

Cabinet

Wednesday 19 March 2014 at 2.00 pm

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

The Press and Public are Welcome to Attend

Membership

Councillor Julie Dore	(Leader of the Council)
Councillor Leigh Bramall	(Business, Skills & Development)
Councillor Jackie Drayton	(Children, Young People & Families)
Councillor Isobel Bowler	(Culture, Sport & Leisure)
Councillor Ben Curran	(Finance and Resources)
Councillor Harry Harpham	(Deputy Leader/Homes & Neighbourhoods)
Councillor Mazher Iqbal	(Communities & Inclusion)
Councillor Mary Lea	(Health, Care & Independent Living)
Councillor Jack Scott	(Environment, Recycling & Streetscene)

PUBLIC ACCESS TO THE MEETING

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

A copy of the agenda and reports is available on the Council's website at www.sheffield.gov.uk. 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. You may not be allowed to see some reports because they contain confidential information. These items are usually marked * on the agenda.

Members of the public have the right to ask questions or submit petitions to Cabinet meetings and recording is allowed under the direction of the Chair. Please see the website or contact Democratic Services for further information regarding public questions and petitions and details of the Council's protocol on audio/visual recording and photography at council meetings.

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

Cabinet decisions are effective six working days after the meeting has taken place, unless called-in for scrutiny by the relevant Scrutiny Committee or referred to the City Council meeting, in which case the matter is normally resolved within the monthly cycle of meetings.

If you require any further information please contact Simon Hughes on 0114 273 4014 or email simon.hughes@sheffield.gov.uk.

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.

**CABINET AGENDA
19 MARCH 2014**

Order of Business

- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of Public and Press**
Note: Appendices A and C of Agenda Items 13 'Disposal of Land Adjacent to New May House Farm' and 14 'New Letting of Old May House Farm' are not available to the public and press because they contain exempt information described in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended) relating to the financial or business affairs of any particular person.

- 4. Declarations of Interest** (Pages 1 - 4)
Members to declare any interests they have in the business to be considered at the meeting

- 5. Minutes of Previous Meeting** (Pages 5 - 32)
To approve the minutes of the meeting of the Cabinet held on

- 6. Public Questions and Petitions**
To receive any questions or petitions from members of the public

- 7. Items Called-In For Scrutiny**
The Director of Legal and Governance will inform the Cabinet of any items called in for scrutiny since the last meeting of the Cabinet

- 8. Retirement of Staff** (Pages 33 - 34)
Report of the Chief Executive

- 9. Future of Council Housing Programme 'Housing+' Proposals** (Pages 35 - 92)
Report of the Executive Director, Resources

- 10. Disposal of Manor Site 8** (Pages 93 - 102)
Report of the Executive Director, Place

- 11. Implementing the Community Infrastructure Levy (CIL) in Sheffield** (Pages 103 - 118)
Report of the Executive Director, Place

- 12. Revenue Budget and Capital Programme Monitoring** (Pages 119 -

2013/14 (Month 9) as at 31/12/13

160)

Report of the Executive Director, Resources

13. Disposal of Land Adjacent to New May House Farm

(Pages 161 -
176)

Report of the Executive Director, Place

14. New Letting of Old May House Farm

(Pages 177 -
192)

Report of the Executive Director, Place

**NOTE: The next meeting of Cabinet will be held on
Wednesday 16 April 2014 at 2.00 pm**

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

This page is intentionally left blank

Cabinet

Meeting held 19 February 2014

PRESENT: Councillors Julie Dore (Chair), Leigh Bramall, Jackie Drayton, Isobel Bowler, Ben Curran, Mazher Iqbal, Mary Lea and Jack Scott

.....

1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Harry Harpham.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 No items were identified where it was proposed to exclude the public and press.

3. DECLARATIONS OF INTEREST

3.1 Councillor Jack Scott declared a Disclosable Pecuniary interest in agenda item 14 (see minute 13 below) 'Voluntary Sector Grant Aid Investment in 2014/15' as an employee of Voluntary Action Sheffield. Councillor Scott left the room during the discussion and took no part in the decision on the item.

3.2 Councillor Ben Curran declared a personal interest in agenda item 14 (see minute 13 below) 'Voluntary Sector Grant Aid Investment in 2014/15 as a trustee of Ben's Centre.

3.3 Councillor Jackie Drayton declared a personal interest in agenda item 14 (see minute 13 below) as a trustee of the South Yorkshire Community Foundation.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the meeting held on 15 January 2014 were approved as a correct record.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Petition in respect of Fir Vale School Admissions Consultation

Nargis Thabet submitted a petition, containing 8 signatures, against the proposal from Fir Vale School in relation to its admissions policy of fair banding as opposed to the current policy of children attending the school who live in catchment. She commented that the policy would impact negatively on the children's education and would put added pressure on these children to travel to schools that were not in catchment and thereby putting them under increased emotional pressure at a time when they needed security to live and thrive.

She further commented that the school had so far failed to respond clearly to the petitioners' request for an open consultation despite their repeated requests. She

therefore requested that the Council scrutinise the proposed policy carefully and work to protect the educational needs of children in the area.

In referring the petition to Councillor Jackie Drayton, Cabinet Member for Children, Young People and Families, the Leader of the Council, Councillor Julie Dore, reported that the Council was aware of the proposals and would be closely monitoring them.

Councillor Jackie Drayton thanked Ms Thabet for submitting the petition and stated that the Council adopted a common admissions policy across the City which all schools complied with. Fir Vale School wanted to adopt a different admissions policy which would be based on ability, which went against the City wide policy.

She stated that she, as Cabinet Member for Children Young People and Families and Jayne Ludlam as the Executive Director of the Children, Young People and Families portfolio, had written to the Headteacher of the school expressing the Council's concerns at the proposed changes to the admissions policy. Councillor Drayton added that she had also written to the school as a local Elected Member, to raise hers and the communities concerns and calling on her to organise a public meeting in the school, to explain the proposals and the implications for the young people in Burngreave. She stated, she had not received any reply so far. She added that the headteacher had written to feeder schools in the area informing them of proposed changes. However, she had not written to inform local Councillors, the Member of Parliament for the area or the Council of these proposals.

Fir Vale School was at the heart of the local community and people showed a great desire to want to send their children to the school. The Council believed that the proposed policy was divisive. The City Wide Learning Body were currently instigating a review of the admissions policy across the City and it was hoped that all schools would sign up to any changes. Councillor Drayton again thanked Ms Thabet for submitting the petition and informed her that any information or petitions received would form part of the Council's appeal to the school.

5.2 Public Questions in respect of the Housing Revenue Account, TARA's, Policies of the Current Administration and the Bedroom Tax

Mr Martin Brighton submitted 7 questions in relation to the Housing Revenue Account, a group in the South West area, TARA's, policies of the current administration and the bedroom tax. Councillor Julie Dore reported that written responses would be provided to Mr Brighton's questions.

5.3 Public Question in respect of the Living Wage

Mr Nigel Slack referred to a recent report in the Times Educational Supplement detailing the pay award to one of the Vice Chancellors of the University of Sheffield of 39% at the same time as resisting the implementation of the living wage, offering its staff 1% and attempting to drive down wages and conditions for the lowest paid in its catering 'special purpose vehicle' Unicus, by offering terms

and conditions below those of current staff. Mr Slack believed this was against the Sheffield First 'Fairness Framework' guidelines to which, as a member organisation, the University of Sheffield had contributed. He therefore asked will the Council be making an 'open and continuous case to the University of Sheffield that this was unacceptable behaviour from a member organisation and a partner?

In response, Councillor Julie Dore stated that the Fairness Commission had been Chaired by Professor Alan Walker and had agreed that it would meet periodically to monitor the progress and outcomes of its recommendations which had been circulated to the appropriate bodies. In respect of the living wage, the Sheffield Executive Board had written to all partner organisations requesting that they implement the living wage. The Board would consider who was and wasn't implementing the living wage and consider what actions to take. Where an organisation said that they could not afford to implement the living wage but the Executive Board believed they could, this would be followed up.

5.4 Public Question in respect of the Bedroom Tax

Mr Nigel Slack referred to a decision taken by Judicial Tribunals in Bolton and Monmouth which for the first time had defined the word bedroom for the purposes of the 'Bedroom Tax' legislation and rejected the premise that a bedroom is any spare upstairs room or even a room specified as a bedroom in any description of the property. A bedroom is defined by its use as a bedroom. He therefore asked what impact will this have on the way the Council now administers the 'Bedroom Tax' and had any consideration been made of the potential impact on the Council's budget of the need to potentially inspect all properties currently expected to fall within the legislation or the potential cost of mass appeals against decisions of the Council to apply the 'Bedroom Tax'?

Councillor Julie Dore reported that, unfortunately, Councillor Harry Harpham, Cabinet Member for Homes and Neighbourhoods, was absent from the meeting as he would have been able to provide a more in depth answer to Mr Slack as Councillor Dore was aware that a lot of work was being done investigating the implications of the 'Bedroom Tax'. However, she believed that it was an evil tax and the Council were looking at every possible way to alleviate the impact on those affected. She would pass the question on to Councillor Harry Harpham who would provide a written response.

5.5 Petition in respect of Libraries

Mr William Hiorns submitted a petition, containing 8 signatures, calling on the Council to reconsider the choice of operating model for the future of libraries in the City and undertake to keep all libraries in the City open. He believed that the policy would impact on the most vulnerable in society. Although he was aware that a needs assessment had been undertaken, he did not believe the needs of particular groups had been recognised.

Mr Hiorns did not believe that other operating models had been considered at the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee meeting held on 18 February 2014. The fact that so many concerns

had been expressed from members of the public showed that the policy was flawed. Officers had not explained the methodology behind the support for the proposed operating model and the Chair of the Scrutiny Committee had not allowed questioners to set the context behind their questions. In conclusion Mr Hiorns asked what members of the public needed to do to see the operating model being discussed in an open and transparent manner and who was responsible for the overall governance of the Council?

In response Councillor Mazher Iqbal, Cabinet Member for Communities and Inclusion, reported that he had discussed the proposals in the Council Chamber at a number of public meetings. He had attended the meeting of the Scrutiny Committee, referred to by the petitioner, to answer questions. He believed that the Chair of that meeting had facilitated discussion well. 13 different models had been looked at before a decision had been made on the preferred operating model. The reasoning behind that had been made explicit in the Cabinet report. He believed that the Council was meeting its legal requirements to offer a comprehensive and efficient library service.

5.6 Petition in respect of Libraries

Ruth Woodhouse submitted a petition, containing 15 signatures, calling on the City Council to address the crisis in library services by making a fair plan for all of Sheffield's libraries and committing to a lasting, city-wide collaboration with local community groups at every library. A mix of librarians, library staff and volunteers should be distributed and shared fairly to support the needs of all people who used the City's libraries. The petitioners rejected the proposed 3 tier system where some libraries were allocated Council library staff while others were not. They believed that libraries without librarians could not succeed.

In response Councillor Mazher Iqbal reported that the Libraries Review commenced in July 2011. The consultation which took place in 2012 focused on how to attract non-library users to use the service against the background of a national trend of declining library usage. The Council's budget for 2014/15, which was on the agenda for this meeting, would see cuts of £58m this year on top of £180m already cut from the budget. He stated that these cuts were unfair and disproportionate.

Councillor Iqbal trusted the advice given to him by officers which was evidenced in the report and included a technical appendix. It was incumbent on all local authorities to give consideration to equalities. However, it was clear that any reduction in the budget would have an impact on services. Councillor Iqbal believed that the proposed operating model met the requirement to provide a comprehensive and efficient service. There was nothing in the statute which stated the definition of comprehensive and efficient.

Fifteen business plans had been submitted to run libraries and the Council had made a financial commitment for the first 3 years to supporting those libraries run independently. Sheffield Futures had been commissioned to do targeted work in certain areas. An appendix to the report outlined in detail the consultation process and its outcome.

5.7 Public Question in respect of Library Staff

Hugh Cotton asked whether the Cabinet Member believed it was fair that the hubs and Central Library would have the use of 112 paid professional staff whilst the co-delivered and independent libraries, representing over 50% of libraries in the City, would only have 2 paid professional staff. Mr Cotton also asked, if the proposals were agreed, whether the Cabinet Member would keep an open mind and keep the position under review?

Councillor Mazher Iqbal responded that the 3 different categories of library had been consulted upon in the most recent consultation. He believed the operating model met the need to provide a comprehensive and efficient service. He had visited Broomhill and spoken to library users to seek their views.

80% of the budget for libraries was for staff and the proposals would see a reduction of 75 full time equivalent staff. There had been efforts made to try and keep all libraries running through 'salami slicing' hours, not filling staff vacancies etc. but the status quo could no longer continue. A guidance pack had been issued for community organisations thinking of submitting a business plan to run a library and a number of workshops had been held with partner organisations.

5.8 Public Question in respect of Library Closures

Neil Metcalfe commented that libraries provided a wonderful service to the community and questioned why any needed to be closed and why the Council would not stand up to the Government when they were cutting budgets?

Councillor Julie Dore commented that the Council was extremely dependent on Government funding and if they cut funding by half the Council's budget would be halved. The Council had now been forced into making extremely difficult decisions where no service, apart from safeguarding, could be completely protected. It was apparent that it would be impossible to keep all libraries open all of the time.

5.9 Public Question in respect of Future Options for Library Services

Akeem Balogur asked whether the Council had considered opening up the library network to allow outside organisations, such as social enterprises to run them?

In response Councillor Mazher Iqbal stated that on the back of the public consultation, the Leader of the Council had issued a call to action which asked organisations to come forward to see if they had any ideas of how the Council could work in partnership. 27 organisations had responded and their responses had played an important part when considering the operating model. The associate libraries would remain on the IT system and the catalogue system would remain in all libraries.

5.10 Public Question in respect of Volunteer Staff

Dorothy Wilson referred to Burngreave Library, which had two part time staff, and

proposals to move into Sorby House and use volunteer staff. She commented that a number of people in Burngreave already did volunteer work as well as paid work and she did not believe there was the capacity available to provide volunteer staff to work in the library.

Councillor Mazher Iqbal responded that with the £180m cuts which the Council had been forced to make 1200 staff had left the authority and a further 600 would leave in the next municipal year. Because the administration recognised the inequalities in the City, the proposals of the Fairness Commission would be applied. The Council had met with a group in Burngreave and discussions would continue as to how to take things forward. He recognised the tremendous pressure being put on communities and commented that the Council would work to try and retain services where they could.

5.11 Public Consultation in respect of Library Consultation

Jayne Finlay referred to a recent announcement nationally that William Sieghart had been commissioned to carry out an independent report on the role/future of libraries in England. This consultation ended in March. She therefore asked if the Council would be willing to wait to hear the results of this nationwide consultation before making a final decision on Sheffield's Libraries?

Councillor Mazher Iqbal confirmed that he was aware of the national consultation. It would be important to feed in to the national consultation what we had learned from the Sheffield consultation over the last few years. Discussions had been held with the Arts Council but that did not bring forward any extra information and no additional resources would be allocated.

Councillor Julie Dore added that, initially when the Government announced its austerity programme, it said that it would front load the cuts to the initial years of the programme. The most recent announcements appeared to contradict that. She suggested that the national consultation may be due to the fact that the Government now realise the damage the programme was doing to public services. She welcomed the consultation but didn't expect any final conclusions to lead to additional resources.

5.12 Public Question in respect of the Budget

Kathy Whittaker referred to a statement from Councillor Ben Curran, Cabinet Member for Finance and Resources, at the meeting of Full Council held on 5 February 2014 asking where the public would make the cuts if they had the choice. In Broomhill the public had found a leading accountant from a Sheffield firm who had offered to look over the books. This request had been refused and Ms Whittaker asked why this was the case?

Councillor Ben Curran responded that the Council had nothing to hide. There was a well qualified finance team employed by the Council who had been trained in public sector finance. The accounts were audited by qualified auditors. If the Council were to accept the offer and other such offers this would take up a lot of officer time at a time when resources were tight.

Councillor Julie Dore added that the consultation originally started in 2011 when the Council became aware of the severity of the cuts. Every single household had received a letter asking for their views on where reductions should be made and there was a good response to this. Since then there had been a lot of consultation undertaken and focus groups. There had been two public sessions recently where major stakeholders were in attendance. The Council had also established a Business Advisory Panel who had been kept informed of the budget setting process. A decision had been made to protect children's safeguarding from any cuts so, as a result, savings had to be found elsewhere. Despite the consultation and focus groups the Council had never heard of a more effective way to undertake the process.

5.13 Public Question in respect of Libraries

Chaz Lockett commented that he believed that Council could use funding from the reserves and renegotiate private contracts to obtain funding to keep all libraries in the City open. He therefore asked why the Council were not doing this and listening to the people?

Councillor Mazher Iqbal stated that the Council were not allowed to set an illegal budget. They relied heavily on the Government grant and the money received from Council Tax only accounted for 12% of the Council's budget. The Council did challenge the Government where they could and had run a campaign for a Fair Deal for Sheffield and had visited 10 Downing Street to present a petition in that respect.

Councillor Julie Dore commented that if the Council set an illegal budget the Government would take over and the cuts would be far worse.

5.14 Public Question in respect of Library Staff

Louisa Walker stated that she believed that without trained library staff a library would not run effectively. If the proposed operating model was approved, she was concerned that this represented a two tiered service. She therefore asked if the Council would consider redistributing staff from the hub libraries to allow all people across the City the same access?

Councillor Mazher Iqbal confirmed that as part of the proposals a volunteer co-ordinator would be appointed to assist the 10 associate libraries. Buildings would be offered at peppercorn rent. Associate libraries would be able to decide whether they wanted to opt in or out of the catalogue system. Unfortunately, resources were not available to employ staff at the associate libraries.

A number of workshops would be held and community organisations would be invited to attend. Support from the Council would always be available. If at some point in the future additional resources became available, the Council could look again at putting additional resources into libraries. If the Council reduced hours of libraries any further it wouldn't be doing them or the community justice.

5.15 Public Question in respect of Libraries

Marcus O'Hagan commented that he did not believe that Councillor Iqbal had answered questions at previous meetings which the public had put to him or responded to a request for a review of the answers and this was creating frustration. He therefore asked if an associate library was considered to have failed would this be brought back under Council control or left to be closed? He believed that the Council must have a contingency plan in place and without this the proposals should not be agreed.

Councillor Julie Dore commented that she believed that Councillor Iqbal had provided clear answers to questions which had been put to him. It can often be difficult to understand why an extra £1.6m cannot be found to maintain the status quo. If an associate library was seen to be failing it would depend on the circumstances at the time how the Council would respond. Contingencies had been put in place through the offer of funding for three years to support them. It was hoped that the Council could convince the Government of the need for further funding within that three year period.

5.16 Public Question in respect of Libraries

Ruth Woodhouse asked the following four questions in respect of libraries:-

- Could the Council note her request for more time to consider and respond to the proposals published in the Cabinet report?
- How will the Council eliminate discrimination given that it wouldn't be possible with the proposed three tiered model?
- How will school visits continue city-wide without staff, and what measures will the Council take to avoid the loss of this essential service across the City?
- Many Sheffield libraries now manage on a 21 hour a week. It is not ideal, but also by cutting hours elsewhere would retain a library service for all, which could be extended again later. Is it not time to explore this alternative model, so we share staff and the burden of cuts, and support vulnerable groups across the City?

In response to the first question, Councillor Iqbal commented that the Council had been working on the review since July 2011. The proposals in the report had been consulted upon for a 12 week period and from that an additional recommendation of additional funding to support the associate libraries for 3 years had been agreed. He therefore believed sufficient time had been given for the proposals to be considered. There had been opportunities within the consultation period for people to ask any technical questions which they didn't understand.

In relation to the second question, Councillor Iqbal commented that he had already answered this previously. In respect of the third question, Councillor Iqbal reported that the schools' library service was a traded service which 71% of schools had signed up to. Park Community Action Group had submitted a business case and the Council would work closely with them.

Councillor Jackie Drayton added that many schools had their own libraries. However, she still believed it was important that children and young people were able to visit a library. Visiting Central Library, for example, may be the only opportunity which a child has to visit the centre of the City.

Regarding the last question, Councillor Iqbal commented that the Council believed that the spirit of the people of Sheffield would ensure that libraries stayed open. The Council would work to support this through the pledge to support associate libraries for three years. The Cabinet report referred to 13 different models and after careful consideration and taking into account the outcome of the consultation he believed that the proposed operating model was the fairest for all.

Councillor Julie Dore further commented that because the Council knew the funding available for 2014/15 and a good indication of funding for 2015/16 they were able to confirm funding for co-dependents for 2 years. In the meantime the Council would fight to keep libraries open. She was confident that hub libraries would be sustainable. If the Council had decided to split funding across all 27 libraries she could not have guaranteed that all would have remained open.

5.17 Public Question in respect of Libraries

Nigel Slack asked given that one of the organisations interested in running an associate library was a faith group, what safeguards were to be put in place to ensure that that part of the library service remained secular and comprehensive in its offer to the public of Sheffield? Mr Slack also asked whether there would be a mechanism that allowed for the City Council to resume control of any associate library that failed the standards that the City expected and what would be the definitions of those standards and therefore of failure?

Councillor Iqbal confirmed that there were policies in place to ensure that no one group discriminated over another. The faith group concerned said that they would provide the service rather than preach their faith. In terms of the definition of failure and standards it would depend on the circumstances at that time. As part of the initial business planning process the Council had held a number of different workshops and officers had met with each individual organisation. The Business Plan needed to ensure that the library would be sustainable and viable in the future.

6. ITEMS CALLED-IN FOR SCRUTINY

6.1 There were no items called-in for Scrutiny.

7. RETIREMENT OF STAFF

The Chief Executive submitted a report on Council staff retirements.

RESOLVED: That this Cabinet :-

(a) places on record its appreciation of the valuable services rendered to the City

Council by the following staff in the Portfolios below:-

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
-------------	-------------	-----------------------

Children, Young People and Families

Jacqueline Barker	Business Support Officer	23
Anne Chipchase	Headteacher, Beighton Nursery Infant School	37
Ann Fox	Senior Teaching Assistant, Hinde House School	27
Jill Russell	PE Teacher, Hinde House School	37

Place

John Sorby	Maintenance Fitter	26
------------	--------------------	----

Resources

Jane Edwards	Communications Manager	33
Josephine Paszek	Category Support Officer	24

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

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

8. THE FUTURE OF SHEFFIELD LIBRARY SERVICES

8.1 The Executive Director, Communities submitted a report seeking approval on the proposal for the future of Sheffield's Libraries, Archives and Information Services.

8.2 In addition to this, Cabinet considered a report (circulated at the meeting) of the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee which had considered the Cabinet report at its meeting held on 18 February 2014. Councillor Cate McDonald, Chair of the Committee, attended the meeting to present the report of the Scrutiny Committee. She reported that the Committee resolved that they were satisfied that the proposals contained in the Cabinet report can be put forward to the Cabinet at its meeting to be held on 19th February 2014 and requested that the Executive Director, Communities submit a report on the progress made in implementing the proposals, set out in the Cabinet report, to the Scrutiny Committee in 12 months' time.

8.3 Dawn Shaw, Head of Communities Services Projects, Communities, presented the

report. She outlined to Cabinet that the proposals had been developed following extensive consultation. It was important to establish a new service which would meet the needs and aspirations of a modern service. The proposals in the report took into account over 7,000 survey responses between October 2012 and January 2013 as well as the views expressed in the workshops and public meetings.

8.4 Where a library had been identified as vulnerable, community groups and organisations were encouraged to submit business plans to run the library. Every library which had been identified as vulnerable has had a group come forward with an initial business plan in place approved by the Council.

8.5 £262k of funding had been identified from Council resources to support associate libraries running and associated costs.

8.6 Questions from Cabinet Members

Councillor Jack Scott referred to the needs assessment outlined in the report. He asked who had been involved in that, whether it covered the whole City and which groups were involved? Councillor Scott also asked why officers chose that particular approach?

In response, Andi Walshaw, Performance and Research Manager, reported that the methodology for the needs assessment had been established in 2011. The current model was a very comprehensive model and took into account the needs of all groups in the City. He was confident that the data in the report was correct and it had been subject to intense scrutiny to ensure this.

In response to a further question from Councillor Scott about how the assessment covered the whole City, Mr Walshaw reported that the assessment focused on all groups across the city. Scores were worked out based on catchments for each library based on the number of registered users for each local library. The needs of those aged 65 and over and under 19 were looked at as well as low attainment and BME population for each library catchment. There was also a focus on the Indices of Deprivation, both the Learning, Skills and Training domain and the Index of Multiple Deprivation. These figures were weighted by population. Geography was focused on at the priority tool stage and the distance between a library and its nearest neighbour by public transport was calculated from information provided by the South Yorkshire Passenger Transport Executive (SYPTTE). Officers modelled what would happen if certain libraries closed and assigned people to their nearest local library. The assessment also took into account the priorities of the Fairness Commission.

Councillor Scott then asked a question in relation to the consultation. How comprehensive had this been? What had been done to ensure that disadvantaged groups were consulted with properly? Had the Local Authority responded to comments from people with expertise in this field?

In response, Kate Register, Quality and Involvement Development Manager, reported that her team had run the consultation from October 2013 to January

2014. Her team was independent from the library service and had expertise across many areas. It was the job of her team to make sure the proposals were clearly explained and that they obtained views from as many people as possible across the City.

The consultation had also focused on trying to get people who didn't usually have their say in consultations such as these to express their views. There had been an online survey available for people to fill in as well as a hard copy available at First Point and libraries across the City. Officers had emailed the consultation to 7,500 organisations and asked them to cascade this down to their partners and others.

Easy to read formats were made available and it was also issued in different languages where required. A member of the team had offered to go and talk to the groups directly to explain the survey and questions further. People had been given the opportunity to ring up and officers were able to provide advice and guidance on completing the survey.

In total comments had been received from around 9,000 people across the City. 200 letters and posters had been received from children. All responses had been analysed. There was a strong wish to let children and young people have their say and groups had been commissioned specifically to consult with children. The consultation had been advertised on Schools Point and a number of schools had asked officers to visit schools to talk to children and staff.

Each survey had 12 free text boxes available for people to express their views and these had been analysed carefully. Officers had made sure that the consultation responses had been included within the Cabinet report.

Officers had endeavoured to ensure that they had consulted widely with disability and Black, Minority and Ethnic (BME) groups and people completing the survey had been asked to provide information about themselves to see if there were any similarities in answers between particular groups.

Andi Walshaw added that, following suggestions that there had been errors in the needs assessment, he had listened to the feedback and taken the comments on board and had looked again closely at the methodology. Although some minor calculation errors were found, he was unable to find the errors highlighted, and the minor calculation errors had no bearing on the outcome of the categories.

Councillor Mary Lea asked how the proposals would ensure that a comprehensive service would be provided which would reach all groups across the City?

In response, Dawn Shaw commented that the development of the service would be an evolutionary process. The Council was looking to develop a buddying service for the associate libraries with the hub libraries. It was hoped that the funding offered to support the associate libraries in the first 3 years would help to keep the libraries open.

Work was being undertaken across the Council with different services to look at how the library could be a portal within the community. The school library service

would be expanded and the children's library would be maintained and a Little Library service operated for those who didn't wish to engage with the traditional library.

Councillor Lea then asked why the names of the non-Council run libraries had been changed from independent to associate libraries?

Dawn Shaw responded that the Council wanted to work together in partnership with community groups and broader communities. The label of an independent library suggested that the Council would not support them when that wasn't the case.

Councillor Lea then asked how the Council would mitigate against the discontinuation of the mobile library service?

Dawn Shaw reported that, to mitigate this, the Council would be extending the Home Library Service and this would go out to communities where people who met the criteria couldn't access a static library. The Little Library Service for children could be extended and the Council were still maintaining the opportunity for people to access a library service.

Councillor Jackie Drayton referred to the Equality Impact Assessment (EIA) included in the report. That stated that in four areas the proposals would have some significant impact. The BME community in Tinsley/Burngreave, Young People in Park and Old People in Tinsley. How would the Council therefore mitigate against this?

Steve Eccleston, Assistant Director, Legal Services, reported that the role of the EIA was as a tool to enable an understanding of what the issues were and how the Council was meeting the obligations of the Equality Act 2010. This stated that the Council must have due regard to eliminating discrimination and due regard to protected groups such as the BME community, elderly people etc. There was no formal obligation in law to undertake an EIA but it was considered to be good practice.

The EIA started out by looking at the challenges facing each group. It then looked at an action plan for each group which highlighted the negatives which were apparent for each group but also work which could be done to mitigate against these. The EIA looked at each library which was vulnerable to closure and outlined data in relation to these. Mr Eccleston considered the EIA to be a very thorough document but also a live document and this could be reviewed when the issue came back to Scrutiny in 12 months' time.

Councillor Drayton commented that a number of people had said to her that they did not wish to be an independent library and wanted to be part of the Council's library network. In moving a recommendation to amend the name of the libraries from independent to associate did this mean that those libraries could be part of the wider library network?

Dawn Shaw confirmed that this was the case and they could still be part of the

People's Network with access to the library catalogue and could access services. The Volunteer Co-ordinator would also assist associate libraries and it was hoped to introduce the buddying system.

Councillor Leigh Bramall, Cabinet Member for Business, Skills and Development, commented that the hub model assumed an increasing reliance on people using public transport. In the needs assessment how was the distance measured? Was there any indication of a typical journey time? Could people access a hub library and the Central Library within a reasonable journey time?

Andi Walshaw reported that the distance was measured from bus stop to bus stop via its actual route and the bus stop needed to be within 300m of the library. This meant that in most cases the distance between the same libraries was different in each direction. Although the travelling time was not taken into account, Mr Walshaw was confident that people would be able to access a library within a reasonable time.

Councillor Ben Curran, Cabinet Member for Finance and Resources, commented that he was aware that groups welcomed the additional Council resources which had been allocated to support the associate libraries in the first three years. However, there was still some anxiety. How did the money match up to what the groups said they needed? Was this sufficient to make the model work and how would the funding be distributed?

Lynne Richardson, Project Manager, reported that it had been discussed with the groups concerned what funding was needed. The funding was based on a budget for the running costs of the associate libraries and the Volunteer Co-ordinator post. The groups would not be bidding against each other for the funding and it would be distributed based on a set allocation.

Councillor Isobel Bowler, Cabinet Member for Sport and Leisure commented that she was aware from within her portfolio when the council had to remove staffing budgets from the two Adventure Playgrounds these have been able to remain open run by local Friends of Groups. However, these groups required significant support to do this. Therefore, how was the Council supporting the library groups and how would we continue to support them?

Dawn Shaw reported that extensive workshops had been held and guidance issued for business planning. All the initial business plans submitted met the Council's criteria. Further workshops would now be held in the transitional period until September 2014. If groups required further assistance the Council could look at this. The final business plans needed to be submitted by 30 June 2014 which would then be evaluated for going forward. There was a clear wish for continued Council support as highlighted by proposals for a buddying system.

Responding to a further question from Councillor Bowler regarding training for volunteers, Dawn Shaw reported that training packages would be offered which would help them understand the library service. Support would also be offered in recruitment and retention of volunteers.

Councillor Jackie Drayton commented that she had seen good examples of strong community groups willing to run the libraries. She asked if any consideration had been given to buddying with friends groups?

Dawn Shaw confirmed that this was the case and where there was expertise within community groups this should be shared. This would be a learning experience for the Council as well as community groups. The Council were working with the voluntary sector looking at developing a central pool of volunteers which could be shared across the City.

Councillor Julie Dore commented that not much reference had been made in the discussion for the need to modernise the service. User numbers had dramatically declined in recent years and most people were moving towards accessing material in other ways.

Dawn Shaw confirmed that this was an important part of officers' consideration. They were looking to introduce e-books and wifi more widely across the service. Officers were working with officers within digital inclusion to look at the digital offer. Older people had commented that they valued the community space to interact with others so officers were looking at that and they were taking on board the creativity and vision of other organisations.

8.7 Comments from Cabinet Members

Councillor Jackie Drayton commented that she welcomed the feedback from young people and commended all the people working hard to try and keep the libraries open. She also thanked the staff who had helped and supported these community groups to keep the libraries open. She appreciated that it was a difficult and emotive subject. Cabinet Members understood the implications of agreeing the proposals and it was a difficult decision but they had been elected to often make decisions in difficult circumstances.

Councillor Mary Lea commented that she recognised the health implications related to loneliness and isolation and that libraries were a good place for people to interact. Associate libraries were a good avenue to address this and she believed that the Council was delivering on its public health outcomes.

Councillor Bowler commented that she was disappointed that the decision to approve the recommendations had to be made and she was a library member and user so it was not the case, as she had heard from the press was being suggested, that no member of the Cabinet had a library card or used a library. At the same time she was optimistic for the future of the service across the city because local people were stepping forward. She recognised that if the Council failed to set a budget someone else would set it and even more libraries would close. She valued the fact that people cared about their community and was impressed with what people had achieved thus far. She was reassured that officers would do all they could to support libraries in the future.

Councillor Mazher Iqbal commented that this had not been an easy decision to make. He was grateful to his Cabinet Assistants, fellow Cabinet Members and

Councillors for their support. He appreciated the fantastic staff that worked at the Council and at libraries across the City. It had been heartwarming to hear the responses of community groups. The process did not end at this meeting and the Council would work closely with groups to develop their business plans to ensure continued sustainability and viability. Councillor Iqbal also thanked the Chair of the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee for her hard work and support. In conclusion, Councillor Iqbal thanked the members of the public and stated that he had tried to answer the questions fully and it was important that this opportunity existed to hold Councillors to account. He then moved that the independent libraries be renamed associate libraries.

8.8 RESOLVED: That Cabinet:-

- (a) agrees a new operating model for community libraries. Taking account of the Council's obligation to deliver a comprehensive and efficient library service as informed by the needs assessment, consultations undertaken and Equality Impact Assessment. The new operating model will consist of:-
- 11 Sheffield City Council run hub libraries
 - Up to 5 co-delivered community libraries
 - Retain Tinsley Library as a Council run facility until its rental agreement expires in 2016
 - Up to 10 associate libraries, with support for up to 3 years
 - New opening times for Central Library
 - Closure of the mobile library service
 - Development of the Home Library Service through a volunteer programme
 - All other existing library, information and archives services will be retained including the Schools Library Service
 - A volunteer programme
- (b) agrees £262,000 of funding from Council resources, carried forward to 2014/15, to support the sustainability and viability of associate libraries and volunteering, in response to issues raised during the consultation around the needs of older and disabled people and the role which libraries play in promoting health and well-being;
- (c) agrees funding of £262,000 from Council resources to support associate libraries and volunteering for the period 2015/16 and 2016/17, in response to issues raised during the consultation around the needs of older and disabled people and the role which libraries play in promoting health and well-being;
- (d) subject to consultation with the relevant Cabinet Members, requests that the Executive Directors, Communities and Resources, to explore the potential for a further capital allocation for any major repairs to associate libraries; and
- (e) notes the resolution of the Economic and Environmental Wellbeing Scrutiny

and Policy Development Committee, taken at its meeting held on 18 February 2014.

8.3 **Reasons for Decision**

- 8.3.1 Following extensive public consultation, to implement the review of the Libraries, Archives and Information Service, establishing a new service which will meet the City's aspirations for the future, will be comprehensive and efficient and will develop new partnerships with community organisations and people who use library services.
- 8.3.2 This new service will take account of the issues raised in the public consultation, the needs assessment and Equality Impact Assessment and will be affordable.

8.4 **Alternatives Considered and Rejected**

- 8.4.1 The options considered in determining the proposed operating model can be found in Section 8 of the report, now submitted, and further detail in Appendix I of the report.
- 8.4.2 Following analysis of the consultation 2013/14 and the Equality Impact Assessment, the options considered and rejected were:
- (i) No change to the proposal.
 - (ii) Offer all the associate libraries (with an approved initial business plan) co-delivery status for a limited period.
 - (iii) Offer all the associate libraries (with an approved initial business plan), an enhanced support offer, including financial support for a limited period. Access to Council services limited to a book depository service.

9. **REVENUE BUDGET FOR 2014/15**

- 9.1 A joint report of the Chief Executive and Executive Director, Resources was submitted which sought approval for the City Council's Revenue Budget for 2014/15, a 2014/15 Council Tax for the City Council and outlined the levies and precepts made on the City Council by other authorities.
- 9.2 As part of Cabinet's consideration of the joint report, it was noted that the Overview and Scrutiny Management Committee had noted the following recommendations, without amendment, as part of its consideration of the joint report earlier in the day.
- 9.9 **RESOLVED:** That the City Council, at its meeting on 7th March 2014 be recommended to:-
- (a) approve a net Revenue Budget for 2014/15 amounting to £451.248m;
 - (b) approve a Band D equivalent Council Tax of £1282.75 for City Council services, i.e. at the same level as 2013/14;

- (c) approve the Revenue Budget allocations and Budget Implementation Plans for each of the services, as set out in Appendix 2 of the report;
- (d) note that, based on the estimated expenditure level set out in Appendix 3 to the report, the amounts shown in part B of Appendix 6 would be calculated for the City Council for the year 2014/15, in accordance with sections 32 to 36 of the Local Government Finance Act 1992;
- (e) note the information on the precepts issued by the South Yorkshire Police Authority and the South Yorkshire Fire and Civil Defence Authority, together with the impact of these on the overall amount of Council Tax to be charged in the City Council's area;
- (f) approve the proposed amount of compensation to Parish Councils for the loss of council tax income in 2014/15 at the levels shown in the table below paragraph 186"
- (g) approve the proposed changes to empty property discounts in respect of Council Tax
- (h) note the latest 2013/14 budget monitoring position;
- (i) approve the Treasury Management and Annual Investment Strategies as set out in Appendix 7 to the report and the recommendations contained therein;
- (j) approve the Minimum Reserve Provision (MRP) Statement set out in Appendix 7 to the report; and
- (k) delegate authority to the Director of Finance to undertake Treasury Management activity, to create and amend appropriate Treasury Management Practice statements and to report on the operation of Treasury Management activity on the terms set out in those documents.

(NOTE: 1.This item is referred for approval by the City Council and cannot, therefore, be called in for scrutiny)

10. CAPITAL PROGRAMME 2014/15

- 10.1 The Executive Director, Resources submitted a report setting out the proposed Capital Programme from 2014-15 onwards describing the programmes to be undertaken, listing the projects to be delivered and setting out the context in which it had been compiled.
- 10.2 As part of the Cabinet's consideration of the report it was noted that the Overview and Scrutiny Management Committee had noted the following recommendations, without amendment, as part of its consideration of the report earlier in the day.
- 10.3 **RESOLVED:** That the City Council, at its meeting on 7th March 2014, be recommended to:-

- (a) approve those specific projects included in the years 2013-14 to 2017-18 programmes as at Appendix 8 of the report. Block allocations were included within the programme for noting at this stage and detailed proposals will be brought back for separate Member approval as part of the monthly monitoring procedures;
- (b) note the proposed Capital Programme for the 5 years to 2017/18 as per Appendix 8 to the report; and
- (c) approve the allocations from the Corporate Resource Pool (CRP) and the policy outlined in Appendix 4 to the report such that the commitment from the CRP is limited to 1 year and no CRP supported schemes are approved beyond 2014-15. (If substantial capital receipts are realised within 2013-14 or 2014-15 a further report will be brought to Members as part of the monthly approval process).

(NOTE: This item is referred for approval by the City Council and cannot, therefore, be called in for scrutiny)

11. REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2013/14 (MONTH 8) AS AT 30/11/13

11.1 The Executive Director, Resources submitted a report providing the month 8 monitoring statement on the City Council's Revenue and Capital Budget for 2013/14.

11.2 **RESOLVED:** That Cabinet:-

- (a) notes the updated information and management actions provided by the report on the 2013/14 Revenue Budget position;
- (b) in relation to the Capital Programme, approves:-
 - (i) the proposed additions to the capital programme listed in Appendix 1 of the report, including the procurement strategies and delegations of authority to the Director of Commercial Services or nominated Officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;
 - (ii) the proposed variations and slippage as detailed in Appendix 1 of the report; and notes
 - (iii) the variations listed in Appendix 1 of the report with the delegated authority of EMT and Directors; and
 - (iv) the latest position on the Capital Programme including the current level of delivery; and
 - (v) delegates authority to the Cabinet Member for Finance, the authority

to vary approved amounts for projects until 31st May 2014.

11.3 Reasons for Decision

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

11.4 Alternatives Considered and Rejected

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

12. SPORT FACILITIES INVESTMENT

12.1 The Executive Director, Place submitted a report seeking Cabinet approval for the City Council to invest £3.5m capital into a £24m City programme for renewing and improving the City's sports facilities.

12.2 David Morton, Clerk to the Ecclesfield Parish Council, attended the meeting in support of the proposals and commented that he welcomed them and requested that Cabinet approve the recommendations.

12.3 **RESOLVED:** That Cabinet:-

- (a) notes and approves the facilities investment strategy set out in the report and, in particular, agree the development of North Active and Graves Tennis and Leisure Centre;
- (b) notes that, as part of the City Council's capital approval process, capital investment proposals to invest £1m at Graves and construct the £7.1m scheme at Thorncliffe have been submitted to Cabinet as part of the month 8 finance report. The report also sets out the conditions of the external finance grants and seeks approval to enter into contracts to accept the funding;
- (c) notes that future running expenditure will be approved via the 2015/16 budget setting process;
- (d) delegates authority to the Executive Director, Place, in consultation with the Director of Commercial Services approval of the Procurement Strategy for the works required for North Active;
- (e) delegates authority to the Executive Director, Place, in consultation with the Director of Legal and Governance, Director of Finance and Director of

Capital and Major Projects to award and finalise the terms of a contract for the works at North Active;

- (f) delegates authority to the Executive Director, Place, in consultation with the Director of Commercial Services approval of the Procurement Strategy for the future operation of North Active;
- (g) delegates authority to the Executive Director, Place, in consultation with the Director of Legal and Governance, to award and finalise the terms of a contract for the operation at North Active;
- (h) delegates authority to the Executive Director, Place, in consultation with the Director of Legal and Governance and the Director of Finance, to enter into agreements for external funding into the Council for the purpose of meeting the costs at North Active and to approve the terms of such funding agreements;
- (i) delegates authority to the Executive Director, Place, in consultation with the Director of Legal and Governance and the Director of Finance, to enter into agreements with Sheffield City Trust (or any group company) to provide funding (by grant, loan or otherwise) for Graves TLC and to approve the terms of that funding; and
- (j) delegates authority to the Executive Director, Place, in consultation with the Director of Legal and Governance and the Director of Finance, to take such other steps as he may deem appropriate to achieve the outcomes in the report in relation to North Active and Graves TLC projects.

12.4 **Reasons for Decision**

12.4.1 The recommendations are based on a facilities investment strategy which will achieve the triple aim of improving facilities, improving health and reducing running costs. The strategy has therefore attracted the support of a number of national and City partners and will trigger a £24m investment programme.

12.4.2 The City Council faces its biggest ever challenge in terms of dramatically reducing budgets – including those for sports facilities. By contrast, there are significant new opportunities for external capital investment in facilities. The proposed strategy is therefore ‘invest to save and grow participation’ i.e replace facilities that are high cost, under-utilised or nearing the end of their life and invest in lower cost and higher qualities facilities which will increase participation and therefore improve health. Particular focus will be placed upon attracting low participant groups to the new facilities and, particularly those suffering from poor health.

12.5 **Alternatives Considered and Rejected**

12.5.1 The facilities investment strategy considered a number of alternative options. The first strategic choice was made in 2013 in relation to the future of Don Valley Stadium. The rationale for its closure was based not only on the £700k saving on annual operating costs and the avoidance of alternatively having to close several

community pools to achieve the same level of saving, but also the capital cost of stadium repairs – estimated at £1.6m and rising to £4m in future years.

- 12.5.2 Given the City Council's limited availability of capital funds, the choice therefore was to spend up to £4m to repair one facility (Don Valley Stadium) – with limited consequent savings on running costs, no expected resulting increase in participation and no prospects of any contributions from external funders – or invest £3.65m to trigger a £24m investment programme in four redeveloped/new facilities (Woodbourn, Concord, Graves and North Active) – with major savings on running costs, significant increases in participation and unprecedented leverage of external capital. The simple choice was therefore between 'invest to stand still' at DVS or 'invest to save and grow participation' in four facilities.
- 12.5.3 It is perhaps not surprising that the compelling case for the £24m investment programme has won the strategic support of both Sport England and NCSEM.
- 12.5.4 In terms of North Active – the alternative of refurbishing Chapeltown Pool has been considered. However, it is already over 50 years old and is nearing the end of its economic life; refurbishment or even a like-for-like pool replacement will not attract external capital; the current pool is too small to serve as the single district pool for the north and the site is too small to build the required district pool and associated fitness/health facilities. The choice is either a new pool now or face the risk of no pool in the near future.
- 12.5.5 Similarly, the option of refurbishing Stocksbridge pool or building a new pool in Stocksbridge has been considered. However, an independent consultants study in 2013 (commissioned by Sport England and the City Council) concluded that refurbishment would provide only a 'relatively short to medium term solution' and would be 'unlikely to offer value for money'. Furthermore, refurbishment would not attract external capital and would still result in a pool with significant operating costs. Unfortunately, the limited catchment population served by a potential new facility in Stocksbridge is such that Sport England and NCSEM have confirmed they would be unable to contribute any capital funds.

13. VOLUNTARY SECTOR GRANT AID INVESTMENT IN 2014/15

- 13.1 The Executive Director, Communities submitted a report focusing on the allocation of the Voluntary Sector Grant Aid Budget for 2014/15. This is a transitional year and the report proposes that a full review of the current Voluntary Sector Grant Aid criteria and processes takes place between January and June 2014, which will form part of a wider assessment of how the Council invests in the Voluntary, Community and Faith (VCF) Sector in future years.
- 13.2 **RESOLVED:** That Cabinet:-
- (a) approves that a full review of the current Voluntary Sector Grant Aid criteria and processes takes place between January and June 2014, which will form part of a wider assessment of how the Council invests in the VCF Sector from 2015/16 onwards;

- (b) having had due regard to the provisions of Sections 149 and 158 of the Equality Act 2010 and Section 17 of the Crime and Disorder Act 1998, and to the issues raised by those provisions, approves the grant award recommendations listed in Section 4 of the report, and detailed further in Appendix 1;
- (c) endorses the award process described in Appendix 2 to the report and approves the actions, arrangements and recommendations at Sections 4 and 11, and the following specific delegations:-
 - (a) delegates authority to the Director of Housing:-
 - (i) to administer the Lunch Clubs Small Grants Fund as described in Appendix 1 to the report;
 - (ii) to agree the terms of and authorize the completion of all funding agreements relating to grants made from the Lunch Clubs Small Grants Fund and the Voluntary Sector Grants Fund, together with any associated agreements or arrangements that they may consider appropriate, provided that if the terms of a proposed funding agreement involves the variation of any standard terms previously agreed by Internal Audit and/or Legal Services the agreement shall not be completed without the consent of the Chief Internal Auditor and the Director of Legal and Governance;
 - (iii) that where (a) a change of circumstance affects the ability of an organization to deliver the purpose of a grant awarded, (b) the Director considers the performance of the organisation to be below an acceptable standard or (c) an organisation has breached any of the award conditions contained in their funding agreement, to review, adjust or suspend grant awards;
 - (b) The Director of Housing, in consultation with the Cabinet Member for Communities and Inclusion, is authorised:-
 - (i) to allocate up to £15,000 to further support infrastructure services in the second 6 month period (1st October 2014 – 31st March 2015).
 - (ii) to agree the amounts, purposes and recipients of any individual grants awarded in year from the Grant Funds including any additional sums received or returned or unpaid funds.
 - (iii) that where (a) a change of circumstance affects the ability of an organisation to deliver the purpose of the grant awarded or (b) the Director considers the performance of the organisation to be below an acceptable standard or (c) an organisation has breached any of the award conditions contained in their funding agreement, to withdraw grant awards.

13.3 Reasons for Decision

13.3.1 The allocation of this funding will fundamentally contribute to the Council's Strategic outcomes around 'Tackling Poverty and Increasing Social Justice'. In addition it will contribute to the following objectives:-

- A Strong and Competitive Economy
- Better Health and Wellbeing
- Successful Children & Young People
- Safe and Secure Communities
- A Great Place to Live
- An Environmentally Responsible City

13.3.2 In addition, the allocation of this funding will contribute to the Fairness Commission's recommendations around:-

- Health and Wellbeing for all
- Fair Access to High Quality Jobs and Pay
- Fair Access to Benefits and Credit
- Housing and a Better Environment
- A Safe City
- What Citizens and Communities can do

14.4 **Alternatives Considered and Rejected**

14.4.1 There were no alternative options presented in the report for consideration.

14. **BUILDING AND ACQUIRING NEW COUNCIL HOUSING**

14.1 The Executive Director, Communities submitted a report setting out the strategic case for building and acquiring additional affordable homes, beyond the initial 75, and sought authority to undertake the required planning and consultation work to do so. This followed the approval by Council on 5 February 2014 of the HRA Business Plan Update for 2014/15 which outlined the potential within the Business Plan to deliver approximately 600 Council homes through a mixed programme of acquisitions and new build over the next 6 years.

14.2 **RESOLVED:** That Cabinet:-

- (a) approves the development of a mixed programme of acquisitions and new build to renew the Council's housing stock;
- (b) delegates authority to the Director of Regeneration and Development Services in consultation with the Director of Commissioning and the Interim Director of Council Housing Services to identify properties for acquisition for Council Housing and prepare the necessary capital approval submission in line with Council's approval process;
- (c) delegates authority to the Director of Capital and Major Projects, in

consultation with the Director of Regeneration and Development Services to negotiate and agree terms for the acquisition of the properties identified and delegates authority to the Director of Capital and Major Projects to instruct the Director of Legal and Governance to complete the necessary legal documentation;

- (d) delegates authority to the Director of Regeneration and Development Services in consultation with the Director of Commissioning, the Interim Director of Housing Services and the Director of Capital and Major Projects to identify sites for new build Council Housing, specify the type and size of homes required and prepare the necessary property disposal and capital approval submission in line with Council's approval process; and
- (e) delegates authority to the Director of Commissioning in consultation with the Director of Finance to set such charges for the tenancy of each dwelling acquired or built under this programme as he deems reasonable.

14.3 Reasons for Decision

- 14.3.1 Sheffield's Strategic Housing Market Assessment estimates that an additional 725 affordable homes would be required each year for the next 5 years to meet projected need in the City.
- 14.3.2 Delivering the proposed programme of additional Council housing would maintain the authority's housing stock at a sustainable level in the light of continuing loss of stock through Right to Buy.
- 14.3.3 Delivering a significant element of new build Council housing within the programme would contribute towards overall housing and economic growth in the City whilst increasing the choice of housing locally.
- 14.4 Acquiring additional stock would have wider strategic benefits including bring empty properties into use and increasing choice within the housing stock.

14.4 Alternatives Considered and Rejected

- 14.4.1 The alternative to delivering the programme is for the Council's housing stock to continue to both age and reduce. This would leave the HRA with less debt but it would leave the City with less affordable housing when more is needed.
- 14.4.2 Officers considered the possibility of extending the role of the Sheffield Housing Company (SHC) to provide new Council homes. However, building of council houses on Council land was not part of the SHC's procurement and would be a new public works contract that must be tendered for under public sector procurement rules. The 30 new Council homes to date were acquired from the SHC, not built for the Council by the SHC. If the SHC wanted to build houses for the Council they would need to respond to the tender along with any other interested parties.
- 14.4.3 The alternative option for the potential new build sites would be disposal on the

open market. A specific option appraisal would be undertaken for each site within the Strategic Business Case required for the Council's capital process.

15. GATEWAY PROTECTION PROGRAMME

15.1 The Executive Director, Communities submitted a report seeking authority for the Council to enter into two further funding agreements for an extension of the Gateway Protection Programme, to run from 1/4/14 – 31/3/16 and, subject to satisfactory funding arrangements, for the Council to continue receiving the grant funding from the Home Office for the delivery of the programme and enter into sub-agreements with Hull City Council and the Refugee Council, on terms which reflect the Council's agreements with the Home Office, for the services that they deliver.

15.2 **RESOLVED:** That, subject to the Home Office agreeing the costs submitted, Cabinet approves:-

- (a) that the Council enters into 2 funding agreements with the Home Office to deliver the Gateway Protection Programme for the period from 1/4/14 – 31/3/16;
- (b) that the Council enters into funding agreements with the Refugee Council and Hull City Council for the elements of the programme that they deliver on terms that reflect the Council's agreement with the Home Office; and
- (c) that delegated authority be given to the Executive Director, Communities in consultation with the Director of Finance to instruct the Director of Legal and Governance to finalise terms and to complete the necessary documentation.

15.3 Reasons for Decision

15.3.1 The Council has managed a successful programme delivery partnership with Hull City Council and the Refugee Council since 2011. As well as overall management of the programme, the Council has also managed the provision of housing and associated tenancy support for the Gateway refugees. The local authority VCF partnership provides excellent quality and value for money services and delivering a further programme going forward will ensure the continuity of the current delivery partnership as well as providing the best housing and resettlement services for new refugees arriving in the City.

15.4 Alternatives Considered and Rejected

15.4.1 If the Council did not enter into the funding agreements with the Home Office for this extension the Home Officer have confirmed that they would not have enough time to identify another partner in the City to provide the housing and to contract with for the resettlement programme in Yorkshire and the Humber. This would mean that the national programme may not achieve its quota to resettle 750 refugees in 14/15.

- 15.4.2 The current delivery partners have both committed to continuing the existing arrangements for the period of the extension.

This page is intentionally left blank



SHEFFIELD CITY COUNCIL Cabinet Report

Report of: Chief Executive

Date: 19th March 2014

Subject: Staff Retirements

Author of Report: Simon Hughes, Democratic Services

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

Recommendations:

Cabinet is recommended to:-

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

Background Papers: None

Category of Report: OPEN

RETIREMENT OF STAFF

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

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
<u>Children, Young People and Families</u>		
Sandra Dawson	Cleaner, Birley Community College	40
Helen Horan	Assistant Headteacher, Shooters Grove Primary School	21
Marian Whiteley	Partnership Business Support Officer	40
Leslie Roberts	Buildings Supervisor, Hillsborough Primary School	28
<u>Communities</u>		
Jan Appleby	Service Manager, Social Care Accounts Service	39
Harold Phillipson	Senior Housing Officer	49
Hazel Street	Support and Payments Officer	24
Jan Wood	Team Manager, Assessment & Care Management Services	29

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

FORM 2

SHEFFIELD CITY COUNCIL



Cabinet Report

Report of:	Executive Director, Communities
Report to:	Cabinet
Date:	19 th March 2014
Subject:	Future of Council Housing: 'Housing+' proposals
Author of Report:	Vicky Kennedy, 0114 2053908
Key Decision:	YES
Reason Key Decision:	Expenditure/savings over £500,000 Affects 2 or more wards

Summary:

The 'Housing+' Project is the development of a new model of council housing management. It aims to deliver the vision for the housing service developed by Members, customers and staff. It will also establish a value-for-money Council Housing Service (CHS) which supports the Council's Strategic Objectives and Design Principles.

The proposals are based on detailed consultation with customers and staff, and will benefit all the Council's tenants and their wider households. They will receive services in a more effective and joined-up way, tailored to meet their individual needs.

Housing+ is a patch-based model with named Officers working with all households in their patch. There will be an emphasis on more contact with customers in their own homes and all households will be offered an annual visit to discuss their tenancy, and support or advice will be drawn-in from the relevant specialists for those households who need it.

There will be 8 Neighbourhood Teams, based on Electoral Ward boundaries. As well as delivering front-line services, the Teams will work with other providers and local people to help strengthen

the local community. They will be supported by a number of consolidated teams providing specialist advice, developing city-wide policies and delivering operational services.

The new model could also achieve benefits for other Council services. By providing advice and low-level preventative work in disciplines outside the 'traditional' housing boundaries, the CHS will help tenants maintain their tenancy and reduce their need for more costly interventions. This will in turn achieve savings for both the Housing Revenue Account and for other Council services.

Another key feature of Housing+ is mobile technology – enabling staff to spend more time working at the frontline with customers and less time travelling and completing paperwork. As well as increased efficiency, this should also result in more job satisfaction for staff.

The costs given in this report are indicative only at this stage based on the assumptions described in section 8. There are a number of variable factors and decisions still to be made which could impact on the actual final costs of the proposal. Any changes in these assumptions will impact on the financial modelling.

It is estimated that the new model can be delivered with a 5% reduction in the substantive workforce. Due to the number of current vacancies in the CHS, this equates to a small increase in the number of employees currently in post.

Housing+ is projected to generate a £0.5million in HRA savings, compared to the existing baseline, over the first 5 years. This includes additional one-off costs for mobile IT and a potential VER/VS scheme. An annual saving of £0.5 million from Year 6 is projected, taking into account the savings expected to be achieved by Housing+.

An Achieving Change process will be needed to implement the new model. A robust communications plan will be needed, as well as a comprehensive staff training programme.

Commitment from other relevant services to support the Housing+ model – for example, from Adult Social Care and Public Health – will help to ensure that its potential benefits are fully realised.

As with any large scale project, there are risks associated with the implementation of these proposals. In particular, there are risks relating to: (i) the TUPE regulations under which Sheffield Homes staff were transferred into the Council, (ii) the potential 'unmet demand' for services which the new ways of working may uncover, and (iii) the reliability of the mobile IT system chosen.

Reasons for Recommendations:

(Reports should include a statement of the reasons for the decisions proposed)

- Housing+ will deliver a housing service which achieves the ambitions set by Cabinet in March 2012 as part of the ballot commitment to tenants (as described in section 4.1.1). It will also realise the vision for the service which customers and Members have developed over the last two years.
- The preventative nature of Housing+ offers the potential to help reduce demand for other Council services - for example, Adult Social Care.
- Housing+ will help sustain the Housing Revenue Account and protect the long-term asset value of the council housing stock.
- Housing+ would see the development of a Council Housing Service which meets and fully supports the Council's Strategic Objectives and Design Principles.

Recommendations: That:

- (a) The implementation of the Housing+ model as described in this report is approved.
- (b) Work on implementing Housing+ does not continue without a further decision from Cabinet should the overall financial assumptions made within this report (as set out in Section 8) prove to be inaccurate.
- (c) Delegated authority is given to the Director of Housing Services to take the necessary steps to implement the Housing+ model of housing management as described in this report, including the development of the organisational structure needed to deliver the model, in consultation with the Director of Human Resources.
- (d) Delegated authority is given to the Executive Director of Communities to make the final decisions in relation to the budget and implementation detail for the IT element of the project, as specified in Section 4.3.
- (e) Cabinet endorses the 'whole Council' approach to Housing+ described at Section 7 and requests that members of the Executive Management Team establish a Working Group to be responsible for overseeing the engagement of, and support from, other relevant Council services in the implementation of Housing+.
- (f) Cabinet requests a review of the Housing+ model to be carried out and the findings reported back to Cabinet within 12 months of the commencement of the city-wide roll-out (currently scheduled to begin on 1st April 2015)

Background Papers: Future of Council Housing Cabinet Report, 21st March 2012
Future of Council Housing Cabinet Report, 12th December 2012
Housing+ Business Case, February 2014

Category of Report: **OPEN**

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Karen Jones, Finance Manager
Legal Implications
YES Cleared by: Andrea Simpson
Equality of Opportunity Implications
NO Cleared by: Phil Reid
Tackling Health Inequalities Implications
NO
Human Rights Implications
NO
Environmental and Sustainability implications
NO
Economic Impact
NO
Community Safety Implications
NO
Human Resources Implications
YES Cleared by: Cheryl Blackett
Property Implications
NO
Area(s) Affected
Citywide
Relevant Cabinet Portfolio Lead
Cllr Harry Harpham
Relevant Scrutiny Committee
Safer and Stronger Communities
Is the item a matter which is reserved for approval by the City Council?
NO
Press Release
YES

1. Summary

1.1 The 'Housing+' Project is the development of a new model of council housing management. It aims to deliver the vision for the housing service developed by Members, customers and staff. It will also establish a value-for-money Council Housing Service (CHS) which supports the Council's Strategic Objectives and Design Principles.

1.2 The proposals are based on detailed consultation with customers and staff, and will benefit all the Council's tenants and their wider households. They will receive services in a more effective and joined-up way, tailored to meet their individual needs.

1.3 Housing+ is a patch-based model with named Officers working with all households in their patch. There will be an emphasis on more contact with customers in their own homes and all households will be offered an annual visit to discuss their tenancy, and support or advice will be drawn-in from the relevant specialists for those households who need it.

1.4 There will be 8 Neighbourhood Teams, based on Electoral Ward boundaries. As well as delivering front-line services, the Teams will work with other providers and local people to help strengthen the local community. They will be supported by a number of consolidated teams providing specialist advice, developing city-wide policies and delivering operational services.

1.5 The new model could also achieve benefits for other Council services. By providing advice and low-level preventative work in disciplines outside the 'traditional' housing, the CHS will help tenants maintain their tenancy and reduce their need for more costly interventions. This will in turn achieve savings for both the Housing Revenue Account and for other Council services.

1.6 Another key feature of Housing+ is mobile technology – enabling staff to spend more time working at the frontline with customers and less time travelling and completing paperwork. As well as increased efficiency, this should also result in more job satisfaction for staff.

1.7 The costs given in this report are indicative only at this stage based on the assumptions described in section 8. There are a number of variable factors and decisions still to be made which could impact on the actual final costs of the proposal. Any changes in these assumptions will impact on the financial modelling. In particular, the Council's recent proposals for a revised Pay Strategy, if implemented, will need to be fully assessed to understand their impact.

1.8 It is estimated that the new model can be delivered with a 5% reduction in the substantive workforce. Due to the number of current vacancies in the CHS, this equates to a small increase in the number of employees currently in post.

1.9 Housing+ is projected to generate a £0.5million in HRA savings, compared to the existing baseline, over the first 5 years. This includes additional one-off costs for mobile IT and a potential VER/VS scheme. An annual saving of £0.5 million from Year 6 is projected, taking into account the savings expected to be achieved by Housing+.

1.10 An Achieving Change process will be needed to implement the new model. A robust communications plan will be needed, as well as a comprehensive staff training programme.

1.11 Commitment from other relevant services to support the new model – eg. from Adult Social Care, Children and Families and Public Health – will help ensure that its potential benefits are fully realised.

1.12 As with any large scale project, there are risks associated with the implementation of these proposals. In particular, there are risks relating to: (i) the TUPE regulations under which Sheffield

Homes staff were transferred into the Council, (ii) the potential 'unmet demand' for services which the new ways of working may uncover, and (iii) the reliability of the mobile IT system chosen.

1.13 The report recommends that:

(a) The implementation of the Housing+ model as described in this report is approved.

(b) Work on implementing Housing+ does not continue without a further decision from Cabinet should the overall financial assumptions made within this report (as set out in Section 8) prove to be inaccurate.

(c) Delegated authority is given to the Director of Housing Services to take the necessary steps to implement the Housing+ model of housing management as described in this report, including the development of the organisational structure needed to deliver the model, in consultation with the Director of Human Resources.

(d) Delegated authority is given to the Executive Director of Communities to make the final decisions in relation to the budget and implementation detail for the IT element of the project, as specified in Section 4.3.

(e) Cabinet endorses the 'whole Council' approach to Housing+ described at Section 7 and requests that members of the Executive Management Team establish a Working Group to be responsible for overseeing the engagement of, and support from, other relevant Council services in the implementation of Housing+.

(f) Cabinet requests a review of the Housing+ model to be carried out and the findings reported back to Cabinet within 12 months of the commencement of the city-wide roll-out (currently scheduled to begin on 1st April 2015).

2. What does this mean for Sheffield people?

2.1 Council housing represents almost a fifth of all Sheffield's housing, with over 48,000 tenants living in around 41,000 homes. A more tailored and locality-based approach to delivering council housing services, as this report recommends, has huge potential to make a real difference to people in the city.

2.2 In its corporate plan 'Standing up for Sheffield', the Council commits to "...make the best possible use of resources to meet the needs of Sheffield and its people ... ensuring that we only invest in efficient services that people and local communities really need." These proposals support this commitment – by delivering a value-for-money housing service which supports its households and communities in ways which tenants say best meet their needs.

2.3 Tenants and their families will receive more streamlined, integrated and individually-tailored services. Closer working between housing and other Council services will give tenants better access to a variety of advice and preventative services, leading to improved health outcomes, less social isolation and improved financial wellbeing.

2.4 More staff will be moved to locally-based area teams by reducing management layers and streamlining specialist and support services. Staff will spend more of their time working with tenants in their homes and on estates and so will be a visible local Council presence.

2.5 Earlier, more effective responses to tenancy issues – such as rent arrears and ASB – will allow the wider underlying issues (e.g. financial exclusion) to be tackled more effectively. This will lead to lower rent arrears and a reduction in the number of more serious issues.

2.6 There will be increased community resilience through encouraging and supporting community engagement and networks, and through enabling tenants and their families to take advantage of opportunities offered by the local community.

3. Outcome and sustainability

3.1 Supporting the Council's Strategic Outcomes

The Housing+ Project contributes to many of the outcomes in the Council's corporate plan:

3.1.1 Better Health and Wellbeing: The Council aims to “join up the way we secure services across healthcare, public health, social care and housing”. Housing+ takes a ‘one stop’ approach, aiming to link housing with health-related and social-care services and improve the links between safe, well-maintained housing and improved health and mental well-being.

3.1.2 Successful Young People: This focuses on helping families be safe, healthy and strong through a ‘whole household’ approach. A major feature of Housing+ is taking a holistic approach when providing services to our tenants.

3.1.3 Tackling Poverty and Increasing Social Justice: The Council wants to support people to maximise their available income, develop basic skills to participate in the wider economy and to make advice available to those who need it. This project supports this by developing opportunities for tenants to grow their financial and economic potential.

3.1.4 Safe and Secure Communities: The Council wants communities to *be* and to *feel* safe, and key to this is effectively tackling antisocial behaviour. Through the Council Housing Service working more closely with other public services, this project will contribute to the Council's wider approach of crime prevention, crisis resolution and recovery.

3.1.5 A Great Place to Live: Offering safe well-maintained housing will make our neighbourhoods more desirable. Through joined-up neighbourhood management, the project will also support the sustainability of communities by developing partnerships between the Council Housing Service and other community facilities.

3.2 A sustainable 30-year Housing Revenue Account (HRA) Business Plan

3.2.1 An overarching aim of the Housing+ Project is to ensure that tenancies, homes and neighbourhoods are well-managed and well-maintained. This will help protect the investment the Council has made in its properties, in turn helping to protect the long term viability of the HRA and contribute ultimately to sustainable estates and communities.

3.2.2 Tenants more easily accessing the support they need to live in their homes should reduce tenancy turnover and the costs this generates.

3.2.3 Housing+ will also achieve savings for the HRA through pre-emptive budgeting and rent advice, reduced demand for office-based customer contact by focussing on more home appointments and increased staff efficiency through mobile IT-supported working practices.

3.3 Fulfilling the Council's Design Principles

The Council Housing Service (CHS) needs to modernise and realign to satisfy the Council's Design Principles. Housing+ will ensure that the CHS fulfils these principles by:

3.3.1 Providing city leadership and working in partnership: The CHS will work with other services and organisations to achieve the best possible outcomes for tenants and their families.

3.3.2 Helping people to help themselves: Enabling tenants to be more self-reliant by providing information and early support to help them independently maintain their tenancy.

3.3.3 Providing affordable and cost-effective services: Housing+ will support the long-term sustainability of the HRA Business Plan and so help ensure that the commitments made to tenants within the Plan can be fulfilled.

3.3.4 Being creative and innovative: The implementation of Housing+ will result in a major shift in the Council's approach to housing management, in line with the ambitious vision developed by tenants for their housing service.

3.3.5 Focusing on early intervention and prevention: A key part of Housing+ will be identifying and addressing potential issues as soon as they arise, reducing the need for costly high-level interventions later on.

3.3.6 Providing flexible and responsive services: By tailoring our approach according to the needs of each household, the Housing+ model will help ensure that tenants receive the services they need, when they need them.

4 The Housing+ Project

4.1 A vision for the city's council housing and investment service

4.1.1 The Project will develop a new housing management model which delivers the vision for the service developed by Members, customers and staff. Cabinet agreed in March 2012 to reintegrate housing management services back into the Council, following a tenant ballot in February 2012. At that time, Cabinet also committed to an ambitious vision for Sheffield's council housing, summarised as:

- An excellent quality housing management service
- Making best use of the Council's role as landlord to help people achieve their full potential – with all Council services using this role as a platform for achieving this.
- Being an active landlord and delivering services to tenants which are part of a joined-up neighbourhood management approach, helping neighbourhoods to flourish.
- A “one stop shop” approach giving easy access to housing and other Council services.
- Efficient management ensuring value-for-money and allowing more rent to be spent on frontline services and homes.
- A bigger say for tenants – about their homes; their neighbourhoods; and the city.

4.1.2 As described in the Future of Council Housing report to Cabinet in December 2012, consultation then took place to identify the key issues facing tenants and their aspirations for the future. Citywide consultation was followed by more detailed work by eight Service Design Project Groups involving tenants, leaseholders and staff. These Groups each focused on a particular aspect of the housing service and developed a vision of how they would like to see it

delivered in the future. A copy of each of these visions is attached in Appendix One, and the key elements can be summarised as follows:

- Local community-based approaches to delivering services.
- Better joined-up working between Council services to respond to tenants' needs more effectively, and to achieve better value-for-money by reducing duplication of activity.
- Enabling tenants and their families to independently manage their finances, health, well-being and housing circumstances and so improve their household resilience.
- A 'whole household' approach, building better links with GPs and other health staff.
- Building community resilience by encouraging more 'grassroots' tenant involvement
- Strengthening democracy and transparency in decision-making.
- More pre-tenancy support for applicants.
- Well looked-after and effectively managed estates and neighbourhoods
- Protecting the Decent Homes investment made in council housing properties
- Ensuring value-for-money and making the best use of tenants' rents.

4.1.3 Staff from across the Council Housing Service, and from other relevant Council teams, have undertaken detailed work to look at how the visions referred to above could be implemented in practice. This work has formed the basis of the proposals in this report.

4.2 The proposed Housing+ Model of Council Housing Management

4.2.1 A wholesale change is proposed in how housing services are delivered, moving to an integrated tenancy management, tenancy support, maintenance and investment service tailored to the needs of individual households. Closer links with other Council teams— particularly with Adult Social Care, Public Health and Children, Young People and Families – will help to fully achieve the joined-up holistic approach which Members and customers have asked for. To achieve this, the following model is proposed.

4.2.2 There will be eight 'Neighbourhood Management Teams' (NMTs), their boundaries based on Electoral Ward boundaries to improve links to other Council services and partners. This will provide customers and Councillors with clear contact details for Housing+ staff across the city. Details of the Wards within each of these teams are given in Appendix Two.

4.2.3 NMTs will be responsible for the delivery and co-ordination of all council housing services in their area, liaising with other teams within the Council Housing Service, including maintenance and investment, as required. They will also develop and strengthen their local community through the promotion of community engagement, involvement and resilience.

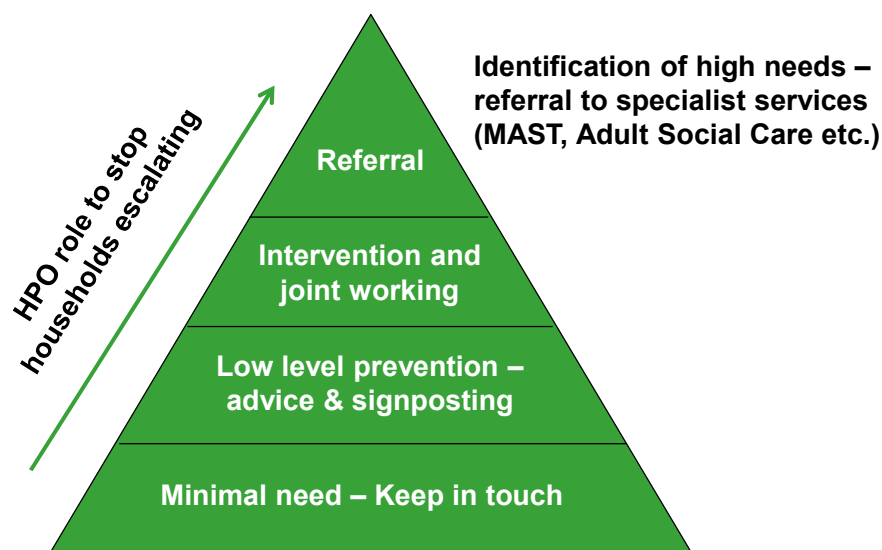
4.2.4 Housing staff ('Housing+ Officers') in each NMT will have clearly defined geographical 'patches' and will be responsible for front-line service delivery to all council households within their patch. Their remit will include rent arrears, anti-social behaviour and supporting community engagement. They will also liaise closely with other providers in the area (e.g. Estate Services Team, Amey, Parks & Countryside, the Police, Fire Service, other Registered Providers of Social Housing, etc) to support the maintenance of the environmental and physical aspects of the area and contribute to fully joined-up neighbourhood management.

4.2.5 Housing+ Officers (HPOs) will take a holistic approach to managing tenancies and liaise with tenants on a variety of issues including home skills, employment, education and health. They will focus on prevention, dealing with low level issues directly and signposting people to resources within the local community to help prevent problems escalating. They may need to refer some cases to other services for more specialist help and support. A "Day in the life..." profile in Appendix Three shows how the role could work in practice.

4.2.6 Although Housing+ will require CHS staff to work more closely with other Council teams, all services provided under the Housing+ model are those which would help or enable the tenant / household to maintain their tenancy. CHS staff will not become involved in issues which do not have a potential impact on the sustainability of the tenancy. This should ensure the integrity of the Housing Revenue Account (HRA) described in more detail in section 9.1.

4.2.7 HPOs will be a visible presence in their area, completing as much work as possible out in the area rather than from an office base. Wherever possible appointments will be in tenants' homes, and IT will enable staff to update records and access information remotely.

4.2.8 An annual visit will be offered to all households to discuss their tenancy, identify any guidance or intervention they need to help sustain the tenancy and to assess the condition of the property. A 'Housing+ Plan' will be agreed with the household, and the HPO will then work with the household as needed to help achieve this Plan. The level of support required will be variable - many households are self-sustaining and will need very little or no support, whilst others will need more input from their HPO to help maintain their tenancy:



4.2.9 There will also be a number of other officers in each NMT to manage and support the frontline staff and deliver services. Housing+ specialists will support the HPOs on more complex cases, and Neighbourhood Support Officers will provide customer access and business support functions for the whole team. There will also be a management structure in each team to ensure robust and effective performance management and service delivery.

4.2.10 In addition to the NMTs, there will also be a number of other non-area teams within the Council Housing Service delivering city-wide services, as is the case now. These will continue to provide specialist advice and support, develop city-wide policies and partnerships and directly deliver operational services (e.g. re-housing, repairs and income management). The shape of these teams will also need to change, however further work is needed to consider the structure and form of these teams and how they will integrate with the new Neighbourhood Teams. This would include reviewing the provision of services provided to customers outside of normal working hours.

4.2.11 The key differences tenants will see are shown in the table in Appendix Seven.

4.3 IT and Accommodation requirements of the new model

4.3.1 For the new model to be effective, front-line staff must work flexibly and be more mobile. Technology will be needed to support this new way of working – including handheld devices which enable data, forms, systems, etc. to be accessed and updated remotely.

4.3.2 Appropriate ICT will also be needed to promote digital inclusion to tenant households. Welfare Reform and the move to on-line Universal Credit applications will potentially have a significant impact on the income into the HRA. Housing+ staff will help to mitigate the impact through education and support for tenants in making claims. Digital inclusion also has a role to play in supporting people back to work and in combatting social isolation. The ICT available to Housing+ staff must be fit for purpose to achieve this.

4.3.3 The outline ICT costs are summarised in section 8.6. These are based on the implementation of a new software package, delivered via 300 mobile devices and include all project and implementation costs. It also includes the provision of mobile telephones and a lone working safety system for 300 staff.

4.3.4 The CHS currently has 12 public access points and 7 main back-offices across Sheffield, the annual cost of which is approximately £1.4million. Customers have strongly expressed that they value local face-to-face contact with staff, and the new model will maintain the availability of this. It will however change its nature and potentially the locations as mobile ICT and home visits will reduce the need for customers to visit fixed office locations. Staff will also work more flexibly from fewer fixed office locations whilst having access to local 'touchdown' and welfare facilities. All this offers the potential to re-shape the use of public access and back office accommodation to increase convenience for customers and achieve better value-for-money for the HRA.

4.3.5 Any proposals to close or change the opening hours of existing access points will be done in consultation with customers. The impact of Housing+ on footfall, as it becomes known, will also need to be considered when looking at future access points.

4.4 Consultation undertaken

4.4.1 Consultation with tenants, leaseholders and other stakeholders has been and will continue to be a key focus for this project. The proposals for the new model are firmly based on what tenants have told us they want from the housing service of the future.

4.4.2 Intensive consultation began in summer 2012 with the 'It's Your Shout' campaign:

- A survey-postcard sent to all tenants and leaseholders with customer magazine "InTouch".
- Recruitment of over 40 Community Consultation Volunteers to encourage people in their local area to engage in the consultation.
- Consultation events held at various community festivals and pop-up stalls across the city.
- 'Community Cafés' held with established groups to facilitate more in-depth discussions.
- An on-line staff survey.

4.4.3 As a result, over 2,500 customers provided feedback to help to design the future shape of the housing service. The feedback clearly identified the key issues for customers, and their aspirations for the future. This defined the focus for the service design work which was to follow, via the 8 Service Design Project Groups involving customers, described in **section 4.1.2**.

4.4.4 Following the outcomes of these 8 Project Groups, further consultation work was undertaken with tenants on the proposed principles of the new Housing+ model. This consultation is described in more detail in Appendix Four.

4.4.5 In addition to the specific consultation activities described above, there have also been regular updates and feedback opportunities provided to tenants and leaseholders through the Council's established governance channels – e.g. Local Housing Forums, Area Board meetings, Leaseholder Forum, Interim Sheffield Council Housing Board and through regular articles in tenant publications.

4.5 Managing the transition to the new model

4.5.1 Housing+ will be implemented according to the Council's Managing Employee Reductions / Achieving Change policy and procedures. Robust consultation, communication and change management will be undertaken, including full consultation with staff and Trade Unions. There will be a clear communication strategy– for customers, staff and other stakeholders, to ensure full understanding of and engagement with the changes. Organisational design work, new job descriptions and grading, and training and development will also be key elements of the transition.

4.5.2 The success of the new model will rely on the skills of staff delivering the service. This applies equally to all staff involved at whatever level. The right individual skills and behaviours are essential and it is important that the 'ask' of staff and reward is balanced. There will need to be careful consideration given to any recruitment and selection process for newly created posts to ensure that the staff recruited have the right skills.

4.5.3 Implementation will begin by rolling out the Housing+ approach as a 'test phase' in a specific housing area, testing the policies and procedures introduced to support the new way of working. This will be evaluated after 3 months and learning from it used to fine-tune the model. Full roll-out is expected to begin on an area-by-area basis in April 2015.

4.6 Measuring the outcomes of the new model

4.6.1 It will be important to monitor the impact of Housing+ to ensure that it is delivering its ambitions and the predicted benefits for all stakeholders. The Performance Monitoring Framework will be reviewed to ensure it is fit for purpose to measure the impacts of a new service. This will need a more sophisticated approach which (i) focuses on outcomes for households, (ii) measures sustainability, (iii) is based on local conditions and local priorities, and (iv) involves tenants in identifying their ambitions and expectations.

4.6.2 The new Framework will also need to quantify not only the benefits realised for the Council Housing Service in terms of cashable savings through improved outcomes for tenants, but also those for services in the wider Council and for external partner organisations. To do so, the wider impact of the work will need to be measured so that the model can be further developed and expanded.

5 Risks

5.1 As with any large-scale project, there are risks associated with the implementation of Housing+. The key risks are described below, along with the appropriate mitigating actions to be taken to effectively address and manage these risks.

5.2 Most significant are those relating to TUPE regulations under which Sheffield Homes staff transferred into the Council. Housing+ may require changes to some job descriptions and grades. The TUPE regulations state that any variation of a contract to the employee's detriment is void if the principle reason for the change is the transfer itself or a reason connected with it - unless the employer can point to an "economic, technical or organisational reason entailing changes in the workforce". HR are seeking legal advice on this in relation to Housing+ proposals to ensure that the Council meets its legal obligations.

5.3 CHS staff are currently excluded from proposed changes to the Council's Pay Strategy. Longer term, for economic, technical or organisational reasons, it is likely that the Council will need to address any differences in pay, terms and conditions between CHS employees and

the rest of the Council by moving CHS staff onto the Council's pay structure. HR are seeking legal advice on the detail of the proposals, how they impact on staff and any legal implications.

5.4 Housing+ could result in increased demand for services (both within and outside of the CHS) which cannot be met. However, the benefits described in 4.2.8 above are expected to help mitigate this. Learning from the Successful Tenancies Pilots currently running will also help assess this risk and the Housing+ model will be sufficiently flexible to accommodate any resulting changes required. Joint working on clear pathways and referral mechanisms, and joint-training and sharing of skills, will also help mitigate this.

5.5 Potential disruptions in the Council's IT system could impact on the mobile technology needed for Housing+. Work will be done with Capita to ensure that the IT sourced is as reliable and efficient as possible, and that we have robust arrangements in place to deal with any IT disruption. Business Continuity Plans will be made by all teams for alternative service delivery arrangements during periods of IT disruption.

5.6 To help minimise the risks of a wholesale change in housing management, and to ensure successful implementation, a staged roll-out of the new model is proposed. This will begin with an initial test phase of the Housing+ approach in a selected area.

5.7 Given the above there could be a risk that the proposal may not deliver the savings assumed. Once the detailed operational work commences on moving towards Housing+ and the final organisational structure and working practices are decided then the financial costs will be monitored and re- evaluated against those contained in this proposal.

6 Next steps

6.1 Cabinet are requested to give the Director of Housing Services delegated authority to take the necessary steps and make the appropriate decisions to ensure that the work and changes required are undertaken. This will be done in consultation with the Director of Human Resources.

6.2 Following the evaluation of the initial test phase, and of the feedback received from the customer consultation, the Housing+ model will be adjusted as needed - based on the lessons learnt.

6.3 The timetable planned is currently as follows:

- | | |
|--|-------------------------|
| • Preparations made for launch of initial test phase | Mid Apr-end of May 2014 |
| • Tenant consultation undertaken | May onwards |
| • Test phase is launched | June |
| • Evaluation of test phase | Sep |
| • Consideration of feedback from customer consultation | June - Sep |
| • MER / Achieving Change launched | 1st Oct |
| • MER /Achieving Change and recruitment process | Oct – Feb 2015 |
| • Final preparations made for full roll-out | Feb - Mar |
| • Full roll-out of Housing+ begins | 1st Apr |

7 Taking a 'Whole Council' approach and achieving Council-wide benefits

7.1 Under the new model, with its focus on prevention, fewer households living in Council properties should progress to more costly forms of interventions, reducing the demand for the relevant services. However, it may also uncover 'hidden' demand for some services, for example,

Adult or Children's services. Joint working to develop clear pathways and referral mechanisms, and joint-training and skills sharing, will hopefully mitigate this. Joint-working will also help reduce the duplication of services within the Council working with individual households and so reduce the business costs for those services.

7.2 Housing staff will help in developing communities by supporting volunteering and community activities in neighbourhoods with council housing properties. Doing so, and developing more resilient households through the Housing+ approach, will give communities the best possible chance of succeeding and so potentially reduce the need for Council intervention.

7.3 The Council may also benefit from the best use of local community facilities. Closer working with Libraries for example, could generate financial cost savings where shared spaces can be developed into community resources.

7.4 There may be joint benefits for services working together on data sharing. Understanding where potential service demands are generated would inform strategic planning and the best use of overall Council resources.

7.5 Longer-term, there is the potential to deliver some limited services on behalf of sections within the Council. This may be limited by skills and training and must be mindful of the restrictions around use of the HRA and Housing Benefit, but the potential exists for the expansion of the Housing+ approach.

7.6 To fully maximise the potential benefits, CHS staff need to be empowered and fully able to competently undertake their role. Commitment from other relevant services and teams across the Council will help to contribute to this – in terms of staff training and development, and also in designing and implementing effective pathways and guaranteed referral routes. The services expected to play a particularly important part in this are Public Health, Adult Social Care and Children, Young People and Families.

7.7 Housing+ has the potential to grow and expand over time, and to improve outcomes for tenants and their families. To do so, there needs to be full commitment to the model from other relevant services, and they will need to contribute to the development of, and provide data for, the Performance Monitoring Framework described above in 4.6. This will allow Housing+ to expand to its full potential and make the biggest difference possible for the people of Sheffield.

7.8 To help ensure 'buy-in' from and engagement of other relevant services, key officers from those services have been involved throughout the development of the Housing+ model. Presentations have been made at Executive Management Team and Portfolio Leadership Team meetings, which have included the sharing of the full business case - and comments from those discussions have helped to shape the proposals. Key managers of other services are members of the Interim Sheffield Council Housing Board and the Housing+ Project Board to help ensure they can fully engage with the project's objectives and have the opportunity to contribute.

7.9 Other staff from the relevant service areas have also been involved at key stages throughout the project - e.g. at Staff Welcome Events, Service Design Feedback events, etc - to ensure a good level of awareness. These services were also represented on the appropriate Staff Working Groups to enable them to directly input into the detailed development of the Housing+ model.

8 Financial implications

8.1 The final cost of the Housing+ model is subject to change as more details are worked through. For this report, a number of assumptions have been made:

8.1.1 The resources needed for implementing the new model must be met within the existing HRA Business plan. Any additional costs would need to be met from savings elsewhere in the Business Plan.

8.1.2 The average patch-size across the city will be 230 households per Housing+ Officer, but actual numbers will vary across each Ward to reflect differences in the demographics. More information about the activities taken into account when determining the patch sizes is given in Appendix Five.

8.1.3 Costs estimated for the staffing resource needed are based on assumptions made regarding pay scales/grades. These assumptions are based on comparisons with similar roles elsewhere in the Council. However as yet there can be no certainty in these costs until job descriptions are agreed and assessed under the corporate job allocation process.

8.1.4 The staffing cost assumptions contained in this report are currently based on implementing the Council's original proposals for a revised Pay and Reward Strategy which were launched in November 2013. The Council have subsequently proposed an alternative strategy (28th February 2014) which is currently being consulted on with staff and Trade Unions. These proposals were launched shortly before the publication of this Cabinet report and the potential financial impact of these changes on Housing+ has not yet been modelled. The assumption is that the overall financial impact of these changes will be similar to the original proposal however. Should this not be the case, a further report would be provided to Cabinet in line with the recommendation at 15.2 in this report.

8.2 It is important to note that, whilst the costs and savings referred to in this report are based on well-informed financial modelling and assumptions, there are a number of variable factors and decisions still to be made which could impact on the actual final costs.

8.3 However, there will be enough flexibility built into the new model to allow for staffing levels, patch sizes, etc. to be adjusted to ensure that the HRA budget limit set for this project is not exceeded and the delivery model, performance and services to tenants are not compromised.

8.4 Financial modelling based on the above assumptions suggests that the new model can be delivered with a 5% reduction in the existing substantive workforce. This is a reduction of 46 posts from the existing staffing structures. There are currently a number of vacancies in the CHS, and so this would require the recruitment of a small number of additional staff.

8.5 Mobile technology is essential for the effective implementation of the proposed model and an assumption has been made that good quality IT solutions will be provided to meet this requirement.

8.6 The outline ICT costs are based on the implementation of a housing version of the type of mobile software package being implemented by Adult Social Care. This would be delivered through 300 mobile devices (tablets or laptops) and includes all project and implementation costs. It also includes the provision of mobile telephones and a lone working safety system for 300 staff. The ICT would be implemented over a two-year period at an initial cost of approximately £2.1million, followed by an on-going annual cost of £421,000.

8.7 In addition to the IT costs described above, there may also be other additional one-off costs in the first two years of implementation – most significantly in terms of Voluntary Early Retirement or Voluntary Severance costs. The full cashable efficiencies of Housing+ are therefore not expected to be fully achieved until the end of the third year following implementation.

8.8 Further assumed savings considered achievable through the new way of working and are built into the financial modelling:

- (i) £172,000 per year from a reduction in early rent arrears
- (ii) £600,000 per year from a 6% reduction in avoidable relets
- (iii) £165,000 reduction per year from a 10% reduction in face-to-face enquiries at local housing offices, as a result of more home appointments
- (iv) 10% efficiency savings resulting from mobile working technology
- (v) 10% efficiency savings from customer service and business support teams
- (vi) 8% savings in back and front office (that would have minimal impact on staff or customers).

(The savings identified in (iv), (v), and (vi) are to be reinvested into frontline services).

8.9 Taking into account these additional one-off costs, and the savings expected to be achieved by Housing+ based on the assumptions described above, the new delivery model could generate £0.5million in HRA savings, compared to the baseline, over 5 years. There is then predicted to be a further forecast annual saving from Year 6 of £0.5 million. This is summarised in the table below:

Housing+ Cost-Benefit Analysis		Baseline (14/15)	Housing+ (incl. P&R)
1	Total Cost (Years 1 & 2) ¹	£ 61,330,000	£ 63,430,000
2	Total Benefits (Years 1 & 2) ²	£ -	£ 1,050,000
3	Net Cost (Years 1 & 2)	£ 61,330,000	£ 62,380,000
4	Total Annual Cost (Year 3 on) ³	£ 30,120,000	£ 30,520,000
5	Total Annual Benefits (Year 3 on) ^{2,4}	£ -	£ 930,000
6	Net Annual Cost	£ 30,120,000	£ 29,590,000
7	Difference to Baseline	£ -	-£ 530,000
8	5-year Costs ¹	£ 151,690,000	£ 154,990,000
9	5-year Benefits ^{2,4}	£ -	£ 3,840,000
10	Net 5-year Cost	£ 151,690,000	£ 151,150,000
11	5-year Difference to Baseline	£ -	-£ 540,000

¹Total Cost includes salaries (and on-costs), P&R transition, VER/VS, mobile ICT implementation and hardware costs and accommodation

²Potential savings from reductions in turnover, rent arrears and customer contacts

³Total Cost includes salaries (and on-costs) mobile ICT and accommodation

⁴There is an assumed £250,000 saving per year from improvements to tenancy sustainability built into the HRA Business Plan from 2016/17 onwards . The actual saving to the HRA would therefore be less than that shown here

9 Legal implications

9.1 The Housing Revenue Account (HRA) “Ringfence”

9.1.1 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. Expenditure in connection with the Council's provision of housing under Part II of the Housing Act 1985 (the 1985 Act) falling within the heading of “repair, maintenance, supervision and management” must be debited to the HRA.

9.1.2 Whilst some of the services offered through the Housing + model are beyond what might be understood as housing management the Council has the power to provide “welfare services” in connection with its housing provision to promote the welfare of people for whom the housing is provided, which broadly describes those additional services. The costs of providing such welfare services may be debited to the HRA unless they amount to personal or nursing care, which is not proposed within Housing+. The proposal therefore falls within the HRA legal framework.

9.1.3 If the model is developed in the future to include more cross-service working it will be necessary to consider the model against the legal restrictions governing the HRA before further implementation.

9.2 Duty to consult

9.2.1 The general power of management of its housing is vested in the Council by section 21 of the 1985 Act. There is wide discretion as to how the Council may exercise that power, but there is a duty under section 105 of the Act to consult its secure tenants when they are likely to be substantially affected by certain matters of housing management which involve a change to practice or policy, including arrangements for the management, maintenance, improvement or demolition of its housing stock, or the provision of services or amenities. The duty therefore applies to the implementation of Housing+. There is no prescribed form of consultation but it must include arrangements for tenants to be informed of the Council's proposals and to make their views known and the Council must consider any representations made.

9.2.2 The duty will be complied with in June 2014, at the same time as the launch of the initial test phase, by publishing an article in the ‘In Touch’ magazine, which will be delivered to all tenants, giving details of the new model and the timetable for its implementation and how to make their views known. Responses to the consultation will be considered before full roll-out of the Housing+ model.

9.3 Data protection

9.3.1 The Council has a duty under the Data Protection Act 1998 to comply with the Data Protection Principles. The use of mobile devices enabling access to tenant records and personal information carries the risk of a breach of security as a result of loss or theft; the Information Commissioner has the power to levy substantial fines in the event of such a breach.

9.3.2 To mitigate this risk, the mobile IT hardware and software provided to staff will be fully encrypted and protected, in line with the Council's Information Security Policy. Staff will be trained – as they are now – to be aware of their duties under the Policy and of how to satisfy these requirements in practice.

9.3.3 Within the Housing+ model it may be desirable on occasion to share data with other services within the Council or with other organisations such as those identified at Section 4.2.4. In such situations the statutory Data Sharing Code of practice will be followed.

10 Human Resources implications

10.1 The success of Housing+ will rely on empowering front-line staff to deal with the situations they face when working with individual households, and on staff being able to work more flexibly to achieve their agreed outcomes. Flatter management structures will require delegated decision-making and enable staff to operate within a policy and procedure framework that doesn't leave them feeling caught up in 'red tape'. This will lead to greater job satisfaction.

10.2 A new performance framework focusing more on outcomes and the differences that staff make should be similarly empowering. The patch-based approach will allow performance management at a local level to focus on achieving sustainability in local neighbourhoods, and staff will better understand the role they play in supporting the 30-year HRA Business Plan.

10.3 Most staff will also have a more varied workload and more contact with other Council services through making referrals and building community contacts in their 'patch'. This will provide a range of career development opportunities that they may not currently have access to.

10.4 The new mobile way of working should increase staff productivity— staff will be able to access information and update electronic records systems whilst 'out in the field' (as opposed to travelling back to the office for this). As well as creating additional resource to direct into front-line services, this should also improve staff satisfaction through a reduction in routine tasks.

10.5 In order to deliver the proposed Housing+ service, staff will require training to support them in any new roles. Changes to existing referral routes and protocols with other Council or partner services may also be required as a result of the changes.

10.6 Housing+ will be implemented under the Council's Achieving Change/ Managing Employee Reductions Policy. It is expected to take around 5 months depending on final decisions made as part of the evaluation of the initial test phase, recruitment process and impact on individual grades.

10.7 Council Housing Service employees are currently excluded from proposed changes to the Council's Pay Strategy. In the longer term, for economic, technical or organisational reasons it is likely that the Council will need to address any differences in pay, terms and conditions between CHS employees and the rest of the Council by moving CHS staff onto the Council's pay structure. If Housing+ is implemented then this may be an appropriate time to start the process using the Council's MER/AC process. HR are seeking legal advice on the detail of the proposals, how they impact on staff and any legal implications.

10.8 Formal consultation on the Pay Strategy in relation to Council employees within the scope of the exercise is underway. However, these proposals have changed during the final stages of producing this report to Cabinet as referenced in paragraph 8.1.4. This means that the financial modelling undertaken in producing this report is based on the previous Pay Strategy proposal. It has not been possible to model the impact of these changes in time to update this report to Cabinet. The assumption is that the overall financial impact of these changes will therefore be similar to the original proposal. Should this not be the case, a further report would be provided to Cabinet in line with the recommendation at 15.2 in this report. HR will seek legal advice on the process for implementation of these proposals in the context of the protections afforded by TUPE.

10.9 Full consultation with staff and Trade Unions will be undertaken around all aspects of the implementation of Housing+ to ensure that the process can proceed as smoothly as possible.

11 Environmental and sustainability implications

11.1 As part of the work with households to increase their financial resilience and maximise their household budget, Housing+ Officers will support and encourage tenants to reduce their energy consumption to help achieve energy cost savings. Neighbourhood Management Teams will also be responsible for monitoring the green spaces on their estates and ensuring that they are effectively managed and maintained.

12 Equality of Opportunity implications

12.1 Consultation around the principles of Housing+ showed that customers feel positive about the proposals and that the model will help address some of the barriers they face with current service delivery. This feedback, coupled with our customer insight information, will allow us to tailor our approach to service delivery to deliver positive outcomes for all customers including those protected groups under the Public Sector Equality Duty.

12.2 Staff Working Groups raised some issues which will need to be mitigated as part of the implementation of Housing+. These include the move to online and more self-service ways of accessing services for those who are digitally excluded. However, it is anticipated that the in-person contact provided by developing a relationship with customers who are unable to access the service or resolve their query through self-service will help to mitigate this.

12.3 A full Equalities Impact Assessment (EIA) has been undertaken for this project, which takes account of the feedback received on the Housing+ principles from both staff and customers. This has assessed the overall impact of the project as 'medium positive, and a copy is attached in Appendix Six.

13 Alternative options considered

13.1 The focus for the work with customers, staff and Members since the transfer of Sheffield Homes has been on delivering their vision set out in section 4.1. There is still further consultation work to do with both customers and staff about the detail of the Housing+ approach. As part of this detailed work, there will be a number of delivery options that will need to be evaluated within the overall Housing+ proposals.

13.2 The main alternative to the overall Housing+ approach that has been considered is a no-change 'standstill' position. Under this option, there would be no significant changes to the way council housing services are currently delivered.

13.3 However, the 'do nothing' option is not viable in the medium to longer-term. The service has to modernise and change the way it operates to improve performance and meet the changing demands of its customers. Without this modernisation and drive for further efficiencies there is a risk that performance could reduce and the long-term aspirations of the HRA Business Plan would not be delivered. A proactive change in the way that the service operates, through Housing+, will help to secure a long-term income stream for the HRA and protect the value of the asset to the Council.

14 Reasons for recommendations

14.1 Housing+ will deliver a housing service which achieves the ambitions set by Cabinet in March 2012 as part of the ballot commitment to tenants (as described in section 4.1.1). Through the

intensive large-scale consultation undertaken with tenants and Members over the last 2 years, a strong and detailed vision for the future of the service has been developed. Customers are clear that they want more streamlined and better joined-up services, tailored to their individual needs and those of their local community. Members also strongly support this vision, which cannot be delivered without a wholesale change of approach.

14.2 Housing+ offers the potential to help reduce demand for other Council services, for example, Adult Social Care. The preventative nature of the Housing+ approach should reduce the demand from council housing tenants for high-cost service interventions at a later stage. This is not achievable without a significant change to the current council housing service.

14.3 The Council must make effective and efficient use of the HRA – and the cashable benefits offered by Housing+ will help do just that. Achieving more sustainable tenancies and thereby reducing empty properties and turnover – alongside earlier intervention and guidance in cases of rent arrears – will in the medium- to long-term generate significant savings for the HRA. This in turn will mean more money available to invest in homes and front-line services.

14.4 Similarly, Housing+ also protects the long-term asset value of the council housing stock, and of the HRA investment which has been made in it under the Decent Homes Programme. The same protection of the HRA investment would not be afforded by a standstill position.

14.5 Prior to Sheffield Homes transferring to the Council in April 2013, the housing service largely determined its own priorities and strategic objectives. Now that the service has transferred to the Council there is an expectation corporately for the Council Housing Service to operate and shape itself in a way which achieves the Council's corporate objectives. The service as it currently stands does not do this. In comparison, Housing+ would see the development of a Council Housing Service which meets and fully supports the Council's Strategic Objectives and Organisation Design Principles, and the Council Housing Service would become a key player in delivering the Council's wider ambitions.

14.6 This report outlines the projected resources required to implement Housing+ in the short to medium-term. These costs and benefits will change as the model develops and the service would look to improve efficiency measures once Housing+ is implemented. These would be in addition to the figures quoted in this report and represent a long-term commitment to the viability of the HRA Business Plan.

15 Recommendations

15.1 The implementation of the Housing+ model as described in this report is approved.

15.2 Work on implementing Housing+ does not continue without a further decision from Cabinet should the overall financial assumptions made within this report (as set out in Section 8) prove to be inaccurate.

15.3 Delegated authority is given to the Director of Housing Services to take the necessary steps to implement the Housing+ model of housing management as described in this report, including the development of the organisational structure needed to deliver the model, in consultation with the Director of Human Resources.

15.4 Delegated authority is given to the Executive Director of Communities to make the final decisions in relation to the budget and implementation detail for the IT element of the project, as specified in Section 4.3.

15.5 Cabinet endorses the 'whole Council' approach to Housing+ described at Section 7 and requests that members of the Executive Management Team establish a Working Group to be responsible for overseeing the engagement of, and support from, other relevant Council services in the implementation of Housing+.

15.6 Cabinet requests a review of the Housing+ model to be carried out and the findings reported back to Cabinet within 12 months of the commencement of the city-wide roll-out (currently scheduled to begin on 1st April 2015).

This page is intentionally left blank

Appendices

Appendix 1 – Service Design Group Vision Statements

Appendix 2 – Proposed Neighbourhood Team and Ward structure

Appendix 3 – ‘A Day in the life of a Housing+ Officer’

Appendix 4 – Summary of consultation results

Appendix 5 – Activities for Neighbourhood Teams taken into account when determining provisional ‘patch’ size

Appendix 6 – Equality Impact Assessment

Appendix 7 – Key differences for customers

DRAFT

The opportunity to have my say



- People will have more influence over the services they receive, and will be consulted on the issues important to them. This will mean:
 - Keeping them well-informed.
 - Being clear on the purpose and scope of consultation.
 - Consulting early enough to make a difference, with clear outcomes which are shared with all involved.
 - Promoting, supporting and broadening opportunities for engagement, actively seeking the views of people whose voices are not heard.
- The Council will be clear, open and honest about how decisions are made, and make it easier for people to work in partnership with individual Elected Members and the Council. This will mean:
 - Area-based Council-led forums will continue to play an important part, as will forums representing tenants in Sheltered accommodation and those representing leaseholders.
 - Tenant and resident led locally-based forums will be welcomed as these will further strengthen the voice of local communities.
- The Council Housing Service will help to build stronger communities by:
 - Working jointly with other Council services so that tenants and leaseholders can be involved in all aspects of their community.
 - Using and promoting the best ways of engaging with people in communities on Council housing matters.
 - Encouraging and supporting people to play an active role in their communities, and nurturing a sense of belonging.

Joined-up services that better support me



- Households will be encouraged to share more about what they want from their new tenancy when they sign up.
- Households will be encouraged at sign up to pledge to become involved in the community in a variety of ways.
- Each household will have a 'key worker' who should develop a good relationship with the household.
- The 'key worker' will:
 - Focus on the needs of the whole household not just the tenant.
 - Work closely with carers and other family members.
 - Work with the household to identify problems at the earliest possible opportunity to prevent them getting worse.
 - Look for long term solutions not just immediate fixes.
 - Deal with the wider needs of the household, for example, loneliness and isolation.
 - Refer the household on to more specialised services where their needs go significantly beyond 'housing'.
- Services will be available through a network of local community locations and individual home visits from housing staff.
- Household needs will vary, but each household will receive at least one home visit each year.
- Housing, health and social care services will be delivered in a coordinated way that meets the needs of the individual household.
- There will be effective sharing of appropriate information between housing, health and social care services and referrals will be made and picked up efficiently.
- Housing services staff will have access to mental health services in order to support households.
- Joint training opportunities, knowledge transfer and shadowing between agencies will be promoted to improve the delivery of joined-up services to households in Council homes.

A quick and effective response to Anti-Social Behaviour



- The Council and partners will work together to provide a quick and effective response to reports of Anti-Social Behaviour (ASB) with the aim of finding lasting solutions.
- The Council will deliver a victim focused Anti-Social Behaviour service and take all reports of ASB seriously.
- The Council and partners will develop a preventative approach to ASB.
- Swift and appropriate enforcement action will be taken where people fail to change their behaviour.
- Tenants and residents experiencing ASB will receive consistent and high quality advice, support and information from the initial complaint to the conclusion of the case.
- The way we identify and support vulnerable members of the community experiencing ASB will be improved.
- Each Council household will have a 'key worker' who will develop a positive relationship with the household with at least one home visit a year.
- Communities and community organisations will be supported to develop local solutions to community safety issues.
- More pre-tenancy work will take place with prospective Council tenants or those tenants who wish to move to reduce the likelihood of ASB occurring.
- Council Housing staff will have quick and responsive access to a range of additional services, including mental health services, to support households.
- A strategy will be developed to promote positive action and reassurance of the positive joint working between agencies and communities. This will be communicated.
- Expertise in managing ASB in Council housing will be shared to support non-Council tenants experiencing ASB.

Clean, attractive neighbourhoods



- Communities will be encouraged and supported to keep their neighbourhoods clean and tidy.
- There will be a shared commitment to clean, attractive neighbourhoods using a Local Environmental Plan to capture proposals for improvements in the local area.
- There will be stronger, publicised enforcement action against people causing an environmental nuisance, for example littering, fly tipping, dog fouling and graffiti.
- There will be clear service standards for green and open spaces, shared areas and fly-tipping and rubbish, explaining what is the community's responsibility and what is the responsibility of the Council and its partners.
- Monitoring of service standards will be consistent, will be reported widely and will involve customers as well as partners.
- There will be a joined-up, collaborative approach to green and open spaces maintenance.
- There will be a value-for-money green and open space service that spends tenants' money on creating clean, attractive neighbourhoods for tenants.
- The provision of appropriate green and open spaces will meet the needs of the local community.
- All households will have access to recycling facilities.
- There will be more information and education for customers about waste and recycling to encourage people to take pride in their neighbourhood and love where they live.

Easy access to services



- Our services will be relevant, good quality and will be delivered in a way that recognises the differing needs of our customers.
- One size doesn't fit all, so services will be delivered locally in a way that meets the needs of the customers who live there.
- One-stop solutions offering access to a full range of Council and housing services will be available in convenient locations.
- Housing staff will be more mobile, using technology to bring the service to customers' homes wherever possible.
- Services for Council housing customers will be more joined-up and customers will know who to talk to if they have a query.
- Customers will be digitally included through easy, convenient and attractive access to Council housing services online.
- Customers will be supported to access services online.
- Face-to-face communication will always be important to the services we deliver.
- When customers call, they will speak to somebody who is well informed and able to help.
- Customers will receive clear, understandable information from the Council Housing Service. This will be available in different languages and formats, including texting.
- The Council Housing Service will keep customers up-to-date with what's happening in their neighbourhood, using local media wherever possible.
- All complaints will be treated seriously and handled quickly and effectively.

A home to suit my needs



- Good quality, clear and consistent advice and information will be provided to enable people to make informed choices about where they live.
- Customers will be supported to consider all housing options and find their own housing solutions.
- We will reduce the limitations on people's choice of where to live due to age and aspire to create communities where people of different ages live together successfully.
- More pre-tenancy work will take place with prospective tenants or those tenants who wish to move to ensure that aspirations and support needs are identified and links are made with the right services early.
- The opportunities for people to exchange their homes will be widely and routinely promoted as a way to find a more suitable property.
- Information relating to adapted properties will be clearer and more precise.
- Adaptations and assistive technology will be used to support people to remain independent in their own homes, balancing the needs of the individual against value for money.
- Where it is right for the customer, they will be supported to move to more suitable accommodation.
- Housing, health and social care services will be delivered in a coordinated way that meets the needs and supports the aspirations of the individual household.
- Factual information on allocations will be produced regularly and widely communicated to dispel myths and improve understanding.

Well maintained homes and neighbourhoods



- Investment and tenancy management services will be joined-up in a way which supports our tenants and leaseholders – particularly the most vulnerable.
- Tenants and leaseholders will play an integral part in shaping and designing investment standards in the future.
- The Council will help to tackle fuel poverty by ensuring that homes are energy efficient and have a modern and well-maintained heating system.
- Homes and neighbourhoods will be safe and secure. They will also be disability-friendly wherever possible.
- We will improve all of our communal areas and ensure they are well-maintained in the future.
- We will ensure that our neighbourhoods are safe, attractive and well-designed to promote long-term sustainability.
- There will be a good quality, modern responsive repairs service which has high standards of customer care and health and safety, and which provides value-for-money. The repairs call centre will be effective and efficient, and workmen will carry the right tools and materials.
- Some simple repair jobs will be dealt with where appropriate by staff in the Council Housing Service. We will provide advice, permission and support to any tenant wanting to make minor repairs and improvements to their home.
- The Handy-Person's Service will be extended to all elderly and vulnerable tenants in the city.
- There will be effective stock management, which considers all the relevant information to help inform sound investment decisions. We will work closely with our partners to plan and sequence work.
- Vacant properties will be brought up to a lettable standard quickly, including the gardens. We will advise new tenants when any missed Decent Homes work will be completed to their homes.

Making the most of our available income



- The Council will deliver a housing service that recognises its tenants' and leaseholders' individual circumstances. Our approach to income collection and arrears recovery will reflect this, and we will continuously look to build on and improve the services we deliver.
- Housing staff will provide good quality financial advice to current and potential Council tenants and leaseholders. We will work with them to help maintain stable occupancy of their homes. We recognise the benefits this can provide for young people in particular.
- Telephone calls from tenants and leaseholders with queries about their rent, Council Tax or benefits will be dealt with efficiently. Staff will have high customer care standards and will provide a friendly and knowledgeable service.
- Access to knowledgeable in-person advice and support about financial issues including benefits will be available.
- The Council will promote and support initiatives and services, such as the Credit Union, that help its tenants and leaseholders become more financially resilient.
- Council services will aim for a coordinated approach to debt recovery that benefits tenants, leaseholders and the Council. This will include sharing information across different parts of the Council and an awareness of all the debts a tenant may have.
- The Council will recover its debts and will use effective and efficient income collection methods to achieve this. We would like to see tenants' and leaseholders' debts to the Council at the lowest possible levels.
- The Council recognises the challenges that benefits reforms bring and will help our tenants deal with these as much as we possibly can.

Appendix Two - Proposed Neighbourhood Team and Ward Structure

CHS Area	Ward	CHS homes	LAP	MAST	Main CHS Neighbourhoods
1	East Ecclesfield	4,300	Northern	North	Chapelton, Ecclesfield Parson Cross
	Stannington		Northern	North	Stannington, Worrall
	Stocksbridge/ Upper Don		Northern	North	Stocksbridge, Deepcar, Whamcliffe Oughtibridge
	Thorpe Hesley		Northern	North	Thorpe Hesley
	West Ecclesfield				Chapelton, High Green
2	Burngreave	3,310	North East	North	Burngreave, Firshill, Grimesthorpe Pitsmoor, Southey, Longley, Wensley Page Hall
	Shiregreen / Brightside		North East	North	Wincobank/Brightside
3	Firth Park	4,050	North East	North	Firth Park, Parson Cross, Southey Longley, Wincobank/Brightside
	Southey		North East	North	Binstead, Foxhill, Parson Cross Southey, Longley
5	Arbourthorne	6,500	East	East	Arbourthorne, Gleadless Townend Heeley, Norfolk Park, Ridgeway
	Darnall		East	East	Darnall, Handsworth, Tinsley
	Manor Castle		East	East	Manor, Skye Edge
	Richmond		East	East	Basegreen, Intake, Stradbroke
6	Beighton	5,500	South East	East	Beighton, Hackenthorpe Basegreen, Birley
	Birley		South East	East	Charnock, Hackenthorpe
	Mosborough		South East	East	Halfway, Old Mosborough Westfield, Waterthorpe
	Woodhouse		South East	East	Woodhouse, Ballifield
7	Beauchief and Greenhill	6,600	South	West	Batemoor, Greenhill Jordanthorpe, Lowedges
	Gleadless Valley		South	West	Gleadless Valley, Heeley
	Graves Park		South	West	Meadowhead/Painted Fabrics Norton Woodseats
	Nether Edge		South	West	Abbeydale/Beauchief
8	Broomhill	5200	Central	West	Broomhill, Uppertorpe
	Central		Central	West	Broomhall, City Centre
	Hillsborough		Central	West	Highfields, Lowfields, Lansdowne
	Walkley		Central	West	Hillsborough, Winn Gardens Langsett, Netherthorpe Uppertorpe, Walkley
	Crookes		South West	West	Broomhill/Ranmoor/Tapton Hill Crookes
	Dore and Totley		South West	West	Dore, Totley
	Eccleshall		South West	West	Eccleshall
	Fulwood		South west	West	Westminster

Appendix Three - A Day in the Life of a Housing+ Officer....

My responsibility is to oversee the housing management for 250 properties in the Parson Cross area of Sheffield. There are a mix of houses, flats and a few much desired bungalows within the area. The customer base is mixed with families, mainly singles and couples in the flats and older residents in the bungalows.

8.30 start....

My working day starts between 8.00 and 8.30am and I often begin work in the hub office where I have an opportunity to review emails, catch up with other team members and review the information I need for the day ahead. No two days are the same and although there are some routine elements to the work the nature of dealing with customers is that they are all different and have differing needs at different times!

While I'm in the office I review the properties that are likely to be coming empty in the next few weeks and check whether the keys are back for the 1 property where the tenancy was due to end yesterday. They aren't back so I'll need to schedule a visit to check whether the tenant has left or not and if there's anything further that we can do to help the family in question.

9.45 leave for first visit...

By 10.00am I'm out on site carrying out my first visit of the day. Mr & Mrs Hall moved into their property last week and we've agreed that I'll call today to carry out the new tenancy visit and complete the Housing + Plan with them. The idea of the plan is to provide a framework to discuss information about the family and any additional support needs they might have to ensure that their tenancy is successful. Although from Sheffield, the family are new to this area of the city and we spend some time talking about the services and facilities that are available locally as well as the details relating to their tenancy. Mrs Hall hasn't worked for a while and is quite keen to get back into some paid employment now that her children are attending school. I discuss the possibility of her carrying out some volunteering work and suggest that as a starting point she may want to visit her local TARA. I provide her with the TARA welcome pack and let her know that I'll be attending the next TARA meeting if she's able to come along. She seems quite keen so I'll schedule a follow up phone call before the next meeting as a reminder. Overall the visit takes just over 1 hr as there were quite a lot of issues to discuss. I've managed to capture most of the information on the system as we were talking but I'll need to tidy up a few bits and pieces later and carry out some follow up work.

11.15 next visit...

I then visit Mrs Price, an elderly resident who called in to the local TARA office last week worried about the increased energy costs she's facing for her 3 bed house. I have checked the tenancy records and Mrs Price now lives alone in the property that she's rented for the past 35 years. I'm glad of the chance to be able to visit as she's been a really low user of our services over the years and we know very little about her or her circumstances. It gives me an opportunity to use the Housing + Plan to instigate a discussion around housing needs – it's clear from the visit that Mrs Price isn't managing in such a large property now that her family have left. Although Mrs Price is still coping with her own personal care and manages to get around she says that she feels as though she's becoming more isolated since her husband died earlier in the year and things are getting more difficult as she's getting older. The property isn't well maintained internally. I talk to her about the increasing bills that she's facing for her home and this leads to the possibility of her downsizing and a discussion about the Council's Smart Move scheme. She says that she'd be keen to look at the options for this so we complete her registration online there and then. I ask if she'd be happy for us to review her current financial situation while I'm there to ensure that she's receiving all the money that she's entitled to. Mrs

Price has always paid full rent so has not come to our attention through welfare reform changes. It appears as though now Mrs Price's income has reduced following the death of her husband that she would be entitled to claim some benefits. Finally, we talk about the social activities in the area which could help with the isolation. I advise of a coffee morning that takes place in the local sheltered scheme on a Wednesday and the Silver Surfers IT group at the local library that is keen to find new Members. She agrees to think about these, but I'll pop in again in a few weeks to see if she's taken up the activities and check on the re-housing status.

12.15 property inspection...

On leaving the Mrs Price I call at the property where the keys should have been handed back. There's no answer so I have a look through the windows to check if it's been vacated. There's still furniture in there although it looks as though the tenants are in the process of moving as there are a number of bags and boxes stored in the lounge. As there's no one home I leave a card asking them to contact me urgently and will talk to my Supervisor about next steps when I get back to the office. While I'm there the neighbour comes out to tell me that she's been having problems with the occupants of the house for a while and had been waiting for me to "be out and about" so she could just have a word rather than have to make an official complaint. People are often reticent about making formal complaints about their neighbours for fear of reprisals, but it's important that they understand that without their eyes and ears, particularly out of hours we wouldn't know about some of the problems that tenants face. We chat for 15 minutes about some of the problems that the neighbour has faced and agree that I'll get back in touch once we know more about whether the occupants have left or not. A lot of the time you start talking to people and other things come up.

As I'm walking down the street another resident stops me to make an appointment. I check my diary and agree that I'll call tomorrow afternoon. It's quite common to get stopped while I'm out and about on the estate.

I notice that one of the entrance blocks to the flats has been graffitid and decide to have a quick scan inside while I'm here to see if there are any other issues. The rest of the communal areas are generally fine although I notice that someone has left their rubbish bags outside their doors as opposed to taking it to the bin stores. I knock on the door and speak to the tenant directly. She says that she was just leaving it there until she needed to go downstairs and will remove it at lunchtime. I explained that it's important that rubbish is not left on the communal areas because of the health and safety risks and asked that in future she keeps her rubbish inside until she's able to take it downstairs. I email through the graffiti removal request to the estates team for action.

Finish on site at 1.15pm and back to the office for lunch break.

2.30pm meeting...

After lunch I attend a local neighbourhood networking meeting. I instigated the meetings when I started working on the patch as I thought it was important that I knew who was working here and who I needed to contact for support and services for tenants in my area. The meetings take place monthly and allow all the agencies working in the area to come together to discuss issues and future plans. I've found them really useful in getting to know my area, who's in it and what's going on. The topics of the meeting today range from publicising a free football course for children in the area to how we can best make use of some vacant shop units that have been a target for vandalism. The Local police community support officer says he has been talking to a community organisation about using the units and I agree to talk to the TARA about possibly joining with them to use the units as an office base. I also make a note to include the football course in my next community newsletter which I produce every two months.

4.00pm site visit

On leaving the meeting I check the state of grounds maintenance – there's different forms to complete depending on the time of year but I can get access to them all now via the mobile IT which is an improvement on how it used to be! I need to check 3 green spaces for the standards of the grass cutting as I know that the contractors were due to be out last week. On checking it looks like there must have been a problem as none of the areas have been cut and are considerably overgrown now. I'm approached by a resident whose property borders the area and complains that the Council aren't doing enough to maintain it and it's becoming an eyesore. I share the schedule of grass cutting with the resident and explain that I'll be chasing the matter up as the cut is overdue. He remains unhappy about the standards of the green areas in general. I explain that in the current climate there's no possibility of more regular maintenance but that perhaps we can explore whether there's more that the Community can do. I agree to raise it at the next local Environmental Forum that I attend and the resident says he's happy to get involved but only if others are also prepared to do their bit!

4.45pm back to the office...

I return back to the office at 4.45pm. Just enough time to follow up on the days work with some emails and paperwork and check on progress for some other issues that I'll be picking up tomorrow.

DRAFT

Appendix Four – Summary of Consultation Results

1. Housing+ Consultation

1.1 During November the Housing Service carried out a variety of consultation activities with both customers and staff. The consultation was intended to test 6 of the key principles and proposed features of the Housing+ role. The outcomes of the consultation were fed into the development of the Housing + Proposal

1.2 Activity included

- Discussions at Local Housing Forum and Sheltered Board meetings
- A survey for customers. This was carried out online, in person, by post and by telephone. The telephone survey was targeted at high service users and those who may benefit most from the Housing+ model – including those with rent arrears, high repairs reports, reporters and subjects of anti-social behaviour and those tenants with a general high level of service contacts.
- A survey of staff in the Council Housing and other relevant Council services.

1.3 The survey figures below include the 929 customer surveys received by the closing date. These numbers are statistically significant, in that they can be taken as representative of the views of tenants as a whole. We were really encouraged by the interest shown in the proposals and overall views from the survey suggest customers are in favour of housing+.

2. Who responded to the consultation?

2.1 The figures to date suggest that the consultation has been successful in reaching a diverse audience.

- 10% (96) of people said they were of a BME background compared to 15% of tenants as a whole. 19.9% (185) did not give this information.
- 27% (248) of respondents consider themselves disabled compared to 33% of tenants as a whole. 5% (45) did not give this information.
- The age profile of respondents is also encouraging, and compares reasonably well with the profile of tenants as a whole.

	Survey response	Tenant profile
Under 25	5%(48)	6%
26-45	34%(311)	31%
46-65	39%(364)	31%
66-85	18%(165)	26%
86+	1%(6)	6%
Age not given	4% (35)	

People across all housing areas in the city have responded via their Local Housing Forums.

3.Summary of main themes of the feedback

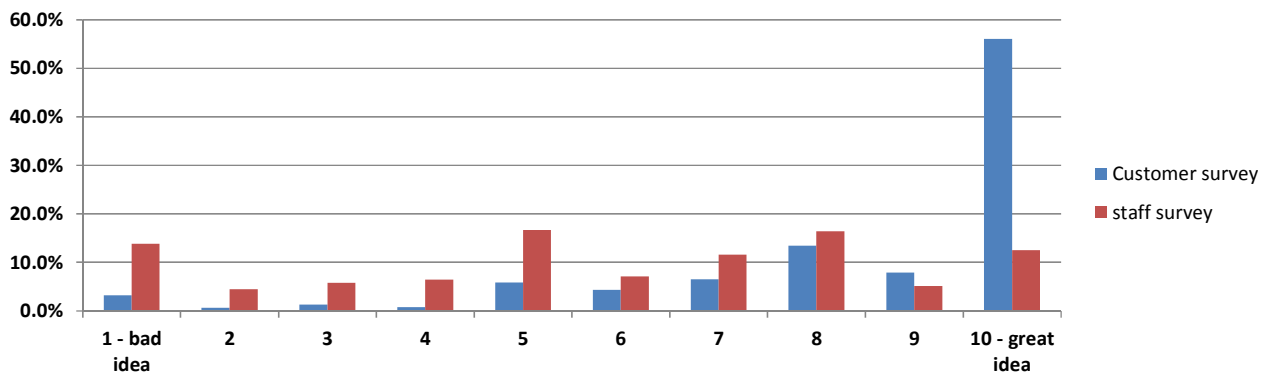
Question 1 – Named officer contact

If you need to contact the Council about housing issues, currently, you may have to deal with a range of different staff depending on the issue you have, for example rehousing, anti-social behaviour, rent issues, etc. We would like to give you a named housing officer to contact with any housing or Council queries.

Customer Survey – 924 responses, average 8.5

Staff survey – 311 responses average 5.8

Range of responses to Question 1 (%)



This was the question where staff and customers were furthest apart in the score they gave. Customers were very positive. Two key reasons were to avoid the experience of being passed around different parts of the service and to build a more personal relationship with a member of staff.

- Excellent idea. It helps for continuity of service if any more issues arise
- Makes the service more user friendly as I suffer from depression and anxiety and find it difficult when there are numerous people
- A named person would make things easier as often we are passed from pillar to post and end up speaking to different people every time we ring
- I'm a Housing Officer in Rotherham where we use this approach. Customers prefer it and it's much easier to manage from a work point of view too.
- This is great idea, when I was trying to sort a problem out 6 people later still did not get an answer, only that I needed to send a letter to somebody in Manchester.

However customers also wanted a Housing+ officer to be able to deal with their issues.

- Good idea to have a named person IF they are empowered to take action.
- Little point in having a named person if you then get passed onto the other people.

People made different assumptions about what the one named officer means –some assumed it means they can only contact one person and raised questions about capacity and cover. Future communications should make clear that the call centre and in person services will continue.

Some cautioned about the logistics and the level of knowledge required of staff.

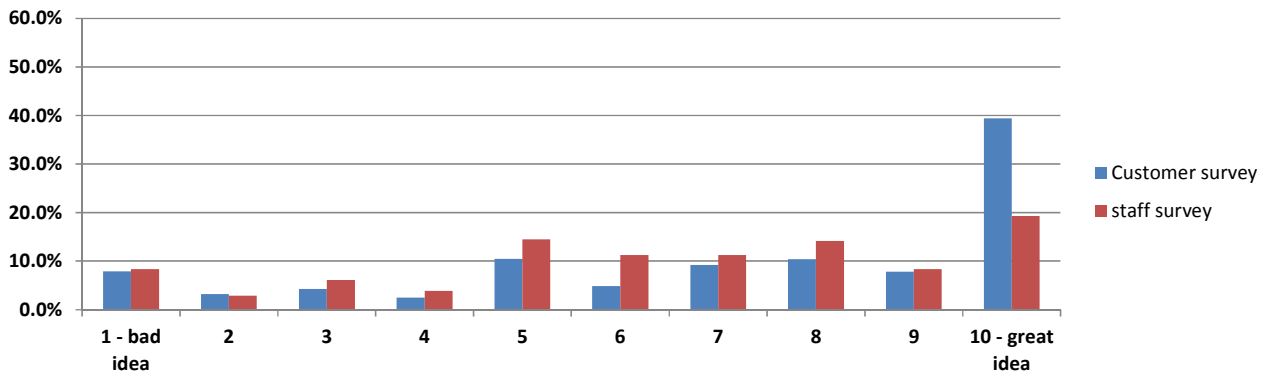
Question 2 – Annual visits

At the moment we respond to requests for help and support as they arise and don't routinely visit all of our tenants. We would like to visit you at least once a year to discuss your housing needs and wider ambitions and see how we can help you.

Customer survey – 924 responses, average 7.3

Staff Survey – 311 responses, average 6.5

Range of responses to Question 2 (%)



A good proportion of customers welcomed this, 39% gave it a '10 – great idea' rating. It was seen as particularly suitable for elderly or disabled tenants.

- Visits, especially to the elderly would make them feel more supported and cared about.
- Due to disability, this could be useful.
- good idea as I am 81 and never see any one from the council
- Good idea. it will ensure that those less vocal or able to represent themselves do not "slip through the net".
- This develops a relationship with tenants and housing officers which has been lost in recent years.
- On visits it will also help the council to identify any special needs a tenant may have, they may not realise you provide a service they need.

Many thought it a valuable way to check other tenants were meeting their tenancy conditions.

- This can be used as an insight into checking on the treatment of the Council's investment. Could also unearth problems that tenants are afraid to talk about
- I would think that from the Council's point of view this is a good way to check people are complying with tenancy agreements!

There was some concern about the use of time and the need to accommodate people who are not available in the working day.

- Again, this is a great idea. However it will require a great deal of time and resources to visit all council tenants in Sheffield so it might be more realistic to offer this to all tenants who

want it.

- I work full time and you'd have to come late evenings or weekends

One strand of opinion sees the idea as either intrusive or unnecessary for them.

- People may see this as the council spying or interfering, perhaps an opt out may be incorporated, otherwise a good idea.
- I do not think it is a good idea, because I personally do not like people visiting my home.

Staff views are along similar lines, though the concern about intrusion comes though more strongly than it does in the customer survey.

- Again, good for the tenant, but not for the rushed off their feet Housing Officer.
- Good idea for people who need help but I personally would not want a visit from Housing if I pay my rent on time; carry out my own repairs; do not cause nuisance; work full time; and give access for programmed work to be carried out.

Only a few customers or staff picked up on the wider ambitions part of the question. The staff who did tended to not think this was a good idea.

- Talking about wider ambition is giving them false hope that we can deliver something we cannot
- As a social housing tenant and I would find it inappropriate & intrusive to be asked to discuss my wider ambitions.
- Would this then mean that a lot would be put onto one person for a particular area
- If the Housing Officer will only signpost tenants to other departments or the call centre for more information then it will defeat the object and the service will only be lip service.

Staff were more cautious. There was some concern about losing specialist knowledge and the ability to advise on the whole range of areas the officer will cover.

- This will depend whether we are just putting another link in the chain for the customer.
- Although it may sound very comforting to the public to think that they have one officer to deal with their problem, in reality I feel that the officer may only be able to deal with very basic enquiries and then have to hand over any on-going work to the specialist team.
- This is a good idea providing that the patch sizes are small enough for the officer to have enough time to deal with all queries.
- Could be a great idea if the officer is effectively trained and not a 'jack of all trades'
- Yes I like this idea of getting to know your tenants. It will make it a lot easier for our customers and that's what we are here for at the end of the day.

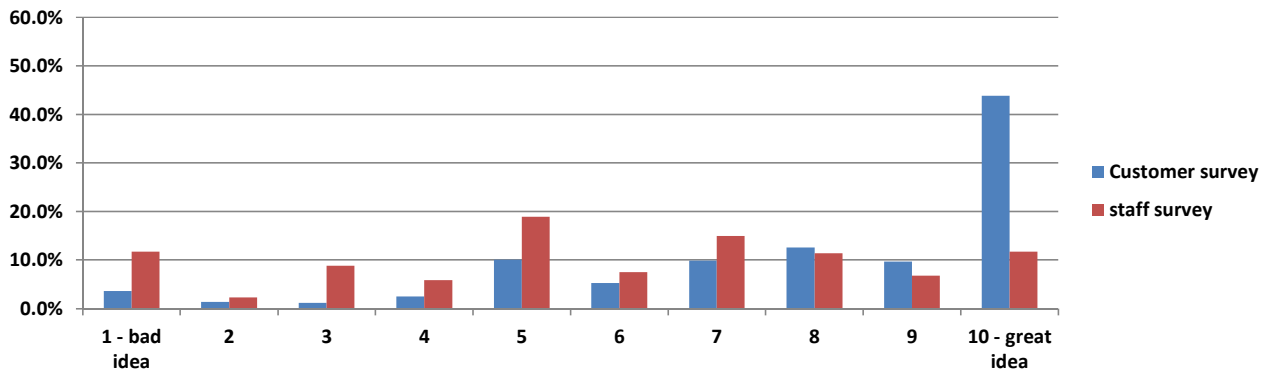
Question 3 – Home appointments

At the moment you may have to call into our offices if you wish to discuss any issues that you have with your housing. This may include reporting anti-social behaviour, requesting an adaptation or finding out more information about community activities. In the future we would like to offer you home appointments so that you don't have to visit our offices when you have something that you need to discuss with us.

Customer survey - 913 responses, average 8.0

Staff Survey - 307 responses, average 5.8

Range of responses to Question 3 (%)



Question 3 tests the idea of Home appointments, and was another where there was quite a difference between the view of staff and customers. 44% of customers gave this a 10 – great idea rating, as opposed to 12% of staff. Customers like the idea because of the personal aspect, the confidentiality and the convenience for customers with disabilities. However many made the point that for some issues the option of a meeting outside the home should be retained.

- It's a great idea because if you can't get out you can't be seen and won't be heard
- Could make delicate matters much easier
- This is a good idea for people who are disabled
- Some issues I may not wish to discuss at home
- Great idea especially for disabled & people with mental health and mobility problems.
- Can understand this service being available to certain groups e.g.; disabled, elderly etc. but seems waste of resources to widen this.

While many staff were positive, most also raised logistical and health and safety concerns.

- The home visits for enquiries should be only available for people with mobility needs
- home visit to able bodied tenants for basic queries would not be cost effective
- It is more cost & time effective for the customer to come into the office
- Putting staff in danger if visiting alone
- We can visit now
- Good idea, as long as there are enough staff available to meet this requirement.
- May be a good idea for people who work and cannot get in to the office.

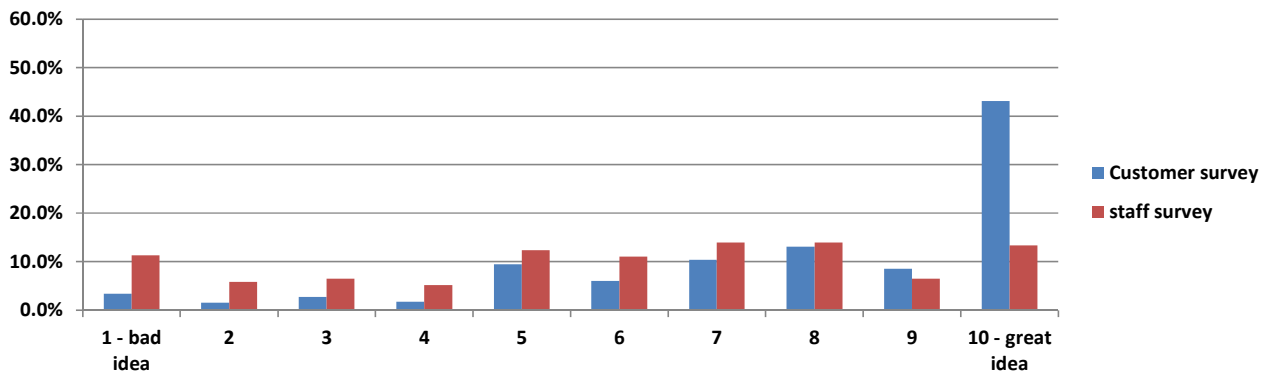
Question 4 – ‘Plus’

We would like to provide advice and support to access a range of services – not just housing, for example care and support or signposting people to employment and education services.

Customer survey – 912 responses, average 7.9

Staff Survey – 308 responses, average 5.9

Range of responses to Question 4 (%)



Question 4 tests the ‘Plus’ side of Housing+. 43% of customers thought this was a great idea, compared to 13% of staff.

Customers liked the idea of help to navigate the ‘maze’ of other services, and can see the advantages of help from somebody they already talk to about housing issues.

- Yes, some people just don't know where to start
- Linking up would be fantastic as a lot of issues revolve around other problems not just housing issues.
- This is a good idea if staff and resources are available
- Working with other agencies will be beneficial to all.
- Yes as a pair of Disabled Tenants we would welcome this idea.
- Signposting and referrals, inter-agency working, welcome to the 21st century
- At the moment it is easier to navigate around Hampton Court Maze than find the right person to talk to in the Council.
- We currently do this in the fire service; this would help partner organisations work in a more joined up manner and allow access to sharing of information. By sharing information it allows different services to identify and support vulnerable people.

There was also a strong feeling that this should not be part of the housing officers remit, that it would duplicate what other services provide or that the demands on officers would be too much.

- Not sure, are you not duplicating what so many organisations across the city do?
- Housing should just be housing problems and advice
- Puts more pressure on officers - they may need special training to be able to offer all council services

Staff feedback tended to raise similar issues, and also focus on the response from services outside housing.

- Whilst it would be good to offer this service, in practice it may be difficult to take on more functions given the probable increased workload of a housing plus officer.
- Let's do one thing, Housing, well rather than lots of things badly.
- This would be better done by the organisations that specialise in these matters.
- A clear network needs to be established with clear links to other services within SCC

Though some also pointed out the potential benefits, and also that a lot of this work already happens.

- This is a good idea and is something that is already in place to an extent.
- A gateway service would be a good thing because as a customer sometimes you do not know where to start.
- As long as the cut off points are managed between Housing and other services then this could be really positive.
- Some of this tenancy management currently undertake , but perhaps not in a co-ordinated way

DRAFT

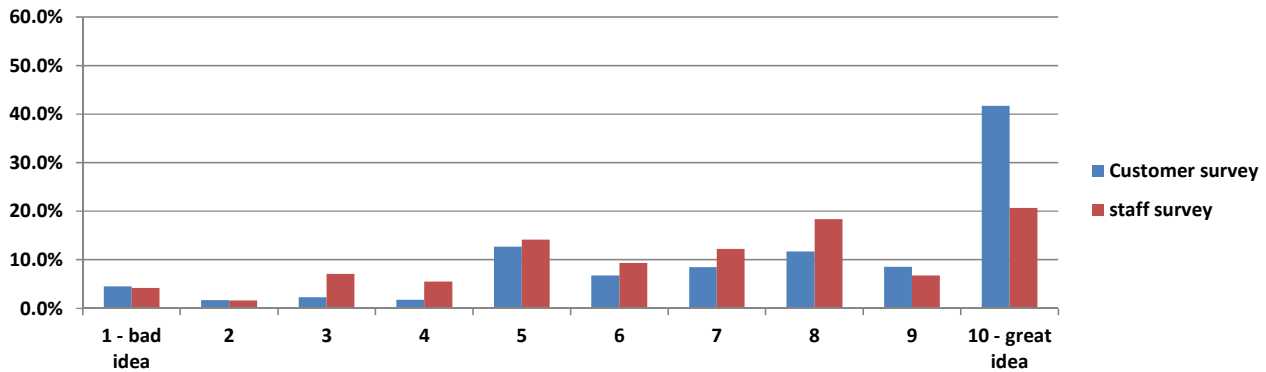
Question 5 – Help to access online services

We would like to offer tenants help and support to access services online.

Customer survey – 914 responses, average 7.7

Staff Survey – 310 responses, average 6.7

Range of responses to Question 5 (%)



Question 5 is an offer of help to access online services. For a lot of customers and staff their responses are guided by hostility to the Digital by Default principle.

- I scored this low because I personally do not like doing things online
- What about those not interested in going online, don't forget its a permanent cost to be online.

Some were enthusiastic about the principle.

- As most things seem to be going on-line these days, especially benefits this is a good idea.
- I am aware, however, that there are still a great many people without Internet access and who do not know how to use computers - so such an idea will improve access to self-serve services.

And some see the potential of furthering the wider digital inclusion agenda.

- Good idea but many tenants digitally excluded or only have internet access via phone-sometimes issues with data costs. Need to ensure places on estates where customers can effectively access IT
- A computer with an internet connection in the communal are of every (sheltered) scheme would be better.

But among those who were generally positive there was some concern over the practicality.

- Could be too time consuming for H+ officer to show tenants individually how to access services online. It takes regular sessions before people can do it themselves.
- Once again a good idea in theory but practically probably not as easy as it sounds

Several staff wanted more detail about how this would work.

- How? More terminals in Area Offices? More staff with laptops visiting customers at home?
- Depends what level of support you mean.

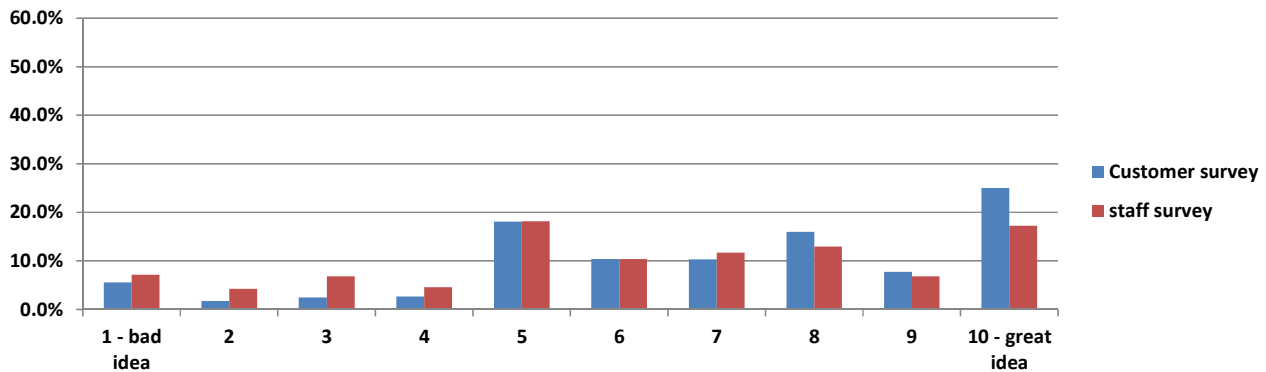
Question 6 – Alternative locations

We would like to deliver our services through alternative community locations and places where people already access other services. This might mean changing the opening hours of some of our offices.

Customer survey – 904 responses, average 7.0

Staff Survey – 308 responses, average 6.2

Range of responses to Question 6 (%)



Question 6 tests the idea of delivering services through alternative community locations, but cautions this might mean changing the opening hours of some of our offices.

Customers gave this question the lowest average rating, 7.0.

Some customers were concerned about changes to the existing in person service

- This sounds like a cost cutting exercise to enable you to sell off the current locations!
- I am suspicious. Could work but again sounds like an excuse to cut staff.

The most common response was a cautious welcome for a more accessible service, depending on the detail.

- Good idea in principle but depends what the hours would be.
- Good Idea, what about weekends?
- Need somewhere local to contact important services - it is difficult at the moment.
- Yes, if it suits local people - why don't you involve them in the planning?
- I don't see why some of these services cannot be delivered via a library or even some of the larger medical practices. A lot of areas have community rooms which are well used so these could be utilised.
- Yes - Area offices are remote from some people at the moment.

Staff raised similar questions, but there was also enthusiasm about providing a service that is more accessible to some tenants.

- Ensure that there is a need and you don't waste time and resources on a white elephant
- What about 'pop up' surgeries in supermarkets, markets, health centres?
- This is a good way to utilise other venues that we may already own/use. The downside is that we would have to be careful to make sure people know why the changes are taking place, and what the 'replacement' option is.

Appendix Five - Activities for Neighbourhood Teams taken into account when determining provisional 'patch' size

No	Activity	Summary of activity (snapshot unless stated)
1	Annual visit Tenancy Issues	The number of tenanted properties in the ward, less the number of terminations (see 14 below)
2	Annual visit 'Plus'	Additional time for 'Plus' activities e.g. 'Healthy chat', local info, employment and education
2	Annual visit	Additional time for annual visit for larger households (Oct 2012 snapshot)
3	Language needs	Time with tenants with language needs (snapshot 2012 data)
4	Vulnerability	Number of active vulnerability cases within the ward (12-13).
5	Younger tenants	The number of tenants under 30 within the ward.
6	Arrears	Allowance for time spent with tenants in arrears.
7	Welfare Benefit reforms	Time with tenants likely to receive Universal Credit.
8	Evictions	The number of households evicted within the ward (based on forecast for 13-14)
9	TARA's	The number of TARA's within the ward boundary
10	Graffiti and fly tipping	Small allowance for officer to report. (12 -13 Data)
11	Grassed areas	Small allowance for officer to check and report problems. Based on number of grassed areas CHS responsible for within the Ward boundary
12	Repairs	Small allowance for following up repairs not completed in first visit (estimate based on 12-13 data)
13	ASB	Number of cases in the ward 12-13 that would be the responsibility of the Neighbourhood Team.
14	Turnover	The number of tenancy terminations per ward (12-13 data)
15	Priority cases	The number of rehousing priority cases opened for households in SCC properties within the ward
16	Tenancy Management Cases	The number of tenancy management calls open within the ward, that would be the responsibility of the Neighbourhood team.
17	Leaseholders	Number of leaseholders within the ward.

Appendix Six – Equalities Impact Assessment

Name of project:	Housing+
Status of project:	Existing
Author of EIA:	Sally Butterworth (Operations Manager, FoCH Project Team)
Service:	Housing Commissioning
Portfolio:	Communities
Date:	January 2014

1. What are the brief aims of the project?

1.1 Housing+ is a key part of the Future of Council Housing (FoCH) Programme. The overarching aims of the FoCH Programme are to:

- a) Achieve better outcomes for individuals, families and communities through joint working between Council housing services and other Council and wider services.
- b) Strengthen democracy and involvement, and effectively engage a broad range of tenants from all age groups, ethnic backgrounds and geographical areas.
- c) Optimise value for money through a 'right first time/one stop' response to customers and reduced duplication of activity.
- d) Maintain top quartile performance.
- e) Engage affected staff in the change process and maintain morale.

1.2 Since the original aims of the programme were agreed, significant progress has been made as a result of the Service Design phase to develop a future vision for the Council Housing service. This has been achieved through intensive work carried out by 8 Service Design Project Groups consisting of both customers of the housing service and staff both within housing and the wider council services.

A summary of the vision is outlined below:

- Local community-based approaches to delivering services
- Support for tenants and their families to define their aspirations, independently manage their own health, well-being and housing circumstances and improve their household resilience
- More pre-tenancy support for applicants
- Better joined-up working between Council services to support tenants more effectively
- Taking a 'whole household' approach, and building better links with GPs and other health staff
- Building community resilience by encouraging more 'grassroots' involvement of tenants
- Well looked-after and effectively managed estates and neighbourhoods
- More budgeting advice and support for tenants
- Protecting the Decent Homes investment to deliver the HRA Business Plan

1.3 13 Staff Working Groups were subsequently tasked with considering in more detail how the above visions could be delivered in practice through a model that we are calling Housing+.

1.4 The Staff Working Groups have now completed their work and their recommendations form the basis of the Housing + Business Case. Each of the Groups has provided detailed proposals for how their particular area of the service could be delivered in a way which meets the ambitions and visions of tenants and Cabinet Members. Each of the Working Groups has considered the equalities impact of their recommendations and these are included in the tables below.

2. EIA Progress update

2.1 An initial Equalities Impact Assessment (EIA) was carried out at the beginning of the Future of Council Housing Programme along with further EIAs to cover the consultation design and delivery; and a TUPE Equalities Impact Assessment for the transfer of Sheffield Homes staff back into the Council. A commitment was made to develop a further EIA following the completion of the Service Design phase of the programme and to support the implementation of a new model for the housing service.

2.2 During the Service Design phase a number of the groups considered service delivery issues which had an impact on specific protected groups. These issues varied depending on the theme being discussed and the client group in question. Following the consideration of all of these issues each service design group developed a series of Vision statements to capture the outcomes of how they wanted a future service to be delivered. This has formed the basis of Housing+.

3. Are there any potential Council staffing implications, including workforce diversity?

3.1 There will be an impact on staff as a result of introducing Housing+. Staff impacted by these changes will see a difference in their working practices. Housing+ will require Council Housing staff to work more flexibly across existing housing disciplines and tailor the way that they deliver services according to the needs of the household. There will be a requirement for Housing+ staff to adopt a mobile working approach where the majority of the time is spent out on their patch and more limited time spent at fewer fixed office locations, with access to local “touchdown” and welfare facilities. It will also require a shift in the boundaries between existing Area-based and ‘Central’ teams and potentially changes to policy, procedures and ‘handover’ points. There will be a need to review some existing job roles to facilitate these changes and a resultant need for a Managing Employee Reductions/Achieving Change process. In order to deliver the proposed Housing+ service, staff will require a programme of training to support them in any new roles.

3.2 The latest workforce diversity profile that we hold for the Council Housing Service is as follows:

- Sex: 44% male, 56% female
- Disability: 11% consider themselves disabled
- Ethnicity: 7% BME
- Age: 6% 16-25yrs
46% 26-45yrs
48% 46-65yrs
0% 66yrs+

3.3 All teams and services in the Council Housing Service are within the scope of this phase of the project and as this is the case it is not anticipated that Housing+ will have an impact on the overall profile of the workforce or that any particular group will be disproportionately disadvantaged. However, there are a number of HR issues which will arise as part of the implementation of Housing+ (listed in the Business Case) and any resultant Achieving Change processes will be supported by an EIA which will need to be monitored to flag any equality issues.

3.4 A major part of the project will be a significant programme of staff, customer and partner engagement in designing and delivering the Housing+ model. An initial consultation exercise based around an online survey was carried out with staff during November 2013 asking them to score the principles of Housing+ and make comments around the proposals. The results of the survey flagged that the main concerns raised by staff were around the logistics of how the housing+ model would operate, including the ability to provide effective cover and the expansion of the role to cover more than a core housing offer. Some of the comments raised by staff include:-

- “Would one person be able to handle ALL the issues?”
- “This is a good idea providing that the patch sizes are small enough for the officer to have enough time to deal with all queries.”
- “Whilst it would be good to offer this service, in practice it may be difficult to take on more functions given the probable increased workload of a housing plus officer.”
- “A clear network needs to be established with clear links to other services within SCC”
- “This is a good way to utilise other venues that we may already own/use. The downside is that we would have to be careful to make sure people know why the changes are taking place, and what the 'replacement' option is.”

3.5 The proposals have been amended to take account of these concerns and details of the proposed structures can be found in the Business Case. In addition there has been a regular dialogue with the Staff Link Group to allow them to comment on and challenge the Housing+ model as it has developed.

3.6 It is recognised that the nature of the Housing+ role (where staff are spending the majority of time on their patch) may have an impact on particular groups of staff, particularly where staff are currently mainly office based and have reasonable adjustments. It will be important that this is taken into account through any Achieving Change process and we are committed to developing individual plans to enable staff to carry out this new role with reasonable adjustments. However, if for any staff member adjustments cannot reasonably be made then other suitable options will be explored using the Council's established processes.

3.7 Each of the staff working groups considered equalities issues as part of their remit and a summary of the impact for staff is included in the table below.

Staff Equalities Impact Assessment

Areas of possible impact	Impact (positive/negative)	Impact level (Low, medium, high)	Explanation and evidence
Age	Neutral	Low	<p>All staff within the Council Housing Service will be affected by the implementation of Housing+. The implementation should not result in any negative impact on members of staff as a result of their age.</p> <p>It is recognised that the move to Housing+ may not be viewed positively by all staff who do not wish to move to this way of working. In those cases consideration will need to be given to other employment opportunities within the housing service or the wider Council along with VER/VS schemes and this will be developed in line with the Achieving Change process.</p>
Disability	Neutral	Medium	<p>It is recognised that 11% of staff declared themselves as disabled employees. The new ways of working for Housing+ staff could have a negative impact for some disabled staff who have difficulties with mobility or spending most of their time on their Patch.</p> <p>Reasonable adjustments would need to be considered for those staff where this would be an issue for example adjustments to touch down facilities, or additional time factored in for undertaking certain tasks. If reasonable adjustments could not be made, employment in alternative roles would be explored.</p>
Pregnancy / maternity	Neutral	Medium	<p>Although it is not anticipated that the introduction of Housing+ would have a negative impact on staff who are pregnant, the move to more mobile working may create some issues for some women in the later stages of pregnancy.</p> <p>Managers would need to ensure that Pregnancy related risk assessments were completed based around the new role description and specific requirements of the post and make reasonable adjustments as necessary.</p> <p>The need to access welfare facilities for pregnant workers also needs to be considered.</p>
Race	Neutral	Low	<p>It is not anticipated that the Housing + role will have an overall negative impact on staff due to issues relating to race. However, staff have flagged that the increased contact with customers within their own environment may lead to an increase in racist or homophobic incidents.</p> <p>Processes are already in place through incident reporting to deal with issues of this nature. However, dealing with confrontational behaviour will be built into the training plan for all Housing+ Officers and Managers need to be aware of the</p>

			appropriate course of action should a staff member be faced with this situation.
Religion / belief	Neutral	Low	<p>It is not anticipated that the Housing + role will have an overall negative impact on staff due to religion/belief. A change to mobile working may affect the facilities for prayer rooms and this would need to be accounted for at the office locations which exist.</p> <p>It is likely that as part of the Housing + role, staff will increasingly come into contact with customers who have a variety of religious beliefs. It is believed that this will be a positive impact for staff and will increase their awareness and understanding of diversity issues as they carry out their role.</p>
Sex	Neutral	Low	<p>It is not anticipated that Housing + will have more/less overall impact based on the gender of the staff member. However, through consultation staff have raised concerns over lone female working and visiting. All lone working procedures will be reviewed prior to Housing+ implementation to ensure that they are still fit for purpose and Managers will need to ensure that staff are aware and applying them. This will include the assessment of risk and arranging for joint visits where required.</p>
Sexual orientation	Neutral	Low	<p>It is not anticipated that the Housing + role will have an overall negative impact on staff due to issues relating to sexual orientation. However, staff have flagged that the increased contact with customers within their own environment may lead to an increase in racist or homophobic incidents.</p> <p>Processes are already in place through incident reporting to deal with issues of this nature. However, dealing with confrontational behaviour will be built into the training plan for all Housing + Officers and Managers need to be aware of the appropriate course of action should a staff member be faced with this situation.</p>
Trans-gender	Neutral	Low	<p>It is not anticipated that the Housing + role will have an overall negative impact on transgender. However, staff have flagged that the increased contact with customers within their own environment may lead to an increase in confrontational incidents.</p>
Carers	Neutral	Low	<p>It is not anticipated that Housing + will have more/less impact based on whether the staff member has caring responsibilities. Any arrangements which currently exist for staff to work flexibly or work specific hours to undertake caring responsibilities would need to be considered in the overall staffing numbers allocated to cover specific areas. The consultation period of the MER/AC process will ensure that any issues around potential care responsibilities are raised and options considered to balance Service and individual needs. Any out of hours work required would need to be dealt with through Council policies and liaison with the</p>

			Manager as happens currently.
Voluntary, community & faith sector	Neutral	Low	It is anticipated that Housing+ will increase the contact that staff have with the voluntary, community and faith sector. Staff will be expected to develop an awareness of organisations within their specific patch and develop relationships at a local level.
Financial inclusion, poverty, social injustice	Neutral	Low	There is no anticipated impact from a staff perspective as overall staff numbers are not anticipated to decrease there is no immediate threat of compulsory redundancy. It is recognised that changes to the role are likely to result in some staff not wishing to take up the new role or not having the required skill set. A full programme of training will be developed and other options explored e.g. alternative job roles, VER/VS.
Cohesion	Neutral	Low	There is no anticipated impact linked to this group from a staff perspective. Issues relating to service delivery are highlighted below.

4. Managing equalities issues throughout the project

4.1 The Council is landlord to 48,000 tenants living in 41,000 homes – many of whom are among the most disadvantaged in the city. This programme therefore presents a huge opportunity to improve the outcomes for individuals, families and communities. The diversity profiles for our tenants (where we hold the specific information) is as follows:

- **Sex:** 44% male, 56% female
- **Disability:** 31% consider themselves disabled
- **Ethnicity:** 15% BME
- **Age:**
 - 12% 16-29yrs
 - 32% 30-49yrs
 - 32% 50-69yrs
 - 22% 70-89yrs+
 - 2% 90yrs+
- **Religion:** 54% Christian, 7% Muslim, 29% No Religion, 2% Other, 8% Prefer not to say
- **Sexual Orientation:** 0.4% Bisexual, 0.4% Gay, 77% Heterosexual, 0.2% Lesbian, 22% Prefer not to say

4.2 Vulnerable customers and others needing additional support to access services should benefit the most from the new model. The new way of delivering and co-ordinating services will make it easier for people to access the services they need at the right time.

4.3 A consultation exercise in November 2013 gave customers the opportunity to feedback on six key principles of Housing+ in order to validate some of the assumptions around the

potential benefits of the new model. Scenario-based questions allowed customers to rate the principles on a 1 (poor) –10 (excellent) scale and comment on the proposals. 929 responses were received, in addition to discussions at Local Housing Forums and Sheltered Board.

4.4 The consultation has been successful in reaching a diverse audience.

- 10% (74) of people said they were of a BME background compared to 15% of tenants as a whole.
- 28% (222) of respondents consider themselves disabled compared to 31% of tenant as a whole.
- 18% (145) did not give this information.
- The age profile of respondents is also encouraging, and compares reasonably well with the profile of tenants as a whole.

	Survey response	Tenant profile
Under 25	4% (28)	6%
26-45	32% (254)	31%
46-65	41% (322)	31%
66-85	18% (142)	26%
86+	1% (5)	6%
Age not given	5% (41)	

- People across all housing areas in the city have responded via their Local Housing Forums.

4.5 Responses to the consultation were generally positive with overall ratings ranging between 7.0 and 8.5 for the 6 questions. Key equalities issues flagged suggest that the move to Housing+ will provide positive outcomes from an equalities perspective. A sample of the comments received is listed in the table below:

Areas of possible impact	Impact (positive/negative)	Impact level (Low, medium, high)	Explanation and evidence
Age	Positive	Medium	An element of the housing+ model will be to look at the housing offer to both younger and older people, which will present an opportunity to integrate the work of housing officers with care workers, health workers and the voluntary sector. The successful tenancies pilot projects are allowing for further scrutiny of the impact of providing a named worker approach for younger tenants and adjustments can then be made to the Housing+ model as lessons are learned. Issues relating to access to online services particularly for older customers were highlighted by the Staff Working Groups and the Customer consultation. A supportive response needs to be considered as part of the move to deliver a service that is “Better by Digital”. This will include traditional access channels (telephony, in person

			<p>and visiting) remaining available to those customers who are unable to access the service or resolve their query through self-service.</p> <p>Comments from the consultation on the housing+ principles relating to age issues include:- “Visits, especially to the elderly would make them feel more supported and cared about.” “This is a good idea especially for the elderly.” “It’s a great idea as this would be another service what can help get 18 -25 year-olds back into work”</p>
Disability	Positive	Medium	<p>Developing a ‘one stop’ approach to service delivery and integrating housing services with other services, including health-related and social-care services, is an important part of the housing+ approach. We know that 31% of tenants consider themselves disabled so, for any tenant with health or mobility issues, the Housing+ model has the potential to improve their access to the support they need.</p> <p>Comments from housing+ consultation relating to disability include:- “I have Asperger Syndrome and severe arthritis in the right hip. Things like this are really useful” “I have mental health issues so dealing with lots of different people is tough for me. Having a named housing officer that I can go to with problems would be better for me. It makes me feel more stable. It gives continuity.”</p>
Pregnancy / maternity	Positive	Low	<p>As above, this programme will potentially help tenants to access other services via signposting through the Housing+ Officer - including access to local services - and so improve the outcomes for those individuals and families.</p>
Race	Positive	Medium	<p>One of the principles of the Housing+ model covers the ability to tailor services to the individual circumstances of tenants and their families. We anticipate that this approach will have a positive impact on all tenants including those from BME communities. We know that 15% of our tenants are from a BME background and the successful tenancies pilot projects that are running currently cover some areas where the ethnicity of our tenants is more diverse, such as Gleadless Valley, Brushes and Wincobank. We will assess the impact of this approach on BME families to identify any changes or learning that needs to take place.</p> <p>Access to Language Line is currently available from Area Offices and will continue from those public access points that remain open. The housing service also makes use of in person interpreters for longer pre-arranged discussions and this will continue. Staff can access the Language Line service outside the office using mobile phones. The implementation of Housing+ will include a refresher of how to do this.</p>

Religion / belief	Positive	Low	As above, where this links to specific groups. Comments from the consultation have flagged that carrying out home visits as a routine way of transacting business may not suit all customers linked to their beliefs. Work will need to take place to ensure that this is taken into account when arranging a home visit and alternative locations for discussions will still be offered. This should be balanced against the need to gain access to the property.
Sex	Neutral	n/a	It is not anticipated that gender is an issue which would lead to a negative impact of the housing+ model.
Sexual orientation	Positive	Medium	One of the principles of the Housing+ model covers the ability to tailor services to the individual circumstances of tenants and their families. We anticipate that this approach will have a positive impact on all tenants including LGB people. It will be possible to access staff and advice in a more private setting where people feel more comfortable discussing sensitive issues.
Trans-gender	Positive	Medium	One of the principles of the Housing+ model covers the ability to tailor services to the individual circumstances of tenants and their families. We anticipate that this approach will have a positive impact on all tenants including Transgender people. Our data relating to transgender is limited and efforts will continue to be made to develop this information relating to customer insight.
Carers	Positive	Medium	Developing a 'one stop' approach to service delivery and integrating housing services with other services, including health-related and social-care services is an important part of the implementation of housing+. This will help families and individuals with caring responsibilities to access the support they and their dependents need. More home visits will be available to allow carers to discuss housing and other issues in their own home rather than having to visit an Area Office.
Voluntary, community & faith sector	Positive	Medium	The Housing+ model will support the sustainability of communities by working with and forging partnerships between community organisations. The Housing+ approach supports the development of close working relationships at a local level and as the project is developed consideration will be given to additional support services that could be delivered by the third sector. It is also expected that Housing+ officers will be able to feed in local information to community organisations to support the development of new initiatives.
Financial inclusion, poverty, social injustice	Positive	Medium	There is a range of evidence and research to show that people who are already at risk of social exclusion or discrimination are more likely to be financially excluded than other groups. The Housing+ project aims to develop opportunities for

			<p>individuals, families and communities to grow their financial and economic potential and achieve their aspirations.</p> <p>The need for more budgeting advice and support for tenants has been identified as part of the vision for the new service and this will form a key part of the Housing+ Officer role.</p>
Cohesion	Positive	Low	<p>A number of the statements included in the Vision for a future Council Housing Service contribute to increased community cohesion. A key role of the Housing+ Officer will be to engage with both individuals and communities, supporting the building of relationships and community resilience.</p>

4.7 It is recognised that the positive impacts for the equalities groups listed above will not happen by chance and equalities issues need to be fully considered throughout the implementation of Housing+ . The development of a model office, which is proposed as part of the implementation plan will allow equalities issues to be further explored and mitigated for both staff and customers in advance of the full roll-out of the model.

5. Overall summary of possible impact

5.1 The overall aims of the FoCH programme are to improve outcomes for individuals, families and communities. Any protected groups should benefit from the introduction of the Housing+ delivery model rather than be disadvantaged by it.

5.2 Therefore, the overall impact of the project at this stage is assessed as 'medium positive'.

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.

Key actions

Area of impact	Action and mitigation	Lead, timescale and how it will be monitored/reviewed
Workforce	Continue to monitor employee diversity data throughout the implementation of Housing+ to identify whether any groups of staff are disproportionately affected.	HR Lead
	Undertake an audit to identify the reasonable adjustments that already exist for staff potentially moving to Mobile Working and identify if reasonable adjustments can be made to enable Housing+ role to be undertaken.	HR Lead
	Review existing Lone Working/Health & Safety/Incident reporting procedures to	Gary Lund

Area of impact	Action and mitigation	Lead, timescale and how it will be monitored/reviewed
	ensure fit for purpose and refresh if required.	
	Review existing guidance around workstation assessment and use of mobile ICT, particularly in relation to reasonable adjustments.	Gary Lund
	Ensure that welfare facilities including the provision of prayer facilities for staff to access are built into the agreed office locations/community facilities.	Gary Lund
	Ongoing staff consultation to identify potential barriers for Housing+.	FoCH Team
Customers	Continue working with customers to identify potential barriers to Housing+.	FoCH Team
	Review Successful Tenancies pilots to identify lessons learned for equalities issues.	FoCH Team
	Continue to link into Digital Inclusion work to help develop the offer that Housing+ Officers can make to customers.	FoCH Team
	Refresh training for staff on accessing interpretation services on site for those customers where English isn't their first language.	FoCH Team

Approved (Lead Manager): Peter Brown

Date: 27.1.14

Approved (EIA Lead person for Portfolio): Phil Reid **Date:** 4.2.14

Risk rating: -Select-low

Appendix Seven – The key differences for customers

Now	Housing+
Tenants contact the Call Centre for basic enquiries and service requests	No change
The Call Centre refers more complex queries to different housing staff depending on the nature of the query	More complex queries are passed on to the Housing+ officer via the local Neighbourhood Management Team
Tenants can call into their local housing office if they have a query	Tenants can still call into an office but can also arrange an appointment in their home with their Housing+ Officer
Tenants only get in touch when they have a request for service	Housing+ Officers (HPOs) contact all tenants within their patch on an annual basis to discuss support, wellbeing and aspirations and signpost to relevant services
Tenants deal with a range of Council Housing Service staff depending on the service they need	The HPO can deal with most referrals from the Call Centre or local Neighbourhood Management Team. Tenants know their name and how to get in touch with any problems
Staff don't have access to tenancy records whilst out and about	HPOs have mobile IT to allow them to deal with queries more quickly in tenants homes. They also help 'digitally include' households who need support with on-line transactions
Most Council Housing Service staff are office-based	HPOs spend the majority of their time on their patch providing a more visible presence
Staff only have limited knowledge of local community development opportunities	HPOs actively promote opportunities for engagement including local TARAs but also wider opportunities to become involved through other local organisations and supporting neighbours
Prospective tenants don't get the opportunity to meet the people managing their tenancy when they view and sign-up for a property	Accompanied viewings are carried out, wherever possible, by the HPO, who discusses property issues, local services and facilities. Relationships start to be built pre-tenancy and the sign-up process is tailored to the needs of the customer, the property and the area
Tenants often only come to the attention of the Council Housing Service once they have reached crisis point	A pro-active approach adopted by the HPO to know their patch and their customers results in earlier resolution and support being identified and a reduction in issues which reach crisis point
Tenants currently contact a variety of council services to get their issues resolved	HPO support tenants to access a variety of council services. They give a range of low-level preventative advice resulting in a reduction in the number of contacts they have to make
Members don't always know who to contact with a query about council housing in their Ward	Members have a named contact for their Ward who can deal with all initial queries about council housing services

This page is intentionally left blank



SHEFFIELD CITY COUNCIL

Cabinet Report

Report of: Executive Director (Place)

Report to: Cabinet

Date: 19 March 2014

Subject: Disposal of Manor Site 8

Author of Report: Christine Rose (27 34373)

Summary:

This report recommends the disposal of land at Fretson Road and Queen Mary Road, known as Manor 8, for private housing development.

To ensure that any development is of good quality and completed within acceptable timescales, it is recommended that the Council imposes some landowner requirements on the purchaser. This disposal strategy has been developed in partnership with the Homes & Communities Agency (HCA), which has an option on the site.

The imposition of landowner's requirements makes these public works that require the procurement of a developer to be compliant with the Public Contract Regulations 2006 (PCR). It is recommended that, to identify a suitable developer in a timely manner, the developer is procured via the Homes & Communities Agency's (HCA) Developer Partner Panel, which is a PCR compliant route and would reduce the time taken for a start on site.

Reasons for Recommendations:

Disposal through the HCA's Developer Partner Panel would create the best opportunity for the timely delivery of a good quality development that

would complement Sheffield Housing Company's planned regeneration of the area.

Disposal through this method, agreed with the HCA, would allow the Council to retain a capital receipt generated by the sale.

Recommendations:

- R1 That the decision of Cabinet on 22 November 2006 to sell the land shown at Appendix A, known as Manor 8, to Lovell Partnerships Ltd be rescinded.
- R2 That a developer be procured for Manor 8 using the Homes and Communities Agency's Developer Partner Panel utilising a competitive tender process led by Commercial Services in accordance with Standing Orders.
- R3 That the procurement be subject to the landowner's requirements identified in Section 6 of this report.
- R4 That the Director of Commercial Services or his nominated deputy be granted delegated authority to award a contract for this project.
- R5 That the Director of Capital and Major Projects be authorised to vary any boundaries as required and to instruct the Director of Legal Services to complete the necessary legal documentation to transfer the site to the successful tenderer on the terms set out in this report.

Background Papers:

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Paul Schofield
Legal Implications
YES Cleared by: David Hollis
Equality of Opportunity Implications
NO Cleared by: Ian Oldershaw
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
YES
Area(s) affected
Manor Castle
Relevant Cabinet Portfolio Leader
Cllr Harry Harpham
Relevant Scrutiny Committee if decision called in
Safer and Stronger Communities
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

Report to Cabinet

Disposal of Manor Site 8

1.0 SUMMARY

- 1.1 This report recommends the disposal of land at Fretson Road and Queen Mary Road, known as Manor 8, for private housing development.
- 1.2 To ensure that any development is of good quality and completed within acceptable timescales, it is recommended that the Council imposes some landowner requirements on the purchaser. This disposal strategy has been developed in partnership with the Homes & Communities Agency (HCA), which has an option on the site.
- 1.3 The imposition of landowner's requirements makes these public works that require the procurement of a developer to be compliant with the Public Contract Regulations 2006 (PCR). It is recommended that, to identify a suitable developer in a timely manner, the developer is procured via the Homes & Communities Agency's (HCA) Developer Partner Panel, which is a PCR compliant route and would reduce the time taken for a start on site.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 The Council's Corporate Plan, "Standing Up for Sheffield", identifies the strategic outcome of making Sheffield a Great Place to Live. Within that, the Council aims to create Desirable Homes and Neighbourhoods. The development of a site that has been vacant for over a decade would, alongside the planned development by the Sheffield Housing Company, contribute towards the regeneration of the Manor (see Appendix B).

3.0 OUTCOME AND SUSTAINABILITY

- 3.1 Alongside the planned development by the Sheffield Housing Company, the development of Manor 8 for private housing would improve housing choice within the neighbourhood, helping to attract and retain a wider mix of economically active households that would support the local economy.

4.0 MANOR 8: RECENT HISTORY

- 4.1 In 2006, Cabinet approved the disposal Manor 8 to Lovell Partnerships Ltd. Lovell were procured via the Council's Large Developer Panel, which was set up to help deliver Housing Market Renewal.
- 4.2 Planning permission was secured for a high-quality scheme of 124 homes. Unfortunately, the onset of the recession and fall in the housing market meant that the developer were unable to progress with their scheme.

4.3 A number of attempts have been made, working with the developer, to resurrect the scheme. Various solutions have been considered, but they have not identified a viable solution that would allow them to proceed.

5.0 FUNDING AGREEMENT WITH THE HCA

5.1 The site was part of the wider Manor Funding Agreement with Yorkshire Forward (now subsumed within the HCA), which paid for infrastructure works in the area. Under the terms of the agreement, the Council was entitled to a base value (aligned to estimated market value) when the site is sold, with the HCA entitled to any additional receipt.

5.2 The Funding Agreement also gave the HCA an option to purchase the site from the Council, for £1, if the site was not sold by October 2011.

5.3 The HCA shares the Council's aspirations for the site. Whilst it now has the right to exercise its option it is minded not to and instead the HCA and the Council would negotiate a variation to the original agreement that would be based on the Council ensuring the development of the site to a good standard within an acceptable timescale.

6.0 DISPOSAL STRATEGY

6.1 Council officers have worked with the HCA to devise a suitable disposal strategy for the Manor 8 site, which includes the imposition of some landowner's requirements.

6.2 Given the previous delays in the redevelopment of Manor 8, it is proposed to require a start on site within 9 months of procurement.

6.3 The site neighbours a number of other cleared sites, which form part of the intended development programme of the Sheffield Housing Company. The Company is building properties to a very high standard and it is important for the successful regeneration of the area that other significant local developments are complementary and built to a good standard. Therefore, it is proposed that:

- a) Properties should meet Lifetime Homes
- b) Properties should meet National Housing Federation "Standards and Quality in Development"
- c) Level 3 of the Code for Sustainable Homes should be achieved using a 'fabric first' approach
- d) The Council, as client, would approve any proposed scheme before submission to the local planning authority.

6.4 Imposing these landowner's requirements would mean that the procurement would need to be done via OJEU, which ordinarily would increase the procurement timescale significantly. However, the HCA has already procured its Developer Partner Panel (DPP) through OJEU. This is available for the Council to use and would reduce the timescales since

there would be no need for a PQQ stage.

- 6.6 The terms of the DPP require significant proportions of the scoring to be based on design quality and project management. It is proposed to base 65% of the procurement on the financial offer, 15% on design and 20% on project management (i.e. 65% price, 35% quality). This is reflected in the approved procurement strategy.
- 6.7 If the Council follows this strategy, the HCA would not exercise its option to purchase the site and the Council would be entitled to a capital receipt from its sale.

7.0 FINANCIAL IMPLICATIONS

- 7.1 Under the terms of the Funding Agreement with the HCA, the Council is entitled to a base value based on an estimate of market value (the site is currently being revalued). Any additional receipt would be due to the HCA.
- 7.2 Based on previous experience, requiring standards above the minimum and imposing development timescales would adversely affect the capital receipt. However, the HCA requires that the Council enables good quality development in an acceptable timescale otherwise the HCA would exercise their option to buy the site for £1. Therefore, disposal with landowner's requirements represents the best opportunity for the Council to realise a capital receipt from the site.

8.0 LEGAL IMPLICATIONS

- 8.1 The procurement of a contractor to develop a scheme of this scale, in line with the Council's requirements, constitutes a Public Works contract and requires procurement compliant with the PCR. The use of the HCA's Developer Partner Panel fulfils this criterion.
- 8.2 Section 32 of the Housing Act 1985 provides that any land held for housing purposes may only be disposed of with the consent of the Secretary of State. The Secretary of State has, by virtue of the General Housing Consents 2013, given a general consent to certain categories of disposal that would otherwise be subject to a specific application for consent. These provide for consent for the disposal of vacant land as long as the disposal is at a consideration equal to the market value of the land. The competitive process that will be followed by the use of the HCA's Developer Partner Panel will enable the Council to establish that it has achieved a market value for the land and therefore, the General Consent will apply to the disposal.

9.0 EQUALITY IMPLICATIONS

- 9.1 Fundamentally this proposal is equality neutral, affecting all local people the same regardless of age, sex, race, faith, disability, sexuality, etc. No

negative equality impacts have been identified.

10.0 ALTERNATIVE OPTIONS CONSIDERED

- 10.1 Disposal of the site without any landowner requirements would potentially realise a greater capital receipt. However, the HCA would not support this course of action by the Council. If the Council were not prepared to impose the proposed landowner requirements, the HCA would exercise its option to purchase the site for £1.

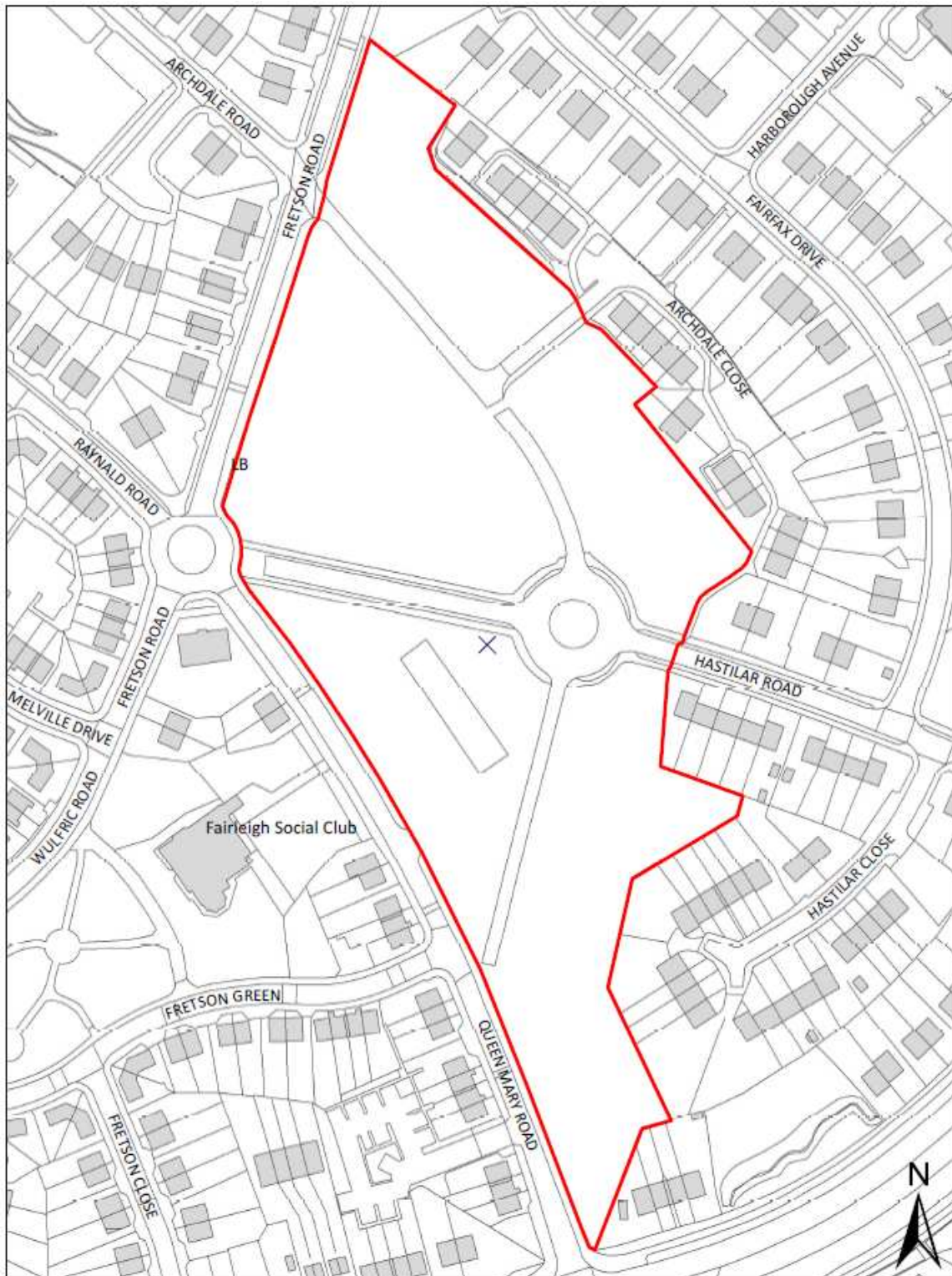
11.0 REASONS FOR RECOMMENDATIONS

- 11.1 Disposal through the HCA's Developer Partner Panel would create the best opportunity for the timely delivery of a good quality development that would complement Sheffield Housing Company's planned regeneration of the area.
- 11.2 Disposal through this method, agreed with the HCA, would allow the Council to retain a capital receipt generated by the sale.

12.0 RECOMMENDATIONS

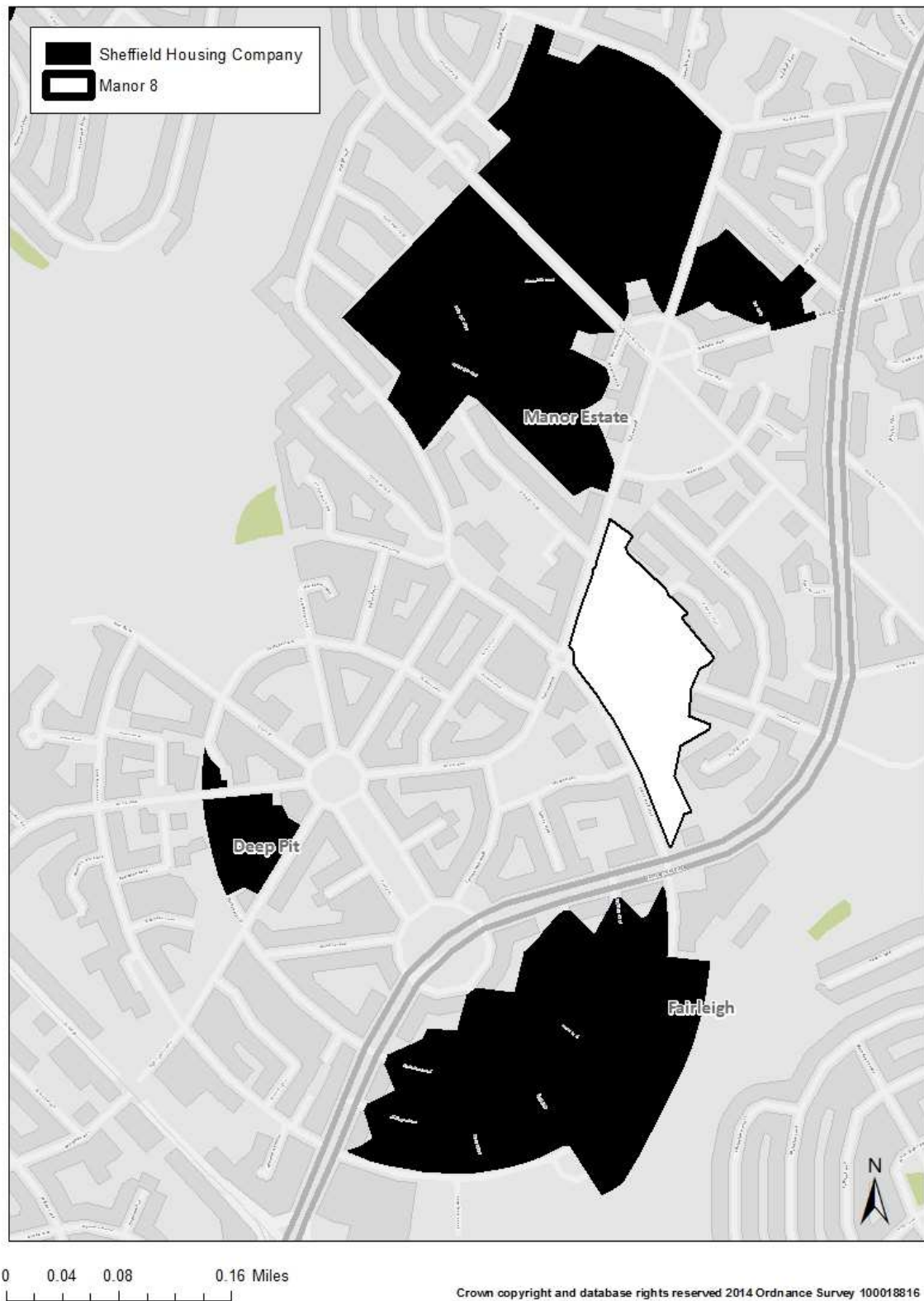
- R1 That the decision of Cabinet on 22 November 2006 to sell the land shown at Appendix A, known as Manor 8, to Lovell Partnerships Ltd be rescinded.
- R2 That a developer be procured for Manor 8 using the Homes and Communities Agency's Developer Partner Panel utilising a competitive tender process led by Commercial Services in accordance with Standing Orders.
- R3 That the procurement be subject to the landowner's requirements identified in Section 6 of this report.
- R4 That the Director of Commercial Services or his nominated deputy be granted delegated authority to award a contract for this project.
- R5 That the Director of Capital and Major Projects be authorised to vary any boundaries as required and to instruct the Director of Legal Services to complete the necessary legal documentation to transfer the site to the successful tenderer on the terms set out in this report.

Appendix A: Manor 8



© Crown copyright and database rights 2013 Ordnance Survey 100018816.

Appendix B: Manor 8 and Sheffield Housing Company Sites



This page is intentionally left blank



Report of: Simon Green, Executive Director, Place

Date: 19 March 2014

Subject: Implementing the Community Infrastructure Levy (CIL) – in Sheffield

Author of Report: Richard Holmes (205 3387)

Summary:

The CIL is a new way of seeking contributions from developers towards essential infrastructure that is required to support new development. This report seeks Cabinet approval to undertake statutory public consultation on the proposed CIL charges in the CIL Draft Charging Schedule.

This will be the second round of public consultation on the CIL, the first took place from January to February 2013 on the Preliminary Draft Charging Schedule (PDCS). CIL charges should be based solely on the ability to pay and the need for a charge to deliver necessary infrastructure. Taking account of comments received, it is proposed that some of the charges be reduced from those in the PDCS in the light of further work on viability to ensure that levels of development in Sheffield are not significantly adversely affected by the charge.

Reasons for Recommendations:

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

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

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

The CIL rates proposed represent a cautious approach to viability through the assumptions used and the inclusion of a minimum 40% margin below the potential maximum affordable charge.

Recommendations:

That Cabinet:

- Agrees to publish a Draft Charging Schedule for public consultation, including some rates that are lower than proposed in the Preliminary Draft Charging Schedule, published in January 2013, as set out in Table 1
- Agree that these proposed CIL rates will have implications for assumptions on realistic affordable housing requirements, as set out in Table 2 above. These will influence negotiations on planning applications that include an element of affordable housing;
- Agrees to the publication of a number of draft documents as evidence to support the proposed CIL charges, including an 'Interim Regulation 123 List' setting out current potential CIL funding priority projects.

Background Papers: Draft CIL Charging Schedule
CIL Draft Charging Schedule Background Report
Updated CIL Viability Study
Report on Consultation
Draft of a Phase 1 Infrastructure Delivery Plan
Draft Interim 'Regulation 123 List' of Priority CIL-Funded Projects
Draft Section 106 / CIL Statement

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by Paul Schofield
Legal Implications
YES Cleared by Paul Bellingham
Equality of Opportunity Implications
YES Cleared by Ian Oldershaw
Tackling Health Inequalities Implications
YES
Human rights Implications
NO
Environmental and Sustainability implications
YES
Economic impact
YES
Community safety implications
YES
Human resources implications
YES
Property implications
YES Cleared by Nalin Seneviratne
Area(s) affected
All
Relevant Cabinet Portfolio Leader
Leigh Bramall
Relevant Scrutiny Committee if decision called in
Economic and Environmental Well-being
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

IMPLEMENTING THE COMMUNITY INFRASTRUCTURE LEVY IN SHEFFIELD

1. SUMMARY

- 1.1 The Community Infrastructure Levy (CIL) is a new way of securing contributions from developers towards infrastructure provision through the planning system. It is a national scheme that the Government is promoting as a better way for new development to contribute towards new infrastructure, and will largely replace individually negotiated planning agreements (known as Section 106 agreements). The CIL is a tariff system that local authorities can choose to charge on new developments in their area by adopting a Charging Schedule. The CIL is levied on new buildings and extensions to buildings according to their floor area. In this way money is raised from developments to help the Council pay for essential infrastructure to support these new developments. This infrastructure will include schools, transport improvements, open space and public spaces, plus any other community facilities required to ensure sustainable growth. It can only be spent on new infrastructure needed as a result of new development and will be a mandatory charge. The levy will be paid by most new development, although it will only be charged on new net additional floorspace and on larger schemes (100 square metres of net non-residential additional floorspace or single individual dwellings).
- 1.2 CIL charges can vary by type and location of development, but must be based on viability. So some developments will pay more than others and some with limited viability, such as offices and industry, will pay no CIL.
- 1.3 A CIL represents a great opportunity to focus on city-wide priorities and provide new infrastructure that is of strategic, city-wide importance. CIL funding is not restricted to individual developments or local areas, so can be targeted where it is most needed. Setting CIL infrastructure priorities can be matched with a wider Infrastructure Delivery Plan that will enable the city to focus on priorities for growth and the strategic outcomes set out in the Corporate Plan.
- 1.4 Cabinet agreed in September 2011 that the Council should work towards implementing a CIL, to ensure that major new development contributes to the provision of infrastructure improvements where viable. The CIL will largely replace Section 106 developer contributions (commuted sums), which are currently used for this purpose. These will usually no longer be available due to changes in national planning legislation. Section 106 will continue to be used for affordable housing and anything required for a specific development site to make it acceptable in planning terms. The CIL will relate to strategic priorities in the Sheffield Local Plan and the rate will be based on what is affordable, and not set at such a level that it risks the delivery of the local plan or significantly threatens the levels of development in the city.
- 1.5 The CIL will help to deliver the city's strategic priorities for infrastructure provision, will be generated by economic growth and reinvested into economic growth and infrastructure. Successful implementation and investment of CIL funds will make the

city more competitive and it will be a key funding element of the Sheffield City Region Investment Fund. While CIL funds collected within Sheffield could be spend outside of the city, the Council is under no obligation to do this. CIL monies will reside with the Council and how they are spent will be locally determined, in consultation with Sheffield people and businesses. The focus is likely to be on strategic outcomes, particularly Great Places to Live, Competitive City and Successful Young People.

- 1.6 National legislation governs the process for setting up a CIL. The first stage was to produce a *CIL Preliminary Draft Charging Schedule* setting out the proposed rates that would be charged on new development. This was subject to a period of public consultation from January to February 2013. The Council has considered issues raised by respondents to inform the next stage of the process, a *Draft Charging Schedule*. A stakeholder workshop was held with members and representatives of the Chamber of Commerce and the Local Enterprise Partnership to focus on viability to ensure their concerns were addressed and the specific issues taken into account. The Draft Charging Schedule will be subject to a further public consultation with an opportunity for the Council to consider further any additional matters raised, including further direct engagement with the Chamber of Commerce and the Local Enterprise Partnership. Further changes and consultation may be appropriate before the Charging Schedule is then submitted for Examination by a Planning Inspector. The CIL rates proposed in the Draft Charging Schedule have been revised following public consultation on the Preliminary Draft Charging Schedule last year. Many of the proposed charges have been reduced, some are the same and none have increased.
- 1.7 The CIL rates must be based on the ability of development to pay. A Viability Study by independent consultants has provided evidence that some, but not all, development in the city can afford to pay a CIL charge to help meet identified needs for infrastructure.
- 1.8 The CIL rates proposed represent a cautious approach to viability through the assumptions used and by setting rates at 60% (or less in most cases) of the potential maximum affordable charge. Affordable housing is the one major element of developer contributions that will continue to be delivered by individual legal agreements (Section106), so there will be a trade-off between the delivery of affordable housing that is not included in the CIL charge and raising income through CIL. The higher the rate of CIL, the less the potential for affordable housing, and vice versa. Agreeing these proposed CIL rates will have implications for assumptions on realistic affordable housing requirements that will influence negotiations on planning applications that include an element of affordable housing.
- 1.9 Cabinet is asked to agree that these potential CIL rates are reasonable as a basis for the consultation exercise. It is also asked to agree to the publication of a number of draft documents that are required as evidence to support the CIL. This includes an 'Interim Regulation 123 List' – a list of potential CIL funding priority projects that is required to support the Draft Charging Schedule.

2. WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

2.1 The Community infrastructure Levy (CIL):

“allows local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range of infrastructure that is needed as a result of development. This includes new or safer road schemes, flood defences, schools, hospitals and other

*health and social care facilities, park improvements, green spaces and leisure centres*¹

The Current Position – Section 106 Agreements

- 2.2 Contributions from developers towards new and improved infrastructure are currently delivered through negotiated legal agreements (Section 106) that form part of the planning application process. The Government has restricted the scope of these agreements as part of the CIL process, so that they must now focus only on what is needed to make the individual development acceptable, such as a specific access road. The CIL is now the mechanism for delivering the wider infrastructure demand that new development creates, such as additional school places or open space. Section 106 will be further limited in April 2015, when a restriction on pooling financial contributions from developers towards infrastructure will be imposed. For these reasons CIL will be the only way of securing any significant financial contributions for infrastructure from new development.
- 2.3 In the medium to long term, CIL is anticipated to generate significantly more funds for infrastructure compared to Section 106, as it is more efficient than the current situation where contributions are negotiated on an individual basis as developments come forward. If the Council does not adopt a CIL, the projects that can be secured through Section 106 will become much more limited. This would affect the city's ability to raise money for essential infrastructure to support growth and to help deliver the infrastructure required to achieve our Great Places to Live, Competitive City and Successful Young People strategic outcomes. As the Government is promoting CIL, a decision not to adopt one could make it more difficult for the city to secure other funding from the Government towards infrastructure. A CIL could also contribute to education provision but would not replace specific funding for school places from the Government as these are awarded to address existing identified shortages in provision, whereas CIL will be used to meet future requirements resulting from new development.
- 2.4 The money can be spent wherever it is most needed though some will be allocated directly to the neighbourhoods where the new development takes place. If the money is not raised it will mean gaps in infrastructure provision that could cause delays in providing for new homes and jobs. CIL is fairer because all viable developments will contribute and there is more scope to use the money for strategic schemes, or where it will have the biggest impact.
- 2.5 CIL is fairer, faster and more transparent than Section 106 and will give CIL charging areas the freedom to set their own priorities for what the money should be spent on. Also it makes the system more transparent for local people, as local authorities have to report what they have spent the levy on.
- 2.6 An amount of CIL will also be required to deliver a 'Neighbourhood Proportion' of infrastructure improvements locally. This will be 15% of the CIL received in the area or 25% where there is a Neighbourhood Plan in place.

3. OUTCOME AND SUSTAINABILITY

¹ CIL Overview – Communities and Local Government, 2011.

<http://www.communities.gov.uk/publications/planningandbuilding/communityinfrastructurelevymay11>

- 3.1 Government guidance explains that the purpose of the CIL is to support growth and the money raised can be used to fund the infrastructure needed to serve new development. The CIL will provide funds that will be used to help deliver priority infrastructure projects that will be selected on the basis that they will support strategic development priorities. The CIL will be particularly important in achieving Corporate Priorities to support and protect communities, focussing on jobs and being business-friendly. It will assist in delivering the Council's Values of working better together, taking a long-term view and enabling. In this way it will help to deliver many of the city's Outcomes, particularly a strong and competitive economy and help make Sheffield a great place to live. But infrastructure cuts across many other areas, so can also assist in delivering better health and well-being, supporting young people, creating a safe and secure environment, being environmentally responsible and helping to create a vibrant city. The CIL will ensure the major infrastructure investment needed is sustainable by addressing the additional demand that new development places on infrastructure.
- 3.2 The National Planning Policy Framework (NPPF) recognises that a lack of infrastructure can be a significant barrier to investment, and that priorities for infrastructure provision should be identified. More specifically, local planning authorities should set out the strategic priorities for the area in the Local Plan, including strategic policies to deliver the provision of infrastructure and to plan positively for infrastructure required to meet the objectives, principles and policies of the NPPF.
- 3.3 We are required to publish a list of CIL priorities for spending in draft form (the 'Regulation 123 List'). CIL should focus on delivering local plan priorities, so projects have been chosen based on those identified Core Strategy priorities for infrastructure. Because of the focus on the local plan it is inevitable that these priorities will be narrower to some degree to priorities set out in the Corporate Plan and other priorities being delivered through Outcome Boards as referred to in paragraph 3.1 above.
- 3.4 No decisions are being made on CIL spending at this stage, as CIL money is not expected in significant amounts until 2017, and the list can be easily changed as new development pressures emerge. For this reason the current draft List will be referred to as an 'Interim Regulation 123 List', as it is just an illustration of what CIL receipts would be spent on now if we had them. It should give reassurance to developers that CIL money will be targeted at suitable strategically important infrastructure projects.
- 3.5 The **priority projects** that could be CIL priorities if CIL funds were to be spent at the present time are:
- Bus **Rapid Transit** North (scheme already committed and in progress) and South;
 - Additional **Primary and Secondary school places** in regeneration areas and **Secondary school places** in non-regeneration areas;
 - New **public parks** around the ruins of Sheffield Castle, at Parkwood Springs and Abbeydale Grange and **public realm improvements** at Moorfoot linked to The Moor;
- 3.6 As some of these projects are either underway or will have progressed by the time CIL funding is collected, they will almost certainly change as the Council progresses the implementation of CIL.

4. BACKGROUND

4.1 The Government is promoting the introduction of CILs – the Government’s website² states:

“The levy is designed to be fairer, faster and more transparent than the previous system of agreeing planning obligations between local councils and developers under section 106 of the Town and Country Planning Act 1990....

...The money raised from the community infrastructure levy can be used to support development by funding infrastructure that the council, local community and neighbourhoods want, like new or safer road schemes, park improvements or a new health centre.

The community infrastructure levy:

- *gives local authorities the freedom to set their own priorities for what the money should be spent on*
- *gives local authorities a predictable funding stream that allows them to plan ahead more effectively*
- *gives developers much more certainty from the start about how much money they will be expected to contribute*
- *makes the system more transparent for local people, as local authorities have to report what they have spent the levy on each year*
- *rewards communities receiving new development through the direct allocation of a proportion (15% or 25% depending on whether a Neighbourhood Plan is in place) of levy funds collected in their area”*

4.2 To summarise, the benefits of CIL are:

- **Certainty** – the contribution required will be known to developers in advance and can be planned for and built in to development appraisals;
- **Transparency** – priorities and projects that will be the recipients of funding will be clearly set out and justified and can be easily scrutinised;
- **Efficiency** – infrastructure provision can be better co-ordinated and complementary funding sources can be identified more easily;
- **Focus** – the priorities for receiving funding will be clearly set out and will have been justified;
- **Better Value** – the Government has estimated that extra revenue for infrastructure could be achieved by the introduction of CIL.³ Estimates of future CIL receipts in Sheffield using the charges proposed suggest around £4 million / year could be raised from 2017, compared with S.106 receipts that have averaged around £1 million a year since 1994. The annual receipts rose steadily to a peak of £3m in 2006, so that over the last 10 years the average has been £1.5m/year.

² <https://www.gov.uk/government/policies/giving-communities-more-power-in-planning-local-development/supporting-pages/community-infrastructure-levy>

³ *Localism Bill: Community Infrastructure Levy - Impact Assessment.*

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6037/1829714.pdf

4.3 The Government has recently emphasised its commitment to the CIL. The April 2013 consultation on CIL proposes further reforms. In paragraph 9 it states that:

“The Government is committed to the levy and to ensuring that it is workable and effective.”

4.4 Cabinet have previously agreed in principle to the setting of a CIL.⁴ In December 2012 Cabinet agreed to publish a Preliminary Draft Charging Schedule⁵:

Viability and the Proposed CIL Charges

4.5 The key to deciding the level of CIL is the overall impact on the viability of development, i.e. what can reasonably be afforded without making most sites unviable. A report by independent consultants indicates that development on certain types of sites and in certain parts of the city would be sufficiently viable to justify a CIL charge for some uses. Government Guidance requires that charging authorities do not set their CIL at the margins of viability, so a 40 to 80% buffer was recommended below the maximum potential rates to give the rates that we are proposing.

4.6 The rates recommended in the Preliminary Draft Charging Schedule have been reduced in many cases as a result of revised viability assessments, comments received in consultation (including those from the Chamber of Commerce and Local Enterprise Partnership in stakeholder sessions) and revised statutory Government Guidance. The proposal is to adopt multiple rates that vary by housing market area and end use, rather than a single rate across all development in all areas. There would be nil rates for some commercial uses and some housing areas where a charge would not be viable. This multiple rates approach is consistent with that adopted by other local authorities implementing CIL.

4.7 Statutory Government Guidance issued since the Preliminary Draft Charging Schedule (PDCS) encourages us to identify major strategic sites that can be treated as a separate geographical zone for CIL charging purposes, if robust evidence on economic viability supports it. We have evidence that viability in the New Retail Quarter and The Moor may differ from the rest of the City Centre Prime Retail Area, so have proposed to investigate different rates for those sites. Evidence is not available for the other City Centre retail areas (Fargate / High Street and Devonshire Street / Division Street), as these are not identified development sites. In any case, redevelopment for retail uses here is not likely to include significant new floorspace, so would not be eligible for a significant CIL charge.

4.8 The rates proposed are set out in the right hand column of the table below.

⁴ Sheffield City Council Cabinet Meeting 28 September 2011 - <http://meetings.sheffield.gov.uk/council-meetings/cabinet/agendas-2011/agenda-28th-september-2011>

⁵ <http://meetings.sheffield.gov.uk/council-meetings/cabinet/cabinet-decisions/12-december-2012> and <http://meetings.sheffield.gov.uk/council-meetings/cabinet/agendas-2012/agenda-12th-december-2012>

Table 1 – Proposed CIL Rates for the Draft Charging Schedule

Use	Rate originally Proposed in the PDCS	Proposed Rate (per sq.m.)
RESIDENTIAL (Use Classes C3 and C4)		
Zone 1 - North East	£20	£0
Zone 2 - East	£20	£10
Zone 3 - Stocksbridge & Deepcar, North West and South East	£30	£30
Zone 3 - City Centre West, Manor / Arbourthorne / Gleadless, Chapeltown / Ecclesfield and Rural Upper Don Valley	£50	£30
Zone 4 - City Centre, South	£50	£50
Zone 5 - South West	£100	£80
RETAIL (Use Class A1)		
City Centre Prime Retail Area	£60	£30
Meadowhall Prime Retail Area	£60	£60
Major Retail Schemes (including superstores and retail warehouses)	£60	£60
Strategic Site - New Retail Quarter	£60	£30*
Strategic Site – The Moor	£60	30*
Car Showrooms	£60	£0
HOTELS (Use Class C1)	£45	£40
LEISURE (Specifically D2 out-of-town health and fitness centres)	£60	£30
STUDENT ACCOMMODATION	£50	£30
ALL OTHER USES (including offices, industrial and warehousing)	£0	£0

* Subject to further work on viability.

Note: Detailed definitions for the uses and plans of the different areas referred to are set out in the Draft Charging Schedule, a Background Paper to the Cabinet Report

5. FINANCIAL IMPLICATIONS

5.1 As explained in paragraph 4.2 it is expected that, once established, there will be income from a CIL around £4 million per year once the system is effectively up and running and CIL income is routinely collected (probably from 2017 onwards). Given the restrictions on Section 106 detailed earlier, this income would not be otherwise achieved without a CIL in place. This projected income assumes that the property market recovers and most development sites identified do come forward. The impact of the reduced proposed rates compared with those previously proposed in the Preliminary Draft Charging Schedule, could be a reduction of up to £1 million, based on current planning projections in the Local Plan.

5.2 The Viability Study suggests that the proposed CIL rates would typically amount to between one and two and a half per cent of the total costs of any new development, and our own research supports this conclusion. CIL will be paid by more developments so the cost will be spread around (smaller schemes below the affordable housing and open

space contribution thresholds do not normally make any financial contribution at all, due to the cost and time involved in drafting a Section 106 agreement). Currently, less than 2% of planning applications involve a Section 106 payment – this proportion will be many times higher under CIL.

- 5.3 The rates represent a cautious approach to ensuring the right balance between achieving a reasonable CIL income and not putting overall viability at risk. Setting rates at 60% or less of the maximum potential rates, plus a cautious approach to assumptions will ensure this is the case.
- 5.4 The Council has already incurred costs relating to CIL through officer time and commissioning the independent Viability Study. These operating costs will continue to be incurred as we work towards implementation of the CIL and we will also be likely to incur operational costs once CIL is adopted. However, the CIL regulations allow for up to 5% of CIL revenue to be claimed by the Council to cover these costs. We will seek to reduce the amount of CIL revenue used to cover the administration costs as far as possible in order to direct funding at infrastructure provision. Allocation of funding, and prioritisation of schemes will be undertaken through the Council's capital approval governance arrangements.
- 5.5 The Council has already committed some £2.2m of anticipated funds to the construction of Bus Rapid Transit North / Tinsley North Link and further sums may be needed to fund the commuted sum on the future maintenance obligations.
- 5.6 The collection of CIL will be undertaken through the Council's standard financial administration processes. Officers are currently reviewing how management information requirements can be met.

6. LEGAL IMPLICATIONS

- 6.1 CIL collection is governed by the Legislation produced in 2010 and amended every year since (the Community Infrastructure Levy Regulations 2010 (as amended)). The Council will need to ensure that all the legal processes required to adopt and operate a CIL are built in to corporate procedures. The Corporate Officer Group is also working to ensure this takes place.

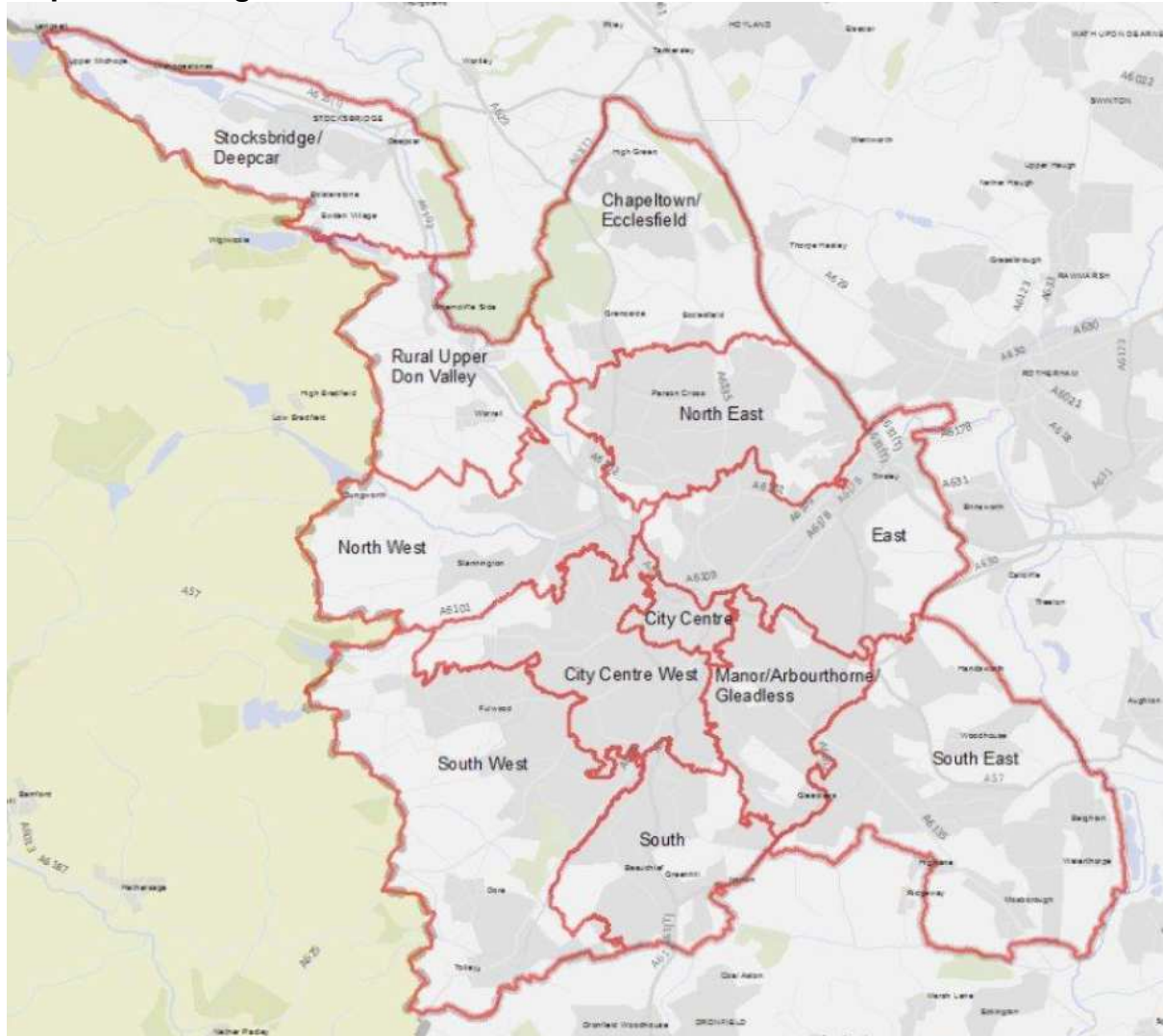
7. EQUALITY OF OPPORTUNITY IMPLICATIONS

- 7.1 The main benefits of CIL have been set out previously in Sections 2 to 4. As the CIL is largely replacing the previous Section 106 system of achieving developer contributions, in itself it is equality neutral. However, when considering the benefits of a CIL that there should be more funding available and it is more flexible in what the funds can be spent on, it has the potential for positive equality impacts. Many of the infrastructure projects that a CIL would help to deliver would benefit those reliant on public services such as state schools and public transport, as well as those living in areas where air quality is poor, for example. For this reason, CIL is considered to offer potential benefits to poorer residents and communities in Sheffield, so could have a positive equality impact.

Affordable Housing Requirements

7.2 Affordable housing is a cost to development that has been specifically accounted for in the CIL viability assessments. There is a need to be specific about realistic affordable housing assumptions, based on variations in viability across the different Housing Market Areas, shown below in Map 1.

Map 1 – Housing Market Areas



7.3 The findings of the viability studies on affordable housing and CIL have recently been combined to determine viable CIL rates and affordable housing targets, as follows:

Table 2 - Proposed CIL Rates and Affordable Housing (AH) Assumptions

Housing Market Area	Proposed CIL Rate (£ per sq.m.)	Proposed AH Requirement (%)
Chapelton / Ecclesfield, Rural Upper Don Valley	30	10
City Centre	50	0
City Centre West, North West, South East, Stocksbridge & Deepcar	30	10
Manor / Arbourthorne / Gleadless East	30	0
North East	10	0
South	0	0
South West	50	30
	80	30

7.4 We will need to refer to this in applying affordable housing planning policies. Accordingly, it is proposed that an updated Interim Planning Guidance Note on the approach to affordable housing will be produced in advance of a Supplementary Planning Document that will deal with CIL, affordable housing and all developer contributions.

8. HEALTH INEQUALITY IMPLICATIONS

8.1 CIL funds could be used to deliver health services where they are classed as infrastructure, such as health centres and doctors' surgeries. This would be dependent on such infrastructure projects being prioritised, either city-wide or by the local communities using the Neighbourhood Proportion.

9. HUMAN RIGHTS IMPLICATIONS

9.1 The process for implementing a CIL including public consultation conforms to national legislation that takes due account of human rights.

10. ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

10.1 The National Planning Policy Framework⁶ promotes sustainable development through three key dimensions, where the planning system has an economic, social and environmental role. Infrastructure cuts across all three of these roles and the CIL will assist in the delivery of infrastructure to aid sustainable development.

11. ECONOMIC IMPACT

11.1 The CIL will help to deliver the city's strategic priorities for infrastructure provision, will be generated by economic growth and reinvested into economic growth and infrastructure. It will be a key funding element of the Sheffield City Region Investment Fund and the City Region Growth Plan. While CIL funds collected within Sheffield could be spend outside of the city, the Council is under no obligation to do this. CIL monies

⁶ National Planning Policy Framework. Communities and Local Government, March 2012 - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf

will reside with the Council and how they are spent will be locally determined. The focus is likely to be on strategic outcomes, particularly Great Places to Live and Competitive City. Successful implementation and investment of CIL funds will make the city more competitive. Effective and full economic regeneration through the provision of new homes, businesses, services and leisure cannot be achieved without adequate supporting facilities. Infrastructure connects people with these jobs and services and provides the means for these to be delivered effectively. The city's aspirations for economic growth, as set out in strategies such as the Corporate Plan, City Strategy, Economic Masterplan, City Centre Masterplan and Don Valley Masterplan can only be achieved with the provision of adequate physical, social and green infrastructure. Infrastructure provision is also a critical issue on the national policy agenda and local plans are now expected to include policies that actively seek to deliver infrastructure improvements. We have worked closely with the Chamber of Commerce Property and Regeneration Committee and the Local Enterprise Partnership Property and Construction Group to ensure we have fully understood the key economic, regeneration and viability issues and have proposed CIL levels that will not undermine development and growth in the city.

12. COMMUNITY SAFETY IMPLICATIONS

- 12.1 Transport improvements are expected to be a significant item of infrastructure that will be delivered through CIL, and road and pedestrian safety is a key element of transport improvements.

13. HUMAN RESOURCES IMPLICATIONS

- 13.1 Putting the CIL in place will require significant input from Council staff in Planning, Legal and Finance, as well as others. However, this should lead to improved funding for infrastructure in the future, and CIL receipts can be used to cover some or all of the cost of its implementation.

14. PROPERTY IMPLICATIONS

- 14.1 The CIL would be chargeable on all new development, including buildings funded or constructed by or on behalf of the Council.
- 14.2 CIL receipts could be eligible to be spent by the Council on new buildings or structures where they are defined as infrastructure and are identified as a priority for CIL spending.

15. ALTERNATIVE OPTIONS

- 15.1 One option is not to implement a CIL, as it is not compulsory. Some local authorities have decided not to implement a CIL at the present time, where there are no infrastructure requirements or viability is marginal, but most councils are working on a CIL because funding for essential infrastructure is not otherwise available (currently 155 authorities have already published a Preliminary Draft Charging Schedule). Most core cities are also at various stages in the process of adopting a CIL. Most local authorities who have decided not to implement CIL at the present time have done so on the basis

of either no infrastructure need or non-viability from their studies. Our viability study shows charges are viable on certain types of development in certain locations.

16. CONCLUSIONS ON REASONS FOR RECOMMENDATION

- 16.1 The CIL will help to deliver the city's strategic priorities for infrastructure provision, will be generated by economic growth and reinvested into economic growth and infrastructure. It will be a key funding element of the Sheffield City Region Investment Fund. Successful implementation and investment of CIL funds will make the city more competitive. However, CIL monies will reside with the Council and how they are spent will be locally determined. The focus is likely to be on strategic outcomes, particularly Great Places to Live and Competitive City.
- 16.2 The next stage in adopting a CIL is to produce a Draft Charging Schedule setting out the proposed rates that will be charged on new development, and this will be subject to a period of public consultation.
- 16.3 The recommended CIL rates are based on the ability of development to pay. Viability assessments have provided evidence that some development in the city can afford to pay a CIL charge to help meet identified needs for infrastructure.
- 16.4 The CIL rates proposed represent a cautious approach to viability through the assumptions used and the inclusion of a minimum 40% margin below the potential maximum affordable charge.

17. RECOMMENDATION

That Cabinet:

- 17.1 Agrees to publish a Draft Charging Schedule for public consultation, including some rates that are lower than proposed in the Preliminary Draft Charging Schedule, published in January 2013, as set out in Table 1 above;
- 17.2 Agree that these proposed CIL rates will have implications for assumptions on realistic affordable housing requirements, as set out in Table 2 above. These will influence negotiations on planning applications that include an element of affordable housing;
- 17.3 Agrees to the publication of a number of draft documents as evidence to support the proposed CIL charges, including an 'Interim Regulation 123 List' setting out current potential CIL funding priority projects.

Simon Green

Executive Director, Place

March 2014

This page is intentionally left blank



SHEFFIELD CITY COUNCIL Cabinet Report

Report of: Eugene Walker

Date: 19 March 2014

Subject: Revenue and Capital Budget Monitoring 2013/14 – As at 31 December 2013

Author of Report: Allan Rainford; 35108

Summary: This report provides the month 9 monitoring statement on the City Council's Revenue and Capital Budget for 2013/14.

Reasons for Recommendations To formally record changes to the Revenue Budget and gain Member approval for changes in line with Financial Regulations.

Recommendations:

Please refer to paragraph 116 of the main report for the recommendations.

Category of Report: OPEN/CLOSED

Statutory and Council Policy Checklist

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

REVENUE BUDGET & CAPITAL PROGRAMME MONITORING AS AT 31 DECEMBER 2013

Purpose of the Report

- This report provides the Month 9 monitoring statement on the City Council's Revenue Budget and Capital Programme for December 2013. The first section covers Revenue Budget Monitoring and the Capital Programmes are reported from paragraph 90.

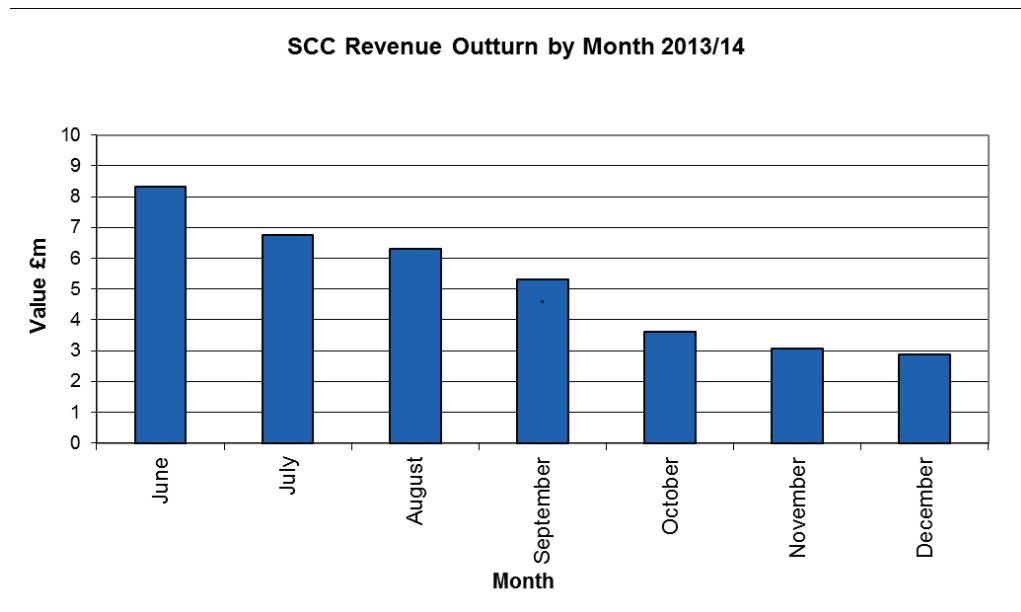
Revenue Budget Monitoring

Summary

- The budget monitoring position at month 8 indicated a forecast overspend of £3.1m, based on expenditure incurred to date and forecasted trends to the year end. The latest monitoring position at month 9 shows a forecast overspend of £2.9m to the year end: i.e. a forecast improvement of £202k since last month. This is summarised in the table below:

Portfolio	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 8
CYPF	88,621	88,645	(24)	↔
PLACE	181,044	180,592	452	↔
COMMUNITIES	182,928	173,103	9,825	↓
POLICY, PERFORMANCE & COMMUNICATION	2,680	2,611	69	↔
RESOURCES	63,370	64,674	(1,304)	↔
CORPORATE	(515,755)	(509,625)	(6,130)	↔
GRAND TOTAL	2,888	-	2,888	↓

- The forecast outturn shows a reducing overspend from the £8.3m overspend reported in month 3 to £2.9m in month 9. This improvement reflects Portfolios attempts to reduce spending but also the use of one-off grants to offset the significant pressures within the Communities portfolio. Further work is being undertaken to deliver a balanced position at year end. The position month by month is shown in the following chart.



4. In terms of the month 9 overall forecast position of £2.9m overspend, the key reasons are:

- Place are showing a forecast overspend of £452k, due to an estimated £204k associated with contract negotiations to deliver the waste management savings, additional forecast costs within commercial estate of £209k, a reduction in anticipated markets income of £328k caused mainly by low rental levels at the old Castle Market and a potential deficit arising from difficult trading conditions within Sheffield International Venues of £800k. These overspends are partly offset by reductions in forecast spend on the contract and street lighting costs within the Highways Department of £821k, savings on Local Growth Funded Projects of £205k and a reduction in spending across the Culture and Environment Service of £300k.
- Communities are showing a forecast overspend of £9.8m, due predominately to a £7.9m overspend in Care and Support relating to Learning Disability Services and the purchase of Older People's care and a £3.0m overspend on Mental Health purchasing budgets.
- Resources are showing a forecast reduction in spending of £1.3m, due to £1m savings on the housing benefits subsidy adjustments, £1m of insurance fund savings and £239k reduction in spending within the Finance Service as a result of early staff savings for the 2014/15 budget. These savings are partly offset by reduced income from project recharges of £335k and a £400k provision for EU grant clawback within Business Information Solutions, £152k of unfunded

E-Business project costs and a £109k overspend within HR on employee costs.

- Corporate budgets are showing a forecast reduction in spending of £6.1m, due predominantly to savings against the redundancy budget of £2m and the receipt of additional grant income totalling £3.7m.
5. The key reasons for the movement from month 8 are:
- Communities are forecasting an improvement of £185k, due mainly to £113k reduction in the amount paid to Sheffield Health and Social Care Trust in respect of the Mental Health Contracts.

Individual Portfolio Positions

Children Young People and Families (CYPF)

Summary

6. As at month 9 the Portfolio is forecasting a reduction in spending of £24k which is consistent with the month 8 position and is shown in the table below. The DSG forecast is an overspend of £197k, an improvement of £125k from the month 8 position. The key reasons for the forecast outturn position are:

- **Business Strategy:** £159k forecast reduction in spend, due to a £369k forecast overspend in Children's Public Health, offset by increased income of £630k on the Education Services Grant (ESG).
- **Children and Families:** £86k forecast reduction in spend, which includes £387k forecast overspend in legal fees, £322k forecast overspend on residential homes, £50k overspend in Adoption, £142k overspend in Fostering, £361k forecast reduction in spend on fieldwork services, £314k forecast in spend on Early Years and £119k forecast reduction in spend on Placements.
- **Inclusion and Learning Services:** £200k forecast overspend, due to £115k forecast overspend on faith travel passes, £257k forecast overspend on travel passes due to an increase in demand. Offset by a forecast reduction in spend of £39k in the Learning and Achievement Service and a forecast reduction in spend of £37k in Inclusion and Targeted Services.
- **Lifelong Learning, Skill and Communities:** £22k forecast overspend, due to a forecast overspend of £62k in the 14-19 Service, offset by a forecast underspend of £44k in Strategic Support.

Financials

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 8
BUSINESS STRATEGY	6,372	6,531	(159)	↔
CHILDREN & FAMILIES	65,477	65,563	(86)	↔
INCLUSION & LEARNING SERVICES	4,973	4,774	200	↔
LIFELONG LEARN, SKILL & COMMUN	11,799	11,777	22	↔
GRAND TOTAL	88,621	88,645	(24)	↔

Commentary

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

Non DSG Budgets

8. As at month 9, the overall position for Children and Families is consistent with the month 8 position. However, the Early Years budgets have improved by £158k from the month 8 position to a forecast reduction in spend of £314k. This is due to the early implementation of the 2014/15 savings in Early Years.

DSG Budgets

9. As at month 9, DSG is forecast to overspend by £197k, an improvement of £125k from the position reported at month 8. The only significant movement to report in DSG is an improvement of £89k in LLSC in Post 16 High Needs Funding, to give a forecast reduction in spend of £89k. This is due to reduction in spends being identified to offset the shortfall on EFA income for High Needs of £300k.

Place

Summary

10. As at month 9 the Portfolio is forecasting a full year outturn of £452k overspend, an improvement of £206k from the month 8 position. The key reasons for the forecast outturn position are:
- **Business Strategy & Regulation:** £204k overspend due to risks associated with contract negotiations with the Contractor on the new service to deliver the full £2.1m waste management savings in the 2013/14 Budget.
 - **Capital & Major Projects:** £638k overspend largely arising from cost and income pressures within the markets service of £328k and additional forecast costs within commercial estate for professional services of £209k.

- **Culture & Environment:** £516k overspend due to the forecast including provision for a potential deficit arising from difficult trading conditions within Sheffield International Venues (SIV), offset to some extent by savings across the overall Culture and Environment service area.
- **Regeneration & Development Services:** £955k reduction in spending largely due to reductions in forecast spending on contract and street lighting costs within the Highways Department of £821k and Local Growth Funded Projects in Sustainable Cities of £205k.

Financials

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 8
BUSINESS STRATEGY & REGULATION	29,537	29,333	204	↓
CAPITAL & MAJOR PROJECTS	1,437	799	638	↔
CREATIVE SHEFFIELD	3,654	3,662	(8)	↔
CULTURE & ENVIRONMENT	54,699	54,183	516	↔
MARKETING SHEFFIELD	971	915	56	↔
PLACE PUBLIC HEALTH	0	0	0	↔
REGENERATION & DEVELOPMENT SER	90,744	91,699	(955)	↔
GRAND TOTAL	181,044	180,592	452	↔

Commentary

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

Business Strategy & Regulation

12. The current forecast for this activity is £204k overspent, an improvement this period of £243k. The improvement this period arises from a reduction in the forecast cost of waste management reflecting lower volumes of activity to date of £113k and a number of small cost reductions across the overall service area or £91k.
13. The key risk remains securing agreement with the Contractor to deliver the full £2.1m waste management savings included in the 2013/14 Budget. Negotiations are on-going with a view to seeking resolution.

Communities

Summary

14. As at month 9 the Portfolio is forecasting a full year outturn of £9.8m overspend, an improvement of £185k from the position in November. The key reasons for the forecast outturn position are:

- **Business Strategy:** Forecast reduction in spend against budgets of £290k. Executive and Portfolio-Wide Services report a forecast £55k reduction in spend mainly due to reduction in pay costs but also due to some restrictions on non-pay expenditure. Improvement and Development Services report a forecast £94k reduction in spend due to holding of staff vacancies. Quality and Safeguarding is forecasting reduction of spend of £141k mainly due to reduced costs of the Moorfoot Learning Centre.
 - **Care and Support:** Significant overspend forecast of £7.9m. This overspend is across Older People's / Physical Disabilities (together, known as "Adults") / Learning Disabilities (LD) care purchasing budgets, and is due to the full year effect of 2012/2013 activity, and continued growth in 2013/2014 offset by action and interventions implemented to date. This position includes the use of the corporate contingency, identified in the budget process, for Adult Social Care.
 - **Commissioning:** a forecast £2.2m overspend due to: Mental Health (MH) Commissioning Service forecasting an overspend of £3.0m, mainly as a result of an overspend in MH Purchasing Budgets due to an increase in the number of people coming to us for care provision (predominantly using Self Directed Support Personal Budgets). Housing Commissioning is reporting a reduction in spend of £607k mainly on the Housing Related Support Programme (formerly Supporting People). Social Care Commissioning is reporting a reduction in spending of £245k as a result of termination of third party contracts, maintaining staff vacancies and restrictions on non-pay spend.
15. There are a range of actions being taken to reduce the forecast over spends in Communities. These include:
- Tight control over all spending.
 - Holding staff vacancies open where they are not absolutely necessary to deliver safe and effective services.
 - Providing direct support to help people maintain and regain their independence.
 - Making sure that we have an up-to-date understanding of peoples eligible needs, and that these needs are met in the most cost effective way.
 - Making sure that costs are not transferred to the Council as a result of decisions taken by other organisations.

Financials

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 8
BUSINESS STRATEGY	10,956	11,246	(290)	↔
CARE AND SUPPORT	124,698	116,820	7,878	↔
COMMISSIONING	36,759	34,565	2,194	↓
COMMUNITY SERVICES	10,515	10,473	43	↔
GRAND TOTAL	182,928	173,103	9,825	↓

Commentary

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

Commissioning

17. A forecast £2.2m overspend – an improvement of £118k largely due to a virement increasing the Care purchasing budget by £113k which reduces the amount paid to Sheffield Health and Social Care Trust in respect of the Mental Health Contract.

Resources

Summary

18. As at month 9 the Portfolio is forecasting a full year outturn of a reduction in spending of £1.3 million, an adverse movement of £84k from the month 8 position. The key reasons for the forecast outturn position are:

- **Business Information Solutions:** £898k overspend due in the main to reduced income from project recharges of £335k and £400k of EU grant claw back.
- **Commercial Services (savings):** £152k overspend due to E-Business project costs of £245k offset by vacancy management savings and surplus cashable savings.
- **Human Resources:** £109k overspend due to forecast overspend in employee costs due to delayed MER.

Offset by:

- **Housing Benefit:** £999k reduction in spending.
- **Central Costs:** £1.1m reduction in spending owing to a transfer of £1m from the Insurance Fund.
- **Finance:** £239k reduction in spending due to vacancy management.

- **Transport & Facilities Management:** £129k reduction in spending mainly from an increase in income from the school minibuss service.

Financials

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 8
BUSINESS INFORMATION SOLUTIONS	1,668	770	898	↑
COMMERCIAL SERVICES	790	638	152	↔
COMMERCIAL SERVICES (SAVINGS)	(820)	(820)	0	↔
CUSTOMER FIRST	3,117	3,117	0	↔
CUSTOMER SERVICES	2,736	2,711	25	↔
FINANCE	1,948	2,187	(239)	↔
HUMAN RESOURCES	1,790	1,681	109	↔
LEGAL SERVICES	5,189	5,265	(76)	↔
RESOURCES MANAGEMENT & PLANNING	1,240	1,219	21	↔
TRANSPORT AND FACILITIES MGT	32,595	32,724	(129)	↔
TOTAL	50,253	49,492	761	↑
CENTRAL COSTS	13,114	14,180	(1,066)	↔
HOUSING BENEFIT	3	1,002	(999)	↔
GRAND TOTAL	63,370	64,674	(1,304)	↔

Commentary

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

Business Information Solutions

20. A forecast £898k overspend. This is an adverse movement of £212k from the previous month. The adverse movement this month is due to an additional provision of £200k taken this month in respect of EU grant claw back for historic European projects within BIS. This has been raised previously as a financial risk.

Human Resources

21. A forecast £108k overspend. This is an improvement of £95k from the previous month. The improvement this month is due to:
- £68k of income from Capita to cover the cost of Occupational Health service to schools which had previously been credited to the HR Capita business unit but has now been transferred.
 - £27k Improvement in the position of the Capability and Development business unit following the transfer in of the Moorfoot Learning Centre (previously Brockwood) from Communities, which is forecasting a surplus.

Policy, Performance and Communications

Summary

22. As at month 9 the Portfolio is forecasting a full year outturn of an overspend of £69k, an adverse movement of £46k from the month 8 position. The key reasons for the forecast outturn position are:

- £100k overspend in Electoral registration due to the costs of canvas staff and IT support costs.
- £34k over spend in CEX office due to unbudgeted LGYH subscription costs paid in month 7.
- £63k overspend in Communications due to forecast under achievement of income.

Offset by:

- Reductions in spend in Business Support of £73k, Equalities and Involvement of £22k and Policy & Improvement of £33k due to vacancy management and reductions in spending on training.

Financials

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 8
ACCOUNTABLE BODY ORGANISATIONS	0	0	0	↔
POLICY, PERFORMANCE & COMMUNICATION	2,815	2,746	69	↔
PUBLIC HEALTH	(135)	(135)	0	↔
GRAND TOTAL	2,680	2,611	69	↔

Corporate items

Summary

23. The month 9 forecast position for Corporate budgets is a £6.1m reduction in spending which is consistent with the month 8 position. The table below shows the items which are classified as Corporate and which include:

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

Financials

	FY Outturn	FY Budget	FY
	£'000	£'000	Variance
			£'000
Corporate Budget Items	55,052	57,443	-2,391
Savings Proposals	-450	-450	0
Income from Council Tax, RSG, NNDR, other grants and reserves	-566,956	-563,217	-3,739
Total Corporate Budgets	-512,354	-506,224	-6,130

24. Corporate Budget items are showing a forecast reduction in spending of £2.4m, due mainly to the reassessment of the budget requirement for redundancy cost of £2m, other miscellaneous income of £258k including the recovery of previous years' National Non-Domestic Rates (NNDR) overpayments and £120k saving against the Carbon Reduction Credits budget resulting from more up to date information on the estimated 2013/14 costs. This forecast is consistent with the month 8 position.
25. Additional income accounts for the remaining £3.7m underspend. This additional income includes a £1.1m RSG refund, £1.4m LACSEG refund, £271k additional Council Tax Freeze grant, and two un-ringfenced grants including £947k adoption grant and £98k from the Department of Health (DoH). This forecast is consistent with the month 8 position.

Collection Fund

26. In 2013/14 approximately £260m of our expenditure will be financed, directly, through locally collected taxation, out of a total of £477m:

	£m
Council Tax	164.2
Business Rates Locally Retained	95.3
	<u>259.5</u>
RSG/Business Rates Top Up Grant	217.9
TOTAL	<u>477.4</u>

27. This taxation is collected by the Council and credited to the Collection Fund. The Government receives 50% of the business rates collected (the "Central Share") and uses this to finance grant allocations to local authorities. The Fire Authority receives 1% of Business Rates collected and the Council retain the remaining 49%.
28. Following the implementation of the Government's Business Rates Retention Scheme on 1 April 2013, steps have been taken to monitor the Collection Fund more closely. The overall position is subject to change

due to the impact of national austerity measures on Business Rates income and the impact of the introduction of the local Council Tax Support Scheme on Council Tax collection rates.

Summary

29. Since the forecast position at quarter two was reported, further work has been undertaken as part of the 2014/15 budget process to more accurately assess whether there will be a surplus or deficit on the Collection Fund at the year end.
30. The Council is required by law to report to the major precepting authorities (i.e. Police & Fire) the Collection Fund estimate no later than 15 January 2014. This declaration to the major precepting authorities focuses on the forecast outturn for 2013/14 on Council Tax and Business Rates. There are three possible scenarios for the Council, depending on whether the Collection Fund is expected to be in surplus, in deficit or balanced.
31. If the Collection Fund is expected to be in surplus, the Council accounts for its share of the surplus as additional income in the 2014/15 General Fund revenue budget, effectively supplementing next year's share of Council Tax, Business Rates and Revenue Support Grant.
32. If the Collection is expected to be balanced, there is no impact on the 2014/15 revenue budget. However, if a deficit position is expected, the Council must account for its share of the deficit as a deduction from the total income described in the previous paragraph.
33. Furthermore, the Council is required to submit a formal return known as the NNDR1 to the Department for Communities and Local Government (DCLG) no later than 31 January 2014. The NNDR1 is exclusively concerned with Business Rates, both in terms of the forecast outturn for 2013/14 and in respect of the forecast for 2014/15. Further information on the Business Rates forecast for 2014/15 can be found in the 2014/15 revenue budget report.
34. As at the end of quarter three, the collection fund is forecasting a surplus of £199k at year end. The breakdown of this surplus between Council Tax and Business Rates is shown in the table below. This forecast position is £301k less than the £500k council retained share reported at quarter two. This is due to the effect of mandatory reliefs from the new University campus and the increase in businesses seeking charitable relief.

Income Stream	2013/14 Budget	Amounts Collected Year to Date	Forecast Year End Position	Forecast Year End Surplus
	£m	£m	£m	£m
Council Tax	164.2	135.9	164.4	0.2
Business Rates Locally Retained	95.3	91.1	95.3	0.0
TOTAL	259.5	227.0	259.7	0.2

Business Rates

35. The following table shows the elements involved in the determination of the business rate position. This examines the current position and then compares the resultant year end forecast with the 2013/14 budget for business rates income.

Collection Fund - Business Rates	Budget 2013/14 £m	Forecast Year End Position £m	Variance £m
Gross Business Rates income yield	(245.5)	(245.5)	0.0
LESS Estimated Reliefs	33.0	33.8	0.8
Losses and Cost of Collection	3.3	2.5	(0.8)
Losses on Appeals in Year	3.2	6.0	2.8
Provision for Future Appeals	11.6	8.8	(2.8)
Net Business rates	(194.4)	(194.4)	0.0
Apportionment of net business rates:			
Sheffield City Council	(95.3)	(95.3)	0.0
SY Fire Authority	(1.9)	(1.9)	0.0
Government	(97.2)	(97.2)	0.0
Total Apportionment	(194.4)	(194.4)	0.0

Gross Rate Yield

36. The Gross Rate Yield (GRY) represents the Rateable Value of the City multiplied by the Business Rates Multiplier. This is a measure of the total business rates billed in the city before taking account of reliefs, discounts and other adjustments.

37. The rateable value of the city has decreased in quarter three compared to budget. This is due to reductions in the ratings list for schools of £160k and a hotel in the city of £70k.
38. It is currently anticipated that the Moor Markets will be entered into the ratings list in March, with first bills being issued in April. Anticipated potential income from the Moor Markets is estimated to be in the region of £350k.
39. Business rates growth is anticipated in quarter four in the region of £400k due to additional revenue from banking ATMs.
40. There are potential increases in the business rates base in the future due to development in the city, but the precise level and timing of any additional receipts is uncertain at the present time.
41. This is being monitored closely and will be reported in future budget monitoring reports.

Reliefs and Discounts

	Budget 2013/14 £m	Year to Date Quarter three £m	Forecast Year-End Outturn £m	Variance £m
Small Business Rates Relief	6.1	6.0	6.1	0.0
Mandatory Charity Relief	16.2	16.3	17.0	0.8
Discretionary Relief	0.6	0.4	0.6	0.0
Empty Property / Statutory Exemption	9.0	9.1	9.1	0.1
Partly Occupied Premises Relief	1.1	0.5	1.0	(0.1)
	33.0	32.3	33.8	0.8

42. Most reliefs and discounts are awarded in full at the point of billing at the start of the year. The total level of reliefs awarded in the first three quarters amounts to £32.3m which is below the £33m assumed in the budget. However, actual reliefs are forecast to rise to £33.8m by the end of the year.
43. Mandatory charity relief is forecast to exceed budget by £0.8m, primarily due to a new university building which will qualify for mandatory relief. In addition to this, the number of organisations registered as charitable claiming relief has increased since the budget was set. If successful these will have a significant impact on the anticipated year end outturn.
44. There is a high degree of volatility in empty property reliefs. A prudent position was established during budget setting due to the potential for businesses to manipulate this relief.

45. The level of reliefs and discounts awarded can be affected by economic conditions, court rulings and businesses' behaviour and will be closely monitored throughout the remainder of the year.

Appeals

46. The 2013/14 Council budget anticipates £3.2m of refunds in year resulting from appeals. The budget also includes a provision for £11.6m future appeals against bills that have already been issued either in this year or in earlier periods. The first year of the Business Rates Retention System has brought with it a requirement to account for these back dated appeals.
47. So far in year the Council have paid out £2m refunds as a result of appeals but this is expected to rise to £3.2m by year end.
48. Appeals are notoriously difficult to forecast due to the lack of available information. The £3.2m forecast is based on historical trend analysis and this will continue to be monitored throughout the year. The Valuation Office Agency have recently provided a large amount of data on appeals and work is underway to analyse this to help inform the appeals figures in future forecasts.

Collection Rates

49. The Net Collectable Debit (NCD) is the Gross Rate Yield less any discounts and reliefs applied. The amount of Business Rates collected at the end of quarter three stands at £186m or 87.5% of the NCD (£91.1m retained share).
50. The collection rate was 85.5% at the same point in 2012/13 and so considering difficult economic conditions we are well placed to achieve budgeted levels of collection. This is mainly due to a reduction in the NCD of a substantial property which is now exempt from charge.

Losses and Cost of Collection

51. Write offs to date amount to £1.9m. This is forecast to increase to £2.6m which will bring us in line with the budgeted figure for Losses and Cost of Collection.
52. The figure of £3.3m shown in the table above includes £0.7m Cost of Collection. This is the forecast cost of recovering debts, including legal expenses.

Overall Forecast Outturn for Business Rates

53. Bringing together the elements identified above results in a balanced position compared to budget. However, given the inherent uncertainty

around appeals and reliefs, no assumptions should be made at this stage about availability of resources in 2014/15.

Council Tax

54. Council Tax is being monitored closely by the revenues and benefits team. This monitoring involves analysis of the discounts and exemptions, movements on the tax base and collection rates. Deductions for elements such as student exemptions can swing the year end forecast significantly from month to month.
55. At quarter three, the overall number of exemptions currently awarded is 11,000, which is below the level of 14,000 assumed in the budget (the majority of which are for households occupied wholly by students). This means there is the potential for more Council Tax income to be collected. However, it is anticipated that the number of exemptions granted will increase due to student numbers increasing throughout the remainder of the year.
56. At the end of quarter three, the number of discounts awarded is 91,000, which is at budgeted levels (the vast majority of these are Single Person Discounts). This is in line with expectations for this point in the year.

Collection Rates

57. This year the Government made a cut to the council's funding for Council Tax Support of £5.5 million, This cut has resulted in working age people on the lowest incomes in the city having to pay council tax for the first time and it has been much harder to collect this money than the collection of council tax generally. However, outside of this change collection levels are consistent with previous years and recently published figures show that collection rates in Sheffield are typical of other Core Cities.

Overall Forecast Outturn for Council Tax

58. The forecast shows that outturn will be £199k higher than the original budget. Reasonable forecasts have been included for exemptions yet to be awarded and the overall collection rate and will be closely monitored for material movement.

Local Growth Fund

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

LOCAL GROWTH FUND

		£m
Income	Reserves as at 31/03/13	-3.0
	13/14 NHB Grant	-4.6
	Earned Future NHB Grant	
	Total Income	<u>-7.6</u>
Expenditure	13/14 Spend to date at Month 9	1.9
	Forecast to Year End	2.4
	Future Years' Commitments	<u>4.4</u>
	Total Expenditure	<u>8.7</u>
	Funding Requirement	<u><u>1.1</u></u>

60. Considerable spend of £250k in the period on the Spital Hill/Ellesmere Green public realm improvements as this project gets underway. Future commitments have increased £100k following the slippage in the demolition of the non-listed parts of the SYPTE building. This will now be progressed with the contract for the demotion of Castle Market in order to secure better value for money.

Housing Revenue Account

61. As at month 9 the full year outturn position is a forecast in-year surplus of £10.2m. At this stage, this represents a projected improvement of £4.3m from the revised budget. Any predicted improvement on the account will be factored into the planned update of the Business Plan and Capital Investment Programme later in the year.

62. The main reason for the variation in the overall improved position reported above relates to a predicted reduction in capital financing costs of £2.5m. This is primarily a result of reduced interest costs arising from the Councils on-going active Treasury Management Strategy.

63. Now that that HRA is self-financing, the Council has to consider the long term risks on interest rates and ensure that its 30 year business plan includes a sustainable level of debt.

Other main areas contributing to the projected improvement include a revised forecast re-service charge income of £418k and Other Income of £68k totalling £486k; £184k forecasted reduction in spend on repairs and

a £2.1m forecasted reduction in running costs mainly as a result of staff vacancies and various underspends on other budget heads. This is offset by a forecast increase of £684k in the cost of Council Tax on vacant properties and provision for rent arrears and a £298k reduction in overall rental income.

Housing Revenue Account	FY Outturn £000's	FY Budget £000's	FY Variance £000's
1.RENTAL INCOME	(142,281)	(142,579)	298
2.OTHER INCOME	(5,247)	(4,762)	(486)
3.FINANCING	52,098	54,581	(2,483)
4.OTHER CHARGES	3,848	3,164	684
5.REPAIRS	32,908	33,092	(184)
6.TENANT SERVICES	48,476	50,647	(2,171)
Grand Total	(10,198)	(5,857)	(4,341)

Community Heating

64. The budgeted position for Community Heating is a draw down from Community Heating reserves of £670k. As at month 9 the forecast position is a draw down from reserves of £228k resulting in a reduction in spending of £443k. This is largely due to a revised forecast to reflect lower expenditure on gas and a reduction in the number of vacant properties.

COMMUNITY HEATING	FY Outturn £000's	FY Budget £000's	FY Variance £000's
INCOME	(3,531)	(3,548)	17
EXPENDITURE	3,759	4,218	(459)
Grand Total	228	670	(443)

Year to Date

65. We are constantly challenging Services to review budgets and budget profiles so that there is a clearer relationship between the position to date and the forecast outturn.

Corporate Financial Risk Register

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

Corporate

Medium Term Financial Position

67. In the future the Council's financial position will be significantly determined by the level of Business Rates and Council Tax income. Each of these may be subject to considerable volatility and will require close monitoring. Based on the Spending Review in June, the funding position is especially difficult from April 2015 and will require a focus on delivering economic growth to increase our income and on delivering outcomes jointly with other public sector bodies and partners.

Pension Fund

68. Following the triennial valuation of the South Yorkshire Local Government Pension Scheme, current estimates are that the increase required in 2014/15 for deficit payments may be over £12m (in addition to the £5m which has already been assumed in the Medium Term Financial Strategy) on top of £3.6m for ongoing pension costs i.e. £17m in total. Negotiations with SYPA are continuing as this figure is something of a surprise to all South Yorkshire Councils. In addition, a surplus on the Kier pension pot set up to manage pension risk may be available at the contract end to smooth the impact to some extent.
69. Bodies whose Pension liability is backed by the Council are likely to find the cost of the scheme a significant burden in the current economic context. If they become insolvent the resulting liability may involve significant cost to the Council.

Contract Spend

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

Economic Climate

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

Trading Standards

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

External Funding

74. The Council utilises many different grant regimes, for example central government and EU. Delivering projects that are grant funded involves an element of risk of grant claw back where agreed terms and conditions are not stringently adhered to and evidenced by portfolios. Strong project management skills and sound financial controls are required by project managers along with adherence to the Leader's Scheme of Delegation in order to minimise risk.

Treasury Management

75. The ongoing sovereign-debt crisis continues to subject the Council to significant counterparty and interest-rate risk. Counterparty risk arises where we have cash exposure to banks and financial institutions who may default on their obligations to repay to us sums invested. There is also a risk that the Eurozone crisis will impact upon the UK's recovery and would in turn lead to higher borrowing costs for the nation. Whilst this is still a possibility, the UK recovery is beginning to take hold and the associated risk is beginning to ease.
76. The Council is mitigating counterparty risk through a prudent investment strategy, placing the majority of surplus cash in AAA highly liquid and diversified funds. Ongoing monitoring of borrowing rates and forecasts will be used to manage our interest-rate exposure.
77. Over the next few months, we will be developing the Treasury Management and Investment Strategies, as part of the 2014/15 budget process, and will be discussing our risk appetite with members and senior officers as part of this process. This will include a review of our counter-party risk to ensure it is reflective of the relative risks present in the economy without being unduly conservative for the improving UK economic position.
78. The Co-op Bank have notified us that they will be withdrawing from the Local Authority banking market with effect from the ending of their contract with us, which is due to end in March 2015. Despite the well-publicised issues with the bank, we do not believe, given the above timescales, there is anything preventing a full and proper tender process

being undertaken. Work has begun to scope our requirements in preparation for the tender process.

Welfare Reforms

79. The government is proposing changes to the Welfare system, phased in over the next few years, which will have a profound effect on council taxpayers and council house tenants in particular. The cumulative impact of these changes will be significant. Changes include:

- **Abolition of Council Tax Benefit:** replaced with a local scheme of Council Tax Support from April 2013. The Council approved the replacement scheme, based on the reduced funding available from Government, and set up a hardship fund in January 2013, but there are risks to council tax collection levels and pressures on the hardship fund which are being closely monitored.
- **Housing Benefit changes:** there have been a number of changes, including the implementation of the 'bedroom tax', from April 2013 where the impacts are that a significant number of claimants are now receiving fewer benefits, thereby impacting on their ability to pay rent.
- **Introduction of Universal Credit:** originally scheduled from October 2013 but now delayed, awaiting further update from DWP who will administer it. Along with the impact of reducing amounts to individuals and the financial issues that might cause, the biggest potential impact of this change is the impact on the HRA and the collection of rent. This benefit is currently paid direct to the HRA; in future this will be paid direct to individuals. This will potentially increase the cost of collection and rent arrears. There will also be an impact on the current contract with Capita and internal client teams.

Children, Young People and Families

Education Funding

80. In 2013/14 it is anticipated that 29 of the Council's maintained schools will become independent academies (24 primary / 5 secondary). To date 10 primary schools and 2 secondary schools have converted in 2013/14. Academies are entitled to receive a proportion of the Council's central education support services budgets. Based on projected academy conversions it is estimated that:

- up to £1.75m of DSG funding will be deducted from the Council and given to academies to fund support services.

- up to £2.62m will be deducted from the Council's DCLG funding, under the new Education Services Grant (ESG), and given to academies.
81. If an academy is a sponsored conversion then the Council will have to bear the cost of any closing deficit balance that remains in the Council's accounts. It is estimated that this may be up to £545k based on current projected academy conversions during 2013/14.
82. Where new independent schools (free schools) or Academies are set up and attract pupils from current maintained PFI schools, then the funding base available to pay for a fixed long term PFI contract would reduce, leaving the Council with a larger affordability gap to fund. There are also further potential risks if a school becoming an academy is a PFI school, as it is still unclear how the assets and liabilities would be transferred to the new academy and whether the Council could be left with residual PFI liabilities.

Communities

NHS Funding Issues

83. There are significant interfaces between NHS and Council services in both adults' and children's social care. The Council has prioritised these services in the budget process, but savings have nevertheless had to be found. Working in partnership with colleagues in the Health Service efforts have been made to mitigate the impact of these savings on both sides. However, ongoing work is required now to deliver these savings in a way that both minimises impacts on patients and customers and minimises financial risks to the NHS and the Council.
84. The Council is participating in the Right First Time (RFT) programme with the Clinical Commissioning Group (CCG) and Hospital Trust. This programme aims to shift pressures and resources from the hospital to community settings over the longer term, which should assist the Council in managing adult social care pressures, but there are risks to programme delivery at the same time as delivering funding cuts.

Resources

Digital Region

85. At the time of making the decision to close the company and migrate its business (including the Council's) to other networks, the cost to the shareholders was estimated at £83.3m, with SCC's share of this being £14.3m. This was a lower cost than the likely cost of continuing with the procurement and also less risky. The SCC cost of £14.3m is within the

amount of money set aside to cover DRL costs in the 2012/13 accounts (£15m was set aside).

86. All these figures were based on estimates and some costs cannot be firmed up until existing contracts are terminated and negotiations on new ones commence. However, since the decision was made to close, progress has been good and costs now look like they will come in lower than was estimated. The key issue remaining is that value may result from a sale of the assets and whether that reintroduces risk.

Electric Works

87. The running costs of the business centre are not covered by rental and other income streams. The approved business plan set-aside contingency monies to cover potential deficits in its early years of operation. However, there remains a risk that the occupancy of units within Electric Works might be slower (lower) than that assumed within the business case, such that the call on the contingency is greater (earlier) than planned.
88. A full review of the options for the future is underway and will be reported to Members as soon as possible.

Housing Revenue Account

Housing Revenue Account (HRA)

89. There are a number of future risks and uncertainties that could impact on the 30 year HRA business plan. As well as the introduction of Universal Credit, outlined in the risk above, the main identified risks to the HRA are:
- **Interest rates:** fluctuations in the future levels of interest rates have always been recognised as a risk to the HRA.
 - **Repairs and Maintenance:** existing and emerging risks within the revenue repairs budget include unexpected increased demand (for example due to adverse weather conditions).

The Capital Programme for 2013/14

Summary

90. At the end of December 2013, the end of year position shows a variance of £13.4m compared to the Month 8 variance which was £22.4m below budget. This is an improvement of £9.0m on the previous month which is attributable to improvements in the level of forecasting and subsequent slippage requests which have been approved by the Cabinet Member for Finance.
91. Analysis of the revised forecasts shows that whilst considerable progress has been made further reductions in both the budget and forecast are required to ensure an accurate year end estimate of spend. The basis for this assertion is:
- The actual spend at the end of month 9 is £76.1m which is £12.1m (14%) below budget; and
 - The forecast capital spend for 2013/14 at £120.4m is £5.6m above that delivered in 2012/13 but the current rate of spend is below that seen last year.
92. In order to achieve the forecast level of spend a substantial turnaround in performance across all programmes is required. Given the current rate of spend, which is averaging around £7– 8.5m per period, and allowing for expected increases in some Highways programmes such as Streets Ahead and Better Buses, an outturn in the range of £100 – £120m looks a more likely year end position with the final position being closer to £100m rather than £120m. Finance continues to challenge unrealistic project manager forecasts and the necessary adjustments will be brought forward for approval in future reports.
93. Capital Programme Group continues to challenge the delivery plans from Project Managers when submitting requests to include new projects in the programme. Similarly, slippage requests must show a credible, revised programme rather than be an attempt to roll over unused budgets. Several submissions have failed these tests and been rejected. A revised Capital Delivery process has been agreed and the performance monitoring changes necessary to improve delivery is being discussed with stakeholders.

Financials 2013/14

Portfolio	Spend to date £000	Budget to Date £000	Variance £000	Full Year forecast £000	Full Year Budget £000	Full Year Variance £000
CYPF	19,393	21,873	(2,480)	31,089	32,198	(1,109)
Place	16,639	17,593	(953)	20,479	25,568	(5,089)
Housing	29,282	31,123	(1,842)	43,398	46,494	(3,096)
Highways	3,785	7,559	(3,774)	11,734	12,133	(399)
Communities	686	967	(280)	1,370	1,927	(557)
Resources	6,301	9,039	(2,739)	12,359	15,551	(3,192)
Grand Total	76,086	88,154	(12,068)	120,429	133,871	(13,442)

Commentary

94. The outturn forecast is £13.4m (10%) below the budget. This is a favourable movement of £9.0m on last month. The main reason for this improvement is due to slippage requests which have now been approved. The main programmes which contribute to this are CYPF £6.3m and Housing £3.0m.
95. The table below shows that the improvement in defining a realistic budget continues. The revised budget for the year of £133.9m is £16.7m below the position at Month 8 after additions and variations of £1.5m.

Capital Programme

	2013- 14 £m	2014- 15 £m	Future £m	Total £m
Month 8 Approved Budget	150.6	91.6	236.7	478.9
Additions	1.5	0.8		2.4
Improved accuracy of the Budget	-6.9	0.9		-6.0
Slippage	-11.3	11.3		0
Month 9 Approved Budget Request	133.9	104.6	236.7	475.2

96. The variation in the year to date position of £12.1m arises mainly from operational delays £7.7m, projects awaiting approval £4.3m, and slippage of £1.2m. The operational delays are due to lengthy contract negotiations on the Fisk Risk Assessment project of £800k, delays in the New Primary Schools of £2.2m and £300k on the Foster Carer Housing Enhancement. A further £2.4m on the BRT North project is due to delays in land purchases and specialist materials required for the Supertram crossing – both of which should complete in January.
97. The improvement in the year-to-date variance on Month 8 of £11m (it was £23.1m below budget at Month 8) is due mainly to CYPF. This is a combination of reducing the budget to reflect saving reductions and increased levels of spending across the BSF programme.
98. The forecast for the year shows that all portfolios are below profile against the approved programme. The key variances are detailed below:
- **CYPF:** £1.1m (3%) below budget this is due mainly to £800k of savings and or slippage across the Primary Prioritisation programme.
 - **Place:** £5.1m (20%) below budget of which £3.1m relates to the Westfield Sports Village project which has been cancelled due to difficulties with the securing the funds from the Football Association. A formal request has already been submitted and is due to be approved at cabinet on the 19th February.
 - **Housing:** £3.1m (7%) below budget of which £2.4m relates to a under spend on the environmental improvement programmes at South West Abbeybrook, South East and North New Parson Cross. On all 3 schemes the estimates put forward by the contractor were over estimated by around 400 heating installations.
 - **Resources–** £3.2m (20%) below budget of which £1.4m relates to projects have slipped behind schedule and into future years.
99. Further detail can be found below in the following sections.

Commentary

Children, Young People and Families Programme

100. CYPF capital expenditure is £2.5m (11%) below the profiled budget for the year to date and forecast to be £1.1m (3%) below the programme by the year end for the reasons set out in the table below.

Cause of Change on Budget	Year to Date £000	Full Year Forecast £000
Slippage to be carried forward	-440	0
Slippage on Devolved Budgets	0	0
Operational delays in projects due to planning, design or changes in specification	-3,448	0
Revised profile for Building Schools for the Future programme	288	0
Incorrect budget profiles	229	0
No forecast entered by project managers	0	200
Underspending on project estimates	2,530	-660
Other variances	-1,639	-649
	<u>-2,480</u>	<u>-1109</u>
Spend rate per day	101.5	122.4
Required rate to achieve Outturn	185.7	
Rate of change to achieve forecast	82.9%	

Place Programme

101. The Place portfolio programme (excluding Housing and Highways) is £953k (5%) below the profiled budget for the year to date and forecast to be £5.1m (20%) below the programme by the year end for the reasons set out in the table below.

Cause of Change on Budget	Year to Date £000	Full Year Forecast £000
Slippage to be carried forward	-564	0
Operational delays in projects due to planning, design or changes in specification	-384	0
Incorrect budget profiles	-3,230	0
No forecast entered by project managers	0	-1,008
Projects submitted for Approval	106	-3,143
Overspending on project estimates	296	296
Other variances	2,822	-1234
	<u>-953</u>	<u>-5089</u>
Spend rate per day	87.1	80.6
Required rate to achieve Outturn	60.9	
Rate of change to achieve forecast	-30.0%	

Transport and Highways Programme (Place Portfolio)

102. The main reason for the year to date variance relates to operational delays expected on the BRT North project, this is due to delays in land purchases and specialist materials required for the Supertram crossing. The first land purchase and Supertram infrastructure works should be completed in January

Cause of Change on Budget	Year to Date £000	Full Year Forecast £000
Slippage to be carried forward	0.0	-83.5
Operational delays in projects due to planning, design or changes in specification	-3141.0	0.0
Incorrect budget profiles	-132.5	0
Projects submitted for Approval	0	-132.5
Overspending on project estimates	342.2	95.3
Other variances	-843	-278
	<u>-3,774</u>	<u>-399</u>
Spend rate per day	19.8	46.2
Required rate to achieve Outturn	126.2	
Rate of change to achieve forecast	536.6%	

Housing Programme (Place Portfolio)

103. The Housing capital programme is £1.8m (6%) below the profiled budget for the year to date and forecast to be £3.1m (7%) below the programme by the year end for the reasons set out in the table below.

Cause of Change on Budget	Year to Date £000	Full Year Forecast £000
Slippage to be carried forward	-29	0
Operational delays in projects due to planning, design or changes in specification	-710	0
Incorrect budget profiles	-913	0
Projects submitted for Approval	-4,745	-100
Home Improvement grants held on behalf of other local authorities	-118	-260
Underspending on project estimates	-593	-3,137
Other variances	5,266	401
	-1,842	-3096
Spend rate per day	153.3	170.9
Required rate to achieve Outturn	224.1	
Rate of change to achieve forecast	46.2%	

104. The main reason for the forecast variance is due to £3.1m of expected savings to the Housing programme, of which £2.4m lies in the South West Abbeybrook, South East and North New Parson Cross projects. All 3 schemes are in connection with the Environmental Programmes within each area and are due to deliver among others new heating installations. The estimates put forward by the contractor covering all 3 schemes were overestimated in total by around 400 heating installations.

Communities

105. The year to date spend on the Communities portfolio capital programme is £280k (29%) below the profiled budget and the forecast £557k (28%) below budget.

106. The main reason for the forecast variance is £370k of project slippage relating to ICT Infrastructure and Mobile Working Solutions both of which have been submitted for approval.

Cause of Change on Budget	Year to Date £000	Full Year Forecast £000
Slippage to be carried forward	0	-370
Other variances	-280	-187
	<u>-280</u>	<u>-557</u>
Spend rate per day	3.6	5.4
Required rate to achieve Outturn	10.8	
Rate of change to achieve forecast	201.9%	

Resources

107. The year to date spend is £2.7m (30%) below the programme and forecast to be £3.2m (21%) below the approved budget for the whole year.
108. The main cause of the shortfall on budget to date is slippage in the Road Vehicle Efficiency replacement programme of £500k, Town Hall essential repairs to the Grade 1 listed building of £400k), Wincobank Community centre where a value engineering exercise is in place to keep within the approved budget as the tenders have exceeded the approved amount of £200k, and Fire Risk Assessment work of £400k where negotiations have been extended to get the best value for money.
109. Project manager forecasts assume that most of this slippage will be recovered by the year end leaving the biggest shortfalls on Fire Risk Assessment work of £1.4m, Town Hall essential repairs of £400k and contingency budgets of £400k.

Cause of Change on Budget	Year to Date £000	Full Year Forecast £000
Slippage to be carried forward	-196	-1,389
Operational delays in projects due to planning, design or changes in specification	-33	0
Overspending on project estimates	0	-171
Other variances	-2,509	-1,632
	<u>-2,739</u>	<u>-3,192</u>
Spend rate per day	33.0	48.7
Required rate to achieve Outturn	96.2	
Rate of change to achieve forecast	191.5%	

Approvals

110. A number of schemes have been submitted for approval in line with the Council's agreed capital approval process.

111. Below is a summary of the number and total value of schemes in each approval category:

- 4 additions to the capital programme with a total value of £2m;
- 5 variations to the capital programme creating a net increase of £560k;
- 6 slippage requests with a total value of £1.1m; and
- 3 director variations with a total value of £17k.

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

Implications of this Report**Financial implications**

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

Equal opportunities implications

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

Property implications

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

Recommendations

116. Members are asked to:

- (a) Note the updated information and management actions provided by this report on the 2013/14 Revenue budget position.
- (b) In relation to the Capital Programme, Members are asked to:
 - (i) approve the proposed additions to the capital programme and procurement strategies listed in Appendix 1, and delegate authority to the Director of Commercial Services, or an Officer nominated by him, to award the necessary contracts, on such terms as the Director or nominated Officer shall agree, following stage approval by Capital Programme Group;
 - (ii) approve the proposed variations and slippage in Appendix 1;
 - (iii) approve a grant of £125,000 to Site Gallery (Media, Art, Photography) Ltd. for the purposes described in Appendix 1 and delegate to the Director of Culture and Environment, in consultation with the Director of Finance, and the Director of Legal and Governance, the authority to enter into;-
 - a funding agreement; and
 - such other contractual or other arrangements as he may consider appropriate;
 - on such terms as he shall consider appropriate in order to protect the Council's interests in this matter; and note
 - (iv) The latest position on the Capital Programme including the current level of delivery.

Reasons for Recommendations

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

Alternative options considered

118. A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to

Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

Eugene Walker
Director of Finance

Scheme Description		Approval Type	Value £000	Procurement Route																																										
GREAT PLACE TO LIVE																																														
Highways																																														
Ecclesall Road Smart Route Projects																																														
<p>The Ecclesall Road Smart Route projects have historically been charged to five business units.</p> <p>The remaining budgets are to be combined onto two business units to enable easier financial management. The overall net effect of the budget changes is nil however the adjustments include slippage into 2014/15 for a total value of £100k (as outlined below).</p> <table border="1"> <thead> <tr> <th>BU</th> <th>Description</th> <th>Approved Budget 2013/14 (000k)</th> <th>Revised Budget (000k)</th> <th>Increase / Decrease (000k)</th> <th>Slippage into 2014/15</th> </tr> </thead> <tbody> <tr> <td>94177</td> <td>Ecc Rd Smart RT - Ph 1</td> <td>22</td> <td>143</td> <td>121</td> <td>50</td> </tr> <tr> <td>94178</td> <td>Ecc Rd Smart RT - Ph 2</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>94180</td> <td>Ecc Rd Smart RT - Ph 3</td> <td>44</td> <td>100</td> <td>56</td> <td>50</td> </tr> <tr> <td>94181</td> <td>Ecc Rd Smart RT - Ph 4</td> <td>133</td> <td>0</td> <td>-133</td> <td>0</td> </tr> <tr> <td>94185</td> <td>Ecc Rd Smart RT - Ph 8</td> <td>44</td> <td>0</td> <td>-44</td> <td>0</td> </tr> <tr> <td>Total</td> <td></td> <td>243</td> <td>243</td> <td>0</td> <td>100</td> </tr> </tbody> </table>					BU	Description	Approved Budget 2013/14 (000k)	Revised Budget (000k)	Increase / Decrease (000k)	Slippage into 2014/15	94177	Ecc Rd Smart RT - Ph 1	22	143	121	50	94178	Ecc Rd Smart RT - Ph 2	0	0	0	0	94180	Ecc Rd Smart RT - Ph 3	44	100	56	50	94181	Ecc Rd Smart RT - Ph 4	133	0	-133	0	94185	Ecc Rd Smart RT - Ph 8	44	0	-44	0	Total		243	243	0	100
BU	Description	Approved Budget 2013/14 (000k)	Revised Budget (000k)	Increase / Decrease (000k)	Slippage into 2014/15																																									
94177	Ecc Rd Smart RT - Ph 1	22	143	121	50																																									
94178	Ecc Rd Smart RT - Ph 2	0	0	0	0																																									
94180	Ecc Rd Smart RT - Ph 3	44	100	56	50																																									
94181	Ecc Rd Smart RT - Ph 4	133	0	-133	0																																									
94185	Ecc Rd Smart RT - Ph 8	44	0	-44	0																																									
Total		243	243	0	100																																									
		Various Variations	243 including -100 slippage	N/A																																										

<p>Parks</p>				
<p>East Glade</p> <p>East Glade green space is a large naturalistic area in the South East of the City. The project will create new entrance points, open up existing ones, thinning and clearing key routes across the site and erect fencing.</p> <p>This will increase security and improve access to the site which is currently not visible from the road or the housing development. Signage will also be installed to formalise the site and identify access points.</p> <p>The project is fully funded from S106 monies. £73.5 S106 funding has been received, £64.7k for Capital including fees and £8.8k Revenue for future maintenance.</p>			64.8	Full Competitive Tender (still in draft – awaiting final version)
<p>Capital & Major Projects</p>				
<p>Bannerdale Asset Enhancement</p> <p>The key project objective is to develop and deliver an Outline Planning Permission for residential development to enhance the value of the asset, the implementation of the Greenspace Management Plan and demolition of the building. The site will then be marketed for sale (not included in the scope of the project).</p> <p>Delays have been experienced on the progress of the Greenspace Management Plan due to landfill issues and delays in City-Wide playing pitch strategy. There is a need to further assess the ground conditions and landfill / methane gas emissions as this may impact upon investment decisions of external grant agencies.</p> <p>As a result, approval is being sought to slip £572k into 2014/15.</p>			-572	Slippage n/a

<p>Castle Market Decommissioning</p> <p>This project is to deliver the vacation, management whilst vacant, and demolition of the market hall, offices, shops and other associated land and buildings which form the current site.</p> <p>The construction of the new Moor Market ran slightly later than planned resulting in a knock-on delay to the closure of the old Castle Market and the period allowed for the traders to decommission their stalls was extended until 31 December. Thus surveying works have not been able to commence and without this information the scope of further works cannot be determined. . As a result, approval is sought to slip £289k into 2014/15.</p>	<p>Slippage</p>	<p>-289</p>	<p>n/a</p>
<p>COMPETITIVE CITY:-</p> <p>Site Gallery Improvements</p> <p>The Site Gallery is based at Brown Street in Sheffield's Cultural Industries Quarter specialising in multimedia based art and also houses an Imaging Innovation Lab used for still and moving image-making.</p> <p>The Gallery has made an application to the Arts Council for funding of £970k to extend the Gallery by annexing an adjoining unit which will increase the space by 230% and will include a new participation space, increased café space, events space, business lets and a shop. The overall project will be £1.7m and managed by the Site Gallery (including the procurement) in partnership with SCC.</p> <p>SCC are making a contribution of £125k as matching funding for the grant application</p>	<p>Addition</p>	<p>125</p>	<p>n/a</p>

<p>funded from revenue contributions.</p> <p>The Gallery intend to finance the remainder of the balance through fund raising and Trusts and Foundations.</p>				
<p>SUCCESSFUL CHILDREN & YOUNG PEOPLE :-</p>				
<p>Expansion – FSM (Free School Meals) Provision (Infants)</p> <p>The project has arisen as a result of a Government announcement offering FSM to all Infant school children regardless of circumstance from September 2014. SCC has a requirement to continue to meet legal framework guidelines for school food and its own Council contract standards. The offer must be made to 100% of pupils (who still have choice to make other arrangements) and the success outcome criteria is set at 85% of all Infant pupils having access to a FSM offer, taking it up.</p> <p>The ESPO framework purchasing route was chosen – for both converting serveries to full production kitchens and for upgrading and installing ventilation projects - due to the urgency of the project and the relatively small number of specialist companies that can do this type of work. CYPF also has prior experience of three of the suppliers and has been very happy with their overall knowledge, skill and helpful approach.</p> <p>This project will purchase capital equipment and adapt premises to widen the FSM uptake to cater for all Infant School pupils, at various Infant/Primary school sites across the City.</p> <p>The project was confirmed as being funded by a DfE announcement on 18 December 2013, in which Sheffield was allocated £1,119k in Capital Grant from the DfE to fund these works.</p>	<p>Addition</p>	<p>1,119</p>	<p>TBC by Commercial Services:</p> <p>Equipment - Eastern Shires Purchasing (ESPO)</p> <p>Procurement Framework.</p> <p>Adaptations -</p> <p>Separate framework under ESPO</p>	

<p>PCMP – Walkley Primary - Heating, Mechanical & Electrical</p> <p>This project will provide a full replacement heating system and replacement roof covering (in Block B) and a major heating upgrade (in Block A) at the Walkley Primary School site.</p> <p>Note: the programmed capital expenditure and related start date was initially phased to commence earlier in 2013/14, but was delayed whilst the school looked at applying for Academy status (despite this route not eventually being followed).</p> <p>The work will provide a warm, dry and safe educational environment, by installing a modern, efficient heating system and replacement roof on site by Sep 2014. This will provide a better learning/working environment for pupils and staff. Failure to address the condition issue at this site could result in a risk of building closure and subsequent interruption of education provision for children.</p> <p>The project will be funded from the DfE Capital Maintenance Grant block allocation ... 2014/15.</p>	<p>Addition</p>	<p>700</p>	<p>Kier Jobs Compact or open competitive tender if negotiations with Kier are unsuccessful</p>
<p>Wybourn Primary School Expansion</p> <p>The Council has statutory duty to provide sufficient, suitable local places for access to school places and continued monitoring of future pupil place demand has identified need in the Wybourn Area. In response it was found necessary to permanently expand the school and this project was set up to refurbish and expand the site, increasing the school from a 1.5 Form Entry to 2 Form Entry school. Following discussions with the school, a scheme was agreed to provide additional accommodation to meet the increased pupil placement demand. An initial value of £30k was approved in November 2013 for feasibility & design and this variation seeks to provide for the move towards build stage, providing School remodelling and refurbishment to allow for increase of pupils from 45 to 60 per year group. The scheme will create an alternative Foundation</p>	<p>Variation</p>	<p>530</p>	<p>Build stage: Full tender via Constructionline</p>

<p>Stage, an additional classroom and group room, new main school entrance and offices. Funding for the build a stage of the works covered by this variation is to be drawn from the DfE Basic Need block allocation for 2014/15</p>			
<p>Capital Maintenance Programme – Radon Extraction</p> <p>The scheme was authorised at £50k to cover 5 sites originally identified as urgent and this work has now been completed. Following completion of the works no residual Radon was found to be present. The measures have proved less complex than initially thought so an initial estimate of £10k per site has proved to be generous with the work out-turning at a total cost of £17k.</p> <p>, The HPA regularly redefine the areas where Radon might be present and further work may be required. An update will be provided by the Health Protection Agency until June 2014 and any mitigation works will be identified then. Authority is therefore requested to re-profile spend into 14/15, and extend the scope of works to cover any further school sites should measures be required.</p>	<p>Variation and slippage (extension of scope)</p>	<p>-33</p>	<p>N/A</p>
<p>BETTER HEALTH & WELL BEING:-</p>			
<p>Supported Accommodation Pathways (SAP) Project</p> <p>This Project is to develop a Supported Accommodation Pathway (SAP) for homeless/those without settled accommodation to address access to and allocation of units and move on arrangements, including service redesign and ICT implementation. Because of the complexity of the project there has been a slight delay in handing over the specifications of the ICT requirements to Capita, this has resulted in these services now being completed in April. This delay has not impacted the completion date for this</p>	<p>Slippage</p>	<p>-140</p>	<p>N/A</p>

<p>project which will remain the same, rollout to start in July to be completed by September. This project is funded by a Department of Health Grant.</p>		
<p>STAGE APPROVALS:-</p>		
<p>See Stage Approvals Report (Appendix 3) for further details.</p>		
<p>EMERGENCY APPROVALS:- (Note only)</p>		
<p>There are no emergency approvals this period to report</p>		
<p>DIRECTOR VARIATIONS:- (Note only)</p>		
<p>A Great Place to Live</p>		
<p>Homes</p>		
<p>(LTEs) Long Term Empties – Purchase and Repair</p>	<p>Variation</p>	<p>6</p>
<p>This variation is to include a further £6k of funding to the approved scheme of £481 for the Purchase and repair of long term empty properties. This £6k (HRA Funding) is to complete additional modifications and fencing works on 3 bungalows which will be completed by the end of March 2014.</p>		<p>N/A</p>

<p>Parks</p>				
<p>Hackenthorpe Skate Park</p> <p>The initial project was approved to design and build a new skate and BMX facility in Hackenthorpe.</p> <p>The project funding has been increased by £7k received from Beighton and Birley Wards (through Local Area Partnership LAP) to enable the installation of a ramp which was included within the initial scope of works but omitted due to higher than expected tender price, new bins, benches and grasscrete.</p>	<p>Variation</p>	<p>7</p>	<p>N/A</p>	
<p>94468 Chelsea Park Improvements</p> <p>The project will deliver a new footpath link from the Brincliffe Edge Road entrance to the playground in Chelsea Park and install additional seating in the Park.</p> <p>To enable full delivery of the project it has been necessary to increase the project budget by £3.5k. The additional funding will be provided by Sheffield Town Trust (£2k) and Graves Trust (£1.5k). The funding will be claimed retrospectively via the Nether Edge Neighbourhood Group once the works have been completed.</p>	<p>Variation</p>	<p>3.5</p>	<p>N/A</p>	



SHEFFIELD CITY COUNCIL Cabinet Report

Report of: Executive Director - Place

Date: 19th March 2014

Subject: Proposed Disposal of Land Adjoining New May House Farm, Foxhall Lane, Sheffield, S10 4QA

Author of Report: Dave Wood, Capital & Major Projects, Place

Summary:

This report seeks Cabinet approval to the disposal of land adjoining New May House Farm. The land is held on charitable trust by the Council, the registered charity being 'Charities for the maintenance of The City Hall Gardens and other charitable purposes in the City of Sheffield' (Charity Registration Number 260357) and therefore consent from Cabinet members acting as charity trustees is required. The disposal by way of a long lease for a term of 150 years via a private treaty sale will generate a capital receipt which will be reinvested back into the maintenance of the City Hall Gardens in accordance with charity legislation and subject to the current requirements of the Charity Commission.

Reasons for Recommendations:

It is recommended that Cabinet acting as Charity Trustees in accordance with the powers given to the Council as Trustee under the provisions contained in the Trusts of Land and Appointment of Trustees Act 1996:

1. Declare the land adjoining New May House Farm as surplus to the Charity's requirements.
2. Approve the disposal by long lease of land adjoining New May House Farm in accordance with terms of this report and a Surveyor's Report obtained in compliance with Section 119(1) Charities Act 2011, subject to the receipt obtained from the sale being applied in accordance with the objects of the Charity.

3. Authorise the Director of Capital & Major Projects to instruct the Director of Legal & Governance to prepare and complete all the necessary legal documentation in accordance with the agreed terms and Charity Commission requirements to conclude the disposal and to serve any notices required in connection with the disposal.

Background Papers: None

Category of Report: **Closed** – Part 2 and the Appendix are not for publication because they contain exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended)

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Paul Schofield
Legal Implications
YES Cleared by: David Blackburn
Equality of Opportunity Implications
NO Cleared by:
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
YES Cleared by: Dave Wood
Area(s) affected
Fulwood
Relevant Cabinet Portfolio Leader
Cllr Ben Curran
Relevant Scrutiny Committee if decision called in
N/A - decision by Council as charitable trustees
Is the item a matter which is reserved for approval by the City Council?
Press release
NO

**REPORT TO CABINET
19th March 2014**

**PROPOSED DISPOSAL OF LAND ADJOINING NEW MAY HOUSE FARM,
FOXHALL LANE, SHEFFIELD, S10 4QA.**

1. Summary

- 1.1 This report seeks approval to terms provisionally agreed for the sale of the land coloured pink, following private treaty negotiations. It is proposed that upon disposal the land will be subject to an absolute user clause limiting the use thereof to that of an extension of the purchaser's existing garden (land edged blue).

The land previously formed part of a larger annual agricultural tenancy but this use ceased some years ago and the subject land was surrendered back to the Council.

The land is held in charitable trust by the Council, the registered charity being 'Charities for the maintenance of The City Hall Gardens and other charitable purposes in the City of Sheffield' (Charity Registration Number 260357).

- 1.2 Given the nature of the available access to the land and its configuration which directly separates it from the adjoining agricultural land, it is considered that the proposed purchaser is the only party who could benefit from using the land, and consequently sufficient for the Council to enter into a private treaty sale.

2. What does this mean for Sheffield people?

- 2.1 The proposed disposal will generate a capital receipt to be reinvested by the Charity in the maintenance of The City Hall Gardens and other charitable purposes in the City of Sheffield.

3. Outcome and sustainability

- 3.1 The disposal of the land for the purpose of a garden extension will result in vacant land being brought back into use.

4. Property Implications

- 4.1 In accordance with the Charities Act 2011 a Section 119(1) a Qualified Surveyor's Report dated 26 April 2013 has been prepared and attached for Cabinet's consideration. The Surveyor's Report advises that the offer represents best price and that it meets with the estimate of Market Value as defined by the latest Royal Institution of Chartered Surveyors Valuation

Professional Standards. The Council as Trustee must obtain best consideration for the disposal and any disposal should be on the basis as set out in the Surveyor's Report.

- 4.2 This report has been prepared in accordance with instructions from the Council that the interest to be conveyed will be leasehold for a term of 150 years. The lease shall also contain an absolute restriction on use which shall require the purchaser to use the land as a garden extension in conjunction with their adjoining land and for no other purpose whatsoever.

5. Financial implications

- 5.1 The capital receipt generated from the disposal will be retained by the Council as Trustees of the Charity. The capital must be applied in accordance with the charitable objects as detailed in paragraph 1 of this report.
- 5.2 Further details of the financial arrangements that have been negotiated and agreed in principle are contained in Part Two.

6. Legal implications

- 6.1 The legal implications relating to the charitable status are contained within the body of this report and inform the recommendations being made to Cabinet.

7. Human rights implications

- 7.1 There are no specific human rights implications arising from the proposed sale.

8. Environmental and sustainability implications

- 8.1 The proposed disposal will not result in any immediate change to the existing land other than it will be used within the existing garden of the adjoining property. The Heads of Terms agreed with the proposed purchaser prevent any development on the land, and consequently any future development would require the consent of the Council as landlord and planning authority which would take into consideration planning policy and sustainability requirements.

9. Equality of opportunity implications

- 9.1 There are no specific equal opportunities implications associated with this report.

10. Alternative Options

10.1 Should Cabinet not approve the disposal this would result in the loss of a capital receipt to the charity and the retention of maintenance liability.

10.2 The land could be advertised on the open market. However, given the nature of the available access to the land and its configuration which directly separates it from the adjoining agricultural land, it is considered that the proposed purchaser is the only party who could benefit from using the land. The land is of no agricultural value, and consequently it is considered that there is no advantage in advertising the proposed disposal on the open market via the local or wider press.

11. Reasons for recommendations

11.1 The sale of the land will benefit the Charity and local community by:-

- Removing a maintenance liability
- Generating a capital receipt to be reinvested in the maintenance of The City Hall Gardens and other charitable purposes in the City of Sheffield.
- Achieving a premium that reflects the additional value of the site to the purchaser whilst preserving the use of the land, as a garden extension, for the term of the lease.

12. REASONS FOR EXEMPTIONS

This report is presented as a partially closed item because Part 2 and extracts within the Surveyors Report in the Appendix contain exempt information under paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended). The reason for this exemption is because this contains information relating to the financial or business affairs of a particular person.

13. Recommendations

It is recommended that Cabinet acting as Charity Trustees in accordance with the powers given to the Council as Trustee under the provisions contained in the Trusts of Land and Appointment of Trustees Act 1996:

1. Declare the land adjoining New May House Farm as surplus to the Charity's requirements.
2. Approve the disposal by long lease of land adjoining New May House Farm in accordance with terms of this report and a Surveyor's Report obtained in compliance with Section 119(1) Charities Act 2011, subject to the receipt obtained from the sale being applied in accordance with the objects of the Charity.

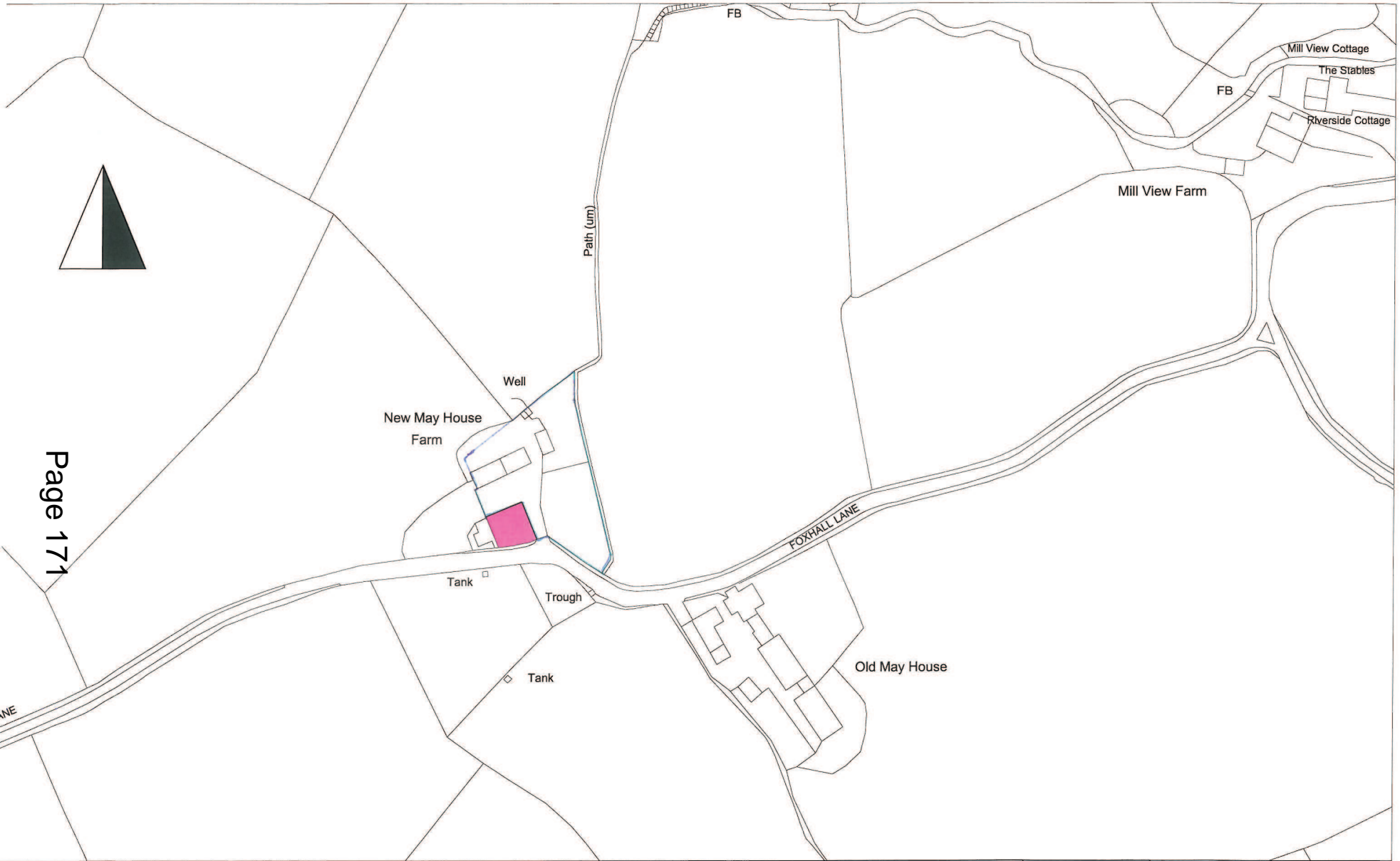
Authorise the Director of Capital & Major Projects to instruct the Director of Legal & Governance to prepare and complete all the necessary legal documentation in accordance with the agreed terms and Charity Commission requirements to conclude the disposal and to serve any notices required in connection with the disposal

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank



Notes:

Based upon the Ordnance Survey mapping with the permission of the Controller of Her Majesty's Stationery Office (© Crown copyright).
Unauthorized reproduction infringes Crown copyright and may lead to prosecution and civil proceedings. Sheffield City Council 10001886.3013

Building	Drawing Title	Scale
	Land adjoining New May House Farm	1:1250
Location	Drawing No/File No	Date
		June 2013
Project Ref.	Drawn	Rev.
	MJS	A3

KIER ASSET PARTNERSHIP SERVICES LIMITED



CATHEDRAL COURT, SHEFFIELD S1 1HD. TEL:- 0114 2053444

Registered in England No. 6928761. Registered office: Tempordale Hall Sandywell Road, SHEFFIELD S18 2ED.

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank



SHEFFIELD CITY COUNCIL Cabinet Report

Report of: Executive Director PLACE

Date: 19th March 2014

Subject: **The J.G.Graves Charitable Trust
Proposed Letting of Old May House Farm,
Foxhall Lane, Sheffield S10 4QA**

Author of Report: Dave Wood, Capital and Major Projects, Place

Summary:

A number of properties, including Old May House Farm, were acquired in the 1930's with money provided by the J.G. Graves Trustees, to be held on Trust by Sheffield City Council for charitable purposes to be let and managed as an 'agricultural estate'. After the costs of repair, maintenance, renewal and other expenses, the net income from the lettings is applied to the maintenance of the Barkers Pool Gardens and other charitable purposes (Charity Registration Number 260357).

Due to the age and declining health of the last tenant of Old May House Farm, an early surrender of the tenancy has been accepted to enable the tenant to take up a time limited opportunity to move to suitable retirement accommodation. This report seeks approval to recommendations for the re-letting of the farm in accordance with the requirements of the Trust and to improve the net income available for distribution to the beneficiaries. Consent from Cabinet members acting as charity trustees is required to the proposed new letting.

Reasons for Recommendations:

The proposed new letting will benefit the Charity by transferring all future maintenance liabilities to the tenant and by securing an enhanced rent, increasing the net income available for distribution to the beneficiaries.

Letting to an existing tenant has the joint benefits of improving long term sustainability through economies of scale and of a tenant with a track record sympathetic to local environmental sensitivities.

Recommendations:

That Cabinet Acting as Charity Trustees in accordance with powers given to the Council as Trustee under the provisions contained in the Trusts of Land and Appointment of Trustees Act 1996 resolve to:

1. Approve the granting of a Farm Business Tenancy of Old May House Farm to Andrew Brian and Tom Lawson in accordance with the terms detailed in this report and the attached Appendix.
2. Authorise the Director of Capital & Major Projects to instruct the Director of Legal & Governance to complete the tenancy agreement in accordance with the approved terms and such other detailed provisions as he may consider appropriate to the letting.

Background Papers: None

Category of Report: OPEN/PART CLOSED

The Surveyor's Report and Appendix under Part 2 are not for publication because they contain exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended)

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Paul Schofield
Legal Implications
YES Cleared by: David Sellars
Equality of Opportunity Implications
NO Cleared by:
Tackling Health Inequalities Implications
NO
Human rights Implications
NO:
Environmental and Sustainability implications
YES
Economic impact
NO
Community safety implications
NO
Human resources implications
NO
Property implications
YES Cleared by Dave Wood
Area(s) affected
Fulwood
Relevant Cabinet Portfolio Leader
Cllr Ben Curran
Relevant Scrutiny and Policy Development Committee if decision called in
N/A decision by Council as Charitable Trustees
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

The J.G.Graves Charitable Trust: Proposed Letting of Old May House Farm, Foxhall Lane, Sheffield S10 4QA

1. SUMMARY

- 1.1 Old May House Farm, along with other properties, was acquired in the 1930s with money provided by the J.G. Graves Trustees to be held by Sheffield City Council on trust for charitable purposes and let as an 'agricultural estate'. After the costs of repair, maintenance, renewal and other expenses, the net income from the lettings is to be applied in equal portions to the maintenance of the Barkers Pool Gardens and to the Spirit of Sheffield Children's Charity.
- 1.2 Due to the age and declining health of the last tenant of Old May House Farm, an early surrender of the tenancy was accepted on 5th December 2013 to enable the tenant to take up a time limited opportunity to move to suitable retirement accommodation. This report seeks approval to re-let the farm to an existing Council tenant following a restricted tendering exercise.

2. WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 The proposed new letting will be on terms which protect the landscape value of the farm, within the Mayfield Valley, in accordance with the spirit of Alderman Graves' gift.
- 2.2 The proposed new letting will be at an enhanced rent and on terms which reduce the trustees' liabilities. This will improve the net income available for maintenance of the Barkers Pool Gardens and for distribution to the Spirit of Sheffield Children's Charity.

3. OUTCOME AND SUSTAINABILITY

- 3.1 The proposed letting of the farm to an existing Council tenant and his son will improve the viability of the overall farm business through economies of scale and therefore the long term sustainability of the Trust.

4. PROPOSED NEW LETTING

4.1 Background

Old May House Farm is situated in the Mayfield Valley and consists of a substantial stone built five bedroomed farmhouse, a range of farm buildings and approximately 76 acres of grassland in 25 enclosures separated by traditional dry stone walls. The farm is held by the City Council by virtue of 4 separate acquisitions from the 1930's funded by Alderman JG Graves, all of which contain a covenant to use the land and buildings for 'agricultural purposes and to continue to be used for such purposes with power from time to time to let to such persons and at such costs as they (the Council) may think fit and generally to manage the same as an agricultural estate'.

Together with other properties acquired under similar terms, the 'estate' is held in the Fulwood, Whirlow and Birley Edge Suspense Account with surplus income over expenditure being distributed in equal portions between the Barkers Pool Gardens and the Spirit of Sheffield Children's Charity.

In past years the income of the Trust failed to generate sufficient net surplus to distribute funds to the named beneficiaries, but as backlog maintenance has been addressed and properties re-let on terms requiring tenants to carry out future repairs, surpluses have been generated and distributions made. At the present time the Trust retains responsibility for repairs at Old May House Farm and for two Cottages only.

Old May House Farm was previously let on an Agricultural Holdings Act tenancy from 1963 under the terms of which the rent was restricted to 'the productive capacity of the land and its related earning capacity' and the Trust was responsible for most repairs. The tenancy was surrendered with effect from 5th December 2013. The passing rent was £5,750 per annum.

4.2 Letting process

The City Council holds three other small farms in the Mayfield Valley:

	Area (acres)	Tenant
• Greenhouse Farm	97	S Rhodes
• Yarncliffe House Farm	103	B and AB Lawson
• Meadow Farm:	67	B and AB Lawson

To secure the future viability of these units, and consequently their rental value through economies of scale, there are sound estate

management reasons for letting Old May House Farm to one of these neighbouring tenants, as advised in the report referred to at 6.1 below. As Messrs Lawson already occupy 170 acres and both sets of tenants are regarded equally in terms of competence and fulfilment of their contractual responsibilities, an approach to S Rhodes was initially made to establish whether or not he would be interested in taking a tenancy of the farm. These discussions were initially inconclusive and consequently Mr A B Lawson was also asked to consider his interest in the Farm.

Both tenants eventually expressed an interest in taking a tenancy of the holding with their respective sons as joint tenants. Both sons have formal agricultural qualifications and experience and are considered to be suitable joint tenants.

4.3 Proposed Terms

In the circumstances, following legal advice, both tenants were invited to submit an offer of rent for a Farm Business Tenancy (which doesn't have the same restrictions on rent as an Agricultural Holdings Act Tenancy), based on the following principal terms.

- **Period of the Tenancy:**
From a date to be agreed to 29th September 2028
- **Repairs:**
The tenants will be responsible for all repairs
- **Insurance of buildings**
The landlord will be responsible for insuring the house and buildings against fire lightning and explosion
- **Rent reviews:**
There will be rent reviews at 5 yearly intervals
- **Use of the holding**
The holding is to be used for agricultural purposes with livery for up to 10 horses (if required) and for such other diversification enterprise(s) as the landlord may approve
- **Tenant's opportunity to break**
The tenant will have the opportunity to break the tenancy after 5 years and then in every subsequent year of the tenancy, on giving 12 months' notice.
- **Subletting**
The tenant(s) may sublet the farmhouse on an assured shorthold tenancy on terms to be approved by the landlord.

Offers were received from both parties as detailed in the attached 'closed' Appendix.

5. FINANCIAL CONSIDERATIONS

5.1 The additional net rental income generated as a result of the proposed

new letting will be applied in accordance with the charitable objects detailed in Paragraph 1 of this report.

6. LEGAL IMPLICATIONS

- 6.1 In accordance with the Charities Act 2011 a Section 119(1) a Qualified Surveyor's Report dated 30th December 2013 has been prepared and attached for Cabinet's consideration. Other legal implications relating to the charitable status are contained within the body of this report and inform the recommendations being made to Cabinet.

7. HUMAN RIGHTS IMPLICATIONS

- 7.1 There are no specific human rights implications arising from the proposed letting.

8 ENVIRONMENTAL AND SUSTAINABILITY IMPLICATIONS

- 8.1 The proposed new tenancy includes provisions to protect environmental features such as dry stone walls, hedgerows, trees, permanent grassland and wildlife habitats. Inappropriate uses such as blood sports and commercial shooting will be prohibited.

9 EQUALITY OF OPPORTUNITY IMPLICATIONS

- 9.1 There are no specific equal opportunities implications associated with this report.

10 ALTERNATIVE OPTIONS CONSIDERED

- 10.1 Freehold disposal of the farm has been considered but this would be against the objects of the charity and it is not considered that the Charity Commission would approve such a wholesale disposal.
- 10.2 A wider marketing exercise for the tenancy was considered but discounted due to the advantages of amalgamating the farm with an existing Council holding in the vicinity. These include:
- a known tenant who will be sympathetic to the environmental sensitivities of the Mayfield Valley
 - a more viable agricultural business unit due to economies of scale, ensuring the longer term viability of the farm business and therefore the Trust's future income.

11. REASONS FOR RECOMMENDATIONS

- 11.1 The proposed new letting will benefit the Charity by transferring all future maintenance liabilities to the tenant and by securing an enhanced rent, increasing the net income available for distribution to the beneficiaries of the Trust.

- 11.2 Letting to an existing tenant has the joint benefits of improving long term sustainability through economies of scale and of a tenant with a track record sympathetic to local environmental sensitivities.

12. REASONS FOR EXEMPTION

- 12.1 This report is presented as a partially closed item because the Surveyor's Report and Appendix under Part 2 contain exempt information under paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended). The reason for these exemptions is because these attachments contain information relating to the financial or business affairs of a particular person.

13. RECOMMENDATIONS

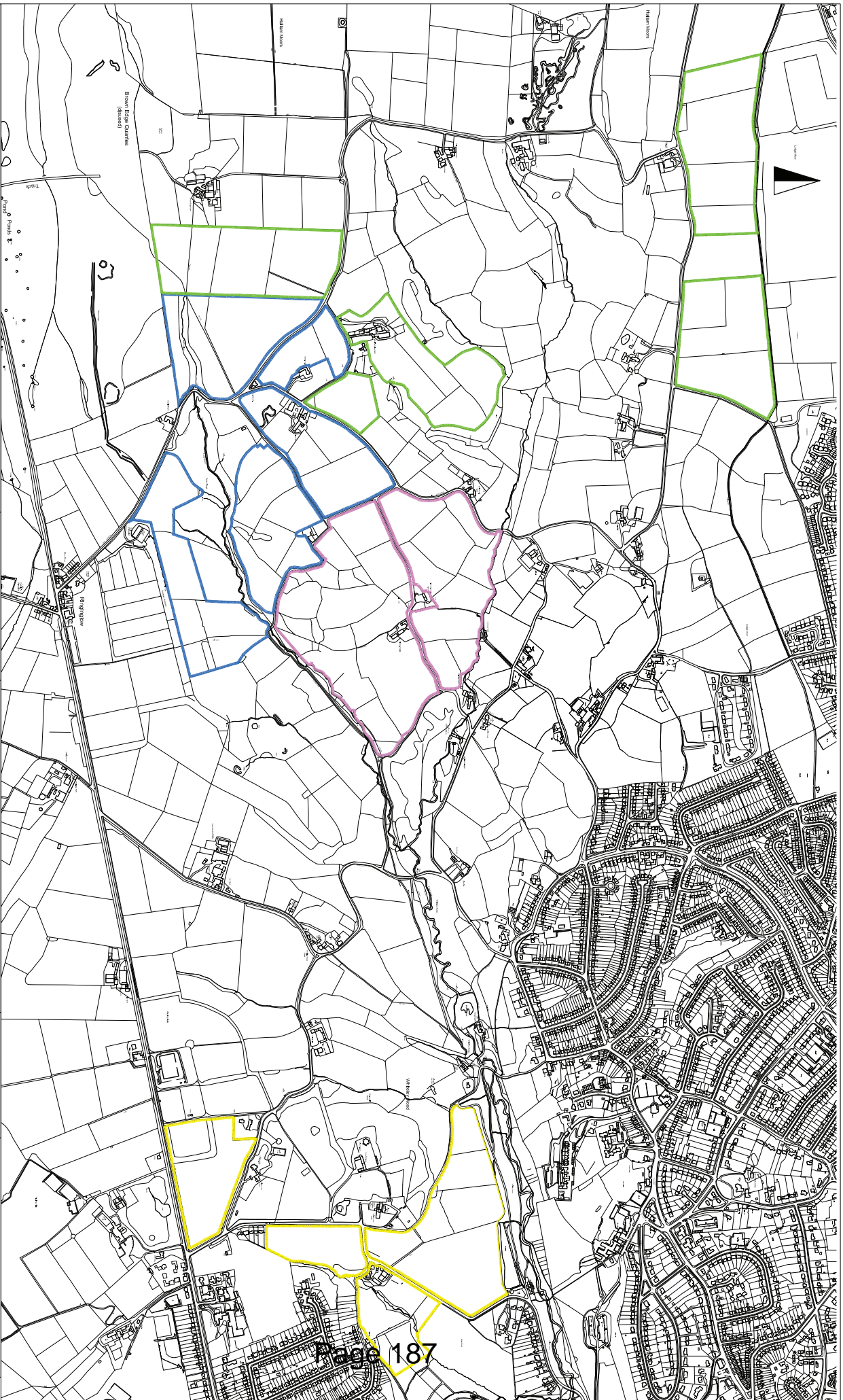
That Cabinet Acting as Charity Trustees in accordance with the powers given to the Council as Trustee under the provisions contained in the Trusts of Land and Appointment of Trustees Act 1996 resolve to:

- 13.1 Approve the granting of a Farm Business Tenancy of Old May House Farm to Andrew Brian and Tom Lawson in accordance with the terms detailed in this report and the attached Appendix.
- 13.2 Authorise the Director of Capital & Major Projects to instruct the Director of Legal & Governance to complete the tenancy agreement in accordance with the approved terms and such other detailed provisions as he may consider appropriate to the letting.

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

Document is Restricted

This page is intentionally left blank



Notes:

- Old May House Farm
- Meadow Farm - B & A.B. Lawson
- Greenhouse Farm - S Rhodes
- Varnciffe House Farm - B & AB Lawson

Building	Drawing Title Mayfield Valley	Scale 1:10000	Project Ref.
Location	Drawing No/File No	Date Dec '13	Rev. A3
Project Ref.	Drawn		

KIER ASSET PARTNERSHIP
SERVICES LIMITED



CATHEDRAL COURT, SHEFFIELD
S1 1HD. TEL:- 0114 2653444

Required to register the 602/271, Shephard office, Temple Hill
on 14/06/2013 by 10:00 AM.

Based upon the Ordnance Survey map with the permission of Her Majesty's Stationery Office. OS Crown copyright. Unauthorised reproduction prohibited. Crown copyright and database right reserved. 2013/04/16/12/13

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank