self-financing has been positive for Sheffield as it has meant that there are more resources coming into council housing in Sheffield than the old subsidy system. However there still remained funding pressures which were most acute in the early years of the plan.

Self-financing also brought with it a transfer of risk and responsibility from government to the local authority. This includes new risks for the HRA including interest rates and cost inflation.

ii. Business Planning principles

The move to self financing, the additional risk borne by the council and the funding pressures mean that the Council must be more business minded in its approach to council housing. In the 2012-17 HRA Business Plan the Council set out its business principles for council housing as follows:

1. Creating sustainable homes and communities
 - a. Homes in a safe and sound condition
 - b. Neighbourhoods are places where people want to live
 - c. Council tenancies are attractive and accessible to customers.

2. Making the best use of council homes
 - a. Homes are kept in use as much as possible
 - b. Homes and services are charged for fully and fairly
 - c. All income owed is collected
 - d. External investment is levered in to the business.

3. Minimising running costs
 - a. Using the Council's purchasing power and long term view to get the best deals for tenants
 - b. Management of known hotspots of expense in the business
 - c. Keeping overhead costs under control.

These business principles are the criteria the Council uses to inform how investment decisions are made and what the priorities are for Sheffield council housing over the next five years.

iii. The 2012-17 Business Plan

In 2012 Sheffield City Council approved its first business plan for council housing under the new self financing arrangements.

The key themes in the business plan were efficiencies where possible and investment which reduced costs or optimised income over the long term.

As a result of the measures in the plan, all planned activity was deemed affordable over the 30 years but financial challenges remained. These were:-

- High volumes of backlog repairs were delayed until the later years of the plan
- The plan was unable to make provision to pay off debt in full over 30 years
- A number of items could not be funded so were not built into the 30 year plan e.g. refurbishment of communal areas

d. Summary of key changes to planning assumptions

A number of significant factors have changed since the business plan was published in January 2012. Some of the most significant developments which have a positive or negative financial impact on the business plan are summarised below;

Factors **improving** the financial outlook of the plan

- The Council's separation of HRA debt from General Fund debt as part of the transition to 'self financing' gave the HRA greater opportunity to take advantage of cheaper borrowing than originally forecast.
- The decision to bring the delivery of Council Housing in house from April 2013 has been accompanied by efficiency savings. This will also result in the Sheffield Homes reserve being absorbed into the HRA.

Factors **negatively** impacting the financial outlook of the plan

- The Government has changed the Right to Buy policy. This sees the maximum price discount to tenants increase, the ring fence of any additional receipts to new affordable housing and requires that receipts are matched by new resources at a ratio of 30:70 if they are to be retained locally.
- The Council's developing understanding of the likely impact of welfare reform is resulting in higher than originally forecast arrears levels.

e. Strategic choices

The new savings and resources arising from the Future of Council Housing decision and interest rate savings significantly outweigh the additional costs of welfare reform at this update and the Right to Buy policy change. This means that new investment activity can be factored in whilst still improving the overall long term viability of the plan.

The original HRA Business Plan 2012-17 set out three challenges for the business plan which meant that efficiencies would be required in future. These were;

- High volumes of backlog repairs delayed over 20 years
- The plan was unable to make provision to pay off debt over 30 years and could only begin to make provision for debt repayment at year 20
- A list of unfunded items including refurbishment of communal areas could not be factored into the 30 year plan

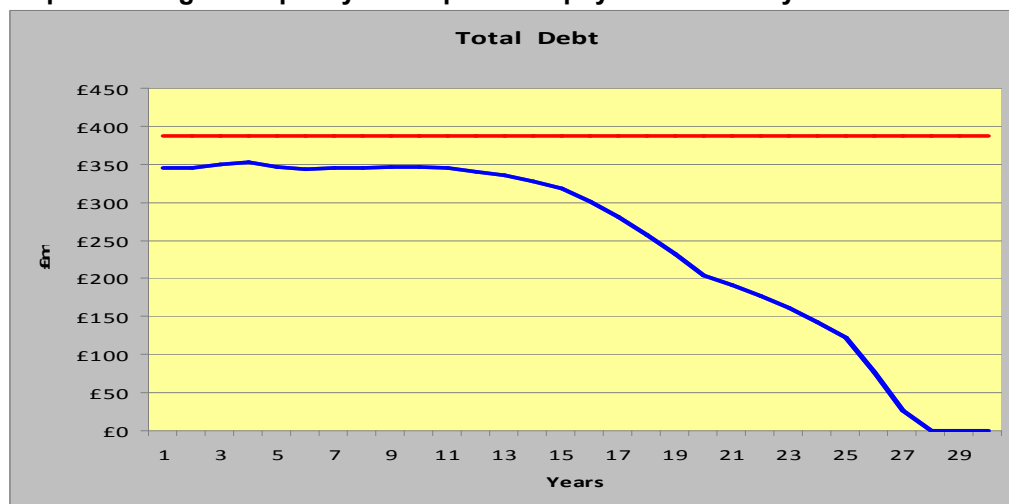
However, the business plan must also respond to risks (e.g. welfare reform) and incentives (Right to Buy policy) which have developed since the original business plan was approved in January. The strategic choices for the HRA Business Plan update 2013/14 are therefore as follows;

- i. In response to the Government's Right to Buy policy change and the subsequent agreement entered into by the council to retain Right to Buy receipts locally, a new build programme of 75 new council homes will be undertaken over the next 3 years (further details in section 4 of this report).
- ii. Additional resources are allocated to mitigate the potential impacts of welfare reform on tenants and the HRA (further details in section 5 of this report).
- iii. A programme of refurbishment to communal areas will begin with an emphasis on door security, new flooring and windows (further details in section 4 of this report).
- iv. The improved financial position of the business plan means that resources are now available to tackle the maintenance backlog earlier than anticipated over the 30 year lifetime of the plan (this has no impact on the 5 year investment programme set out in section 4 of this report).
- v. The council's capacity to repay debt over 30 years is improved (further details in section 7 of this report).

f. Revised 30 year financial profile

As a result of the strategic choices and updated planning assumptions set out in this report, the long term financial profile for the HRA has changed. The current forecast is that the HRA is able to fund all planned activity over the 30 year period and is now able to make provision for the repayment of debt in full over 30 years.

Graph showing the capacity of the plan to repay debt over 30 years



This is an improved position from the original business plan and indicates a more secure financial footing with reduced exposure to interest rate risk.

It is important to remember that all long term forecasts are the product of a series of assumptions based on information available at a point in time. Such forecasts can only ever serve as an indicative guide which must be subject to regular review.

g. Next steps for the business plan

One of the priorities for the future will be to continue to monitor and address the key risks for the business plan particularly welfare reform, the Right to Buy policy and long term interest rate risk.

2013 will see council housing delivery re-integrate into the council and a number of service designs begin to report recommendations about how best to take advantage of the opportunities this presents. In 2013 a decision will also be made about the future of the repairs and maintenance service. These pieces of work have the potential to have a significant impact on the Business Plan.

The Council will continue to seek opportunities for freeing resources from the business plan in order to accelerate investment in council homes and estates, particularly

1. Bringing forward investment in the maintenance backlog such that the high cost of responsive repairs are minimised and work not in the Decent Homes forward programme is undertaken as early as possible post 2014
2. Tackling previously unfunded items such as communal area refurbishment earlier

The actual level of resource available to the investment programme in future years is sensitive to revenue as well as capital projections. Discussions will take place with tenants to make the best use of future available resources.

2. GOVERNANCE

Governance of the HRA Business Plan includes three key structures; tenant governance and scrutiny, political governance and the officer structure. This section of the business plan set out the initial draft governance arrangements of the business plan and how these will be developed during the course of 2012/13 in partnership with tenants and stakeholders.

a) Tenant and resident involvement and scrutiny

Tenants and residents have been involved in the development of the business plan in 2012/13 via the established governance and engagement structures such as the Sheffield Homes Board of Directors, the Area Boards, City Wide Forum, the Annual Tenant Conference, and Local Housing Forums.

Tenants have made a contribution to the business plan through these structures as well as examining individual areas of the business plan in more detail through individual partnership groups, Challenge for Change and individual consultation events.

Customer promises, the annual Delivery Action Plan and the annual report to tenants continue to be key tools through which tenants have oversight of council housing activity.

b) Elected member governance

Elected members continue their role in relation to the business plan through decision making by the Cabinet Member and the Cabinet.

Cabinet receives a formal finance report monthly which includes revenue and capital aspects of the plan.

c) Officer governance

The HRA Business Plan board has responsibility for monitoring performance against the business plan and coordinating the annual review of the business plan.

The membership of the board has a role in ensuring the business plan is aligned with the Council's strategic outcomes.

d) The future management of council housing

The business plan proposed to establish a new tenant group dedicated to the oversight of the business plan which was to be discussed with tenants in 2012/13.

The business plan also noted that the Future of Council Housing project and the repairs and maintenance procurement strategy project would impact on the governance arrangements for the business plan so should be reviewed once the outcomes of these projects were known.

In 2012, Cabinet decided that delivery of council housing would be brought in house from April 2013. Following this decision, the Future of Council Housing project launched a project group called 'The opportunity to have my say'. This project group will build on the existing approaches to consultation and governance that are working well to make recommendations on the future shape of engagement and governance structures for council housing. The scoping of the project began in November 2012 and will run into 2013.

3. INCOME AND RESOURCES

a) Overview

This part of the business plan is concerned with income into the Housing Revenue Account (HRA). It includes rent setting and charges payable by tenants to the Council as landlord.

b) Risks

1. Welfare Reform

The key risk to income and the single biggest policy risk to the business plan overall continues to be welfare reform. The most significant risks in relation to welfare reform arise from the introduction of Universal Credit which will be paid direct to tenants of working age and the linking of household size to Housing Benefit eligibility. Universal Credit will start from October 2013 for new claimants and will be phased in by 2017. Housing benefit eligibility linked to household size comes into operation in April 2013. Initial attempts to quantify the risk associated with welfare reform and establish mitigating actions were made in the original business plan. These estimates have now been reviewed, updated and uplifted based on our developing understanding of the Government's proposals.

Other welfare reform proposals may also have an impact on the HRA such as the Council's draft Council Tax Support Scheme (from April 2013). There is also a risk that when the new Universal Credit regulations are announced some charges could cease to be eligible for housing support.

Welfare reform will also affect other HRA costs such as transaction costs, payment card costs, eviction costs and housing management costs.

2. Right to Buy

A second key risk to business plan income remains the Government's 'reinvigoration' of the Right to Buy policy. Since the HRA Business Plan was agreed in January 2012, Government has changed its Right to Buy policy which has resulted in additional financial risk for the business plan.

Key changes to the Right to Buy policy from April 2012:

- An uplift to the maximum Right to Buy discount from £24k to £75k which is likely to result in more sales (and subsequent rent loss)
- The Council can now retain any additional receipts for replacement housing, however before any receipts can be used for replacement housing, it has to pay the Government an amount for receipts that the Government would have received under the previous system.
- Any additional receipts generated after deducting costs are ring fenced for re-investment in affordable housing but must constitute no more than 30% of the replacement scheme cost. The remaining 70% has to be funded from other sources.

Implications for Sheffield:

- It is too early to tell the impact of the increase in the discount cap will have on the number and value of sales in Sheffield.
- If the overall sales receipts fall as a result of the discounts, a higher number of sales will need to be generated in order to cover existing commitments to the Government.
- The discount policy is poor value for money for the HRA as assets will be sold at well below their market values.

- Any retained receipts will be insufficient to replace every house sold with one for affordable rent, but by agreeing to use additional receipts for affordable housing the Council are able to retain the receipt for local provision.

Updated assumptions for the Business Plan

- It is assumed the number of Right to Buy sales rise as a result of this policy from 90 to 140-150 per year up to 2015 beyond which forecasting becomes increasingly more speculative so it is assumed that from then the projections continue as per the original business plan assumptions.
- Increases in Right to Buy sales has a significant detrimental impact on the long term viability of the business plan particularly if the HRA is left to service debt on properties it no longer owns. Therefore it is assumed that before receipts are ring fenced for new build, the HRA retains a sum equivalent to the debt each sold property supported in the initial business plan.
- If Right to Buy sales increase as predicted and at the sale price assumed, the additional receipts generated over 3 years might be around £1.3m. Any receipt income raised will be matched with HRA resources at a ration of 30:70 to deliver new council housing at social rent.

3. Supported Housing Funding

The current supported housing subsidy (previously Supporting People) is under ongoing financial pressure as a result of the Council's wider budget reductions. There are no plans to reduce the budget at the present time but as the longer term future of the subsidy cannot be guaranteed the Council's Sheltered Housing arrangements may need to be reviewed.

c) Updates

1. Rents

Under self-financing, the Government continues to set guideline rent levels as it did under the subsidy system. On this basis, in 2013/14 rents will increase by an average 4.8%, equivalent to an average increase of £3.23 per week.

2. Target Rent

The commitment made in the business plan to undertake a dialogue with tenants about the potential to let vacant properties at target rent before the 2015/16 convergence date has been met. A consultation took place during August and September 2012 with the outcome that there was no majority support for the proposal. A decision was therefore made in November 2012 not to pursue the proposal and to continue with the existing path to rent convergence.

3. Charges

Garage rent will continue to increase in line with rent for dwellings (4.8%).

The community heating service charge will increase by 5% in 2013/14 in order to begin addressing the difference between the charge passed to tenants and the current cost of energy. Any accumulated balances on the community heating account will be retained to smooth the impact of future price rises.

The Council is reviewing the City Wide Care Alarms charges for 2013/14. The sheltered housing service charge includes an amount for city wide alarms. Any change in the cost of the care alarms service would result in changes to the sheltered housing service charge. A decision

on the City Wide Care Alarms Charge will be made in March 2013 as part of the council's wider budget decisions.

Other charges for furnished accommodation, interim accommodation and burglar alarms will remain unchanged for 2013/14.

4. Service Charge de-pooling

Consultation with tenants about whether to de-pool service charges from rent will now take place in 2013/14 rather than in 2012 as stated in the business plan. This is due to uncertainty, created by welfare reform, in respect of the future eligibility of some service charges for housing benefit. Clarity about eligibility is needed before a dialogue with tenants can begin.

4. HOMES

a) Overview

This part of the business plan is concerned with the physical condition of the homes and environment. It includes capital investment in the homes such as new kitchens, bathrooms, boilers etc and also the revenue repairs which can be either planned such as gas servicing or responsive e.g. where a tenant reports a repair.

b) Risks

1. Maintenance Backlog

The backlog of repairs/ maintenance is investment to homes which is now due. It is a combination of:

- Work required to complete Decent Homes
- Picking up all of the backtrack properties, omits and refusals that have built up since 2004/05
- All elemental work that was not included in the Decent Homes Programme and has emerged as the Decent Homes Programme has stretched from 2010 to 2014

Work element	Maintenance Backlog (as at end 2012/13)
Decent Homes	99,122,800
Heating	26,312,392
Roofs	85,600,385
Electrics	18,810,740
Total	229,846,317

The maintenance backlog is a key risk because any delay to the work increases the risk of the boiler or roof or other component failing. If a boiler or roof fails it will trigger a responsive repair which is more expensive than the same work undertaken through a planned programme. The later the backlog is tackled, the higher the overall cost of the business plan and the greater the risk.

c) Updates

The aim of the investment programme in the first five years was to create an affordable plan to match expected resources and to try to address as much of the high risk maintenance backlog elements as possible in order to minimise costs overall.

Since these priorities were agreed in early 2012, work has been underway with tenants to agree how to sequence the works. This planning phase has been essential in order to secure tenant support for prioritisation of works but it has meant that some works have delayed. By the end of 2014 it is expected the programme will be back on track compared with the financial profile.

a. Essential investment work

The business plan made a commitment to begin exploring opportunities for making better use of already adapted properties with a view to tackling a potential oversupply of adapted properties. Work has been undertaken in 2012/13 to develop a better understanding of where in the city there exists the highest number of adapted properties and where there is greatest demand for adapted properties. The Lettings Policy Review is due to report to Cabinet in March 2013 and the letting of adapted properties is likely to be considered within that report.

Work has begun on developing a proposal for responding to the growing number of mobility scooters used by tenants living in council flats. This will be made available for consultation in 2013.

b.Maintenance backlog - Decent Homes

The business plan sets out how a commitment to tenants to complete the Decent Homes forward programme by 2014 would be met. Work on the forward programme is ongoing and on track. All tenants in the forward programme are now aware when work is to be carried out to their home.

2.Maintenance backlog - the rest of the backlog

Investment in obsolete heating systems and boilers is the top investment priority from the maintenance backlog and a commitment to tackle 90% of the heating backlog over the first 5 years of the plan was made in the business plan. This was in order to alleviate fuel poverty as well as reducing the high repair costs associated with boiler breakdowns.

Arrangements are now in place with the contractor and the work is expected to be completed by year 5 as planned.

The next priority from the maintenance backlog was roofs with significant and increasing resources being allocated from year 3 (2014/15) onwards. This programme remains as planned with high levels of activity profiled to continue beyond year 5 and into year 6 of the business plan (2017/18). Whilst beyond the current 5 year planning horizon it is anticipated that the 2018/19 budget for roofs will be at least £16.4m in order that the roofing programme can continue as planned and all roofs with a higher priority can be addressed.

3.Unfinished projects

Resources were set aside in the 5 year investment programme for regeneration / refurbishment schemes which were ongoing or yet to be worked up/ approved.

Funding set aside to support tenants to move home and make council dwellings safe where commitments have been given to tenants and residents (SWaN and Park Hill) will continue as planned.

Proposals for Arbourthorne are expected to be the subject of a Cabinet decision in 2013. Subject to this decision, additional HRA resources may be required from the capital programme.

The Council made a decision in respect of older people's accommodation in Stocksbridge on 26th September 2012. This included a decision to bring Balfour House up to the Sheffield Decent Homes Standard in 2013 and to continue with the decommissioning of Sweeney House as planned. This activity will be funded from the investment programme using existing resources.

4. Revenue Repairs

In recent years there has been ongoing financial pressure on the revenue repairs budget. The budget is demand led and is consequently hard to forecast. As the maintenance backlog is eroded over the coming years, this budget pressure should be alleviated and with this in mind, a comprehensive forecast of future revenue repairs costs linked to capital investment is being undertaken in 2012/13. This will be available for next year's review of the business plan. During

2013/14, pending the outcome of this review, it is recognised the repairs budget may face pressures in order that cyclical maintenance can continue as planned.

5. New investment activity for 2013/14

As a result of the overall improved financial position of the plan in 2013/14 new investment priorities are to be added to the council housing investment programme.

i. Council Housing New Build

The HRA will make use of additional resources released as a result of the transfer of council housing delivery into the council by launching a new build programme of 75 new family sized council houses over the next 3 years.

The new build programme will also allow the council to retain any additional receipts generated as a result of the government's 'reinvigoration' of the Right to Buy policy. The changed Right to Buy policy means that in order to retain such receipts locally they must be used as 30% funding for new affordable housing and the Council has entered into an agreement with Government to retain any additional receipts locally for this purpose. Based on current estimates (but with no trend data to base them on) this change in policy may generate an additional £1.3m receipts for affordable housing over the next 3 years.

The total cost of delivering 75 new homes will be around £9.5m. If additional Right to Buy receipts of £1.3m are realised the cost to the HRA will be just over £8m. However it must be stressed that the actual level of receipt income which will be generated as a result of the changed Right to Buy policy is not known.

A lead-in period is always required when undertaking new build. If this lead in period should extend such that additional receipt income cannot be charged against new build before Government deadlines, then the Council reserves the option to make acquisitions of properties in the short term. This would be a means of retaining the receipt within the HRA whilst maintaining stock numbers. Separate to the Right to Buy policy, the Council will also seek funding from the Government to support the purchase by the HRA of long term empty properties for use as council housing. If successful, such funding might be used to create additional council dwellings and rental income into the HRA.

The Council will also explore the viability and benefits of remodelling existing council properties in order to help meet changing demand.

ii. Communal Area Refurbishment

Because initial forecasts suggested the self financing determination from Government would not provide the resources needed, some activities were deemed unaffordable in the original business plan and not factored into the investment plan. Included in this list was the refurbishment of communal areas.

There are over 18,000 flats and maisonettes in the city located within about 3,000 blocks which have not benefitted from substantial refurbishment since they were built. Despite all the investment into the internal improvements through the Decent Homes Programme little or no investment has been made to communal areas. In addition to this as part of the fire risk assessments to flats it has been necessary to take away a mixture of unsafe communal furniture and carpets which have covered poor quality walls stairs and flooring. Unattractive communal areas have a major impact on how customers feel about

their home and neighbourhood and at a time when welfare reform will mean greater numbers of people looking to downsize, it is important that flats are an attractive option.

The Decent Homes environmental programme has carried out some door entry installations to low medium rise flats, but not all. Some poor quality communal windows and doors have been replaced but not all.

A new programme of communal area refurbishment will begin in 2013/14 with the focus initially on low rise flats. An additional £1.5m resources will be added to the capital programme for this purpose which, when matched with £1.4m existing funding for basic maintenance brought forward from later in the 30 year plan, will benefit around 3000 properties.

Investment will initially focus on communal door entry security systems but will extend to communal windows and floor coverings. Scoping work will also begin on developing the Council's approach to addressing the standard of communal areas in maisonettes.

Initial proposals for new investment activity are made in this business plan update for the next 3 years although current projections suggest that additional resources are likely to be available beyond this. How such additional resources are made best use of will be the subject of future discussions with tenants as the actual level of resource becomes clearer.

6. Other updates

Work has started in 2012/13 to review the current condition of garage assets in council ownership under the HRA, the income and expenditure of garages, consider the approach to maintenance and investment and make recommendations for investing / disinvesting in specific garages / garage sites in the future. The involvement of tenants in developing proposals is underway.

In September 2012 the Council decided to upgrade the city's community heating sites through the wider installation of heat metering.

d) Financial Summary

The table below sets out the updated investment and repairs budgets over the first years of the business plan.

The original 2012-17 business plan set out an investment programme of £257m over 5 years. No changes have been made to these original investment priorities and the £257m 5 year investment programme remains although some re-profiling of spend has taken place between years in order to allow time for tenants to have a meaningful say in how the investment is delivered locally. Other changes are the transfer of the budget for heat metering installation from 'Other' to 'Decent Homes' following the September decision to upgrade the community heating sites for the whole of the City in addition to the pilot areas previously approved, and refinement of the budgets for Roofs & Externals and Adaptations & DDA to reflect planned activity.

In addition to the existing 5 year programme, additional resource will be added from 2013/14 to fund new priorities and new investment activity. From 2013/14 a new build programme of 75 new council homes will commence. This will represent around £9.5m additional activity over 3 years which is expected to be funded partly from additional Right to Buy receipts (£1.3m) and the remainder from HRA resources. The new communal area refurbishment programme will be funded from £1.5m new resources matched with £1.4m existing resources from the 30 year plan

(for basic maintenance of communal areas). A consultation will be undertaken with tenants at the January City Wide Forum to assess the scope for reducing the 2013/14 Going Local budget by half (to £200k) with a view to using this funding to add to the refurbishment programme.

In order to maintain a 5 year planning horizon, a year 6 (2017/18) has been added to the programme, in line with the priorities set out in the original business plan.

Investment	2012/13 Expected outturn £m	2013/14 (incl. slippage) £m	2014/15 £m	2015/16 £m	2016/17 £m	5 yr total £m	2017/18 £m
Essential investment work incl. Health & Safety	0.839	3.743	2.011	1.373	1.882	9.848	1.500
Adaptations & DDA	2.200	2.225	2.225	2.225	2.225	11.100	2.100
Regeneration	0.907	7.740	2.550	0.114	0.114	11.425	0.000
Waste	0.500	0.633	0.756	1.906	0.155	3.950	0.000
Other (sheltered lifts, community heating, programme mgt)	0.905	2.730	1.855	2.105	1.805	9.400	1.605
Decent Homes programme	20.820	31.776	2.599	3.300	0.000	58.494	0.000
Heating & boilers	7.600	7.700	10.050	8.250	8.250	41.850	3.500
Roofs & externals	0.050	2.004	21.922	25.310	21.364	70.650	26.300
Electrics	0.000	0.000	1.000	4.000	4.000	9.000	5.000
Other planned elementals (including backtracks)	0.000	6.600	3.547	6.144	15.055	31.346	17.895
Subtotal	33.820	65.150	48.515	54.727	54.850	257.062	57.900
New build programme	0.000	0.600	5.115	3.810	0.000	9.525	0.000
Communal area refurbishment	0.000	0.200	2.700	0.000	0.000	2.900	0.000
Total	33.820	65.950	56.330	58.537	54.850	269.487	57.900

Repairs	2012/13 Expected outturn £m	2013/14 £m	2014/15 £m	2015/16 £m	2016/17 £m	5 yr total £m	2017/18 £m
Revenue repairs budget	32.7	33.1	33.1	33.9	34.8	167.6	35.4

5. TENANT SERVICES

a) Overview

This part of the business plan is concerned with the services provided to tenants. It includes services such as tenancy management, income management and re-housing services together with tenancy enforcement (ASB), supported housing, estate services and governance and involvement.

b) Risks

The main risk facing this aspect of the business plan is the challenge on services to gear up to meet the new demands brought about by welfare reform.

c) Updates

1. Ensure all income owed is collected

A key priority for the business plan was to begin work on mitigating the potential impact of the Government's welfare reforms and to start work on this early. The business plan made provision to fund additional staff for the Income Management Unit Team, a specialist debt worker based at the Citizens Advice Bureau (CAB) and Smartmove (previously grant funded).

It is now proposed that additional resources are allocated to this aspect of the business plan as follows;

a) Visiting affected tenants (fast-tracked- already underway)

Social landlords are stressing the importance of face to face contact with tenants when explaining the Government's welfare reform changes to tenants. They say that tenants report they had not understood the changes until they were explained in person.

Therefore additional staff are being recruited so that all tenants affected by the benefits cap and the under occupancy rules can be visited at home by April 2013 when the changes come into force.

b) Training on welfare benefits for staff.

The welfare reform changes are large scale and complex. It is proposed that Income Management Unit staff are provided training on the reforms to enable them to better signpost tenants to claim appropriate benefits.

c) Support for under-occupying customers who wish to move

In addition to the downsizing support offered through Smartmove, it is likely that more practical support with moving home) would be beneficial to tenants concerned about the implications of the under-occupancy rules on housing benefit. The cost of providing this additional support will be factored into the business plan.

d) Payment methods

The Council will look to increase the use of alternative payment methods such as direct debits and jam jar accounts to mitigate the risk associated with direct payments to rent accounts ending under the Universal Credit. The cost associated with administering these schemes would need to be funded and these costs will be factored into the business plan.

e) Hardship Fund

The Council will consider the benefits and viability of establishing a limited (HRA) fund that could be accessed by council tenants who are at severe risk of eviction. This would complement the Social Fund which transfers to the City Council from the Department for Work and Pensions in April 2013.

f) Increased funding to the CAB Debt Support Unit for another specialist

This would allow a further 150 tenants to be supported each year to help tenants manage and reduce debts, reduce the number of legal actions taken and improve the sustainability of tenancies.

2. Make best use of homes

The business plan made a commitment to make the re-housing process more effective and efficient by reviewing the lettings policy and introducing a new lettings website for the bidding process.

The completion date for the lettings policy review is now March 2013, with implementation in April 2014. The implementation date for the new lettings website is now July 2013. Due to the slippage to the timetable, efficiency savings associated with the new website have been reduced from £100k to £75k in 2013/14. This is offset by £75k staffing costs for implementation carried forward into 2013/14.

The business plan also had an ambition to improve the sustainability of tenancies over the long term. The Successful Tenancies scoping project completed in the summer of 2012 and it is proposed that the learning from this will be used to inform Future of Council Housing Service design work.

3. Attractive Neighbourhoods

A key aim for 2012/13 was to begin to reduce the high cost of estate services whilst ensuring neighbourhoods continue to be attractive and pleasant places to live. This was to be achieved in two ways.

a. Reviewing green and open space management on council housing land, including a 10% efficiency target for Sheffield Homes and Parks staff in relation to the work they undertake on council housing land.

- Work has commenced in 2012/13 on a pilot in the North East of the city to test integrated working between Sheffield Homes Estate Officers and Sheffield City Council Parks staff and whether this might offer financial efficiencies as well as a more joined up service for the customer.
- Green and Open Space, particularly grass cutting, has been a high tenant priority this year with two reviews of this work area launching in 2012 (Challenge for Change and the Future of Council Housing 'Safe and Attractive neighbourhoods' project). In order that these reviews have the opportunity to inform any design of the service it is proposed that implementation of the business plan's green and open space efficiency targets are delayed by 12 months.

b. Taking a coordinated approach to the prevention of fly tipping through investment in facilities, education and enforcement. This intervention was to be funded through savings made on bulky waste collection service.

- Savings from changes to the bulky waste service are being realised as planned.
- Proposals have been developed for a programme of education and enforcement and these will start to be implemented in a phased approach during 2012/13.

d) Other updates

1. Provision is made for a Going Local budget of £400k in 2013/14 although tenants will be consulted prior to April on whether this should be reduced to £200k to allow £200k to be allocated to investment into communal area refurbishment. This proposal comes as a high proportion of the Going Local budget is currently allocated to communal areas.

2. Cornhill Concierge - The original business plan proposal was to provide a concierge service at the Cornhill temporary accommodation scheme. The project has now been extended to enable relocation of the current office from two converted flats, therefore freeing these properties so they can be converted back to residential accommodation. This is expected to result in additional rental income of around £20k per year.

3. Others - It is not proposed to make any changes to the plans set out in the original business plan in respect of the Night Time Noise service, the Homefinders service or Digital Region.

e) Financial Summary

The tables below set out the investment and efficiency savings expected during the 5 years of the business plan. Each figure represents a one-off saving (negative numbers) or cost (positive number) compared with the 2011/12 budget and does not take account of inflation.

Where the proposed numbers are different from those in the original business plan, the original numbers are shown in grey beneath the proposed figure.

Indicative figures have also been shown in a new year 6 column in order to maintain a 5 year planning horizon.

	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6
Existing activity to mitigate welfare reform	12/13 (£000)	13/14 (£000)	14/15 (£000)	15/16 (£000)	16/17 (£000)	17/18 (£000)
Smartmove	70	70	70	70	70	70
Debt advice worker	40	40	40	40	40	40
Additional IMU staff – preventative & arrears work	50	190	190	190	190	190

=Original Business Plan figure if different from proposed

Proposed additional activity to mitigate welfare reform	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6
	12/13 (£000)	13/14 (£000)	14/15 (£000)	15/16 (£000)	16/17 (£000)	17/18 (£000)
Visiting affected tenants	90 0	0	0	0	0	0
Training on Welfare Benefits	0	5 0	0	1 0	0	1 0
Support for under-occupying customers who want to move	14 0	27 0	14 0	14 0	0	0
Payment methods - jam jar	0	0	37 0	37 0	37 0	37 0
Hardship Fund	0	50 0	50 0	50 0	50 0	50 0
Payment methods - direct debit	0	0	25 0	25 0	25 0	25 0
Increased funding to the CAB Debt Support Unit for another specialist Debt Worker	0	40 0	40 0	40 0	40 0	40 0

Make best use of the homes we have	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6
	12/13 (£000)	13/14 (£000)	14/15 (£000)	15/16 (£000)	16/17 (£000)	17/18 (£000)
Lettings Policy review implementation & efficiencies	185	140 150	-50	-50	-50	-50
Lettings ICT system - implementation & efficiencies	100	0 -100	-100	-100	-100	-100
Tenancy Sustainment – implementation & efficiencies	50	190	130	0	-250	-250

Invest to save on Estate Services – Open Space Maintenance	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6
	12/13 (£000)	13/14 (£000)	14/15 (£000)	15/16 (£000)	16/17 (£000)	17/18 (£000)
Review of estate management arrangements (SH grounds maintenance saving)	0	0 -40	-40 -80	-80	-80	-80
Open space maintenance (10% saving)	0	0 -110	-110 -220	-220	-220	-220
Block cleaning - service improvements	0 50	50 75	75 100	100 125	125 150	150
Cleared Sites	0	-50	-100	-150	-200	-200

x =Original Business Plan figure

	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6
Invest to save on Estate Services – Fly tipping costs	12/13	13/14	14/15	15/16	16/17	17/18
	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)
Savings from limiting bulky waste collections to one few collection per year	-145	-145	-145	-145	-145	-145
Education and enforcement investment	70	150	150	120	100	70
	145					
Savings on tipping charges	-20	-59	-97	-133	-169	-169
Savings on staff charges	-26	-78	-128	-177	-225	-225

	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6
Other ongoing investment priorities	12/13	13/14	14/15	15/16	16/17	17/18
	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)
Going Local	-400	-400	-400	-400	-400	-400
Cornhill concierge	121	55	55	55	55	55
(year 1 is capital, not revenue)	100	100	100	100	100	
Night time noise service contribution	46	46	46	46	46	46
Homefinders service (pending review)	292	292	292	292	292	292
Digital region – implementation	30	0	0	0	0	0

=Original Business Plan figure if different from proposed

6. DEBT AND TREASURY MANAGEMENT

a) Overview

This section of the business plan is concerned with how we ensure the risks and opportunities associated with borrowing are optimised for the benefit of the HRA.

b) Risk

The key risk to this element of the business plan is interest rate risk. The HRA currently supports around £346m borrowing. This costs around £18m in interest payments each year. Interest rates can affect the business plan in two ways; on existing variable rate loans, but also when the HRA takes on new loans at a higher than forecast fixed rate. Both of these risks have to be understood and mitigated against in the business plan.

HRA borrowing is made up of a number of different fixed and variable rate loans. As each loan matures the Council can choose to repay it either from rental income, or by taking out a new loan (refinancing). If the Council chooses to repay through refinancing the new loan may either be cheaper or more expensive than the original, depending on interest rates at the time. In order to mitigate the risk of having to take on new debt at high interest rates it is preferable to ensure the Council can always afford to *choose* whether to pay off newly maturing debt from income or by refinancing so is never held to ransom by high interest rates.

c) Key updates

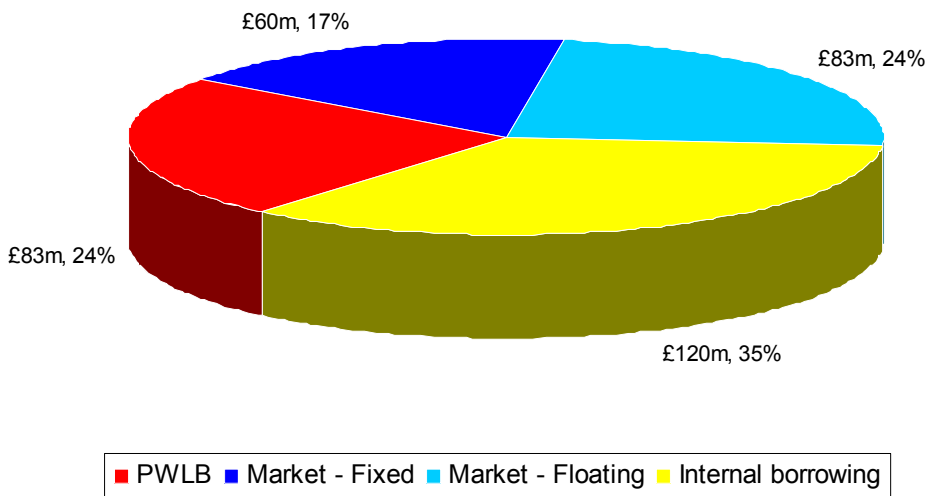
1. The self financing transaction and subsequent de-pooling of debt

The move to self financing resulted in £518m of Sheffield's HRA debt being written-off by Government on 28th March 2012. This reduced the HRA's borrowing requirement from £864m to £346m and took the HRA's share of the Council's overall borrowing requirement from 68% to 45%.

'Self financing' required the separation of HRA debt from General Fund debt and the management and accounting of each separately. Therefore from April 1st the HRA was required to take 45% of the Council's overall debt portfolio which consisted of fixed-rate PWLB loans, fixed-rate bank (LOBO) loans, floating-rate bank (LOBO) loans and internal borrowing.

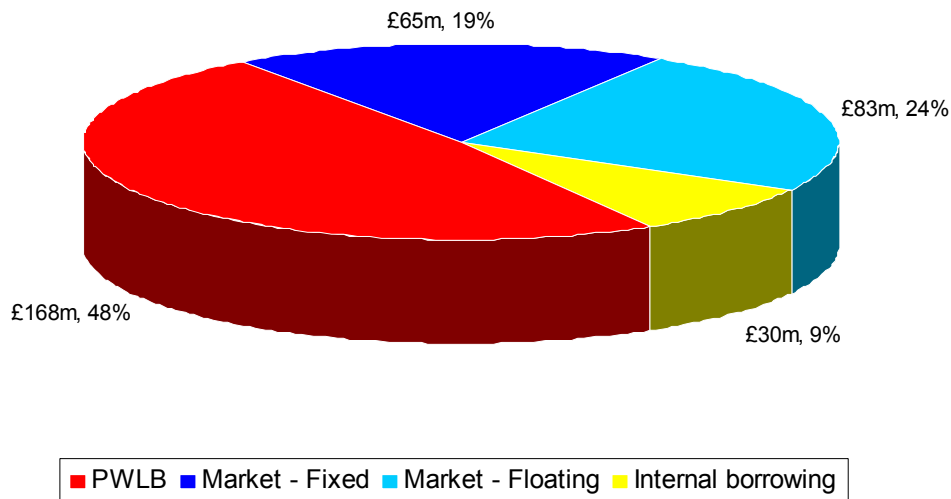
HRA debt has now been decoupled from the General Fund for debt management purposes with each type of loan equitably assigned between HRA and General Fund. As of April 2012 the HRA's debt structure was as follows:

Debt Structure as at April 2012



At the start of the year the HRA had a significant amount of internal borrowing. Internal borrowing represents the Council's use of cash reserves to finance capital expenditure. This was only a temporary measure and throughout the year a significant proportion of the HRA's internal borrowing needed to be replaced by external borrowing. This has given the HRA the opportunity to take advantage of highly favourable borrowing rates throughout the year which has resulted in lower than forecast interest rate costs to the HRA for 2012/13 and beyond.

Debt Structure forecast April 2013



2. Developing our approach for managing interest rate risk

The interest rate risk for the HRA is significant and is due to:

1. The amount of floating-rate debt (24%); and,
2. The need to refinance fixed rate debt as and when it matures.

The original business plan set out how one of the continuing challenges for the business plan was the repayment of debt. It said that in choosing to prioritise the funding of the maintenance

backlog, the business plan could not afford to pay off debt over 30 years. This would result in continuing interest rate payments and less resource to fund other activities. The business plan's inability to repay debt over 30 years was also a concern in respect of interest rate risk as it increases the likelihood of the HRA having no choice but to refinance newly maturing loans in the future, even if interest rates are prohibitively high at the time.

During 2012/13 work has been undertaken to develop the Council's approach for mitigating interest rate risk in the business plan. Three strategies are being considered.

- i. Build the financial capacity into the plan to repay debt over the 30 years of the plan
- ii. Quantify interest rate risk exposure to the plan over the next 5 years and build a financial contingency into the HRA reserve to cover it
- iii. Set aside an amount of money each year for the repayment of debt in line with the business plan's debt maturity profile (the dates when debt matures and becomes repayable)

The first option has been the interim approach taken by the Council in the transfer to self financing. The premise being that if the plan has the capacity to repay debt over 30 years then any refinancing decisions over the 30 years will be the Council's to make. However, this approach sees the financial capacity to repay debt built into the plan in the later years as financial resources in the early years are prioritised on the maintenance backlog. In the original business plan this capacity was insufficient to repay all debt.

As a result of the improved financial position described in this update report for 2013/14 the business plan does now have the capacity to repay debt over a 30 year period. However, in recognition that this approach does not set aside resources for the repayment of debt until the later years of the plan provision is made in the HRA reserve (option ii) to mitigate interest rate risk in the short to medium term.

Whilst option ii in this list does provide cover to the business plan in the event of interest rate rises in the early years it does not provide the resources for the repayment of debt, only the interest payments. If it were in the best interests of the business plan to repay debt one year, then additional resources would have to be found (most probably out of the capital programme) to fund it.

Therefore it is proposed that in the coming months work is undertaken to explore option iii as a more robust means of mitigating interest rate risk in the business plan. This would see the HRA set aside resources to reflect the maturity profile of its actual current loan portfolio. This would not only mitigate interest rate risk for the business plan but would give more flexibility to create borrowing headroom and tailor the HRA's loan portfolio to the needs to of the business plan. The challenge would be to do this whilst still allowing a sufficient level of resources for investment in the maintenance backlog.

Any *new* borrowing undertaken by the HRA since April 2012 (the start of self financing) will be undertaken in line with option iii and will have a repayment plan.

7. VALUE FOR MONEY

a) Overview

This section on value for money underpins all aspects of the business plan. The section also reviews overheads and support costs such as management costs, accommodation costs and Service Level Agreement (SLA) costs.

b) Risk

The risk to this section of the business plan is that efficiency targets built into the plan do not materialise or that costs associated with achieving them exceed budget. The main risk at this time is the Repairs and Maintenance Redesign as no decision has yet been made about how the efficiencies set out in the business plan will be delivered.

c) Key updates

1. Back Office Efficiencies

The original target in the business plan was to achieve efficiency savings of 10% in 2012/13 and 7.5% in 2013/14 on Sheffield City Council and Sheffield Homes support costs. It is proposed these targets remain.

2. Future of Council Housing Efficiencies

At the time of the first business plan the ballot was yet to be held so no efficiencies and only £180k project costs were factored into the plan. It is now proposed that £1.2m efficiency savings are built into the plan together with a budget for implementation costs. It is also proposed that Sheffield Homes reserves are factored in to the HRA from 2013/14.

3. Repairs and Maintenance service redesign

A business plan priority is for a value for money repairs and maintenance service ready for 2014: "The HRA Business Plan assumes an efficiency saving of 2% (£665k) on the repairs and maintenance service post 2014 but this is dependent on the procurement". As well as this efficiency target £300k procurement costs for 2012- 2014 were factored into the plan.

The Council is now looking at the options for the HRA Repairs and Maintenance Service with a Cabinet decision expected in early 2013.

d) Financial Summary

The table below set out the investment and efficiency savings expected during the 5 years of the business plan. Each figure represents a one-off savings (negative numbers) or cost (positive number) compared with the 2011/12 budget and does not take account of inflation.

Where the proposed numbers are different from those in the original business plan, the original numbers are shaded grey.

Indicative figures have also been shown in a new year 6 column in order to maintain a 5 year planning horizon.

	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6
Value for money	12/13 (£000)	13/14 (£000)	14/15 (£000)	15/16 (£000)	16/17 (£000)	17/18 (£000)
SCC/SH support cost efficiencies	-673	-1178	-1290	-1403	-1403	-1403
Future of Council Housing project costs	196	196	0	0	0	0
	180	0				
Future of Council Housing project implementation/ efficiencies	-25	-400	-1200	-1200	-1200	-1200
	0	0	0	0	0	0
Repairs & maintenance implementation and post 2014 efficiencies	200	100	-665	-665	-665	-665

=Original Business Plan figure

HRA Financial Information

Annex A

Housing Revenue Account – 5 year projections

Year	2012/13 (Forecast outturn as at October 2012)	2013/14	2014/15	2015/16	2016/17	2017/18	Total 2013/14 to 2017/18
	£m	£m	£m	£m	£m	£m	£m
Income							
INCOME TOTAL	-142.2	-147.4	-153.9	-161.1	-166.0	-170.9	-799.3
Income from rents	-136.0	-141.4	-147.9	-155.0	-159.8	-164.5	-768.6
Other income	-6.2	-6.0	-6.0	-6.1	-6.2	-6.4	-30.7
Expenditure							
Homes – revenue repairs	32.7	33.1	33.1	33.9	34.8	35.4	170.3
Homes – funding for Capital programme – depreciation	36.4	37.1	38.0	38.9	39.9	40.9	194.8
Tenant services (including overheads/ support costs)	49.9	51.3	50.8	51.8	52.8	54.3	261.0
Interest on debt	15.7	17.6	17.3	17.5	17.8	18.1	88.3
Other expenditure	0.8	1.0	2.7	2.1	2.2	3.4	11.4
Total	135.5	140.1	141.9	144.2	147.5	152.1	725.8
Surplus (-) or Deficit	-6.7	-7.3	-12.0	-16.9	-18.5	-18.8	-73.5
Opening revenue reserve	-11.7	-25.5	-10.0	-10.0	-10.0	-10.0	
Surplus (-) or Deficit	-6.7	-7.3	-12.0	-16.9	-18.5	-18.8	
Contribution to the Capital Programme	0.4	22.8	12.0	16.9	18.5	18.8	
Sheffield Homes Reserve	-7.5	0.0	0.0	0.0	0.0	0.0	
Closing revenue reserve	-25.5	-10.0	-10.0	-10.0	-10.0	-10.0	

Capital Account – 5 year projections

Year	2012/13 (Forecast outturn as at October 2012)	2013/14	2014/15	2015/16	2016/17	2017/18	Total 2013/14 to 2017/18
	£m	£m	£m	£m	£m	£m	£m
Expenditure							
EXPENDITURE TOTAL	33.8	66.0	56.3	58.5	54.8	57.9	293.5
Funding							
Homes – funding for Capital programme depreciation	-36.4	-37.1	-38.0	-38.9	-39.9	-40.9	-194.8
Revenue Surplus	0.0	-7.3	-12.0	-16.9	-18.5	-18.8	-73.5
Contribution from revenue reserves	-0.4	-15.5	0.0	0.0	0.0	0.0	-15.5
Borrowing	0.0	0.0	-4.3	-1.6	0.0	0.0	-5.9
RTB receipts	-1.3	-1.4	-1.2	-0.9	-1.2	-1.2	-5.9
Other capital contributions	-0.2	-0.2	-0.8	-0.2	-0.2	-0.2	-1.6
Total funding	-38.3	-61.5	-56.3	-58.5	-59.8	-61.1	-297.2
Capital balance b/f	0	-4.5	0	0	0	-5.0	
Use of /- contribution to balances in year	-4.5	4.5	0	0	-5.0	-3.2	
Capital balance c/f	-4.5	0	0	0	-5.0	-8.2	

HRA Financial Assumptions

Annex B

The detailed financial model behind the HRA Business Plan includes a number of assumptions we have used to understand what resources will be available for council housing over the next five years in the context of the next thirty years. These baseline assumptions are listed below.

Revenue assumptions	Assumption
Homes – opening number of homes in 2012/13	41,361
Homes - dwellings by 2042	36,816
Number of RTBs 2013/14	149
Total number of RTBs by 2042	4,285
Rents assumed at inflation + 0.5% from 2013/14	Based on 2.75%
Convergence date	2015-16
All income lines excluding supported housing funding	Increased by inflation 2.75% from year 3 (2014/15)
Supported housing subsidy	No uplift
Management costs for Sheffield Homes and SCC	Increased by inflation 2.75% from year 3 (2014/15)
Bad Debts	Average of 1% of debt
Void rate	1.55%
Repairs	Increased by contractual inflation to 2014 then 2.75%
HRA reserves are maintained in accordance with risk based reserves strategy	£10m in 2013/14

Debt assumptions	Assumption
Opening HRA Borrowing requirement as of 1 st April 2012	£349m
HRA borrowing limit	£391m
Interest rates on HRA debt	Approx rates 4.1% to 5.2%

Capital assumptions	Assumption
Capital receipts	£9,417 RTB receipts credited to HRA to cover average debt per dwelling. Additional receipts used towards affordable housing.
Capital management fee has been assumed throughout the model	£3.7 million per annum 2013/14
SCC capital costs council housing investment	£0.605 million per annum 2013/14