

# Council

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**Wednesday 5 February 2014**

**2.00 pm**

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

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

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## COUNCIL

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**Wednesday 5 February 2014, at 2.00 pm  
Council Chamber, Town Hall, Pinstone Street, Sheffield, S1 2HH**

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

### MEMBERS OF THE COUNCIL

THE LORD MAYOR (Councillor Vickie Priestley)  
THE DEPUTY LORD MAYOR (Councillor Peter Rippon)

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

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John Mothersole

Chief Executive

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Contact:

Paul Robinson, Democratic Services

Tel: 0114 2734029

[paul.robinson@sheffield.gov.uk](mailto:paul.robinson@sheffield.gov.uk)

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## **PUBLIC ACCESS TO THE MEETING**

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

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

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

Members of the public have the right to ask questions or submit petitions to Council 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.

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

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## **FACILITIES**

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

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

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**COUNCIL AGENDA  
5 FEBRUARY 2014**

**Order of Business**

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**1. APOLOGIES FOR ABSENCE**

**2. DECLARATIONS OF INTEREST**

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

**3. MINUTES OF PREVIOUS COUNCIL MEETING**

To receive the record of the proceedings of the meeting of the Council held on 8th January, 2014 and to approve the accuracy thereof.

**4. PUBLIC QUESTIONS AND PETITIONS AND OTHER COMMUNICATIONS**

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

**5. MEMBERS' QUESTIONS**

5.1 Questions relating to urgent business – Council Procedure Rule 16.6(ii).

5.2 Supplementary questions on written questions submitted at this meeting – Council Procedure Rule 16.4.

5.3 Questions on the discharge of the functions of the South Yorkshire Joint Authorities for Fire and Rescue, Integrated Transport and Pensions – Section 41 of the Local Government Act 1985 – Council Procedure Rule 16.6(i).

(NB. Minutes of recent meetings of the three South Yorkshire Joint Authorities have been made available to all Members of the Council via the following link <https://meetings.sheffield.gov.uk/council-meetings/full-council>).

**6. REPRESENTATION, DELEGATED AUTHORITY AND RELATED ISSUES**

To consider any changes to the memberships and arrangements for

meetings of Committees etc., delegated authority, and the appointment of representatives to serve on other bodies.

**7. CHANGES TO THE CONSTITUTION**

Report of the Chief Executive.

**8. HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN UPDATE, HRA BUDGET AND RENT INCREASE 2014/15**

Report of the Chief Executive.

**9. NOTICE OF MOTION GIVEN BY COUNCILLOR NEALE GIBSON**

That this Council:-

- (a) notes that Handsworth Grange Community Sports College installed two food bank collection boxes in January after becoming concerned that some families in the local area did not have enough money to feed their children;
- (b) recalls that the food bank came about after a pupil came into school on a Monday morning saying that the last full meal she had eaten was her school dinner on Friday lunchtime;
- (c) praises the work of Handsworth Grange Community Sports College and supports the work of the Council in announcing support to local food bank schemes across the city;
- (d) notes with concern that the number of Food Banks in Sheffield has grown to 16 and in the last year three Food Banks alone have fed 1988 people and more working families are being referred to Food Banks which is a clear sign that more people are suffering a rise in the cost of living and that wages are not keeping up;
- (e) believes that this is a damning indictment of the record of the present Government's and Deputy Prime Minister's record in Sheffield and calls upon him to explain what action he as the Deputy PM is going to take to halt the growth of food banks in his City, especially now that one has opened in the middle of his Constituency;
- (f) calls upon the Deputy Prime Minister and the Government to publish the 2013 DEFRA report on Food Banks that cost £43,000 of public money and has never seen the light of day; and
- (g) confirms that publication of the report would allow Sheffield City Council to check if the information in the DEFRA report correlates with the evidence in the quick review report done by the Council and the view of Chris Mould, the Trussell Trust executive chairman

that there is a link between low wages, changes in benefits, and use of food banks by families.

**10. NOTICE OF MOTION GIVEN BY COUNCILLOR LEIGH BRAMALL**

That this Council:-

- (a) believes that the clustering of betting shops in or close to deprived communities is being driven by increasing revenue from fixed odds betting terminals (FOBT) rather than traditional over the counter betting;
- (b) believes that this has encouraged betting shop operators to open more than one premises in close proximity to one another;
- (c) is aware of the growing concern in many communities about the detrimental effect this is having on the diversity and character of UK high streets;
- (d) is alarmed that people can stake as much as £100 every 20 seconds on these machines;
- (e) is further concerned that the practice of single staffing in betting shops leaves staff vulnerable and deters them from intervening if customers suffer heavy losses, thereby undermining efforts by the betting industry to protect vulnerable customers;
- (f) further believes that local authorities should be able to establish a separate planning class for betting shops and that they should be given additional licensing powers to determine the number of FOBT machines within existing and proposed shops and to require that the machines are modified to slow the rate of play and to interrupt when people play for long periods; and
- (g) calls on the Government to put local people before the interests of the betting shop operators and give local authorities the powers they need to respond to concerns from their local communities and stop the proliferation of FOBT machines and betting shops.

**11. NOTICE OF MOTION GIVEN BY COUNCILLOR IAN AUCKLAND**

That this Council:-

- (a) is committed to defending Sheffield's reputation as the greenest city in the country – affording our green and open spaces the protection they deserve;
- (b) therefore notes with concern the following sentence from the Sheffield Local Plan report agreed by the Cabinet on 18th December 2013: "Work has already commenced on developing a

methodology for strategic review of the South Yorkshire and North Derbyshire Green Belt”;

- (c) recognises the importance of demonstrating a five-year economically-deliverable supply of housing within the City’s Local Plan;
- (d) however, believes that using future allocations of the New Homes Bonus to invest in brown-field sites and bring more empty homes back into use, could avoid the need to concrete over green field and Green Belt land;
- (e) furthermore, hopes the Council will re-investigate density and height requirements within the inner ring-road to help protect important green spaces;
- (f) regrets that instead the Administration appear to have surrendered to big developers by allowing them to cherry-pick treasured green sites across the City for development;
- (g) believes that the Administration have once again taken the easy way out because they think they can get away with blaming someone else; and
- (h) opposes a Green Belt review until more innovative ways of delivering Sheffield’s five-year housing supply have been exhausted.

## **12. NOTICE OF MOTION GIVEN BY COUNCILLOR BEN CURRAN**

That this Council:-

- (a) celebrates the 15th anniversary of the introduction of the National Minimum Wage, which falls this year, and the contribution it has made to making work pay, boosting living standards and tackling in-work poverty;
- (b) notes that, before the National Minimum Wage was established, poverty pay was widespread and that the Conservative Party opposed its introduction;
- (c) further notes that families are on average £1,600 worse off a year, and that the National Minimum Wage is now worth less in real terms, than in May 2010;
- (d) further notes that the Government has not backed up its promise to name and shame firms not paying the minimum wage;
- (e) calls on the Government to strengthen enforcement of the National

Minimum Wage, including by increasing fines for non-payment of the National Minimum Wage and giving local authorities enforcement powers;

- (f) welcomes the action of the present Administration in implementing the Living Wage within the Council after the previous Administration failed in their pledge to do so, and the policy of supporting a Living Wage for Sheffield involving partners across the city in public, private and voluntary sector organisations; and
- (g) further calls on the Government to encourage employers to pay a living wage and take action to restore the value of the National Minimum Wage so that the UK can earn its way out of the cost of living crisis and to help control the cost of social security.

**13. NOTICE OF MOTION GIVEN BY COUNCILLOR JULIE DORE**

That this Council:-

- (a) notes that 5<sup>th</sup> February is Voter Registration Day and encourages all Sheffield people to register to vote;
- (b) welcomes the recent action taken by the Council to attempt to encourage more people to register to vote and believes this action is more important than ever due to the Government's introduction of Individual Electoral Registration;
- (c) is concerned by reports that the Individual Electoral Registration risks millions of people falling off the register especially the young, students, some minority ethnic communities and private renting tenants; and
- (d) notes that the previous Government set out a more responsible approach implementing a voluntary system until late in 2015 and would delay further if the Electoral Commission had concerns and believes that the Government should think again about rushing the implementation of these reforms and beginning the introduction of Individual Electoral Registration this year.

**14. NOTICE OF MOTION GIVEN BY COUNCILLOR SHAFFAQ MOHAMMED**

That this Council:-

- (a) welcomes the latest national unemployment figures, which saw the largest single fall in unemployment in seventeen years, and growth figures, which recorded the UK's fastest annual rate of growth since 2007;
- (b) notes also that British workers – excluding the richest 10% – have



seen their take-home pay rise in real terms in the past year;

- (c) furthermore, confirms that the vast majority of new jobs created since 2010 have been in full-time employment;
- (d) also draws attention to research which demonstrates companies in the North of England are now growing at the fastest pace seen in any UK region;
- (e) in addition, notes the latest local employment statistics, which demonstrate that the number of residents claiming jobseekers allowance has reduced in every Ward in Sheffield;
- (f) believes these moves towards a stronger economy and a more balanced economy could not have been achieved without Liberal Democrats in Government;
- (g) recognises that the current situation is a long way from the “post-soviet meltdown”, riots in the street and triple-dip recession predicted by Labour politicians;
- (h) recalls the comments of The Rt Hon Ed Miliband MP that one million jobs would be lost under this Government and contrasts this with the more than one million private sector jobs created since 2010;
- (i) believes it is time for Labour politicians to apologise for their dire and failed predictions and for their role in bringing Britain to the brink of the economic precipice;
- (j) however, also underlines the important role the Council can play in delivering a stronger local economy; and
- (k) therefore, implores the ruling group to finally drop its anti-business mentality and actively work with local businesses to help create new jobs in Sheffield.

## **15. NOTICE OF MOTION GIVEN BY COUNCILLOR JILLIAN CREASY**

That this Council:-

- (a) notes the unprecedented number of petitions and signatures in support of branch libraries, and the expressions of commitment, passion and willingness from the people of Sheffield;
- (b) recognises the enormous value of the network of libraries in the community, especially on the educational attainment levels of children in less affluent areas;

- (c) recognises the increasing need for free public internet access by people looking for work and claiming benefits, as well as the impact of libraries on nearby shops and business;
- (d) notes the serious pressure on the Council from central Government cuts but also recognises the range of choices still available in Sheffield, at whatever level of financial commitment;
- (e) believes the proposed model for community and independent libraries - which requires volunteers to both manage and finance a library service – is too rigid to be workable;
- (f) believes a better approach would allow for volunteers to take part in an integrated, city-wide and established network of library services and in all libraries, not just a few; and
- (g) therefore, urges the Cabinet Member for Communities and Inclusion to bring forward different proposals from those consulted on, that take account of Sheffield residents' willingness to participate in a genuine community-based city-wide library service, and recognise the need for co-ordination and other input by librarians and other paid staff.

## **16. NOTICE OF MOTION GIVEN BY COUNCILLOR MAZHER IQBAL**

That this Council:-

- (a) notes the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Bill;
- (b) believes it is outrageous that whilst the Bill could stop campaigners and charities it doesn't stop commercial lobbyists from influencing government policies and believes this is a further example of the Government standing up for the wrong people;
- (c) further believes that the Bill is a cynical attempt by the Government to insulate their policies from legitimate, democratic criticism and for example could stop organisations such as the National Union of Students from being able to hold the Liberal Democrat Party to account for their broken promises on tuition fees;
- (d) notes comments from the Royal College of Nursing that the Bill will "place unwarranted restrictions on many organisations that seek to legitimately and impartially campaign, provide commentary and influence party policy in the run up to a general election";
- (e) believes that the Bill isn't about transparency, but is about gagging charities and campaigners whilst doing nothing to address the real 'big money' in politics; and

- (f) believes that whilst the Government have been forced into some concessions after pressure from charities and campaigners, the concessions don't go far enough and the Bill still stands up for vested interests.

**17. NOTICE OF MOTION GIVEN BY COUNCILLOR JAYNE DUNN**

That this Council:-

- (a) fully endorses the One Billion Rising Campaign which will build upon the energy and momentum that was created in 2013 when one billion activists in 207 countries came together to strike, dance, and rise to end violence against women and girls;
- (b) recalls that the campaign recognises that one in three women on the planet will be raped or beaten in her lifetime which amounts to one billion women; and
- (c) notes that One Billion Rising for Justice is a call to women, men, and young people around the world to gather safely on 14 February 2014 outside places where they are entitled to justice – court houses, police stations, government offices, school administration buildings, work places, sites of environmental injustice, military courts, embassies, places of worship, homes, or simply public gathering places where women deserve to feel safe but too often do not.

**18. NOTICE OF MOTION GIVEN BY COUNCILLOR COLIN ROSS**

That this Council:-

- (a) welcomes news that the New York Times named Sheffield the beer capital of Britain;
- (b) recognises the important role local pubs play in the life of our city by providing a community hub for residents to meet, relax, debate and do business;
- (c) regrets the decline of community pubs in recent years and notes that in the past three years fifteen planning applications have been granted to change the use of local pubs;
- (d) supports campaigns led by Greg Mulholland MP and The Campaign for Real Ale (CAMRA) to reverse this decline and put local pubs back at the heart of our communities;
- (e) endorses Government proposals to introduce a code of practice, which would contain mandatory rules for all pub companies owning

more than 500 pubs, and an independent adjudicator with the power to investigate and settle disputes; and

- (f) however, also calls on the Administration to support local pubs by:
  - (i) supporting community groups who wish to register their local pubs as assets of community value; and
  - (ii) amending local planning policies to stipulate that no pub will be allowed to change use unless it is demonstrated that continued trading is not economically viable and that the premises has been marketed as a pub unsuccessfully for a stipulated minimum period.

## **19. NOTICE OF MOTION GIVEN BY COUNCILLOR PENNY BAKER**

That this Council:-

- (a) notes with concern reports in The Sheffield Star newspaper on 3rd January 2014 that the Council intends to spend another £1 million in the Park Hill area;
- (b) recalls the concern of the Main Opposition Group when the Council revealed its intention to spend £2.5 million of taxpayers' money at Park Hill in 2011;
- (c) furthermore, highlights that this latest announcement follows the allocation of £381,000 to the Park Hill Green Links project;
- (d) struggles to understand how members of the ruling group can continue to make the erroneous claim that there is no money available for vital services, when funds continue to be poured into these kinds of pet projects; and
- (e) calls on the Administration to reassess its priorities and use funds earmarked for the Park Hill area to keep open treasured local libraries.

## **20. NOTICE OF MOTION GIVEN BY COUNCILLOR ROBERT MURPHY**

That this Council:-

- (a) understands the importance of public transport in getting access to employment, education and volunteer opportunities particularly in times of economic difficulties; and
- (b) believes also public transport is an important tool in combating the related problems of congestion, air pollution, climate change and road safety.

A handwritten signature in black ink, appearing to read "John Netherde", with a long horizontal flourish underneath.

Chief Executive

Dated this 28 day of January 2014

**The next meeting of the Council will be held on 7 March 2014 at the Town Hall**

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## ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

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

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

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

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

You **must**:

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

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

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

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

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

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 (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

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 DPIs 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>

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

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

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

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

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# Agenda Item 3

Minutes of the Meeting of the Council of the City of Sheffield held in the Council Chamber, Town Hall, Pinstone Street, Sheffield, S1 2HH, on Wednesday 8 January 2014, at 2.00 pm, pursuant to notice duly given and Summonses duly served.

## PRESENT

THE LORD MAYOR (Councillor Vickie Priestley)  
THE DEPUTY LORD MAYOR (Councillor Peter Rippon)

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



**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Trevor Bagshaw, Julie Dore, Keith Hill, Bob McCann, Nikki Sharpe and Geoff Smith.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest from Members of the City Council.

**3. MINUTES OF PREVIOUS COUNCIL MEETING**

RESOLVED: On the Motion of Councillor Pat Midgley, seconded by Councillor Gill Furniss, that the minutes of the meeting of the City Council held on 4 December 2013 be approved as a correct record.

**4. PUBLIC QUESTIONS AND PETITIONS AND OTHER COMMUNICATIONS**

**4.1 Public Questions**

(a) Public Question concerning Footpaths, Waterthorpe

Gail Smith stated, in relation to footpaths in Waterthorpe, that she had been informed by a local councillor that Amey would be instructed to re-do work to footpaths, which were not of an acceptable standard and were, in places, dangerous. She stated that tenants and residents had been informed that a request had been made to Councillor Scott as the appropriate Cabinet Member, to visit the area. She asked what was being done.

Councillor Jack Scott, the Cabinet Member for Environment, Recycling and Streetscene responded by stating that the repairs which had been carried out in Waterthorpe were not part of the key programme of improvement work. He stated that he had not been contacted in relation to Waterthorpe. However, if work was not up to standard then he would examine the issue further. Councillor Scott stated that he would be willing to visit Waterthorpe with the relevant local Councillors for the Mosborough Ward.

(b) Public Question Concerning Safeguarding for People with Learning Disabilities

Adam Butcher referred to a recent case of a man with learning disabilities who was locked away and starved of food and deprived of basic human rights. He asked what the Council was going to do in light of what had happened and whether protection of the most vulnerable people was a priority. He requested a written response.

Councillor Mary Lea, the Cabinet Member for Health, Care and Independent

Living responded that this was a most shocking case and it concerned a very vulnerable person. She stated that the person concerned had been taken into hospital and a safeguarding referral was made, with the man being offered supportive living and temporary housing. He would continue to be offered on-going support. He had been brought to the attention of the City Council by the South Yorkshire Police. Councillor Lea confirmed that she would provide a written response to Mr Butcher.

(c) Public Question Concerning Streets Ahead Contract Variation

Nigel Slack referred to a decision, which was made by the Leader of the Council on 20 December 2013 concerning a variation to the Streets Ahead contract. He stated that the decision was reported on the Council's website, but this reveals nothing about what was actually decided about the contract. He stated that what was known is that it was a key decision and was urgent and was made on the basis of a 'secret report' and was approved. It was not known what the decision was, the reasons for the decision, other options considered and the reasons for secrecy (except that Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 applied) and there was little information as to why it was urgent.

He stated that the decision was not subject to call in and so could not be scrutinised. He asked will the Council, considering that this is a 25 year contract and that the Paragraph 3 can be overcome by declaring the public interest in disclosing the information outweighs the public interest in maintaining the exemption, give more information about the decision.

Councillor Jack Scott, the Cabinet Member for Environment, Recycling and Streetscene, responded that the decision related to financing by banks and the special purpose vehicle that delivers the Streets Ahead contract. The advice which was given is that it was not in the public interest or that of the Council or Amey to publish the information. The decision would not have an impact on the quality of the Streets Ahead programme, the jobs which were part of the programme or 5 year timeline to complete the core investment works or the benefits which the scheme delivered for Sheffield. The decision was to ensure that bank financing could continue. The decision was made with the support of the Director of Legal Services and the Chair of the relevant Scrutiny Committee.

(d) Public Question Concerning Freedom of Information Requests

Martin Brighton asked does this Council ever consider issues such as reputation management and damage limitation to be factors when deciding how to process Freedom of Information (Fol) requests?

Councillor Harry Harpham, the Cabinet Member for Homes and Neighbourhoods and Deputy Leader, responded that, yes, Sheffield City Council has a good track record of managing complex Freedom of Information requests.

(e) Public Questions Concerning a Tenants and Residents Association

Martin Brighton asked why has the Council refused to:

1. provide evidence of what BNTARA is accused of;
2. allow an independent auditor to inspect the books; and
3. comply with the Fol Act with these refusals

He asked, why has the Council:

1. Not restored the Levy money that he stated is being illegally withheld; and
2. Supported personnel who have admitted breaching their own procedures

Mr Brighton asked does the Council consider that all due process with BNTARA is concluded.

Mr Brighton stated that with respect to the above, the Council has now conceded that it attempted to both deceive and unlawfully withhold information with respect to proven false Council claims of prior community consultation and consent required for local expenditure, followed by fabricated documents that appeared to elicit endorsement by the local area housing forum and the then area board. He asked why has the Council continued to support the offending personnel, both for what they have done and continue to do, and also for their unlawful breach of the Fol Act.

Councillor Harry Harpham, the Cabinet Member for Homes and Neighbourhoods and Deputy Leader of the Council, stated that the Council Housing Service provided a detailed report to the Area Board on the findings of ongoing dialogue with the New Batemoor Tenants and Residents Association (TARA) prior to a decision taken to de-recognise this TARA. The TARA has a copy of this report. Since this time, the Council have responded to all questions raised. He stated that the Council believes it has fully complied with all Fol requests and there is a process in place if people are not satisfied through the Information Commissioner's Office.

A decision was taken to de-recognise based on the inclusiveness of this TARA and also some discrepancy in their accounts in relation to which the Council have consistently asked for their appointed accountant/audit to confirm details. In the end, it was felt that de-recognising the TARA was appropriate and the Interim Director of Housing, following agreement with the South West Area Board, took this action. This was supported by Cabinet Advisor who attended the Area Board meeting and Cabinet Member.

The interim Director has confirmed that the decision stands but for the Council's own purposes would like to carry out its own audit which is being planned.

Councillor Harpham stated that the Levy money should be used to ensure that TARAs work across the local community/ area. Given the issues with how this TARA operates and the questions around the audited accounts, suspending the levy money is appropriate and this has been confirmed in writing to New Batemoor TARA.

The Interim Director of Housing carried out an investigation following allegations made against the conduct of the Area Manager and she found that, although some lessons could be learnt in terms of recording/ following procedures, the Area Team had tried to work closely with the TARA over a considerable period to resolve issues in very difficult circumstances and she found no evidence to contradict this or any inappropriate behaviour or conduct. The outcome of this investigation was communicated to Mr Brighton and the matter has been closed. The Interim Director of Housing had also said that, if any further evidence was provided, she would investigate this as a new complaint.

Councillor Harpham confirmed that he considered that all due process with the TARA is concluded. He stated that no evidence had been received that the Council have not appropriately consulted with tenants, the Local Housing Forum and Area Board and arrived at sensible decisions regarding agreeing priorities for the area and are now fully compliant in terms of procuring works that represent value for money. He added that the Council had responded to all requests.

(f) Public Question Concerning Information About Complaints

Martin Brighton stated that the Chief Executive has twice written that he would provide information about the alleged complaints made by a claimed eight elected members against him, upon which basis email communications were sanctioned last year. Now he refuses. He asked can the Chief Executive be trusted?

Councillor Harry Harpham, the Cabinet Member for Homes and Neighbourhoods and Deputy Leader of the Council responded that, it was his opinion that the Chief Executive of the Council can be implicitly trusted.

(g) Public Questions Concerning Libraries

- (i) Marcus O'Hagan stated that the Council alleges it has calculated the savings that it wishes to make by reducing the number of libraries in the City. He asked has the Council calculated the cost to the City of those closures, when was this cost calculated, by what method and by whom and where are the results publicly available?

He made reference to a recent study of a city in Canada which had shown that for every \$1 spent on libraries there is a return to the city of \$5.60. Mr O'Hagan stated that it is reasonable to conclude that the consequence of the proposed saving of £1.6M as given by Councillor Iqbal at a public meeting in Upperthorpe is that there is a concealed cost to the people of Sheffield of £8.96M. He asked how does the Council justify this.

Secondly, Mr O'Hagan asked where, when and by who was the decision to consult on the closure of libraries made? Where are the minutes of those meetings published and where can the consideration of feedback from earlier consultations be found and can it be demonstrated that the



Council has been materially influenced by any consultation process?

Thirdly, Mr O'Hagan asked would the Council be happy with a judicial review of the process surrounding the library 'consultation' and decision-making process.

- (ii) Pauline Rosser asked what consideration has been given to the impact of the loss of library services to the users who will be affected. She stated that the people who are likely to be most affected are children, the elderly and households without access to computers and the internet. Children would be disproportionately affected by library closures. It was difficult for people to travel to alternative libraries. She referred to the comparatively low number of children in the City who achieved grades A-C at GCSE and asked how restricting young people's access to reading material would help this situation.

Some older people would not be able to travel to an alternative library and she asked whether the home library service might be extended to all those older people who were affected by the closure of their nearest library. She stated that the Peoples' Network internet access was especially important for people who were unemployed and seeking work. She asked what consideration had been given to the impact of the closures.

- (iii) Patricia White asked how the Council could justify library closures when it was spending excessive amounts of money on consultancy fees; there was a substantial amount of uncollected Council Tax; £420K on the refurbishment of Sorby House; the refurbishment of Council offices; and the redevelopment of Park Hill flats.
- (iv) Mel Smart stated that the report concerning the Library Review states that the sparsely populated rural areas should be ignored. She said that no area of Sheffield should be ignored and this statement could be considered a form of discrimination and exclusion. She asked how does the City Council propose to fulfil its statutory obligations by providing a library service to this group.
- (v) Emily Wheeler stated that young people and students have been particularly affected by the recent economic downturn and people in deprived areas seem to be bearing the brunt of cuts to public services. People who cannot afford to work for free are less likely to volunteer to run libraries and have a greater need for the services offered. She stated that closing libraries in deprived areas of Sheffield will deepen the socio-economic and digital divides in Sheffield communities. She asked is this something the Council is willing to let happen.
- (vi) Ruth Woodhouse asked what would be done to replace school visits to local libraries and she expressed concern as to the likely effect on literacy levels.

- (vii) David O'Hagan stated that he did not believe that anybody in the Chamber wished to see local libraries closed. He asked when would the 'them and us' mentality be left behind and we do what we believe in our hearts.
- (viii) Aileen Wade asked whether there were any Councillors who had not used libraries.
- (ix) Dermot Gleeson asked whether Councillors would accept cuts to libraries that would limit access of ordinary people to books and materials and will they deprive people of access to intellectual material.
- (x) Gillian Stern stated that people had been told that no decisions had yet been taken as regards libraries. She made reference to a photograph which indicated that Darnall Library was to stay open and asked how this should be perceived by the public.
- (xi) Michael Davis spoke on behalf of the Friends of Greenhill Library. He made reference to an appearance by Councillor Iqbal on Radio Sheffield in which he had said that the situation regarding the City's libraries was the direct responsibility of the Government. He asked whether Councillor Iqbal agreed that, if Councillors were so powerless, should the money available be better spent on services in the community, such as libraries and perhaps the Council replaced by volunteers.
- (xii) Margaret Davis stated that the Council's website recently reported about library groups visiting independent libraries in Wakefield. She said that the group from Greenhill was struck by the amount of funding available to the libraries, which included funding from Wakefield Council and buildings and wages were covered by other means. She asked how it was proposed that libraries in Sheffield could remain open without comparable funding.
- (xiii) Julia Shergold asked if Councillors were aware that the library service works only as a whole service and could not be divided or run by different providers. There were issues relating to data protection and stock-sharing which meant that it was not possible to split the service and the proposals will not work. She stated that the Council should stop doing the Government's 'dirty work' and stand for the people who depend on local services.
- (xiiii) Katy Cossham stated that the Council's Equality Impact Assessment concludes that the impact of library closures on users of libraries will be significant and that various groups will be affected. She asked is the Council confident that they will not be flouting the Equality Act 2010 through closing half of the City's libraries.

Councillor Mazher Iqbal, the Cabinet Member for Communities and Inclusion, responded to the questions. He stated that the consultation period was still ongoing and no decisions had been made to close any library. The Council would provide a comprehensive and efficient library service, as it was legally

required to do.

Over the past 3 years, the Council had faced unprecedented cuts of £182 million, which had been imposed on it and was not a choice. The decision to consult on libraries was made by the Executive Director of Communities on 25 September 2013 and the consultation was from 11 October 2013 until 10 January 2014. Information concerning the previous consultation and other information was available on the Council's website. He stated that he believed that the Council had been fair, open and transparent. Since October, he personally had visited groups to which he had been invited to hear their views.

With regard to the Equalities Impact Assessment, he stated that, although the Government was seeking to water-down the Equalities Act, the City Council had said that it would not do the same with its own equalities policies.

Councillor Iqbal stated that the Home Library Service was in place for people who are housebound and unable to visit a library and there were eligibility criteria. In respect of the provision of computers (the People's Network), it was important that the Council provided a comprehensive and efficient service, which he believed the proposals demonstrated.

In relation to the assertion concerning money being spent on Council offices, a letter had been sent to the Deputy Prime Minister to confirm the actual position and correct the statement which had been made concerning "Town Hall make-overs". He could invite the Deputy Prime Minister to view the condition of the Town Hall.

The Council will have had a 50 percent reduction in the funding that it received from the Government by 2015/16. Northern cities had been affected by the Government cuts more than places in the south of the country. He expressed concern that there had been scaremongering in relation to libraries. The report concerning the Library review was clear that the Council was required to provide a comprehensive and efficient Library Service.

The Fairness Commission was established to address the inequalities in the City and the Council had signed up to its principles. It was important that the most vulnerable people were protected. The proposals for the City's libraries adhered to the Fairness Commission principles.

The Schools' Library Service would continue. However, some services would need to change and to do nothing was not an option. Councillor Iqbal stated that he used his local library and the Central Library and he also had a 3 year old child, so he fully understood the potential impact of the proposals. It was important he said that the Council was able to hear as many people's views as possible. He confirmed that there were groups that wished to work with the Council to keep libraries open.

Councillor Iqbal stated in the relation to the view that Councillors be replaced by volunteers, that Councillors did not receive a wage.

In relation to the visit which had been made to Wakefield, the Council did want to learn from other places as to what they were doing and visits had also been made to Doncaster. The consultation and period of discussion with local people demonstrated that there were local groups that wanted to help to keep libraries open. Workshops had been arranged and a number of organisations had come forward to put together business plans for library services.

The Council could not set an illegal budget because in such circumstances, the Government could impose a budget on the Council's behalf. He referred to funding cuts that were also being made to other public services.

Councillor Ben Curran, the Cabinet Member for Finance and Resources, stated that with regard to the assertion that millions was being spent on Town Hall refurbishment, the Council's Chief Executive had written to the Leader of the Main Opposition Group on the Council and to the Deputy Prime Minister, to explain the situation and that some of the assertions which had been made were not true. As regards the investment in Sorby House, this investment was being made to save expenditure in the future.

Sheffield City Council's performance on uncollected Council Tax was approximately in the middle of all the Core Cities. Sheffield also had a less liberal write off policy in relation to Council Tax arrears than other cities. The Council distinguished between those who would not pay and people who could not pay. Some people had to make a choice between eating, heating their home and paying other bills, such as Council Tax. Under new rules, people on lower incomes now had to pay Council Tax.

#### 4.2 Petitions

##### (a) Petition Objecting to the Possible Closure of Park Library

The Council received a joint paper and electronic petition containing 242 signatures, objecting to the possible closure of Park Library.

Representations on behalf of the petitioners were made by Will Hiorns. He stated that Park Library provided a secure and a welcoming environment, including for people with mental health problems, support for people learning a language and people with particular conditions such as dyslexia. The nearest alternative libraries were Manor Library and the Central Library and both were operating on reduced hours. Many older people and disabled people would not be able to access libraries at all. Five schools and 2 nurseries regularly made visits to the Park Library.

The Library was a neutral resource, and it was safe. It helped to support childrens' reading and it was the centre of the community, maintaining a connection with others in the community. There were 2000 users of Park Library under the age of 18 and many were too young to travel to another library. In addition, many people were registered at their community library, rather than the Central Library. Other groups which used the library, including literacy groups, were likely to cease. The petitioners wished to see a long term commitment to

keep the Library open and use fully trained staff. They asked the Council to listen and to reconsider the options.

The Council referred the petition to Councillor Mazher Iqbal, Cabinet Member for Communities and Inclusion.

(b) Petition Objecting to the Possible Closure of Upperthorpe Library

The Council received a joint paper and electronic petition containing 1254 signatures, objecting to the possible closure of Upperthorpe Library.

Representations on behalf of the petitioners were made by Dave Jeffries. He stated that the petitioners' preferred option was to keep all libraries open and professionally staffed. It was proposed to close Upperthorpe Library. However, the library, situated in the Zest Centre, was unique because the Centre also incorporated a gym, swimming pool, a café and meeting rooms, which was a model through which services could be delivered at a lower cost. A range of people of different ages and with different circumstances used the facilities at the Centre, which served people living in Upperthorpe and Langsett and others from outside of the immediate area. At the Zest Centre, family members were able to take swimming lessons while others used the library. There was a high level of use of the Centre's IT facilities, which reflected the needs of the surrounding population and there were specific resources for children and for people seeking employment.

The library was integral to the Netherthorpe School curriculum and the facilities for disabled people were some of the best in the City. The running costs of the Library were also comparatively low as Library hours of opening could be covered by other Zest staff. The proposal to close this library and other libraries in the City would not actually save the Council much money and the prospect of running the Library using volunteers was not necessarily viable. The Council was asked to keep the Upperthorpe Library open and supported by the Council.

The Council referred the petition to Councillor Mazher Iqbal, the Cabinet Member for Communities and Inclusion.

(c) Petition Objecting to the Possible Closure of Broomhill Library

The Council received a joint paper and electronic petition containing 1942 signatures objecting to the possible closure of Broomhill Library.

Representations on behalf of the petitioners were made by Edward Snelson and Anna Mayer.

Anna Mayer said that she had led 120 young people on a march to show support for libraries and an online petition had received approximately 1500 signatures, which also showed strong support for libraries. She stated that she could not imagine life without her local library, which represented a valuable part of peoples' education.

Edward Snelson stated that Broomhill Library was the second busiest library in Sheffield and people believed it should be by run by the Council and its services professionally delivered. He believed that the plan in the short term for the funding and running of libraries was a smokescreen and was likely to result in the loss of the library in the future, which had costs and implications in the longer term. He asked the Council to prove that this was not a done deal and to change the proposals so that libraries could remain open.

The Council referred the petition to Councillor Mazher Iqbal, the Cabinet Member for Communities and Inclusion.

(d) Petition Objecting to the Possible Closure of Frechville Library

The Council received a petition containing 155 signatures objecting to the possible closure of Frechville Library.

Representations on behalf of the petitioners were made by Vernon Wallis who also spoke on behalf of the Frechville Library Action Group. He stated that the petitioners were opposed to any library being closed. He stated that the Action Group was also submitting a business plan in time for the 10 January deadline. The Library provided a loans service, school visits and the introduction of older people to reading and other activities. He referred to his wife, who had worked in the Library service and would be prepared to assist in the organisation of activity groups which might otherwise be lost. The proposal for volunteers to run library services should include a contribution from the City Council.

The Council referred the petition to Councillor Mazher Iqbal, Cabinet Member for Communities and Inclusion.

(e) Petition Objecting to the Possible Closure of Ecclesfield Library

The Council received a petition containing 1211 signatures objecting to the possible closure of Ecclesfield Library.

Representations on behalf of the petitioners were made by Colin Taylor. He stated that the Library, which opened in 1984 was in good condition and represented good value for money and was used by a lot of people. The Library was at the heart of the local community and people used it to borrow materials, for reference, use IT and as a place to meet other people. Schools also benefitted and the Library helped to promote the love of reading in all generations.

Mr Taylor stated that the area had already lost libraries in High Green and Greonside and, if Ecclesfield Library was also closed, only Chapeltown Library would remain. Travel to libraries which were a further distance would not be easy for some people. The closure of libraries should be avoided and instead, there should be investment in them so more people were attracted to use libraries.

The Council referred the petition to Councillor Mazher Iqbal, Cabinet Member for Communities and Inclusion.

(f) Petition Objecting to the Possible Closure of Burngreave Library

The Council received a petition containing 1239 signatures objecting to the possible closure of Burngreave Library.

Representations on behalf of the petitioners were made by Sharlene Clarke and Lisa Swift.

It was stated that the Library was a vital resource for children who were studying and it was also a resource for younger children and older people, who may not be able to easily travel. People were able to meet others from different backgrounds. The library needed professional staff and the use of volunteers was not thought to be a sustainable solution.

Lisa Swift read some messages from school children. These referred to the role of the Library in giving access to information about jobs, books, the internet, education and learning. The cost of buying books was expensive. She referred to the Council's statutory responsibility to provide a comprehensive and efficient library service and asked the Council to reconsider the proposals.

The Council referred the petition to Councillor Mazher Iqbal, Cabinet Member for Communities and Inclusion.

(g) Petition Objecting to the Possible Closure of Stannington Library

The Council received an electronic petition containing 1535 signatures objecting to the possible closure of Stannington Library.

Representations on behalf of the petitioners were made by Peter Butler. He stated that Stannington Library covered a unique area, which included Bradfield, Dungworth and Storrs. Disabled people from outside of the immediate area used Stannington Library because of its level access and car parking which had suitable spaces for disabled parking. Schools, including Stannington Infants and Nook Lane Junior School also used the Library, which was also well-used by adults and groups. The nearest other library was at Hillsborough and the cost of the journey and comparative lack of facilities for disabled people were prohibitive. The Council was asked to give all libraries some funding and let them do what they could with that resource.

The Council referred the petition to Councillor Mazher Iqbal, Cabinet Member for Communities and Inclusion.

(h) Petition Objecting to the Possible Closure of Walkley Library

The Council received a petition containing 2056 signatures objecting to the possible closure of Walkley Library

Representations on behalf of the petitioners were made by Annette Hobson. She stated that Walkley Library was the only Carnegie Library in Sheffield. It was a

resource that was too precious to be put into the hands of amateurs and there would be a cost and consequences for generations if this was to occur. She appealed to the Council to fight for the people of Sheffield by standing up to the Government as it had before and expressed the wish for the Council to hold a meaningful debate on the issue of libraries.

The Council referred the petition to Councillor Mazher Iqbal, Cabinet Member for Communities and Inclusion.

(i) Petition Objecting to the Possible Closure of Community Libraries

The Council received a joint paper and electronic petition containing 1153 signatures objecting to the possible closure of community libraries.

Representations on behalf of the petitioners were made by Andy Shallice who stated that the petition requested that all libraries should be kept open and that it was not in any political party manifesto to close libraries. Libraries should be run by professionally trained staff, not volunteers and all libraries should be maintained and run by the City Council. He expressed the hope of an honest discussion regarding the issue. Closure of libraries would affect the poorest in terms of access to books and materials and the provision of a safe environment. Libraries were for everyone, from the cradle to the grave and they were free. Sheffield already spent comparatively the least of the largest local authorities on its libraries. He referred to the significance of quotes on the stairwell of the City's Central Library in the context of the Council proceeding with library closures.

The Council referred the petition to Councillor Mazher Iqbal, Cabinet Member for Communities and Inclusion.

(j) Petition Objecting to the Possible Closure of Community Libraries in the City

The Council received an electronic petition containing 5068 signatures objecting to the possible closure of community libraries in the City.

Representations on behalf of the petitioners were made by Diane Leek. She stated that she was in attendance to represent all libraries and that a campaign to save Walkley Library had been one of her first campaigns when she became a City Councillor, which she was for 20 years. This was the third time that she had presented such a petition since 1992. Over thirty thousand people had signed one of the many petitions regarding libraries and it would be wrong to close libraries, because of the impact on the communities which would be affected.

Members had heard today of the value of libraries and that they were at the heart of communities. Broomhill Library, for example, was the City's second most used library. It was not a simple option for people to travel to an alternative library and account had not been taken of the topography of Sheffield and factors including bus fares, peoples' agility and driving ability. Libraries were used for numerous purposes, such as IT access, research, job searching and access to other services. She stated that the Council had been having to make



cuts for many years and it was a matter of how the Council 'cut its cloth'. She asked that proposals be made so that libraries are not set up to fail and that these valued services to which everyone was entitled are retained.

The Council referred the petition to Councillor Mazher Iqbal, Cabinet Member for Communities and Inclusion.

#### 4.3 Petitions Requiring Debate

##### (k) Petitions Objecting to the Possible Closure of Greenhill and Totley Libraries

The Council received a combined petition, containing a total of 6091 signatures, objecting to the possible closure of Greenhill and Totley Libraries. As the combined petition contained more than 5000 signatures and, at the request of the lead petitioners, under the Council's Petitions Scheme, the petition was subject to a public debate by the Council.

Representations on behalf of the Council were made by Tanya East and Matt Kik.

Matt Kik stated that Totley Library was a well-used and valued service and it was the last remaining City Council building in Totley. To travel to the nearest library would require using the bus service to Highfield Library. Totley Library had the highest number of registered users in the City. The area also had many older people who were isolated and those with mental health conditions. Closure of the Library would affect the young people who used the library service and it was used as a meeting place and for school visits. Totley Library was viewed as a lifeline for many people. He commented that other hub libraries in the Council's proposals were within walking distance of the City's Central Library.

Tanya East stated that the Council should reconsider the closure of any library. She said that the savings made would be short sighted and residents were saying to the Council that the libraries must not be closed. She referred to the importance of libraries in encouraging children to read and improving literacy and the long term effects of closing libraries. It was vital she said to invest in libraries for the future prosperity of Sheffield.

In accordance with Council Procedure Rule 13.1 (b), the Cabinet Member for Communities and Inclusion, Councillor Mazher Iqbal made an initial response to the petitions, followed by the Shadow Cabinet Member for Communities and Inclusion, Councillor David Baker. Members of the City Council then debated the issues raised by the petition. The points made by Members during the debate are summarised below:

Library services were not being cut instead of other services provided by the Council. Children's safeguarding was the only area of Council services for which the budget was being protected. The Council was committed to protecting, as far as possible, front line library services and had done so by such means as reduced hours of opening. Consultation had begun on the delivery of an

affordable and sustainable future library service in line with a long term approach to the budget, which was about taking control. It was recognised that such change was not easy.

The Council had been listening to what people had said during the consultation and community meetings and workshops had taken place. The workshops had included information about how groups might manage libraries and volunteers etc. A number of organisations had said that they had plans as to how they might run libraries. No decision would be made regarding libraries until the outcome of the consultation was known.

The Council had choices in whether it retained libraries or funded other services. There was a recognition that the library service did need to modernise and make better use of volunteers. This might be achieved by working with each individual library area to help the community to support their library.

Libraries were valuable in many ways, including literacy, education and information, provision of community space and facilities for people seeking employment. £1.6 million would need to be saved from the library service budget. Libraries had closed in other parts of the country and some were run by volunteers.

As an organisation, the Council had to do things differently, if it was to remain financially viable. In Walkley, the funding available through the Ward allocation would be used toward library provision. The Council was doing its best to keep libraries open and it was recognised that the proposals represented significant change.

The work of action groups which had been established in support of local libraries was recognised. The strength of feeling represented by the petitions presented to the Council was evident.

The option to establish independent libraries was problematic and should be reconsidered because experiences elsewhere showed that it was difficult to divorce a library from the library service managed by the Council. In Lincolnshire, there were costs of £300K in separating the libraries database. There were hidden costs of the removal of libraries, including social isolation. If libraries were to be run by volunteers, this should be with the support of the Council.

The support of professional library staff was important in a future library service. Whilst consultation had taken place, there was a relatively short period of time given to people who wished to submit a business plan. Cabinet also had a short time to look at and reconsider the issue of the library service.

The members of the public who had attended the Council meeting and taken part in the consultation in relation to libraries were thanked. Whilst the Council may wish to keep all libraries open as at present, this was not possible, given the prolonged period of the Government austerity programme and its effect on funding to local government, which had been subject to a proportionately high level of funding cuts compared to other government departments.

Might not the Council consider other options for the future of libraries and consider other choices in relation to the allocation of funding to services and projects.

There was a good community base, with which the Council can work and if consultation was genuine, then it was likely that some libraries would be saved from closure.

Matt Kik exercised a right of reply in relation to matters raised in the debate. He stated that Libraries were especially important as regards their positive effect on education and employment. Although, in the case of Totley Library, people in the community did not wish to run the library themselves, they would if they had to do so. He asked whether the Council had considered other models, such as reducing the number of hub libraries and maintaining a spread of libraries around the City. He also asked who would decide on what a comprehensive and efficient library service looked like.

Councillor Mazher Iqbal thanked members of the public for attending the meeting to give their views. He stated that this was a period of consultation, which would end on 10 January 2014. He had attended meetings to listen to people's views and he asked people to continue to put forward their views and suggestions as part of the consultation.

**RESOLVED:** On the Motion of Councillor Mazher Iqbal, seconded by Councillor Harry Harpham, that this Council requests that the report to be prepared on the outcome of the library review consultation, together with the views expressed via the 12 petitions submitted to this meeting in relation to libraries and as outlined during this debate on the library review, be submitted to the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee for comment prior to the consideration of the proposals by the Cabinet.

- (l) Petition Requesting the Council to look into a Number of Issues Raised by Taxi Drivers

The Council received a petition containing 240 signatures requesting the Council to look into a number of issues raised by taxi drivers in the City.

The Council referred the petition to Councillor Isobel Bowler, Cabinet Member for Culture, Sport and Leisure.

## **5. HEALTH AND WELLBEING STRATEGY**

The Council received a presentation concerning the Sheffield Health and Wellbeing Strategy 2013-18, given by Tim Furness, Director of Business Planning and Partnerships, Sheffield Clinical Commissioning Group and Joe Fowler, Director of Commissioning, Sheffield City Council.

Tim Furness summarised the structure and role of the Sheffield Health and

Wellbeing Board and considered how the Board brings about change through influence, commissioning and work programmes relating to specific areas, such as Health, Disability and Employment or Food and Physical Activity.

He outlined the themes of the Joint Strategic Needs Assessment (JSNA), which was the means by which the current and future health, care and wellbeing needs of the local population are assessed.

Joe Fowler addressed the Health and Wellbeing Strategy and how it would make a difference through the integration of health and social care, working to reduce health inequalities and a focus upon on the wider determinants of health. He also outlined how the Health and Wellbeing Board engaged with people in Sheffield.

Members of the City Council asked a number of questions to which responses were given, as follows:

In relation to access to health care, the Board wanted to make sure that there was the same access to healthcare of a high quality, wherever people lived. There were issues for some people in terms of real or perceived barriers to accessing health care. Resources and spending would be targeted to reduce health inequalities and there was intervention to tackle the incidence of particular health conditions.

In relation to integration, the challenge was to bring together the resources of the respective health and social care organisations through open-book discussions. There were potentially greater economies and efficiencies that could be created by working together, although it was not certain that these were adequate given the financial constraints.

The Director of Public Health was a Member of the Health and Wellbeing Board and the model of Public Health in Sheffield was such that it was embedded in the Council. The Director of Public Health also had lead responsibility for the JSNA. The City was largely in line with national policy with regard to the integration of health and social care and, where it was actually ahead of national policy development, it was for the partners in the City collectively to describe what they were doing in terms that were recognised by national Government. Whilst there were national policy and legislative constraints, there was much that could be achieved within those constraints, for example, the introduction of a Selective Licensing scheme in Page Hall, which was the subject of a forthcoming report to the Council's Cabinet. There were other areas in which housing conditions affected peoples' health and where action was possible, such as prevention of damp. Public health expertise might also help shape advice that was given to tenants.

Health inequalities were presently an area of focus for the Health and Wellbeing Board and were likely to be so in the future. Community prevention and intervention were important elements in tackling health inequalities and a risk stratification approach was being used to identify information that was held by GPs and others to ascertain who was at risk of declining health and what action

can be taken. Some activity could be taken though a local action approach and using peer support.

The Clinical Commissioning Group had assumed the former Primary Care Trust (PCT) commitment to tackle health inequalities. It was a relief to see that the allocation formula which the NHS England had adopted included recognition of health inequalities in terms of deprivation. Sheffield had not had funding taken away and it was considered that the representations made by the City had been heard.

The Council noted the presentation on the Sheffield Health and Wellbeing Strategy and the responses to questions now raised and thanked Tim Furness and Joe Fowler for their presentation.

## **6. REPRESENTATION, DELEGATED AUTHORITY AND RELATED ISSUES**

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

Planning and Highways Committee - Councillor Bryan Lodge to replace Councillor Jayne Dunn

Corporate Members Group - Councillor Jillian Creasy to fill a vacancy

(b) representatives be appointed to other bodies, as follows:-

Sheffield Theatres Trust - Remove Councillor Ben Curran to create a vacancy

(c) the appointment of Councillors Tony Damms and Harry Harpham to serve on the Interim Sheffield Council Housing Board and Councillor Tony Damms to serve on the Sheltered Housing Board is confirmed.

## **7. ELECTORAL REVIEW OF SHEFFIELD CITY COUNCIL: SUBMISSION ON COUNCIL SIZE**

**RESOLVED:** On the Motion of Councillor Chris Weldon, seconded by Councillor Penny Baker, that, as recommended by the Overview and Scrutiny Management Committee at its meeting held on 11<sup>th</sup> November 2013, approval be given to the draft submission on Council size, appended to the report of the Chief Executive now submitted, to be forwarded to the Local Government Boundary Commission for England in connection with the Electoral Review of the Council.

## **8. SCRUTINY AND POLICY DEVELOPMENT COMMITTEES - UPDATE REPORT**

The Council received a report providing an overview of activity undertaken during the Municipal Year by each of the Council's Scrutiny and Policy Development Committees. The Committee Chairs (Councillors Gill Furniss, Cate McDonald, Mick Rooney and Chris Weldon) each formally introduced the work of their respective Committees.

The Council received and noted the report of the Overview and Scrutiny Management Committee concerning the work undertaken through the Council's Scrutiny and Policy Development Committees so far in 2013/14.

## **9. SOUTH YORKSHIRE POLICE AND CRIME COMMISSIONER**

The Council received a presentation by the South Yorkshire Police and Crime Commissioner, Mr Shaun Wright on the work he had undertaken during his first year in office and the plans for the future. The presentation included an outline of the Police and Crime Commissioner's role and priorities and governance and accountability structures. A summary was given of budget and resources, including savings required as a result of a reduction in Government funding to South Yorkshire Police. The number of Police Community Support Officers was being protected and additional Special Constables were being recruited. Crime statistics for various categories of crime were outlined for both South Yorkshire and Sheffield which showed reduced levels of crime overall. Particular issues were examined, including increases in domestic violence and hate crime, child sexual exploitation and the effect of mental health on the likelihood of becoming a victim of crime. Mr Wright also outlined initiatives such as in relation to tackling child sexual exploitation, victim and witness support, restorative justice, public engagement and the introduction of a living wage for South Yorkshire Police.

Members of the Council asked questions of the Police Crime Commissioner and responses were given, as summarised below:

With regard to community activities for which the Police made a charge for their services, which might put an event at risk on the grounds of cost and may not help community cohesion, Mr Wright stated that the South Yorkshire Police charging policy had been reviewed and the Police would not charge for the 'Fright Night' event. The Home Secretary had been written to with regard to a related grant and, unfortunately, the South Yorkshire Police did not meet the required threshold.

Online harassment, grooming, stalking and bullying affected adults, children and young people and significant additional resources were being applied in South Yorkshire and Yorkshire and Humber, linking into national initiatives.

The contract for the Police Helicopter was being renegotiated with the National Police Air Service and the Police Commissioner stated that he was a member of the working party which was examining value for money with regard to the helicopter service.

In relation to the morale of personnel in South Yorkshire Police and the effect of increased attention on past major incidents, including Hillsborough and Orgreave,

the Police were sometimes subject to criticism, and the Police Crime Commissioner did sometimes also criticise the Police, which might affect morale. However, there was a strategy to help support morale and a small morale fund had been established, which could be bid into to fund particular projects. The Commissioner also went on walkabouts and there was a post box initiative in each police station.

The existing 43 police forces across the country were considered to be too many, given that there was one police force for the whole of Scotland. Some of the existing forces were large enough to stand alone, including South Yorkshire, whereas for other smaller forces, this might not be the case. Issues and choices around the number of forces included the desired level of accountability and the governance model. Reference was made to the recommendations of the Independent Commission into the future of policing, chaired by Lord Stevens.

£40K was given to the South Yorkshire Community Foundation from which bids could be made by groups for up to £2K. The Police Commissioner also made larger grants for projects and small grants were available of up to £10K.

Neighbourhood policing was an issue of ongoing challenge and Commissioner Wright stated that he would like the District Commander to contact Councillor Midgley to look at what may have happened specifically in relation to the Manor Castle Ward. South Yorkshire Police had not removed any resources away from neighbourhood policing.

The Council noted the information reported by the Police Commissioner, Mr Shaun Wright and thanked him for his presentation.

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## Report to Council

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**Report of:** Chief Executive

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**Date:** 5 February 2014

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**Subject:** Changes to the Constitution

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

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**Summary:**

This report provides details of:-

- proposed changes to the Contract Standing Orders in the Constitution
- minor/consequential changes to the Constitution approved by the Director of Legal and Governance under delegated authority.

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**Recommendations:**

That the Council:-

- (a) considers adopting the changes to the Contract Standing Orders in Part 4 of the Constitution to take effect from 1 April 2014, as set out in the report and Appendix A; and
- (b) notes the minor/consequential changes to the Constitution made by the Director of Legal and Governance, in consultation with the Lord Mayor, under delegated authority, outlined at section 4 of the report and Appendices B and C.

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**Background Papers:**

None

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**Category of Report:** OPEN

## Statutory and Council Policy Checklist

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

**1. Introduction**

- 1.1 This report provides details of proposed changes to the Contract Standing Orders in the Constitution and minor/consequential changes approved by the Director of Legal and Governance approved under delegated authority.

**2. Background**

- 2.1 To ensure that the Constitution is kept up to date, there is a regular review process and, where changes are required, these are submitted to Full Council for approval. Changes were last approved by Full Council in September and October 2013.
- 2.2 In addition, the Director of Legal and Governance, in consultation with the Lord Mayor, has delegated authority to make any minor and consequential drafting changes to the Constitution. A number of changes were approved in December 2013 and further details are set out at section 4.

**3. Proposed Changes and Reasons**

- 3.1 Three material changes are proposed to the Contract Standing Orders. The first of these is to clarify the waiver process and to exclude from the need to apply for a waiver when departing from Standing Orders all contracts with a value below £2500 (the previous level was £250). Contracts below this value are still required to comply with Standing Orders but if a departure is made it has to be justified and it is for the relevant officer to record the justification.
- 3.2 Secondly there is now a clear process within the Orders themselves for dealing with breaches of Standing Orders and clarifying that deliberate and persistent breaches may lead to disciplinary proceedings against officers. These two changes result from a paper that was taken to Executive Management Team about the waiver process.
- 3.3 The final material change is to provide that where a contract is let under a properly procured frame work agreement then this will satisfy the requirements and a waiver is not needed.
- 3.4 Whilst making these changes, the opportunity has been taken to redraft the Orders to aid clarity, correct errors, remove duplication and superfluous wording. A flow diagram has also been added to aid interpretation. It is hoped this makes them easier to follow.
- 3.5 The proposed changes are to take effect from 1 April 2014 and are set out at Appendix A.

#### **4. Minor/Consequential Changes to the Constitution**

4.1 The Director of Legal and Governance has delegated authority, in consultation with the Lord Mayor, to make any minor and consequential drafting changes to the Constitution and is required to report details of any such changes to Council. Changes to the following parts of the Constitution were approved in December 2013:-

- Part 3 – Responsibility for Functions (A change to the Planning and Highways Committee Terms of Reference)
- Part 7 – Management Structure and Proper Officers (Amended Management Structure)

4.2 All Councillors were previously informed of these changes that are set out at Appendices B and C.

#### **5. Legal Implications**

5.1 Except where delegated by Council (see paragraph 2.2 above), variations to the Constitution may only be made by Full Council.

#### **6. Financial Implications**

6.1 There are no direct financial implications arising from the report.

#### **7. Recommendations**

7.1 That the Council:-

- (a) considers adopting the changes to the Contract Standing Orders in Part 4 of the Constitution to take effect from 1 April 2014, as set out in the report and Appendix A; and
- (b) notes the minor/consequential changes to the Constitution made by the Director of Legal and Governance, in consultation with the Lord Mayor, under delegated authority, outlined at section 4 of the report and Appendices B and C.

**Chief Executive**

## STANDING ORDERS OF THE COUNCIL

### (C) CONTRACTS

#### C.1 DEFINITIONS AND INTERPRETATION

#### C.2 GENERAL

- C.2.1 ~~Compliance with~~Application of Standing Orders
- C.2.2 Exemptions
- C.2.3 ~~Contraventions~~Waivers of Standing Orders
- C.2.4 ~~Legal Requirements~~Compliance and Contraventions
- C.2.5 Contract Value
- C.2.6 Conflicts of Interest
- C.2.7 Nomination
- C.2.8 Transfer of Employees
- C.2.9 Extensions and Variations of Contracts
- C.2.10 Executive Decision Making of the Council

#### C.3 COMMISSIONING

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

#### C.4 PROCUREMENT STRATEGY

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

#### C.5 TENDERS

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

#### C.6 CONTRACT AWARD

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

#### C.7 CONTRACTS

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

**Appendix 1** Flow Chart Guide to Format and Execution Requirements for  
Contracts let by Sheffield City Council

- ~~C.7.6~~ Contract Management
- ~~C.7.7~~ Payment in Advance



### **ORDER C.1 - DEFINITIONS AND INTERPRETATION**

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

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

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<b><del>“Council Seal”</del></b>	<del>The emblem used as a means of authentication by the Council and which is in the form of an impression in paper, wax or other medium.</del>
<b>“Criteria”</b>	Means the information provided to enable the evaluation of tenders received.
<b>“European Union Procurement Directives”</b>	DIRECTIVE 2004/18/EC, as amended & DIRECTIVE 2004/17/EC, as amended.
<b>“External Body”</b>	As defined under the circumstances at C.1.1.3; this specifically excludes external organisations that are contracted to supply goods, works or services to or on behalf of the Council, unless compliance with the competitive requirements of these Orders is a term of the Contract.
<b>“High Risk Work”</b>	Work that involves or includes demolition; the removal or treatment of asbestos; confined spaces or work at height (such as the erection, alteration or dismantling of scaffolding, work on roofs and steeples, abseiling or window cleaning).
<b>“In-House Provider”</b>	A Council department which can provide goods, works or services to other Council departments whether charged for or not. It does not include any separate legal entity.
<b>“Orders”</b>	These Standing Orders for Contracts.
<b><u>“Part B Services”</u></b>	<u>As identified as such in the Regulations and European Union Procurement Directives.</u>
<b><del>“Tender Process Manual”</del></b>	<del>The processes, procedures and templates issued by Commercial Services which must be adhered to by Procurement Professionals.</del>
<b>“Procurement Professional”</b>	A Council officer who is either 1) a qualified procurement professional or 2) a procurement professional by way of their Council role as a buyer of goods, works or services. Commercial Services will hold a list of Procurement Professionals.



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<b>“Public Procurement Regulations” or “Regulations”</b>	The Public Contracts Regulations 2006, as amended & The Utilities Contracts Regulations 2006, as amended.
<b>“Senior Responsible Officer” or “SRO”</b>	The Head of Service or other Officer nominated in writing by the Head of Service to act in their place.
<b>“RIDDER”</b>	The Reporting of Injuries, Diseases and Dangerous Occurrence Regulations 1995.
<b>“School Contract”</b>	A Contract let by the governing body of a school acting in the exercise of its powers in respect of a delegated budget.
<b><u>“Tender Process Manual”</u></b>	<u>The processes, procedures and templates issued by Commercial Services which must be adhered to by Procurement Professionals.</u>
<b><u>“Waiver of Contract Standing Orders” or “Waiver”</u></b>	<u>A specific or general exemption from a requirement or number of requirements of these Orders granted by the Director of Commercial Services under Order C2.3.1</u>

- C.1.2 A reference in these Orders to any Act of Parliament shall include a reference to any statute for the time being in force replacing or re-enacting that Act.
- C.1.3 In determining whether an agreement falls within the definition of a Contract above then it is the substance of the agreement that will be determinative not the form. If the effect of the agreement is that the Council has services, works, or goods delivered for it or on its behalf then for the purposes of these Orders it is a Contract. ~~Other-Using other~~ wording or titles of agreements (e.g. grant, memorandum of understanding etc.) for an agreement by which the Council has services, works, or goods delivered for it or on its behalf cannot be used to does not avoid the application of these Orders.
- C.1.4 Any reference in these Orders to the Director of Commercial Services, an Assistant Director of Commercial Services, the Director

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Part 4 - Contracts Standing Orders (Revised June 2013)

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of Legal and Governance or an Assistant Director of Legal and Governance shall include a reference to an officer authorised by them to act on their behalf.

## **ORDER C.2 - GENERAL**

### **C.2.1 Application of Compliance with Standing Orders**

C.2.1.1 The procurement and award of a~~All~~ Contracts shall comply with these Orders unless:

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

C.2.1.1.2 a Waiver of Contract Standing Orders has been granted or is not required under Order 2.3; or~~or~~

C.2.1.1.~~32~~ the contract~~Contract~~ is a School Contract (these should be let in accordance with the Finance Manual for Schools);~~;~~

~~C.2.1.2 Officers must comply with Contracts Standing Orders.~~

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

### **C.2.1.~~42~~ External Bodies**

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

- Where the External Body is undertaking the procurement on behalf of the Council, specifically acting as its procurement agent; or
- Where the procurement is being undertaken by the External Body on its own behalf, or for some third party, but is being funded by financial assistance from the Council and it is a condition of that assistance that these Orders shall apply; or
- Where the Council is the “accountable body” for the External Body (unless the terms of the Council being accountable body require different requirements to be observed and those different requirements are a condition of the funding to the External Body; or
- Where the External Body is a company under the control of the City Council within the meaning of *section 68 Local Government and Housing Act 1989*.

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C.2.1.53 Where the External Body is another local authority undertaking the procurement as the 'commissioning authority' on behalf of the Council and any other parties, the financial regulations and procurement rules of that other local authority may be relied upon. However, the SRO for the Service to which the Contract relates shall ensure that the procurement is carried out in accordance with applicable EU Procurement Rules and Regulations and obtain confirmation of this in writing from the commissioning authority.

~~C.2.1.6~~ 4 EU Procurement Law and Part B Services

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

Some Contracts will be subject to the rules set down in the European Union Procurement Directives and Regulations. These rules will apply to Contracts for supplies, services and works above certain thresholds; the level of each threshold is subject to review by the EU. Only certain services are fully covered by the Regulations. The Procurement Professional undertaking the tender exercise will be responsible for compliance with the Regulations, where applicable, including checking the threshold levels. Appropriate time must be allocated to enable the required EU procurement processes to take place.

~~Under~~Under the European Public Procurement Directives and the Regulations Part B Services are exempt from the detailed procurement procedures in the Procurement Regulations but above threshold Contracts are still caught by the other obligations in the Procurement Regulations. Below threshold Part B Services are ~~However they are~~ subject to general EU Treaty law on procurement and the statutory duty to provide Best Value.

-Best practice is that this is best proven by utilising proper competitive procurement procedures. Therefore, ~~it has been determined that~~ these Orders apply in full to Part B Services.

~~C2.1.7~~ 5 Grant Funding

Where a the Council receives a grant that is used to fund the provision of goods, works or services under a Contract then these Orders apply in full to the procurement of the goods, works or services.

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

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

#### C2.1.6 *In-House Providers*

Where the Council has an In-House Provider, that is capable of meeting a requirement, they must be used without competition, except where the Director of Commercial Services has determined that Supplies or Services of a particular kind will be subject to a competitive process.

Where it is deemed that an In-House Provider might not provide value for money, the Director of Commercial Services will advise on any benchmarking process that should take place and whether there ought to be a competitive process. Any involvement of the In-House Provider in the benchmarking or competitive processes will be approved by the Director of Commercial Services. A list of In-House Providers that have been assessed as providing value for money for internal Clients may be held by Commercial Services

#### C2.1.7 *Council Contracts*

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

#### C2.1.8 *Framework Agreements*

The Council and other contracting authorities have in place agreements where one or a number of suppliers have been appointed to a framework to deliver goods, works or services. These framework agreements allow Contracts to be placed without the need for a further public procurement exercise. Where a Contract is let under a framework then provided;

- The use of the particular framework was included in the approved procurement strategy;
- In the case of a framework agreement let by another contracting authority its use has been approved by the Director of Commercial Services; and
- It is done so in accordance with the terms of the framework (including any requirement for a mini tender amongst the suppliers on the framework).

then the competitive requirements set out in these Orders shall not apply.

### C2.1.9 Market Development

Where there are no existing suppliers with the required competence a Grant (in which case these Orders do not apply – but see Order C.1.3) or Contract can be used to stimulate the development with an agreed partner or supplier. Where a Contract is to be used these Orders apply and a Waiver from the competitive requirements will be required. Before granting a Waiver the Director of Commercial Services will need to be satisfied that there are no existing suppliers with the required competence and any Waiver granted will be time limited to ensure that when the new service market is operational other new entrant suppliers in that market have the opportunity to bid for the service provision.

## C.2.2 Exemptions

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

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

C.2.2.2.2 When dealing with:

- Acquisition, disposal or transfer of interests in or rights over land/property (which do not form part of a wider transaction where the Council procures works, goods or services);
- Disposal of surplus goods;
- Items purchased or sold by public auction (in accordance with arrangements agreed by the Executive Director of Resources);
- Compensation Payments e.g. relating to Compulsory Purchase Orders and Insurance;
- Customer refunds e.g. Planning Refunds, Rent Refunds etc.;
- Grant agreements where the Council either receives or gives a grant (but see Orders C.1.3 and C.2.1.7 above).

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

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

~~\*\*Lists of exempted suppliers relating to Orders C.2.2.2.3 and C.2.2.2.4 are held by Commercial Services; for further information see <http://intranet/managers/procurement-projects/policy/contracting-rules-procedures> Officers should seek to negotiate such terms and conditions that are in the best interests of the Council.~~

C.2.2.2.5 For expenditure with ~~In-House Providers~~ under Order C2.1.6 ~~(see Order C.1.1)~~

~~Where the Council has an In-House Provider, that is capable of meeting a requirement, they must be used without competition, except where the Council has determined that Supplies or Services of a particular kind will be subject to a competitive process. Where it is deemed that an In House Provider might not provide value for money, the Director of Commercial Services will advise on any benchmarking process that should take place and whether there ought to be a competitive process. Any involvement of the In House Provider in that process will be by the Director of Commercial Services. A list of In House Providers that have been assessed as providing value for money for internal Clients may be held by Commercial Services.~~

~~C.2.2.2.6 For expenditure with a Council Contract under Order C2.1.7s.~~

~~C.2.2.2.7 For expenditure under a framework agreement under Order C2.1.8 (see Order C.1.1)~~

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



~~Corporate Contracts will be held by Commercial Services.~~

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

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

### C2.3 Waivers of Standing Orders

~~C2.3.1 The Director of Commercial Services may grant a specific or general exemption from a requirement or number of requirements of these Orders in special circumstances. The decision shall include the reasons for the exemption.~~

~~C2.3.2 An application for a Waiver shall be made in such form and include such information as required by the Director of Commercial Services.~~

~~C2.3.3 Where a Waiver relates to a proposed contract with a Contract value over £50,000 then the request shall be reviewed by the relevant Executive Director before submission and they shall sign the request to confirm their approval.~~

~~C2.3.4 There is no requirement to obtain a Waiver where it is not intended to follow the competitive requirements of these Orders if the proposed Contract Value is below £2500. The competitive requirements should be followed unless there is justification not to do so and it is the responsibility of the SRO to ensure that the reason is justified and is recorded in writing.~~

~~C2.3.5 A Waiver cannot as a matter of law excuse non-compliance with European Union Procurement Directives, the Regulations and EU Treaty Law. Advice should be sought on the impact of these in relevant cases.~~

~~C2.3.6 Guidance on Waivers is available from Commercial Services and must be adhered to.~~

### C.2.34 Compliance and Contraventions

C.2.4.1 All Officers must comply with Contracts Standing Orders.

C.2.4.2 Each Senior Responsible Officer shall ensure that Contracts let by his or her Service comply with these Orders.

C.2.4.3 All Officers have a duty to report unauthorised breaches of these Orders to the Director of Commercial Services.

C.2.4.4 Where any Officer has been found to be in breach of these Orders then appropriate action will be taken. The purpose of the action is to provide guidance for those who inadvertently breach the requirements of these orders and more formal action for those who persistently and/or deliberately breach the requirements. These actions are likely to include the following and it should be noted that for a deliberate and serious breach first breach any of these action might be deemed appropriate;

C.2.4.4.1 For a first or subsequent inadvertent breach the Commercial Process team will provide guidance and support and explain the potential consequences of failure to follow the controls. This will be confirmed by email with the Officer and kept for one year.

C.2.4.4.2 For a second breach this will be discussed with the Officer and their line manager and if a deliberate disregard then actions to stop reoccurrence will be agreed via email with line manager and the officer.

C.2.4.4.3 For a further breach it will again be discussed with the line manager and individual formally and a course of action agreed. If it is a further deliberate breach then enforcement action may be required. This will be appropriate to the circumstances and agreed with the line manager. This could for example include formal action under the Council's Disciplinary Procedure and/or removing financial delegated authority to raise or approve orders.

**C.2.45 Legal requirements**

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

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

The Contract Value must not be underestimated, and the Contracts must not be subdivided in order to avoid the application of the European Union Directives, the Regulations or these Orders. For concession contracts the value of the benefit must be realistically estimated.

#### C.2.66 **Conflicts of Interest**

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

#### C.2.77 **Nomination**

The Council will not normally nominate sub-contractors or suppliers to its Contractors and the consent of the Director of Commercial Services is required to do so. However, Contractors will be actively encouraged to utilise local suppliers or sub-contractors and to recruit locally, whilst complying with relevant legislation.

#### C.2.88 **Transfer of Employees**

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

#### C.2.9—9 **Extensions and Variations of Contracts**

Where it is intended to extend the term of a Contract (including where the contract provides for such an extension) or vary a Contract to include new or revised goods, works or services then if the Contract Value after extension or variation being applied will be increased by the greater of;

C.2.99.1 £25,000 (Goods) or £50,000 (Works or Services); or

C. 2.99.2 10% of the Contract Value when the Contract was initially let,

then the consent of the Director of Commercial Services will be required before the Contract is extended or varied. In deciding whether to give such consent the Director of Commercial Services will require the submission of a procurement strategy. Any consent should be sought at an early stage to allow for other procurement methods to be undertaken if it is determined that an extension or variation is not the appropriate route.

## **C2.10 Executive Decision Making of the Council**

These Orders are in addition to and are not a replacement of the Council's Executive decision making process under the Leader's Scheme of Delegations. It is the responsibility of the Client to ensure that any relevant Executive Decision (including approval of procurement strategy and contract award) is made in accordance with the law, the Council's constitution and the Leader's Scheme of Delegations. The Director of Commercial Services may refuse to approve a procurement strategy or contract award under these Orders if he is not satisfied that the relevant Executive Decisions have or will be made.

### **ORDER C.3 - COMMISSIONING**

#### **C.3.1 General**

In all cases, the Council's approved approach to Commissioning should be followed. ~~For further information, please contact Commercial Services. This is available from Commercial Services.~~

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

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

- C.3.2.1.1 Defining what the requirement is – including desired quality standards and outcomes – and how much it is likely to cost;
- C.3.2.1.2 Ensuring appropriate budgetary and other approval (including approval of the procurement strategy in accordance with the Leader's scheme of delegations) has been granted;
- C.3.2.1.3 Ensuring needs analysis for the requirement has been carried out adequately with stakeholders and end users;
- C.3.2.1.4 Ensuring sustainability considerations are adequately considered;
- C.3.2.1.5 Ensuring appropriate consideration has been given to potential Human Resources, Legal and any other implications;
- C.3.2.1.6 Ensuring requirements align with the Council's objectives and priorities, as defined in the Corporate Plan and adopted policies;
- C.3.2.1.7 Ensuring compliance with any statutory and other duties in the commissioning process are complied with e.g. Equalities Act 2010, Best Value duty, Public Services (Social Value) Act 2012 duties, public law consultation duties, requirements of Compact with voluntary sector etc.
- C.3.2.1.8 Ensuring a Procurement Professional ~~(see Order C.1.1)~~ is engaged at an early stage of the Commissioning process, and undertakes any resulting tendering

exercise. Commercial Services holds a list of Procurement Professionals.

~~For further information, please contact Commercial Services.~~

## **ORDER C.4 - PROCUREMENT STRATEGY**

### **C.4.1 General**

C.4.1.1 The procurement strategy used on all tendering for every Contract with a Contract Value over £25,000 (Goods) or over £50,000 (Works or Services) or where subject to a tender by virtue of ~~order~~ Order 4.2.4.3 must be consistent with this Order and any relevant legislation and this must be confirmed by the Director of Commercial Services. Where appropriate, the financial, human resources, legal and equalities implications must be agreed with the relevant department before the procurement strategy is presented to the Director of Commercial Services. Where it is known that for a Contract with a Contract Value under these financial thresholds a tendering exercise would produce the best outcome for the Council, the SRO should contact Commercial Services, where a Procurement Professional will be allocated to undertake the procurement exercise.

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

~~C.4.1.3 The procurement strategy for every Contract must also be approved in accordance with the Constitution and the Leader's Scheme of Delegations by the Cabinet, a Cabinet Member, a Committee or an Officer. For the avoidance of doubt, this is in addition to the confirmation of the Director of Commercial Services under order C.4.1.4~~

~~C.4.1.43~~ Where ~~it is decided that~~ a competitive tender process will be undertaken (~~see Order C.5~~), a Procurement Professional (~~see Order C.1.1~~) must run the tendering process (see Order C.5), in conjunction with the Client, in adherence with the Tender Process Manual and associated instructions and with reference to the Procurement Policy issued by Commercial Services.

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

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

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

Sheffield City Council – Constitution  
Part 4 - Contracts Standing Orders (Revised June 2013)

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- C.4.2.2.1 First considering use of the Council In-House Provider or existing Council Contracts (see Orders C.2.2.2.5 and C.2.2.2.6).
- C.4.2.2.2 Where no applicable in-house provision or Council Contract exists:-
- Value £0 - £250: [Inviteobtain](#) at least 1 verbal quote and record the details
  - Value £250 - £2,500: [Inviteobtain](#) at least three competitive quotations, verbal or written, and record the details
  - Value £2,500 - £25,000 (Goods) or £50,000 (Works or Services): Invite 3, or more, written quotations and record the details
- C.4.2.3 Irrespective of the value, if your proposed purchase would provide better value through a more competitive process – for example there is a supply market for the product or service required - or is complex or difficult to describe – for example, the appointment of consultants or the buying of a bespoke service – ~~you shoulda~~ [Procurement Professional may require you to](#) seek tenders rather than quotes ~~(see Order C.5).~~
- C.4.3 **Contract Value £25,000 or more for Goods**
- C.4.3.1 For Contracts of Goods with a value in excess of £25,000, a formal tender process must take place. The Council must treat the tender process with probity and act in an open and transparent way throughout. ~~For further details, refer to Orders C.1.4 and C.2.1.~~
- C.4.3.2 A Procurement Professional must determine the appropriate choice of tender procedure to follow, as detailed in the Tender Process Manual or required by law.
- C.4.3.3 Each Contract to be let shall be given appropriate publicity to bring it to the attention of suitable providers.
- C.4.3.4 Some Contracts will be subject to the rules set down in the European Union Procurement Directives and Regulations. These rules will apply to Contracts for supplies, services and works above certain thresholds; the level of each threshold is subject to review. Only certain services are fully covered by the Regulations. The Procurement Professional undertaking the tender exercise will be responsible for compliance with the Regulations, where applicable, including checking the threshold levels. Appropriate time must be allocated to enable the required EU procurement processes to take place.



**C.4.4 Contract Value £50,000 or more for Works or Services**

- C.4.4.1 For Contracts of works or services with a value in excess of £50,000, a formal tender process must take place. The Council must treat the tender process with probity and act in an open and transparent way throughout. ~~For further details, refer to Orders C.1.4 and C.2.1.~~
- C.4.4.2 A Procurement Professional must determine the appropriate choice of tender procedure to follow, as detailed in the Tender Process Manual or required by law.
- C.4.3.3 Each Contract to be let shall be given appropriate publicity to bring it to the attention of suitable providers.

~~C.4.3.4 Some Contracts will be subject to the rules set down in the European Union Procurement Directives and Regulations. These rules will apply to Contracts for supplies, services and works above certain thresholds; the level of each threshold is subject to review. Only certain services are fully covered by the Regulations. The Procurement Professional undertaking the tender exercise will be responsible for compliance with the Regulations, where applicable, including checking the threshold levels. Appropriate time must be allocated to enable the required EU procurement processes to take place.~~

## **ORDER C.5 - TENDERS**

### **C.5.1 Requirements**

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

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

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

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

### **C.5.1.3 Bankruptcy and Liquidation**

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

C.5.1.3.1 is bankrupt or in liquidation;

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

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

### **C.5.1.4 Electronic Tendering**

All tenders must be undertaken electronically, using the Council's electronic-tendering system (YORtender). Any exemptions from this must be authorised ~~by the Assistant Director of Commercial Services managing the~~ by the Commercial Process Team. In any tender process all bids must be submitted by the same means.

#### C.5.1.5 Tender Submission

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

#### C.5.1.6 Hard Copy Tendering

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

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

#### C.5.1.7 Tender Opening

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

##### C.5.1.7.1 Electronic Tender Opening

Tenders received electronically shall be 'opened' within the electronic tendering system by authorised officers within the Commercial Process Team. These officers shall not have any conflicts of interest with the tender process and shall be appointed by the ~~Assistant Director of Commercial Services managing the Commercial Process Team~~ Assistant Director of Commercial Services.

#### C.5.1.7.2 Hard-copy Tender Opening

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

#### C.5.2 Health and Safety

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

- (1) Selection Stage (Pre-Qualification)
  - (a) At the earliest reasonable stage in the letting of the Contract and no later than the time when expressions of interest are received, Contractors shall provide either:
    - a valid registration with the Contractors Health and Safety Scheme (CHAS) or equivalent scheme registered with the Safety Schemes in Procurement (SSIP) Forum (~~see Order C.1.1~~);
 or the following:
    - if requested, a copy of the Contractor's current Health and Safety Policy document;
    - a detailed breakdown of the number and nature (i.e. type of injury, disease etc.) of RIDDOR reports that the Contractor has had to make within the last 5 years; and
    - details of any breaches of health and safety legislation by the Contractor, or employees of the Contractor, which have led to either the serving of a prohibition or improvement notice, or both, within the last 5 years.
  - (b) For those operations to which the Construction Design and Management Regulations 2007 (CDM) Regulations apply:
    - Contractors must hold a valid registration with the Contractors Health and Safety Scheme (CHAS) or

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

- (c) In both (a) and (b) above, any other health and safety information deemed necessary by the SRO for H&S (Safety and Employee Well Being)~~ODSRO for Health & Safety (H&S) Manager~~ (Safety & Employee Wellbeing) required because of the size or specialised nature and risks associated with the Contract.

(2) Tender Stage

At the tender stage (unless defined as low risk work by the SRO for H&S (Safety and Employee Well Being)~~OD Manager – Safety and Employee Well Being~~):

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

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

(3) Monitoring the Contract

On commencement of the work the Contract Lead will put in place methods to monitor the health and safety performance of the Contractor commensurate with the size, scope and risks associated with the Contract. Where required the SRO for H&S (Safety and Employee Well Being)~~OD Manager (Safety & Employee Wellbeing)~~ will provide advice.

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

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

the direct approval of the SRO for H&S (Safety and Employee Well Being) ~~OD Manager (Safety & Employee Wellbeing)~~.

## **ORDER C.6 - AWARD OF CONTRACT**

### **C.6.1 Authority to award Contracts**

C.6.1.1 The proposal to award a Contract must be clearly defined within the contract award approval form and must be consistent with these Orders and any relevant legislation and this must be **confirmed approved** by the Director of Commercial Services for Contracts with a Contract Value over £25,000 (Goods) and over £50,000 (Works or Services).

C.6.1.2 For Capital Expenditure Projects the SRO must also obtain approval from the Capital Programme Group (CPG). Commercial Services sign-off, as required by C.56.1.1, may be obtained at the CPG.

C.6.1.3 No Contract shall be entered into unless also authorised in accordance with the Constitution and the Leader's Scheme of Delegations (~~by the Cabinet, a Cabinet Member, a Committee or an Officer. For the avoidance of doubt, this is in addition to the confirmation of the Director of Commercial Services under order C.6.1.1.ee Order 2.10).~~

### **C.6.2 Selecting the Successful Contractor**

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

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

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

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

## **ORDER C.7 - CONTRACTS**

### **C.7.1 Forms of Contract**

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

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

C.7.1.1.2 Any Contract awarded after a competitive process as determined under ~~order~~Order C.4.2.43;

C7.1.1.3 Any Contract as specifically directed under this order by the Director of Commercial Services or the Director of Legal and Governance.

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

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

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

### **C.7.2 Contracts – Signed or by Deed**

C.7.2.1 ~~Contracts of Contract Value £500,000 or more shall be by deed and so under the Council Seal (see Order C.7.2.4), except with the approval of the Director of Legal and Governance, in which case they shall be signed. Contracts of Contract Value between £2500 and £500,000 shall be signed unless the Director of Legal and Governance recommends otherwise.~~



~~C.7.2.2~~ ~~Contracts of Contract Value between £2500 and £500,000 must be signed unless the Director of Legal and Governance recommends they should be by deed or by law are required to be by deed.~~

~~C.7.2.3~~ ~~It is expected that Contracts of Contract Value below £2500 will be signed unless there is good reason not to or the Director of Legal and Governance recommends they should be by deed, or by law are required to be by deed. Contracts of Contract Value £500,000 or more shall be by deed and so under the Council Seal, except with the approval of the Director of Legal and Governance.~~

### ~~C.7.3~~ ~~Contracts~~ ~~By Deed~~

~~C.7.3.12.4~~ The Council Seal shall only be applied in the presence of the Director of Legal and Governance, ~~the an~~ Assistant Director of Legal and Governance ~~(People), the Assistant Director of Legal and Governance (Place)~~ or some other person authorised by the Director of Legal and Governance who shall also attest the sealing and enter brief particulars of it, signed by him or her, in a book kept for the purpose.

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

### ~~C.7.4~~ ~~Contracts~~ ~~Signed~~

~~C.7.42.15~~ The Director of Commercial Services, any Assistant Director of Commercial Services, the Director of Legal and Governance, ~~and any~~ Assistant Director of Legal and Governance ~~and the relevant SRO~~ are each authorised by the Council to sign any Contract ~~that is not by deed.~~

~~C.7.42.2-6~~ Any Contract that falls within ~~order Order C7.1.1~~ must, ~~in order to comply with The Local Authorities (Executive Arrangements) (Modification of Enactments and Further Provisions) (England) Order 2001,~~ be signed by two persons on behalf of the Council. In these cases such Contracts shall be signed by the SRO and ~~any one other~~ person authorised under order C.7.4.2.45. ~~This is a legal requirement of The Local Authorities (Executive Arrangements) (Modification of Enactments and Further Provisions) (England) Order 2001.~~

~~C.7.42.3-7.~~ ~~Any other Contract that is not by deed can be~~ normally be signed by the relevant

~~\_\_\_\_\_ SRO. (see Order C.1.1).~~

C.7.42.48 A contract shall only be signed or sealed when there are the necessary authorities in place for the award of the Contract except that the Director of Commercial Services may waive the requirement for the ~~contract award approval~~ document approving contract award under these Orders being signed to be signed. For the avoidance of doubt, the requirement for contract awards to be approved in accordance with the Leader's ~~Ss~~cheme of ~~delegation~~ Delegation cannot be waived.

Appendix 1 is a flow chart that is intended to assist in determining the form of contract and signings requirements under Orders 7.1 and 7.2. This flow chart is for guidance only and in the event of any conflict between the wording of the Orders and the flow charts then the wording of the Orders shall prevail.

### C.7.53 **Contracts Register**

The Council via Commercial Services is required by Government to publish an up to date contract register on the internet. The e-tendering system (YORtender) automatically produces this once a tender has been awarded.

It is the responsibility of the SRO to ensure that **all** Contract details that have not been let through YORtender are provided to Commercial Services in a timely fashion. This responsibility applies irrespective of the value of the Contract or whether or not the Contract was awarded after a competitive tender.

### C.7.64 **Contract Management**

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

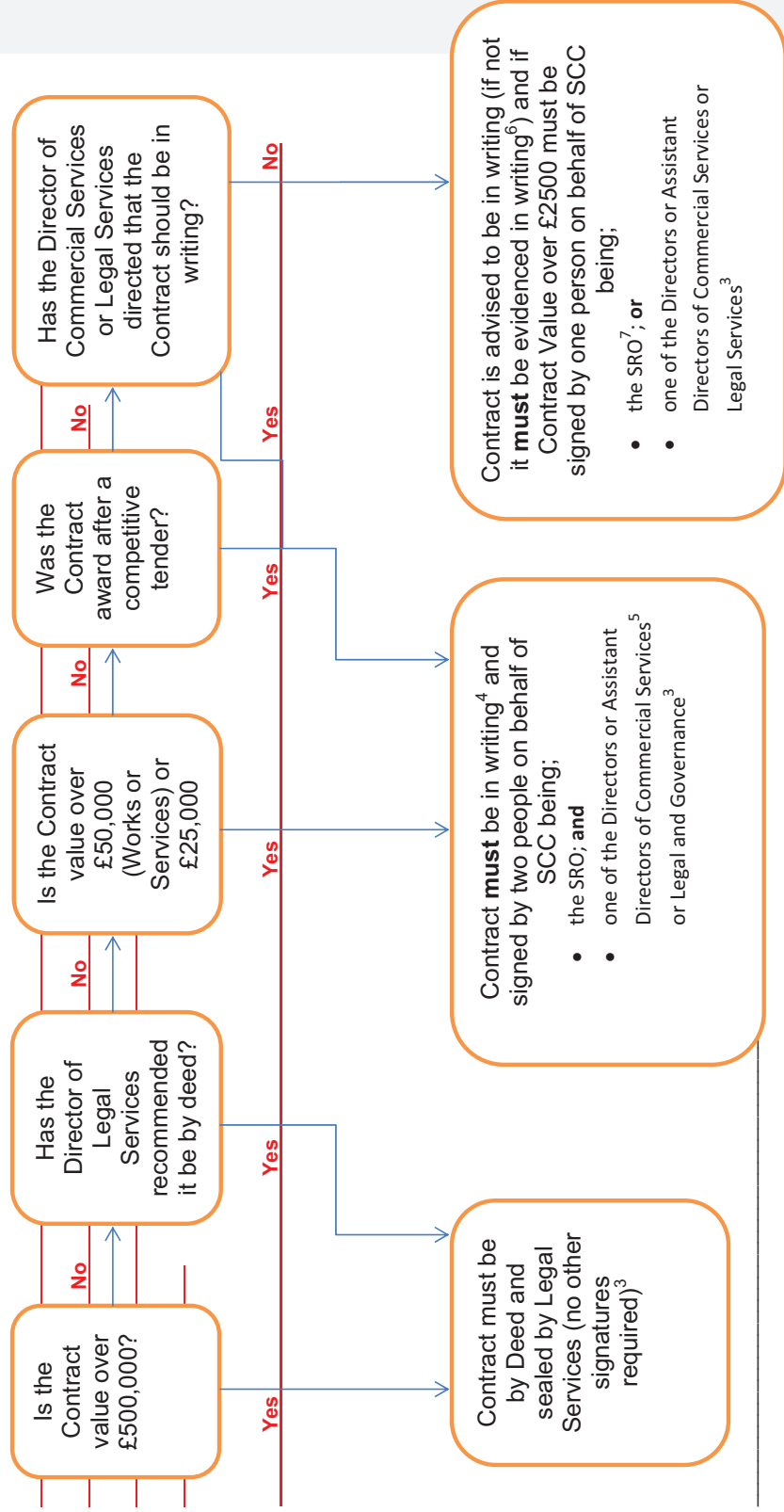
### C.7.75 **Payment in Advance**

Under the Council's Financial Regulations its standard payment terms are 30 calendar days from the date that a valid invoice is received by the Council. Any variation to this standard must be agreed by the Director of Commercial Services either as part of the letting of a contract or by ad-hoc exception to the standard terms.

The Council does not normally agree to provide payment in advance of satisfactory performance or delivery. Advice must be sought from the Director of Commercial Services as soon as possible where payment in advance is required or requested by a Contractor and any change to the normal position needs to be dealt with by way of a waiver to this Order.

**Appendix 1**

**Flow Chart Guide to Format and Execution Requirements<sup>i</sup> for Contracts let by Sheffield City Council<sup>ii</sup>**



Sheffield City Council – Constitution  
Part 4 – Contracts Standing Orders (Revised June 2013)

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<sup>1</sup>This Flow chart is a guide to aid interpretation of the requirements in the Council's Contract Standing Orders in relation to whether a contract should be in writing and signature requirements. It does not cover what procurement process may be required or whether model forms of contract should be used. It does not form part of those Orders and any final interpretation is to be based on the wording of the Orders alone. It is correct as to the version of Contract Standing Orders approved by Council February 2014.

ii) The requirements of Contract Standing Orders relate only to Contracts as defined therein, being contracts for the supply to the Council of goods, works or services. These format and signature requirements do not apply to other forms of contract or agreements.

<sup>3</sup> A Contract will only be sealed or signed if evidence is provided that letting the Contract has been approved as an Executive Decision in accordance with the Leader's Scheme of Delegations. Where a specific delegation is relied upon, evidence of the original delegation will also be required. This is not the same as approval by the Director of Commercial Services or Capital Programme Group under Contract Standing Orders.

<sup>4</sup> A contract is in writing if all the terms agreed between the parties are set out in a single document

<sup>5</sup>The usual course will be that where Commercial Services have advised or been involved in a Contract award procedure they will be the second signatory.

<sup>6</sup> A contract is evidenced in all the terms agreed between the parties are set out in a number of documents which can be produced to prove the terms of the agreement.

<sup>7</sup> It is expected this will usually be the SRO. Contracts with a value below £2500 are expected to be signed unless there is a good reason not to.

		registration of persons to sell poisons
Police, Factories etc. (Miscellaneous Provisions) Act 1916	s5	Regulations covering street collections
Policing and Crime Act 2009	s27	Sexual Entertainment Venues Transitional Provisions.
Riding Establishments Act 1964	All	Regulation and enforcement in relation to riding establishments.
Riding Establishments Act 1970	All	Provisional licensing of riding establishments.
Safety at Sports Grounds Act 1975	All	Provisions for safety at sports stadia and other sports grounds
South Yorkshire Act 1980	s52	Registration of dealers in second hand goods
Scrap Metal Dealers Act 1964	All	Regulation and enforcement of scrap metal dealers
Town Police Clauses Act 1847	ss37 to 68	Provisions for the licensing, regulation and enforcement of hackney carriages
Transport Act 1985	s16	Limitation on Hackney Carriage numbers
Vehicles (Crime) Act 2001	Parts 1 and 4	Regulation and enforcement of motor salvage operators
Zoo Licensing Act 1981	All	Regulation and enforcement in relation to zoos
This list is non-exhaustive. All legislation is as may be amended from time to time and includes any schedules related to the provisions listed and any regulations, bye-laws or Statutory Instruments made under that legislation. To the extent that a matter included is reserved to Full Council the term of reference to the Licensing Committee is to consider and make recommendations to Full Council on that matter.		

### PLANNING AND HIGHWAYS COMMITTEE

The Committee exercises the Council's non-executive Planning and Highways functions with the following terms of reference.

### Terms of Reference

- (a) To exercise the non-executive functions of the Council as planning and highways authority set out in Part A, 5-31, Part B, 41 and 46A-55 and Part I, 1-34,46 and 47 of the table at 3.3.2 above.
- (b) To exercise the function under Section 278, Highways Act 1980.

### Matters Reserved

Matters are reserved to the Planning and Highways Committee where the matter falls within the Committee's Terms of Reference and:-

- (a) the proposal is a major opportunity for development that represents a significant regeneration opportunity for the City;
- (b) the decision would represent a significant departure from policy;
- (c) the Council's policy position is unclear or difficult to determine;
- (d) the decision would be in conflict with a substantial number of representations made on planning grounds and where the outcome is not clearly predetermined by approved planning policy;
- (e) the matter relates to ~~an~~ an planning application submitted by or on behalf of ~~an Council~~ an Council officer who is involved in the planning application process of the Local Planning Authority or a Member of the Planning and Highways Committee where the matter relates to the exercise of a planning function;
- (f) the matter relates to an application submitted by or on behalf of an officer of the Local Highway Authority or by a Member of the Planning and Highways Committee where the matter relates to the exercise of a highway function;
- (g) formal enforcement or legal proceedings in respect of unauthorised development are likely to take place.

For the avoidance of doubt, functions falling within the Planning and Highways Committee's Terms of Reference but which are not reserved to the Planning and Highways Committee are exercisable by the Planning and Highways Committee but are also exercisable by Council officers in accordance with Paragraph 3.5.1 of Part 3 of the Constitution.

## MANAGEMENT STRUCTURE

### 1.1 Chief Officers

#### Chief Executive and Head of Paid Service

- Has overall corporate and management responsibility for the work of the Council, including the number and grade of officers required for the discharge of functions
- May discharge the functions discharged to other officers in cases of urgency or emergency and in consultation with the Leader

#### Chief Executive

Responsible for:-

Director of Policy, Performance and Communications

- Corporate Policy and Strategy
- Research and Analysis, including special analysis
- Performance Management
- Strategic and Business Planning
- Communications, including Campaigns, Marketing, Press and PR, and internal Communications
- ~~City Information~~
- Partnerships Development
- ~~Strategy for VCF Sector and Related Funding~~
- Equalities, Social Justice and Community Involvement
- Scrutiny
- Elections and Referenda
- Electoral Registration
- Public Health Intelligence
- Corporate Consultation

#### Director of Public Health

Responsible for:-

- Public Health overall, including Health Improvement, Health Protection and Health Services' Public Health
- Public Health input to the (NHS) Clinical Commissioning Group
- Lead Director for the Joint Strategic Needs Assessment
- Public Health Transition for the NHS to the City Council
- Liaison with Executive Directors regarding Integration of Public Health Specialist Teams into the Portfolio Management Structures
- Planning for and responding to emergencies that present a risk to public health
- Membership of the Health and Wellbeing Board



- [Writing an Annual Report on the Health of the Population](#)

#### [Director of Health Improvement](#)

- [Health Improvement](#)
- [Health Inequalities](#)
- [World Health Organisation Healthy City Project](#)
- [Public Health and NHS Transition Work](#)
- [Health and Improvement Plan](#)
- [Health Impacts of Housing](#)
- [Business Planning and Performance for Public Health Office](#)

#### Director of Sheffield First Partnership

- Sheffield City Strategy
- Sheffield Outcomes Framework
- State of Sheffield Report
- Sheffield Executive Board
- Sheffield Partnerships Collaboration
- Sheffield Whole Place (City) Budgets Programme
- ~~Business First Partnership Unit~~
- [Local Area Partnerships](#)

#### **Executive Director Resources**

Responsible for:-

#### Director of Finance

- Revenue Budget and Accounting
- Capital Programme Budgeting and Accounting
- Project Finance
- Internal Audit
- External Grant Funding
- Housing and Council Tax Benefits Client Team
- Council Tax Collection
- Collection of Sundry Debt

#### Director of Commercial Services

- Commercial, Commissioning, Procurement and Contract Management, Processes and Support
- E-Business (Trading electronically with the Council's Suppliers)
- Business Services Category (Procurement)
- Construction Category (Procurement)
- Young People, Health and Care Category (Procurement)
- Commercial Projects

- 
- Strategic Contract Management (e.g. Capita, Veolia, Highways Public Finance Initiative, Kier LLP, Kier Property and FM)
  - Supplier Relationships
  - All External Spend Data and related Freedom of Information Requests
  - Approach/Process for Trade Supplier Payments
  - Managing Community Right to Challenge Submissions

## Director of Customer Services

- Customer Services (Contact Centre, First Point, Reception Services)
- Corporate Complaints Team
- Blue Badge Service
- City Wide Alarms Call Handling Service
- 101 Service/Out of Hours Service
- Post Offices
- Customer First Programme
- E-Services (Council Website)
- Armed Forces Community Covenant
- Translation and Interpretation
- Customer Service Strategy and Projects
- Sheffield Registry-Register Office
- ~~Communications and Customer Care Team~~ – Council Housing ServiceCall Centre

## Director of Business Information and Transformation

- Transformation Service – Business Change
- Business Analysis
- Enterprise Architecture
- IT Service Management
- Programme and Project Management
- Strategy and Planning
- Information Security
- ICT Governance and Assurance
- ICT Outsourced Partnership Management
- Information Management
- IS Business Partnering
- IT Training

## Director of Human Resources

- HR Business Partners
  - HR Policy and Specialist Advice on Employment Matters
  - HR Advice and Support on People Management
  - ~~Brockwood Park Training Centre~~Workforce Development Unit
  - Schools HR Service – Strategy and Governance
-

- Learning and Development Delivery Service
- HR Support for Major Change Projects
- Occupational Health
- Health and Safety
- HR Connect – Capita HR Transactions
- HR Connect – Capita Payroll

#### Director of Legal and Governance

- Legal Services
- Land Charges
- Monitoring Officer
- Standards
- Constitution
- Governance
- Democratic Services
- Member Development
- Mayoral Team
- Political Assistants and Group Support Officer
- Members' Support

#### Director of Transport and Facilities Management

- Transport Fleet and Contract Management
- Transport Strategy and Governance
- HGV/PVC Operator Licences
- Passenger Transport for Vulnerable Adults and Children
- Taxi Driver and Vehicle Testing
- Vehicle Testing, Maintenance and Repairs
- Specialist Transport to Major City Events
- Chauffeur Service
- Community Buildings Team
- Schools Property Services
- Facilities Management, including Statutory Compliance and Maintenance - all Portfolios (except Housing)
- Property Records
- Kier Asset Partnership Ltd. Shared Services – Facilities Management

#### **Executive Director Children, Young People and Families**

Responsible for:-

~~Acting~~ Director of Children and Families Service

- Children's Social Work Services
- Fostering Service
- Adoption Service

- 
- Safeguarding Service
  - Learning Difficulties and Disabilities Service
  - Multi-Agency Support Teams
  - Early Intervention and Prevention Services
  - Attendance Services
  - Parenting Strategy
  - Looked After Children Services
  - Corporate Parenting
  - Commissioning Health Services
  - Children’s Centres Support Services
  - Children’s Residential Services
  - Aldine House Secure Home
  - Strategic Contracting and Access to Resource Service
  - Aiming High and Short Break Services
  - Early Years Planning and Sufficiency
  - Strategic Leadership of the Early Years
  - Leadership of the Review of Early Years
  - Childcare
  - Young Children’s Centres
  - Children’s Centres Inspections
  - Childminders
  - 0-5 Strategy
  - Youth Justice Service
  - Building Successful Families
  - Multi Systematic Therapy Services
  - Care Leavers Services

~~Deputy Executive~~ Director of Inclusion and Learning Services

- Advocacy for Children & Young People.
  - Primary, Secondary and Special Schools – Performance Monitoring, Challenge and Communication
  - Targeted Support for Vulnerable Groups including those with English as an additional languageAL
  - Educational Attainment of Looked After Children
  - Behaviour Service, including Inclusion Centres
  - School Governor Service
  - School Sports Strategy, including Swimming
  - School Music Service
  - Learning Support Service
  - Outdoor Education Service
  - E-Learning
  - School Places Planning and Commissioning
  - Commissioning School Transport
-

- ~~Early Years~~Foundation Stage Learning Outcomes
- Children Missing from Education
- School Admissions and Admission Appeals
- Special Educational Needs (SEN) Services and Commissioning of SEN Places, Provision and Transport
- Strategic Lead for SEN
- Strategic Lead for Services to Schools
- De-escalation Service for Schools, Communities and Parents
- Early Years Inclusion
- Maintained Nursery Schools

#### Director of Business Strategy

- Capital Strategy, including Building Schools for the Future
- Children Young People and Families (CYPF) and Schools Resourcing Strategies
- Revenue Budget and Business Planning Strategy, including Traded Services
- Emergency Planning and Business Continuity
- Schools Transport Strategy and Delivery
- School Food Services
- CYPF Information Strategy
- Risk Assessment and Management (including Information Risk)
- Financial Probity and Performance
- Governance and Compliance
- Strategic Resource Planning
- School Financial and Resource Planning Advice and Guidance
- Business Partner Relationship Management:
  - Asset Management
  - Human Resources
  - Finance
  - Information Communication Technology
  - Procurement
  - Efficiency Programme
  - Customer First
  - Transformation Change Programmes – Capital, Budget, Strategic Outcomes, Academy Conservation Programme, Modern Efficient Council (~~MEC~~), Corporate Strategy

#### Director ~~of~~ Lifelong Learning, Skills and Communities

- 14-19 Partnership, Planning and Provision
- Adult Community and Family Learning
- Integrated Youth Support
- Employment and Skills

- Extended Learning and Support
- Community Cohesion
- Portfolio Policy, Planning and Performance
- Sheffield City Region Skills Lead for the City Deal

### **Executive Director Communities**

Responsible for:-

Director of Business Strategy

- Improvement and Development:
  - Performance Management, including:
    - Programme Development and Monitoring
    - Business and Portfolio Strategy, Planning and Monitoring
    - Business Improvement, Efficiency and [Value for FMoney](#)
    - Business Transformation/Change Management Information
    - Monitoring and Management
    - Business Continuity
    - Business Systems Maintenance and Development
- Quality and Safeguarding ([Adult](#)):
  - Safeguarding and Strategic Overview and Governance
  - Serious Incidents and Serious Case Reviews
  - Governance and Quality Improvement/[Quality Assurance](#)
  - Staff and Customer Involvement/Workforce Development
  - Risk Management, Information Governance and Business Continuity
  - [Equalities, Diversity and Inclusion](#)
  - [Information and Advice](#)
- Business Partner Liaison

[Director of Housing Services](#)

- [Locality Management](#)
- [Cohesion and Migration](#)
- [Community Safety](#)
- [Housing Services:](#)
  - [Area Management](#)
  - [Asset Management](#)
  - [Heating Mechanical and Electrical](#)
  - [Leaseholder Services](#)
  - [Income Management](#)
  - [Community Engagement & Governance](#)
  - [Tenancy Management & Enforcement](#)
  - [Choice Based Lettings](#)
  - [Access to Housing](#)

- Older Person's Independent Living
- Supported Housing
- Maintenance & Partnership
- Estates & Environmental Services
- Partnership Services
- Health and Safety and Facilities Management
- Decent Homes
- Vacants Management

#### Director of Community Services

- ~~Locality Management Arrangements~~
- ~~Community Safety, Cohesion and Migration~~
- ~~Libraries, Archives and Information~~
- ~~Drug and Alcohol/Domestic Abuse Co-ordination (DACT)~~
- ~~Healthy Communities Programme~~

#### Interim Head of Community Projects

- Libraries, Archives and Information Services

#### Director of Care and Support

- Community, Hospital and Intermediate Care
- ~~Social Work Assessment and Care Management Teams, including safeguarding assessments of people in need~~
- Self-Directed Support and Personal Budgets for People Needing Social Care and Support
- In-House Provider Services (including Care4You and People with Disabilities and Sensory Impairment)
- Housing Solutions (homelessness prevention, assessments and allocations), Asylum Accommodation and Support Service and Equipment and Adaptations
- Joint Learning Disability Service
- Local Assistance Scheme

#### Director of Commissioning

- Housing Commissioning:
  - Future of Council Housing
  - Housing Revenue Account Business Plan
  - Lettings Policy Review
  - Leaseholders, Right to Buy and Financial Services
  - Private Rented Standards
  - Social Landlords Relationships
  - Housing-related Support
- Adult Social Care Commissioning:
  - Intelligence and Forecasting

- 
- Older People
  - Mental Health
  - Learning Disabilities
  - Carers
  - Service Development (personalisation, prevention, integrated services)
  - Contracts and Partnerships
  - Drug and Alcohol/Domestic Abuse Co-ordination (interim)
  - Healthy Communities Programme

### Executive Director Place

Responsible for:-

#### Director of Capital and Major Projects

- Corporate Property Services
- Estate and Valuation Services
- Sheffield Markets Services
- Property Disposals and Acquisitions
- Rural Estates Management
- Commercial Estate Management
- Kier Asset Partnership Ltd Shared Services – Estate and Valuation Services
- Capital Investment and Capital Delivery Service
- Emergency Planning/Business Continuity, including shared service with Rotherham
- Environmental Responsibility and Resilience
- ~~Interim responsibility for:-~~
- ~~Sustainable Development~~
- ~~Climate Change~~
- ~~Policy and Projects~~
- ~~Home Insulation Programme and Green Deal~~
- ~~Environmental Strategy~~
- ~~Renewable Energy and District Energy~~

#### Director of Culture & Environment

- Arts Projects
- Activity Sheffield
- City Centre Management
- City and Community Events
- Trees and Woodlands
- Parks and Countryside



- Public Realm Maintenance
- Bereavement Services
- Non-Highways Graffiti Removal
- Public Toilets
- Sports and Arts Trusts
- Allotments
- Ranger Service

#### Director of Regeneration and Development Services

- Air Quality
- Building Standards and Public Safety
- Flood Risk Management
- Highways Maintenance (Public Finance Initiative Client)
- Planning – Development Management and Local Plan
- South Yorkshire Archaeology
- South Yorkshire Forest
- Transport, Traffic and Parking Services
- ~~Interim Lead for Housing, Enterprise and Regeneration:-~~
- Local Growth Fund
- Thriving District Centres
- Over-arching Housing Strategy, Investment and Regeneration
- Sheffield Housing Company
- City Development
- Scowerdons, Weaklands and Newstead Housing Regeneration Project
- Sustainable City

#### Director of Business Strategy and Regulation

- Business Partner Relationship Management
- Business Planning
- Governance and Compliance
- Performance Management
- Programme Management
- Resilience Management
  - Risk
  - Business Continuity
  - Emergency Planning
- Strategic Resource Planning
- Operational Services
  - Coroner's Advice
  - Medico-Legal Centre (MLC)
  - Licensing
- Regulatory Services
  - Health Protection

- Environmental Protection
- Trading Standards
- Pest Control
- Waste Management (including abandoned vehicles)

#### Director of Marketing Sheffield

- Marketing of Sheffield
- City Branding
- City Promotion
- Commissioning of Major Events
- Leisure and Business Tourism
- Stakeholder Engagement with Private Sector
- Change Management Role
- Champion Creative Sheffield
- External Relations with National Organisations (Visit England etc.)
- Interface with the Local Enterprise Partnership

#### Director of Creative Sheffield

- Business/Inward Development
- Sector Development
- Indigenous Business Aftercare/Support
- SME Business Support
- Enterprise in Schools
- First Point for Business
- Economic Strategy/Policy
- Sheffield City Region and Local Enterprise Partnership

#### ~~Director of Public Health~~

##### ~~Responsible for:-~~

- ~~Public Health overall, including Health Improvement, Health Protection and Health Services' Public Health~~
- ~~Public Health input to the (NHS) Clinical Commissioning Group~~
- ~~Lead Director for the Joint Strategic Needs Assessment~~
- ~~Public Health Transition for the NHS to the City Council~~
- ~~Liaison with Executive Directors regarding Integration of Public Health Specialist Teams into the Portfolio Management Structures~~
- ~~Planning for and responding to emergencies that present a risk to public health~~
- ~~Membership of the Health and Wellbeing Board~~
- ~~Writing an Annual Report on the Health of the Population~~

#### ~~Director of Health Improvement~~

- ~~Health Improvement~~

- 
- ~~Health Inequalities~~
  - ~~WHO Healthy City Project~~
  - ~~Public Health and NHS Transition Work~~
  - ~~Health and Improvement Plan~~
  - ~~Health Impacts of Housing~~
  - ~~Business Planning and Performance for Public Health Office~~

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## HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN UPDATE, HRA BUDGET AND RENT INCREASE 2014/15

At its meeting on 15<sup>th</sup> January 2014, the Cabinet received a joint report of the Executive Directors, Communities, Place and Resources providing the 2014/15 update to the Housing Revenue Account (HRA) Business Plan. The report also presented a 2014/15 revenue budget for the HRA.

The Cabinet's minute is set out below, and the Council is asked to approve the recommendations:-

## HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN UPDATE, HRA BUDGET AND RENT INCREASE 2014/15

- 16.1 The Executive Directors, Communities, Place and Resources submitted a joint report providing the 2014/15 update to the Housing Revenue Account (HRA) Business Plan. The report also presented a 2014/15 revenue budget for the HRA.
- 16.2 **RESOLVED:** That this Cabinet recommends to the meeting of the City Council on 5th February, 2014 that :-
- (a) the HRA Business Plan update report for 2014/15 be approved;
  - (b) the HRA Revenue Budget for 2014/15 as set out in Appendix B to the report be approved;
  - (c) the rent increase for Council dwellings by an average of 6.2% from April 2014 be approved;
  - (d) the rents for Council dwellings being set at target rent, when re-let following vacancy, from April 2014 be approved;
  - (e) the increase of annual rents for garages and garage sites by an average of 6.2% from April 2014 be approved;
  - (f) the increase of community heating charges by 3% in 2014/15 be approved;
  - (g) it notes that it may be necessary to amend the sheltered housing service charge, in the event of a review of the service, if the Supported Housing Subsidy changes as part of the Council's wider budget setting process;
  - (h) it resolves that charges for furnished accommodation and temporary accommodation are not increased;
  - (i) it delegates authority to the Director of Commissioning, Communities to amend the burglar alarm charge in 2014/15 in line with the costs incurred under the new contract. Until the contract is in place and the charges are known the burglar alarm charge will remain unchanged; and

- (j) it delegates authority to the Director of Commissioning, Communities and the Director of Finance, in consultation with the Cabinet Member for Homes and Neighbourhoods to authorise prudential borrowing as allowed under current Government guidelines.

(NOTE: A copy of the joint report is appended to this report.)

John Mothersole  
Chief Executive

# SHEFFIELD CITY COUNCIL



## Cabinet Report

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

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**Report to:** Cabinet

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**Date:** 15<sup>th</sup> January 2014

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**Subject:** Housing Revenue Account (HRA) Business Plan  
update report, HRA Budget and Rent Increase  
2014/15

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**Author of Report:** Liam Duggan

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### Summary:

This report provides the 2014/15 update to the Housing Revenue Account (HRA) Business Plan. It includes proposals to:

- make full use of the HRA to increase the delivery of new and additional council homes;
- provide increased support and advice for tenants impacted by welfare reform;
- expand the communal area refurbishment programme; and,
- establish a planned replacement programme of kitchens, bathrooms, windows and doors (following the anticipated end of the Decent Homes programme)

This report also presents a 2014/15 revenue budget for the HRA.

A separate report on the Capital Programme, which includes the Council Housing Investment programme 2014/15, will be discussed by Cabinet on 19 February 2014. This will include details of the Council's funded capital investment plan for council housing. The service and financial plans for the HRA in this report complement the Council Housing Investment programme.

Rent increases for 2014/15 continue in line with the Government's National Social Rent Policy. Government have recently redrafted the policy guidance with

the effect that the 2014/15 increase will be the last increase under the current rent restructuring arrangements.

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**Reasons for Recommendations:**

To maximise the financial resources to deliver outcomes on key services in the context of a self-financing funding regime.

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

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

**Recommendations:**

It is recommended that:

1. The HRA Business Plan update report for 2014/15 is approved
  2. The HRA Revenue Budget for 2014/15 as set out in Appendix B to this report is approved
  3. Rents for Council dwellings are increased by an average of 6.2% from April 2014
  4. Rents for Council dwellings are set at target rent, when re-let following vacancy, from April 2014
  5. Annual rents for garages and garage sites are increased by an average of 6.2% from April 2014
  6. Community heating charges increase by 3% in 2014/15
  7. Cabinet notes that it may be necessary to amend the sheltered housing service charge, in the event of a review of the service, if the Supported Housing Subsidy changes as part of the Council's wider budget setting process
  8. Charges for furnished accommodation and temporary accommodation are not increased
  9. The Director of Commissioning, Communities be granted delegated authority to amend the burglar alarm charge in 2014/15 in line with the costs incurred under the new contract. Until the contract is in place and the charges are known the burglar alarm charge will remain unchanged
  10. The Director of Commissioning, Communities and the Director of Finance, in consultation with the Cabinet Member for Homes and Neighbourhoods, be granted delegated authority to authorise prudential borrowing as allowed under current government guidelines
-



**Background Papers:**

Report to Cabinet, *Housing Revenue Account (HRA) Business Plan Update, HRA Budget and Rent Increase 2013/14*, 16<sup>th</sup> January 2013

<http://meetings.sheffield.gov.uk/council-meetings/cabinet/agendas-2013/agenda-16th-january-2013>

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

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

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**Category of Report:**      OPEN

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## Statutory and Council Policy Checklist

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

## **Report to Cabinet**

### **HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN, REVENUE BUDGET AND RENT INCREASE 2014/15**

#### **1.0 SUMMARY**

- 1.1 This report provides the 2014/15 update to the Housing Revenue Account (HRA) Business Plan. It includes proposals to make full use of the capacity of the HRA to increase delivery of new/ additional council homes, provide further support for tenants impacted by welfare reform, expand the communal area refurbishment programme and establish a planned replacement programme of kitchens, bathrooms, windows and doors following the anticipated end of the Decent Homes programme.
- 1.2 This report also presents a 2014/15 revenue budget for the HRA.
- 1.3 A separate report on the Capital Programme, which includes the Council Housing Investment programme 2014/15, will be discussed by Cabinet on 19 February 2014. This will include details of the Council's funded capital investment plan for council housing. The service and financial plans for the HRA in this report complement the Council Housing Investment programme.
- 1.4 Rent increases for 2014/15 continue in line with the Government's national social rent policy which changes in April 2015 with the effect that the 2014/15 increase becomes the last increase under the current rent restructuring arrangements.

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

- 2.1 The Council owns approximately 41,000 homes that are home to around 48,000 people as tenants. In addition, approximately 2,200 leaseholders also receive housing services from the Council. The HRA is a statutory account that includes the resources that provide council housing services to tenants. It will be the Council's current tenants and future tenants who will be affected by the on-going choices that are made in the HRA Business Plan.
- 2.2 One of the aims of the business plan update is to assure the long term sustainability of council housing as a vital service for Sheffield people. The foundation of the HRA Business Plan is to ensure that council homes are occupied because letting homes generates the rental income which funds all aspects of council housing.
- 2.3 The rent increase arising from the implementation of the Government's National Social Rent Policy will affect council tenants. In line with the current formula, annual rents will increase by an average of 6.2% in 2014/15 (as illustrated at Appendix D). All vacant properties will then be re-let at the target rent level.

- 2.4 The tenants occupying the 7,700 homes with a Council burglar alarm will receive an amended charge for the service in 2014/15 following the appointment of a new contractor. The charge will be amended in line with costs incurred once these costs are known.
- 2.5 Around 600 new council homes delivered over the next 6 years will provide new and existing tenants with greater choice and availability of high demand and affordable social housing.
- 2.6 Expansion of the communal areas refurbishment programme will mean communal areas for all 12,000 low rise flats will now be to standard by 2018 making flats more attractive and sustainable.
- 2.7 New or transferring tenants to properties omitted from the Decent Homes programme will in future be advised of a programme of works to their home to bring it up to standard within 12 months.

### **3.0 OUTCOME AND SUSTAINABILITY**

- 3.1 The proposals in this report are aimed at maximising financial resources to deliver outcomes to council tenants in the context of the a self-financing funding regime, developments to national policy (Social Rent Policy, Right to Buy and Welfare Reform), the current economic climate and reductions in government funding.
- 3.2 The HRA is the 'landlord account' that covers the day to day housing management, investment and repairs services for council tenants. It includes the rental income and other income from tenants and all related expenditure.
- 3.3 The financial challenges which have characterised the HRA Business Plan in its early years are:
- the need to delay investment to homes from the early to the later years of the plan in order to make it affordable
  - a number of items which could not be funded so were not built into the plan e.g. refurbishment of communal areas
  - an inability to make provision for the repayment of debt in full over 30 years
- 3.4 The Council must ensure that as a self-financing entity council housing in Sheffield has a sustainable future. The purpose of the HRA Business Plan update report for 2014/15 is to ensure that the cost of council housing including investment in homes, services to tenants, the servicing of debt and overheads, can be met by the income raised in the HRA.
- 3.5 The proposals in 2014/15 to deliver around 600 new council homes over the next six years will see full use made of the HRA's capacity to deliver the maximum number of units possible whilst ensuring no financial

detriment to the plan. It will also allow Council Housing in Sheffield to retain any additional receipts generated in Sheffield as a result of the Government's 'reinvigoration' of the Right to Buy policy. However these additions will not be sufficient to fully offset a reduction in stock through Right to Buy sales.

- 3.6 The investment in communal areas and the proposals for a planned replacement programme of kitchens, bathrooms, windows and doors will make council homes more attractive and more sustainable.
- 3.7 A number of factors have contributed to a weakening in the 30 year outlook for the plan in 2014/15 including changes by the Government to the National Social Rent Policy, reducing stock numbers, welfare reform forecasts and cost pressures including insurance, pensions and council tax liability. The cumulative impact of these changes is that the plan no longer has the capacity to repay debt in full over a 30 year planning horizon. The proposals set out in this report are made with this in mind and seek to offset these impacts and put the plan on a more secure footing for the future.

#### **4.0 THE HRA BUSINESS PLAN**

- 4.1 The objectives of the City Council's first business plan for the HRA under the new self-financing arrangements in 2012/13 were;
- Create balanced budgets for next five years, and
  - Prioritise investment that will reduce costs over the long term and allow the Council to begin funding activity that is currently unaffordable.
- 4.2 This plan set out the main areas of investment in the early years, aimed at reducing costs overall:
- Tackling the investment backlog early with top priority being completion of the Decent Homes forward programme by March 2014 and second priority being investment in heating systems
  - Activity to mitigate the impact of welfare reform
  - Making the best use of council homes by improving the rehousing process and supporting tenants to sustain their tenancy
  - Invest to save projects on estate services
- 4.3 For 2013/14, the first annual update reported that as a result of new savings and resources arising from the Future of Council Housing decision and savings made from lower than forecast interest rates, new investment activity was able to be factored into the business plan:
- A new build programme of 75 new council homes over 3 years
  - Additional resources to mitigate the potential impacts of welfare reform
  - A programme of refurbishment to some communal areas to low rise flats, with an emphasis on door security, new flooring and windows

## **5.0 REVIEWING THE BUSINESS PLAN FOR 2014/15**

- 5.1 This year's review of the HRA Business Plan has been undertaken during the second year of 'self-financing'. The overall structure of the business plan and the key themes within it are retained from previous years.
- 5.2 During the second year of the business plan, tenants have been informed and consulted on the overall business plan via:-
- City Wide Forum (19<sup>th</sup> September & 21<sup>st</sup> November 2013)
  - The Annual Residents Conference (4<sup>th</sup> October 2013)
  - Interim Sheffield Council Housing Board (23<sup>rd</sup> May, 22<sup>nd</sup> August, 24<sup>th</sup> October and 28<sup>th</sup> November)
- 5.3 The City Wide Forum in September provided an opportunity to review the existing business plan and the strategic choices taken as part of the 2013/14 update.
- 5.4 The Annual Residents Conference highlighted the likelihood that additional Right to Buy receipts would be available to the business plan for delivering new affordable housing and asked tenants for their view on potential new investment priorities:
- Stock increase
  - Communal areas
  - Welfare Reform support
  - Garages
  - Other priorities
- 5.5 The potential to increase the delivery of new/ additional council housing through the HRA has become an emerging priority for the business plan this year in part because of an increase, since January, in forecasted 'additional' Right to Buy receipts which are ring-fenced by the Government for the delivery of new affordable units.
- 5.6 Also the subject of targeted consultation in 2013 has been additional support to tenants impacted by welfare reform which continues to be a high priority for tenants, works to the communal areas of all low rise flats (for which only part funding was made available last year) and investment in garages which has been a tenant priority in recent years.
- 5.7 Feedback from the conference indicated tenants were in favour of an increase in council housing stock, predominately via acquisition. The support of tenants through welfare reform also remained a high priority for tenants. The lowest ranking of the proposals was investment in garages. The feedback from tenants at the Annual Residents Conference was fed back to the City Wide Forum in November together with an update on the review of the business plan for 2014/15.
- 5.8 Following on from the integration of Sheffield Homes with the Council,

eight service design groups involving tenants and officers were established from April 2013 to develop vision statements which would help inform the development of the council housing offer. Proposals in the 2014/15 business plan update resulting directly from this feedback include the ongoing use of the 'Successful Tenancies' project to trial a 'Housing Plus' model of housing management and the proposal that new or transferring tenants to properties omitted from the Decent Homes programme will in future be advised of a programme of works to their home to bring it up to standard within 12 months.

- 5.9 In 2013 tenants have also made a contribution to individual areas of the business plan through Partnership Groups, Challenge for Change, the Area Boards, and Local Housing Forums and consultation events.
- 5.10 As well as the strategic choices already set out, all existing planning assumptions and targets in the plan have been reviewed and where necessary updated for 2014/15
- 5.11 In March 2014 a report on the HRA Business Plan will be presented to the Safer and Stronger Communities Scrutiny Committee. The committee will be invited to provide feedback on the business plan, challenge assumptions and inform future development.
- 5.12 This report to Cabinet will be discussed with tenant representatives at the City Wide Forum on 9<sup>th</sup> January 2014. Comments made and views expressed will be reported verbally to Cabinet.

## **6.0 SUMMARY OF KEY CHANGES FOR 2014/15**

- 6.1 A number of significant factors have changed since the business plan update 2013/14. These are described below;
- 6.2 Factors ***influencing*** the strategic direction of the plan
- Forecasts of sales resulting from the Government "re-invigoration" of the Right to Buy policy are higher than previously forecast
- 6.3 Factors ***improving*** the financial outlook of the plan:
- Investment programme costs lower than forecast as a result of Decent Homes underspend and following a review of other investment need
  - Lower than forecast borrowing costs
- 6.4 Factors ***negatively impacting*** the financial outlook of the plan
- Changes to the national social rent policy and reducing stock numbers mean less rental income than previously forecast
  - The Council's developing understanding of the likely impact of welfare reform is resulting in higher forecasts of arrears
  - Emerging costs including pension contributions, insurance, council tax liability

- 6.5 The net impact of these changes is that the forecasted long term financial health of the business plan has weakened since last year's review. This weakening represents a return by the business plan to its status in 2012/13 when it did not have the capacity to repay debt in full over a 30 year planning horizon. Capacity to repay debt is a long term indicator of health and not having this capacity in full represents an increased exposure to interest rate risk over the 30 years of the plan.

All such long term forecasts are the product of a series of assumptions based on information available at a point in time. They can only ever serve as an indicative guide which must be subject to regular review. However, the Council must note this change, understand the assumptions which underpin it and ensure continued prudent financial decision making to return the plan to full vigour over time.

In response to this forecast it is proposed to remain true to existing commitments, to adopt a more cautious approach to investment but to continue to invest in key aspects of the business in order to make the plan more sustainable over the long term.

- 6.6 The key strategic choices for the HRA Business Plan 2014/15 are:-
- A rent increase in line with the National Social Rent Policy which supports the delivery of planned activity over the long term
  - Making full use of the HRA's capacity to deliver the maximum possible number of new council houses under the current borrowing rules whilst ensuring all schemes are cost neutral or financially beneficial to the plan. This will offset some of the stock losses from Right to Buy
  - To commence a planned replacement programme of kitchens, bathrooms, double glazing and door renewal to homes that have not had this work undertaken over the last 10 years including a commitment that all properties which received no works through the Decent Homes programme at all will be tackled by 2017 and from 2015 any home which missed any work will be addressed within 12 months of a new tenant taking on the property. The programme will address approximately 7,000 of the 12,790 properties still requiring some work by 2018 and will be funded from existing resources in the programme, supplemented by an anticipated underspend from the concluding Decent Homes programme
  - Further support will be offered to tenants affected by welfare reform. This will benefit tenants impacted by the under occupancy rules and will result in savings to the plan through reduced arrears, eviction and court costs
  - A commitment to extend the refurbishment of communal areas to all 12,000 low rise flats and begin feasibility and design work on the communal areas to the 3,000 maisonettes. This will make flats more sustainable and a more attractive proposition to residents wishing to downsize and this will be funded by making a slower start to some lower priority elements of the investment programme over the next 5 years



## **7.0 INCOME AND RESOURCES**

- 7.1 It is proposed that in line with government policy, rents for dwellings be increased by an average of 6.2%, equivalent to an average of £4.31 per week. Appendix D sets out the average rents per house size in Sheffield.
- 7.2 Rent restructuring (or “convergence”) was put in place to ensure that rent for similar sized property in a similar area has the same rental value regardless of whether it is owned by the Local Authority or a housing association. The Government previously expected the sector to reach target rents by 2015/16. Changes to the Government’s National Social Rent Policy for social housing from April 2015 mean that the rent increase for 2014/15 becomes the last increase under the current rent restructuring arrangements. Ending convergence early means many properties in Sheffield will not now reach the target level by 2015/16 as planned. Following the 2014/15 rent increase rents will be on average £1.09 from target.
- 7.3 Rents to council properties declared for demolition continue to be exempt from the annual rent increase in recognition that these properties are no longer subject to the same investment standards as other properties. Such properties excluded from the 2014/15 rent increase are the remaining tenanted properties in the following schemes:-
- SWaN
  - Parkhill
  - Sweeney House
  - Arbourthorne Fields 2a
- Rents at Arbourthorne Fields phase 2b will also be held with no increase in 2014/15 subject to it being declared for demolition by the Director of Development and Regeneration Services before April 2014.
- 7.4 In view of the changes by Government to the National Social Rent Policy, the early termination of rent convergence and the subsequent need to make rents equitable by other means, all vacant properties will be re-let at target rent from April 2014.
- 7.5 It is recommended that the charges for garages and garage sites are increased by 6.2% in line with the average annual rent increase for dwellings. All garage charges would be subject to review following the approval of a garage strategy in 2014.
- 7.6 The Sheltered Housing Service Charge will not be increased in 2014/15. However, any changes to Supported Housing subsidy as a result of the Council’s wider budget setting process would impact on the charge payable by some tenants. In this event tenants would be consulted on ways the service could be remodelled in order to minimise the financial impact on tenants.
- 7.7 It is recommended that the Community Heating service charge will

increase by 3% in 2014/15. This reflects a continuation of the Council's medium term strategy for incrementally addressing the difference between the charge passed to tenants and the current cost of energy. Any accumulated balances on the community heating account are retained to smooth the impact of future price rises. The proposed charges including the initial charges under the new heat metering schemes are set out in Appendix D to this report.

- 7.8 The current contract to supply and install burglar alarms expires 31<sup>st</sup> March 2014 and the preference is for a new contract to be in place from 1<sup>st</sup> April 2014. The charge will be amended in line with costs once the new contract prices are known and affected tenants will be advised individually. Until then charges will continue as before.
- 7.9 Charges for furnished accommodation and temporary accommodation will not be increased in 2014/15.
- 7.10 Detail in the HRA Business Plan 2014/15 report, section 3 summarises the key changes for Income and Resources.

## **8.0 HOMES**

- 8.1 The aim of the investment programme has been to create an affordable plan to match expected resources, to address as much of the higher risk investment backlog elements as possible in order to minimise costs overall and to start bringing forward the delivery of new homes.
- 8.2 The key priorities for the investment programme in 2013/14 have been the completion of the Decent Homes forward programme by March 2014, a programme of heating system renewal, the start of roof and electrical system replacement programmes and a new build council housing programme.
- 8.3 No changes have been made to these existing investment priorities although delays in agreeing delivery priorities with tenants, leaseholders and elected members has resulted in the need to reprofile the delivery of some aspects of the investment programme to reflect the anticipated delivery timetable. The 5 year programme has also been adjusted to reflect updated cost estimates and investment need.
- 8.4 In addition to the existing programme new priorities have been identified from 2014/15. The HRA's capacity will be optimised to deliver around 600 new council housing units over the next 6 years.
- 8.5 Following the anticipated completion of the Decent Homes programme in March 2014 a kitchen and bathroom programme (£24m) and a doors and windows programme (£10m) will commence in 2015 in order to address those homes which have not had this work undertaken over the past 10 years through the Decent Homes programme.

- 8.6 Resource was allocated in 2013/14 for the refurbishment of communal areas to 2,600 council low-rise flats. This budget is supplemented by an additional £15.5m over 5 years from existing resources within the programme to enable refurbishment of communal areas to all 12,200 council low-rise flats. The impact of this is a slower start to lower priority aspects of the programme over the next 5 years.
- 8.7 In order to maintain a 5 year planning horizon, planning figures for 2018/19 have been added to the programme consistent with the priorities set out in previous years i.e. prioritisation of the backlog with the first priority being heating then roofing and electrical works.
- 8.8 Detail in the HRA Business Plan update report (Appendix A), section 4 summarises the key changes for Homes.

## **9.0 TENANT SERVICES**

- 9.1 With the introduction of the under occupancy rules and the benefits cap in 2013/14, the Government's welfare reform has begun to make its first real impacts on the business plan via the income management unit and other affected service areas such as rehousing and tenancy management. Key priorities for 2014/15 are to continue the on-going work preparing tenants for the phased introduction of Universal Credit and to support tenants to downsize if they need to in order to sustain tenancies and optimise income into the HRA.
- 9.2 In 2014/15 it is proposed to increase the size of the hardship fund available to eligible tenants adversely impacted by the Housing Benefit under occupancy rules and to make provision for the development of a texting service to improve collection rates once Universal Credit is introduced. The capability to text tenants to remind them when their rent is due to be paid is a facility advocated by housing providers involved in the direct payment demonstration projects but is not currently supported by the Housing Management ICT system used by the Council Housing Service in Sheffield.
- 9.3 The Lettings Policy review concluded in 2012/13 and Cabinet approved the new Policy on 20<sup>th</sup> March 2013. Some changes to Lettings Policy were implemented in 2013/14. However, given the complexity of the changes full implementation of the new policy will take longer to achieve and will take place in stages with expected completion during 2014/15.
- 9.4 The 2012 business plan included an ambition to improve the sustainability of tenancies over the long term by linking up support services to more effectively prevent tenancies failing. Three 'Joined Up Services' pilots are now established to establish closer working links across housing, other council and partner agencies for this purpose and it is intended that the learning from these pilots will inform a future 'Housing Plus' model of housing management. The 2014/15 budget includes provision for a Housing Plus project team, subject to the

development of a business case and its approval by Cabinet.

- 9.5 If as a result of the council's wider budget setting process the level of Supported Housing Subsidy funding for the High Support service is reduced, it is proposed the HRA would meet the £100k funding shortfall in 2014/15 in order that the service to council tenants can continue as part of the HRA's wider strategy for sustaining tenancies. The longer term arrangements for High Support would be subject to review in 2014/15.
- 9.6 The business plan contains 10% efficiency targets for Green and Open Space management on council housing land. A review of the delivery arrangements of estate services began in 2012/13 testing integrated working between Council Housing Estate Officers and Parks staff. The Future of Council Housing service design group 'Clean and Attractive Neighbourhoods' has subsequently developed and delivered a vision statement in 2013 which sets out the need for a value for money service with clear standards and a collaborative working approach to green and open spaces. Work is now underway to learn from the pilot and deliver the vision. It is unlikely that new ways of working will be in place for 2014/15 so it is proposed to delay the planned efficiencies by a further 12 months.
- 9.7 Savings from changes to the bulky waste service in 2012/13 have been higher than expected and these have been used as planned to invest in a coordinated approach to the prevention of fly tipping through education and enforcement measures. Early indications are the initial interventions are being successful and are popular with residents. Savings on tipping charges in 2012/13 were greater than forecast but this cannot be attributed solely to the interventions as the incidence of fly tipping was reduced across most housing areas and not just those areas implementing education and enforcement activity early.
- 9.8 In 2013/14 £200k of the £400k Going Local budget was ring-fenced to investment in communal areas because in 2012/13 £225k was spent on communal area security and refurbishment and reserving this allocation for communal areas helps deliver the strategic objective and provide better value for money. This approach will be rolled forward to 2014/15 and reviewed with tenants for 2015/16.
- 9.9 A budget to support the digital inclusion of council tenants is made from 2014/15.
- 9.10 Detail in the HRA Business Plan update report, section 5 summarises the key changes for Tenant Services.

## **10.0 DEBT AND TREASURY MANAGEMENT**

- 10.1 Since the transition to self-financing in 2012 the overall debt strategy of the HRA has been to externalise its internal borrowing by taking fixed-rate loans to mitigate some of the interest-rate risk inherent in the HRA portfolio.
- 10.2 In 2013/14 this externalisation of debt was temporarily delayed in favour of ongoing internal borrowing in order to support the HRA (by delivering cash savings) and the authority's overall position (by mitigating counterparty risk). The overriding issues driving these decisions were sustained historically low borrowing costs and sustained high cash balances for the authority as a whole.
- 10.3 However in the second half of 2013/14 with borrowing costs starting to increase and the wider Authority moving to a cash deficit position the externalisation of debt recommenced in order to allow the HRA de-risk a sizeable amount of its loan portfolio, and to allow the authority to move away from a cash deficit position.
- 10.4 Loans are being taken at a rate that is budgeted for within the HRA Business Plan, and with maturities that provide the HRA with the flexibility it needs to make financing choices to support its wider plans. This means the business plan is establishing a sound borrowing platform on which to make long term investment decisions at the expense of short term interest rates savings.
- 10.5 Detail in the HRA Business Plan update report, section 6 summarises the key changes for Debt and Treasury Management.

## **11.0 VALUE FOR MONEY**

- 11.1 The original targets in the business plan to achieve efficiency savings of 10% in 2012/13 and 7.5% in 2013/14 on Council Housing support costs are being delivered as planned.
- 11.2 The business plan assumed a target of £1.2m annual savings resulting from the Future of Council Housing project from 2014/15. It is expected that around £600k savings will be delivered in 2013/14 with further plans in place to meet the target as planned.
- 11.3 An original business plan priority from 2012 is for a value for money repairs and maintenance service ready for 2014. In April 2013, Cabinet approved that the HRA Repairs and Maintenance service be procured on the open market and in November 2013 the Council announced that it had selected Kier Services as preferred bidder for the social housing repairs and maintenance contract. It is expected that the efficiency targets built into the HRA Business Plan will be met as planned.
- 11.4 An actuarial review has been undertaken in 2013 on the Council's overall

pension liabilities with the result that contributions will increase from 2014/15. The final position for 2014/15 has yet to be determined as discussions are still ongoing with the pensions Authority.

- 11.5 A fund exists within the HRA to fund the Council Housing Service's exposure to insurance liabilities. Based on a revised claims forecast and the need for the HRA to be fully funded, additional resources need to be allocated to the fund. Also adding pressure to budgets are the changed billing criteria for vacant properties in respect of council tax charges.
- 11.6 Detail in the HRA Business Plan update report, section 7 summarises the key changes for Value for Money.

## **12.0 BUSINESS PLAN GOVERNANCE**

- 12.1 The governance of the HRA Business Plan includes tenant governance and scrutiny, political governance and officer structure.
- 12.2 Tenants and residents continue to be involved in the evolution of the business plan via the established governance and engagement structures such as the Interim Sheffield Council Housing Board, the Area Boards, Citywide Forum, the Annual Tenant Conference and Local Housing Forums.
- 12.3 Work has been undertaken in 2013/14 to establish an independent federation of tenants and residents for Sheffield and there is an ambition to have a fully constituted body in place by April 2014. An effective federation will strengthen the voice of tenants and represent their interests, and has the potential to make an impact on the way tenants are involved with the business plan. Subject to the group's establishment, the production of a robust business plan and progress being made, a commitment is given by the Council to provide financial support via the HRA until it can become self-financing and fully independent.
- 12.4 Following the decision to bring delivery of council housing in house from April 2013, the service design group 'The opportunity to have my say' was established to take the lead in developing a vision for the future shape of engagement and governance structures for council housing.

## **13.0 RISK MANAGEMENT**

- 13.1 The risk management plan is the basis of the Council's risk management strategy for the HRA Business Plan.
- 13.2 The reduced capacity of the plan to repay debt in full over a 30 year planning horizon represents an increased exposure to interest rate risk. This will be mitigated by a more cautious approach to the allocation of resources to the investment programme, treasury management decisions taken by the Council to de-risk the HRA's loan portfolio and on-going

prudent financial planning to rebuild capacity in the plan over the coming months and years.

- 13.3 Following an assessment of the risks to the HRA in the coming 5 years such as welfare reform and interest rate changes it is proposed that the risk based reserve is maintained at £10m.

#### **14.0 FINANCIAL ASSUMPTIONS IN THE HRA BUSINESS PLAN**

- 14.1 In 2014/15 £600k Future of Council Housing savings will be applied to back office budgets (in addition to the £600k already applied to senior management budgets). Support cost efficiencies of 5% will continue to be pursued in line with previous years' proposals. Base staff budgets are uplifted by 1% in 2014/15 to reflect the expected cost of living increase for 2014/15.
- 14.2 The total repairs service budget for 2014/15 is £37.0m. This incorporates the new repairs contract prices and year 1 restructuring costs. Budgets for years 2-5 are not finalised and will be the subject of further adjustment.
- 14.3 Detail in Appendix E summarises the key financial assumptions.

#### **15.0 FORECAST OUTTURN 2013/14**

- 15.1 Regular revenue budget monitoring reports have been brought during the year to Cabinet. These have shown a more favourable outturn compared with the original budget.
- 15.2 The position for the HRA as at the end of October 2013 was a projected in-year surplus of £9.9m compared with a budgeted surplus of £5.9m. This is an improvement of £4.0m.
- 15.3 Further monitoring reports updating the 2013/14 position will be presented in accordance with the Council's budget monitoring timetables.

#### **16.0 HRA BUDGET PROPOSALS FOR 2014/15**

- 16.1 The HRA Business Plan report 2014/15 (at Appendix A) sets out the proposals for 2014/15 and includes the key changes described in the Income, Homes, Tenant Services and Value for Money sections above.

#### **17.0 RECOMMENDED HRA BUDGET 2014/15**

- 17.1 The 2014/15 HRA revenue budget is set out in Appendix B. The HRA opening reserve for 2014/15 will be £10.0m.
- 17.2 The 2014/15 budget is based on an assumed in year surplus of £7.4m which will be used to fund the capital programme.

17.3	<b>Summary Recommended Budget 2014/15</b>	<b>HRA revenue (£m)</b>
	Opening revenue reserve April 2014	10.0
	Net Surplus/(Deficit) for year	7.4
	Transfer to the Capital Programme	-7.4
	Closing revenue reserve March 2015 (excluding community heating)	10.0
	Closing Community heating balance 31 <sup>st</sup> March 2015	1.5

17.4 It is proposed to retain a community heating reserve of £1.5m to smooth out the impact of expected future energy price increases and possible changes in demand resulting from the roll out of heat metering.

## **18.0 FINANCIAL IMPLICATIONS**

18.1 The 2014/15 budget is the third annual budget set under the self-financing system. It follows the principles set out in the original business plan and allows for a continuation of services to tenants, revenue repairs to properties and also financial support for the Council Housing Investment programme by means of a contribution from revenue.

18.2 In addition, any annual revenue surpluses on the account are planned to provide further funding for capital investment.

18.3 The Council Housing Capital programme will require the HRA to undertake further borrowing as allowed under the current government guidelines. In these early years of self-financing the debt strategy for the HRA will continue to be reviewed and developed in accordance with the Council's delegated treasury management policy.

18.4 Further details on the Council Housing Capital programme will be set out in the report to Cabinet on 19 February 2014.

18.5 Appendix B details the initial five-year projections for the HRA income and expenditure account. These are based on current assumptions and will be reviewed during 2014/15 in the light of any known changes.

## **19.0 LEGAL IMPLICATIONS**

19.1 The duty to keep a Housing Revenue Account and prevent a debit balance on it and restrictions as to what may be credited or debited to the account (the "ring-fence") are governed by Part VI of the Local Government and Housing Act 1989. This has included provision for



annual HRA subsidy paid by central Government to local housing authorities, as determined by the Secretary of State.

- 19.2 The housing finance provisions of the Localism Act, amended Part VI of the 1989 Act by abolishing HRA subsidy but providing for the Secretary of State to make a determination providing for the calculation of a settlement payment to or from each local housing authority. This settlement and its implications for the self-financing HRA have informed the HRA Business Plan.

## **20.0 HUMAN RESOURCES IMPLICATIONS**

- 20.1 Some of the financial efficiency targets in the Tenant Services section of this report may have implications for some teams.
- 20.2 The Future of Council Housing savings in the Value for Money section of the report will result from the integration of back office functions across both the Council and former Sheffield Homes teams.
- 20.3 Potential Human Resource implications arising from the repairs and maintenance contract were reported to Cabinet in April 2013 when the procurement was approved.
- 20.4 Where any proposal does impact on teams the Council's Achieving Change and Managing Employee Reductions (MER) procedures will be followed.

## **21.0 ENVIRONMENTAL & SUSTAINABILITY IMPLICATIONS**

- 21.1 Any environmental and sustainability issues arising from the Council Housing Investment programme within this report will be dealt with the Capital Programme report to Cabinet in February 2014.

## **22.0 EQUALITY OF OPPORTUNITY IMPLICATIONS**

- 22.1 Consideration has been given to equalities relating to the HRA budget and business plan options and a full Equalities Impact Assessment (EIA) has been completed. Issues raised will be addressed through regular monitoring against actions in the EIA.
- 22.2 The Capital Programme report to Cabinet on 19 February 2014 will deal with any equalities considerations relating to the Council Housing Investment programme.
- 22.3 Any in-year proposed change in policy or service provision will require an individual Equality Impact Assessment.

## **23.0 PROPERTY IMPLICATIONS**

- 23.1 There are no additional property implications for the Council arising from

the recommendations in this report.

## **24.0 ALTERNATIVE OPTIONS CONSIDERED**

24.1 To increase rents for Council dwellings by less than the Government formula – The Government’s self-financing debt settlement of 2012 assumed an amount of rental income over 30 years which was in line with the National Social Rent Policy and was deemed sufficient to support the debt allocated to council housing in Sheffield and the delivery of council housing in the long term. Although the social rent policy is changing, the level of debt to be supported has not and so a reduction in income has a direct impact on the capacity of the plan.

24.2 Not to prioritise a council housing stock increase programme – the reinvigoration of the Government’s Right to Buy policy means that if the council is to retain any ‘additional’ receipts generated by the increased sales discounts now available to tenants, the receipt must be used as a contribution (30% maximum) to new affordable housing. Forecasts in 2013 suggest the level of such receipts will be significant in the coming years. The alternative to retaining these receipts would be to pass the receipts to a registered provider such as a housing association. Retaining the receipt in the HRA allows the council to invest in new council housing units to offset Right to Buy losses in a way which is beneficial to the plan, tenants and potential council tenants over the long term.

## **25.0 REASONS FOR RECOMMENDATIONS**

25.1 To maximise the financial resources to deliver outcomes on key services in the context of a self-financing funding regime.

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

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

## **26.0 RECOMMENDATIONS**

26.1 It is recommended that:

1. The HRA Business Plan update report for 2014/15 is approved
2. The HRA Revenue Budget for 2014/15 as set out in Appendix B to this report is approved
3. Rents for Council dwellings are increased by an average of 6.2% from April 2014
4. Rents for Council dwellings are set at target rent, when re-let following vacancy, from April 2014

5. Annual rents for garages and garage sites are increased by an average of 6.2% from April 2014
6. Community heating charges increase by 3% in 2014/15
7. Cabinet notes that it may be necessary to amend the sheltered housing service charge, in the event of a review of the service, if the Supported Housing Subsidy changes as part of the Council's wider budget setting process
8. Charges for furnished accommodation and temporary accommodation are not increased
9. The Director of Commissioning, Communities be granted delegated authority to amend the burglar alarm charge in 2014/15 in line with the costs incurred under the new contract. Until the contract is in place and the charges are known the burglar alarm charge will remain unchanged
10. The Director of Commissioning, Communities and the Director of Finance, in consultation with the Cabinet Member for Homes and Neighbourhoods, be granted delegated authority to authorise prudential borrowing as allowed under current government guidelines

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



## Sheffield City Council Housing Revenue Account (HRA) Business Plan 2014/15 Update Report

### 1. INTRODUCTION

#### a) Purpose of this Report

This is the Housing Revenue Account (HRA) Business Plan update report for 2014/15. It:-

- Proposes HRA rents and charges for 2014/15
- Proposes budgets for 2014/15
- Reports on progress and sets out new policy choices
- Refreshes the 5 year planning budgets and where appropriate updates the long term planning assumptions
- Provides a 30 year affordability profile based on the updated planning financial assumptions in the report.

This is the HRA Business Plan's second annual review since the first publication of the business plan under self-financing in January 2012.

#### b) Report Structure

The HRA Business Plan chapters are:-

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

#### c) Background

In 2012, Sheffield City Council approved its first business plan for council housing under the new self-financing arrangements. The key themes in the business plan were efficiencies where possible and investment which reduced costs or optimised income over the long term. The headline priorities from that first business plan were:

- Tackling the investment backlog early with top priority being completion of the Decent Homes forward programme by March 2014 and second priority being investment in heating systems
- Activity to mitigate the impact of welfare reform
- Making the best use of the homes we have by improving the rehousing process and supporting tenants to sustain their tenancy
- Invest to save projects on estate services

In 2013, the HRA Business Plan's first annual update reported that as a result of new savings and resources arising from the Future of Council Housing decision and savings made from lower

than forecast interest rates, new investment activity was able to be factored into the business plan:

- A new build programme of 75 new council homes over 3 years
- Additional resources to mitigate the potential impacts of welfare reform
- A programme of refurbishment to communal areas will begin with an emphasis on door security, new flooring and windows

#### d) Summary of Key Changes to Planning Assumptions 2014/15

There have been a number of developments in 2013 that will impact on the business plan for 2014/15 and beyond. These factors and their impacts are summarised below.

Factors **influencing** the strategic direction of the plan

- Forecasts of sales resulting from the Government “re-invigoration” of the Right to Buy policy are higher than previously forecast

Factors **positively** impacting the financial outlook of the plan

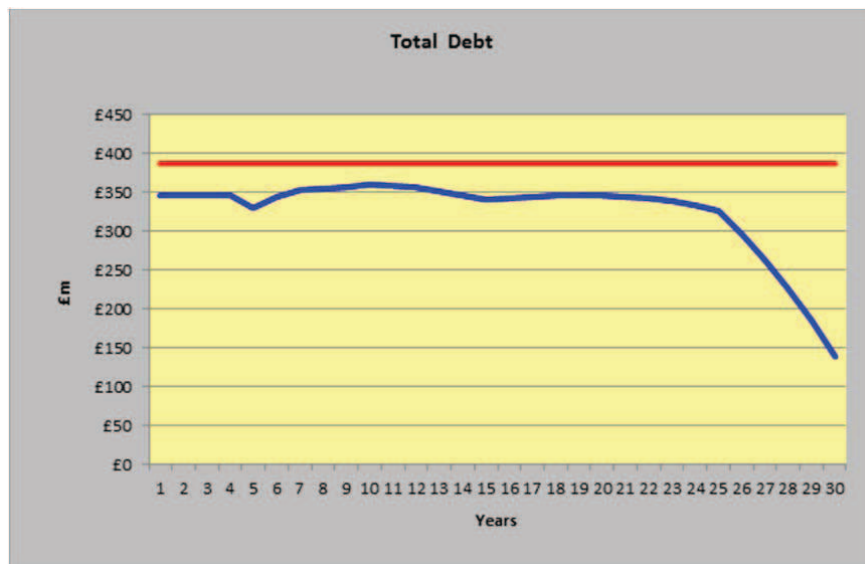
- Investment programme costs are lower than forecast as a result of an anticipated Decent Homes underspend and following a review of other investment need
- Lower than forecast borrowing costs

Factors **negatively** impacting the financial outlook of the plan

- Changes by Government to the National Social Rent Policy together with reducing stock numbers mean less rental income than previously forecast
- The Council’s developing understanding of the likely impact of Welfare Reform is resulting in higher forecasts of arrears
- Emerging costs including pension contributions, insurance and council tax liability

#### e) Revised 30 year Financial Profile

The net impact of these changes is that the forecasted long term financial health of the business plan has weakened since last year’s review.



This weakening represents a return by the business plan to its status in 2012/13 when it did not have the capacity to repay debt in full over a 30 year planning horizon. Capacity to repay debt is a long term indicator of health and not having this capacity in full represents an increased exposure to interest rate risk over the 30 years of the plan.

All such long term forecasts are the product of a series of assumptions based on information available at a point in time. They can only ever serve as an indicative guide which must be subject to regular review. However, the Council must note this change, understand the assumptions which underpin it and ensure continued prudent financial decision making to return the plan to full vigour over time.

In response to this forecast it is proposed to remain true to existing commitments, to adopt a more cautious approach to investment but to continue to invest in key aspects of the business in order to make the plan more sustainable over the long term.

#### **f) Strategic Choices**

The strategic choices for the HRA Business Plan 2014/15 are:-

- A rent increase in line with the national social rent policy which supports the delivery of planned activity over the long term
- Making full use of the HRA's capacity to deliver the maximum possible number of new council houses under the current borrowing rules whilst ensuring all schemes are cost neutral or financially beneficial to the plan. This will offset some of the stock losses from Right to Buy
- To commence a planned replacement programme of kitchens, bathrooms, double glazing and door renewal to homes that have not had this work undertaken over the last 10 years including a commitment that all properties which received no works through the Decent Homes programme at all will be tackled by 2017 and from 2015 any home which missed any work will be addressed within 12 months of a new tenant taking on the property. The programme will address approximately 7,000 of the 12,790 properties still requiring some work by 2018 and will be funded from existing resources in the programme, supplemented by an anticipated underspend from the concluding Decent Homes programme
- Further support will be offered to tenants affected by the Welfare Reform. This will benefit tenants impacted by the under occupancy rules and will benefit the plan through reduced arrears, eviction and court costs
- A commitment to extend the refurbishment of communal areas to all 12,000 low rise flats and begin feasibility and design work on the communal areas to the 3,000 maisonettes. This will make flats more sustainable and a more attractive proposition to residents wishing to downsize and will be funded by making a slower start to some lower priority elements of the investment programme over the next 5 years

#### **g) Summary and next steps**

The first priority in the coming years will be to return the business plan to full vigour. Because the financial strength of the business plan has weakened in the last 12 months the Council must be cautious when allocating additional resources to the investment programme, exemplified by the funding of communal areas, a high priority with tenants and of high importance for the sustainability of flats, from existing resources.

As a result of this caution and from slippage to the capital programme the business plan has some capacity in the coming years for investment on an invest-to-save basis, such as for the delivery of self-financing (viable) schemes for new/ additional council housing. When this capacity is considered alongside the £40m borrowing capacity within the HRA a sizeable investment fund becomes available for such stock increase schemes.

This investment fund has to be used prudently for the security of the business plan and in order to deliver viable stock increase schemes match funding is required to supplement HRA resources. Currently just under £20m match funding (mostly ring-fenced Right to Buy receipt) is forecast to be available to the HRA over the next 6 years for this purpose. This can be matched with the HRA 'investment fund' to deliver a stock increase programme of around 600 new homes and this has been factored into the plan.

However the plan still has capacity in the form of borrowing headroom for additional development. The emphasis of the plan in the coming months and years (alongside improving its long term financial health) will be to source match funding which unlocks this borrowing capacity so that more homes, in addition to the 600 already factored in, can be delivered.



## **2. GOVERNANCE**

### **a) Overview**

Governance of the HRA Business Plan includes three key structures; tenant governance and scrutiny, political governance and the officer structure. This section of the business plan sets out the current governance arrangements of the business plan and how these will be further developed in partnership with tenants and stakeholders.

### **b) Tenant and Resident Involvement and Scrutiny**

Tenants and residents continue to be involved in the evolution of the business plan via the established governance and engagement structures such as the Interim Sheffield Council Housing Board, the Area Boards, Citywide Forum, the Annual Tenant Conference and Local Housing Forums.

Work has been undertaken in 2013/14 to establish an independent federation of tenants and residents for Sheffield and there is an ambition to have a fully constituted body in place by April 2014. An effective federation will strengthen the voice of tenants and represent their interests, and has the potential to make an impact on the way tenants are involved with the business plan. Subject to the group's establishment, the production of a robust business plan and progress being made, a commitment is given by the Council to provide financial support via the HRA until it can become self-financing and fully independent.

### **c) Elected Member Governance**

Elected members have a role in relation to the business plan through decision making by the Cabinet Member, the Cabinet and Full Council. Cabinet and Full Council have a role in approving the annual HRA budget. Cabinet then receives a formal finance report each month which includes revenue and capital aspects of the plan.

The Cabinet Member and Cabinet Advisor also attend the Interim Sheffield Council Housing Board which runs for a fixed-term of twelve months until March 2014. The Board acts as a consultation and discussion forum for the Council Housing Service, provides scrutiny and challenge around services delivered to tenants and oversees the delivery of the Future of Council Housing (FoCH) Programme. It also reviews the delivery of the Housing Revenue Account Business Plan.

### **d) Officer Governance**

The HRA Business Plan board has responsibility for monitoring performance against the business plan and coordinating the annual review of the business plan. The membership of the board has a role in ensuring the business plan is aligned with the Council's strategic outcomes.

### **e) The Future of Council Housing**

Following the decision to bring delivery of council housing in house from April 2013, the service design group 'The opportunity to have my say' was established to take the lead in developing a vision for the future shape of engagement and governance structures for council housing.

In 2013/14 the group developed this vision which along with the other vision statements will feed into the development of a new delivery model for council housing.

### 3. INCOME AND RESOURCES

#### a) Overview

This section of the business plan is concerned with income into the HRA. It includes rent setting and charges payable by tenants to the Council as landlord.

#### b) Risks

##### i. Welfare Reform

The key risk to income and the single biggest policy risk to the business plan overall continues to be welfare reform which will be phased in nationally by 2017/18. The risks associated with each element of welfare reform are regularly analysed, resulting in updated calculations on their possible impact on arrears.

The restriction of housing benefit to under-occupying social housing tenants was introduced in April 2013. Arrears resulting from the new under-occupancy rule will be higher than assumed in the 2013/14 update report. However, the number of households affected is reducing with 4,261 council households affected in October 2013, down from 5,130 in April 2013. There is also a risk that these rules will start to impact on the popularity of some property types thereby impacting rent loss.

The benefit cap was introduced in Sheffield during August 2013 and affects around 48 households in council housing accommodation. This is unlikely to have a significant impact on arrears.

Universal Credit is expected to be introduced from April 2015 in Sheffield and the national direct payment Demonstration Projects are being monitored closely to understand the possible impact of this change.

The analysis of the Council to quantify the risk posed by the welfare reforms has resulted in a significant increase in forecasted arrears compared with the same forecast made last year. Welfare reform will also continue to affect other HRA costs such as transaction costs, payment card costs and eviction costs.

##### ii. Right to Buy

The Government's Right to Buy policy remains a key risk to business plan income. The Government 'reinvigorated' the policy in April 2012 by increasing the discounts to tenants and changes are anticipated in 2014/15 which could stimulate sales further.

##### *Updated assumptions for the HRA Business Plan*

- Right to Buy sales are assumed to be 624 higher from 2013/14 to 2017/18 than previously forecast
- There will be a reduction in rental income as a result of increased sales, which will be partly offset by savings in repairs, depreciation and interest costs
- It is assumed that the reinvigoration of Right to Buy will lead to additional sales to 2017/18 beyond which forecasting with any confidence becomes impossible.
- It is assumed the current three year agreement with Government to retain additional receipts will be extended to finish after six years (2017/18) and will then return to the old system of pooling 25% receipts back to government

### iii. Supported Housing Subsidy

A Council decision was made as part of the 2013/14 General Fund budget setting process that the charging options for people receiving subsidised services via Supported Housing Subsidy (previously Supporting People) would be reviewed. This led to a decision on 22<sup>nd</sup> February 2013 to increase the sheltered housing service charge with the result that all sheltered tenants, including those receiving Housing Benefit, were required to pay an additional £1.66 per week toward the cost of the community alarm service from April 2013.

Any change to Supported Housing Subsidy in 2014/15 as a result of the Council's wider budget setting process in relation to Sheltered Housing, High Support or Temporary Accommodation would require charges to be reviewed and/or services remodelled in order to minimise the financial impact on tenants.

## **c) Key Developments**

### i. National Social Rent Policy

The National Social Rent Policy is currently that rents in the council housing sector should converge with those charged by housing associations by 2015-16. This was to be done by raising Housing Association rents each year by RPI + ½ and Council Housing rents by RPI + ½ + up to £2 (as required) until 2015/16. On this basis it had been understood there would be two more rent increases remaining (April 2014 and April 2015) through which target rents would be reached.

In June 2013, as part of the Government's spending review, it was announced that, subject to consultation, the National Social Rent Policy would be changed from 2015/16. The main change being proposed is to move from an annual limit on weekly rent increases of RPI +0.5 percentage points + up to £2, to a limit of CPI +1 percentage point.

This has two implications. Firstly, the business plan's cost inflation assumptions must be linked to CPI rather than RPI. As CPI+1 is on average likely to be lower than RPI+½, the costs of the business plan will be limited to a lower rate of inflation over the longer term. If cost inflation can be constrained this will not adversely affect the plan. The risk is that where cost inflation is beyond the control of the council then pressures may emerge.

The second implication is more significant as it means that instead of having two rent increases to get rents to target rent level there is now only have one (in April 2014) and any remaining properties which are still not at target rent can only be brought to target rent via re-lets when properties become vacant. This means that many properties in Sheffield will not now reach the target level by 2015/16 as planned and this too reduces the level of income into the plan over the long term.

### ii. Rent increase

Rents for 2014/15 continue in line with the current national social rent policy (RPI+ ½% + up to £2) and because of the changes to the national policy from 2015/16 this increase becomes the last rent increase under the current rent restructuring arrangements. On this basis rents for 2014/15 increase by an average 6.2%, equivalent to an average increase of £4.31 per week.

The Council ran a consultation with tenants and future tenants in 2012 to understand the potential for re-letting vacant homes at 'target rent' before 2015/16. The outcome of the consultation showed a mixed response with no majority in favour or against, due to the number of "not sure" responses that were received. However Government policy has shifted fundamentally since that consultation and the convergence process is ending early. In view of this and the need to make rents equitable by means other than through rent increases, all vacant properties will be re-let at target rent from April 2014.

The difference between actual rent and target rent was an average of £3.74 in 2012/13, £2.71 in 2013/14 and will be £1.09 following the 2014/15 rent increase.

As in previous years rents will be held at current levels with no increase on council property which is declared for demolition. This is in recognition that these properties are no longer subject to the same investment standards as other properties.

### iii. Charges

Garage rent will continue to increase in line with rent for dwellings (6.2%). Garage rents will be reviewed in 2014/15 following implementation of a garage strategy.

The Community Heating service charge will increase by 3% in 2014/15. This reflects a continuation of the Council's medium term strategy for incrementally addressing the difference between the charge passed to tenants and the current cost of energy. Any accumulated balances on the community heating account are retained to smooth the impact of future price rises.

The current contract to supply and install burglar alarms expires 31 March 2014 and the preference is to have a new contract in place from April 1st. It is hoped that the procurement will deliver efficiencies which can be passed to tenants. The charge will be amended in line with the costs incurred under the new contract when the new prices are known. Affected tenants will be advised individually.

The Sheltered Housing Service Charge will not be increased in 2014/15. However, any changes to Supported Housing subsidy as a result of the Council's wider budget setting process would impact on the charge payable by some tenants. In this event tenants would be consulted on ways the service could be remodelled in order to minimise the financial impact on tenants.

Charges for furnished accommodation and temporary accommodation will remain unchanged in 2014/15.

### iv. Service Charge De-pooling

A commitment exists in the business plan to consult with tenants about whether to de-pool service charges from rent in order to make costs more transparent. A consultation will be proposed when it is clearer how rents and service charges will be regulated following welfare reform.

### v. Capital Grant Income

CESP grant income of £2.6m is now factored into the HRA Capital Programme as reported to Cabinet in May.

HCA grant of £500k was secured in early 2013 to help fund the purchase by the HRA of long term empty properties in order to bring them into use as social housing. A condition of this grant funding was that the new homes were let at Affordable (as opposed to Social) Rent.

## 4. HOMES

### a) Overview

This part of the business plan is concerned with the physical condition of the homes and environment. It includes capital investment in the homes such as new kitchens, bathrooms, boilers etc and also the revenue repairs which can be either planned such as gas servicing or responsive e.g. where a tenant reports a repair.

### b) Risks

#### 1. Investment Backlog

The investment backlog is investment to homes which is now due. It is a combination of:

- All elemental work that was not included in the Decent Homes Programme and which emerged as the Decent Homes Programme was stretched from 2010 to 2014
- Picking up all of the backtrack properties, omits and refusals that have built up since 2004/05

<b>Work element</b>	<b>Investment backlog (as at end 2013/14)</b>
<b>Bathrooms, Kitchens, Windows, Doors</b>	<b>£31,195,652</b>
<b>Full &amp; Partial Decent Homes Omissions</b>	<b>£29,551,387</b>
<b>Heating</b>	<b>£27,649,000</b>
<b>Roofs</b>	<b>£90,652,457</b>
<b>Electrics</b>	<b>£18,283,478</b>
<b>Total</b>	<b>£197,331,974</b>

The investment backlog is a key risk because any delay to the work increases the final cost of this work as it will trigger a responsive repair which is more expensive than the same work undertaken through a planned programme. The later the backlog is tackled, the higher the overall cost of the business plan, and the greater the risk.

#### 2. Unfunded / Unaffordable items

Because of a long term funding shortfall, the original (2012/13) business plan was not able to factor in various 'unaffordable items' into the 30 year plan. It was hoped that these items would become affordable in time. These included:

- Refurbishment of communal areas
- New build / acquisition
- Environmental improvements (other than where commitments have been made)
- Investment in homes to meet sustainable homes code 4/5 standard

In 2013/14 funding was put in place to bring forward activity in relation to the first two items.

Also in 2013/14 work has begun to quantify the implications for the HRA on the Streets Ahead scheme and the potential need to provide for complimentary investment in housing assets to ensure comparable standards across different land ownerships. This work is ongoing.

### c) Key Developments – 5 year investment programme

The aim of the investment programme has been to create an affordable plan to match expected resources, to try and address as much of the higher risk investment backlog elements as possible in order to minimise costs overall and to start bringing forward the delivery of new homes.

<b>Key priorities</b>	<b>Rationale</b>	<b>Progress</b>
Completion of the Decent Homes forward programme.	To meet a commitment made to tenants	On track to complete the Decent Homes programme by March 2014 with forecast underspend of £8m subject to exit costs. This follows ongoing work with Kier to deliver efficiencies and lower than expected investment need at forward addresses. It is proposed these savings are used to accelerate investment to properties which were omitted from the Decent Homes programme.
Prioritising the remainder of in the investment backlog with the top priority being investment in obsolete heating systems and boilers.	To alleviate fuel poverty as well as reducing the high repair costs associated with boiler breakdowns	On track to tackle around 90% existing and emerging heating backlog by March 2016.
Next priority from the investment backlog to be roofs and externals	Homes which are not watertight can have health implications for tenants as well as being expensive to repair due to water damage	Procurement strategy agreed. Procurement process began in November 2013. All roofs with a higher priority to be tackled by 2018/19.
New priority in 2013/14 was for 75 new build council houses	To make use of Right to Buy receipts ring-fenced for new affordable housing	Decision made in 2013 to buy 30 properties from Sheffield Housing Company.  Proposals for delivering the remaining 45 to be considered by Cabinet in early 2014.

Delays in agreeing priorities with tenants, leaseholders and elected members has resulted in the need to reprofile the delivery of some aspects of the investment programme and slippage of £20m activity (predominantly roofing) from 2017/18 to 2018/19 to reflect anticipated delivery timetable. However, progress has been made on all elements of the Investment Programme that have member and tenant approval.

The five year programme has also been adjusted to reflect updated cost estimates and investment need. This has had the impact of reducing the size of the programme by around £5m, £3m of which is a result of changed assumptions for Arbourthorne.

### i. Tackling the investment backlog

Following the anticipated completion of the Decent Homes forward programme in March 2014, consideration needs to be given to tackling the backtrack properties, omits and refusals which built up during the programme.

- **Full omits** 1,690 homes
- **Partial omits** 7,688 homes
- **Other DH fails** 3,412 homes

The 11<sup>th</sup> vision statement emerging from the Well Maintained Homes and Neighbourhoods (Future of Council Housing) service design group is, "*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.*"

The proposal is to commence a planned replacement programme of kitchens, bathrooms double glazing and door renewal to homes that have not had this work undertaken over the last 10 years. Currently this backlog of work is estimated at £60m.

The proposal is to commit **£34m** to undertake this work through two main programmes. A kitchen and bathroom replacement programme (£24m) and a door and window programme (£10m). This would be funded in part by the anticipated underspend from the Decent Homes programme and works would be prioritised in the following order:

#### Stage 1 2015/16 to 2016/17 £10.6m

- Complete work to the 1,690 homes that had no work during the Decent Homes programme *and*
- Agree with new & transferring tenants in homes not meeting the Sheffield Decency standard (including those omitted from the Decent Homes programme) a programme of elemental works to bring the home to standard within 12 months of the start of the tenancy

#### Stage 2 2017/2018 to 2018/19 £23.3m

- Complete elemental work to approximately 5,000 homes that had partial works during the Decent Homes programme and are likely to fall out of decency in the next 5 years *and*
- Agree with new & transferring tenants in homes not meeting the Sheffield Decency standard (including those omitted from the Decent Homes programme) a programme of elemental works to bring the home to standard within 12 months of the start of the tenancy

Including the vacants that may occur in the above three year period to end of 2018/19 it is estimated that this expenditure of £34m would mean approximately 7,000 of the 12,790 homes in the backlog and all of those with the greatest need would have received improvements.

### ii. New Investment Activity 2014/15

- **New/ Additional Council Housing**

In the 2013/14 business plan update report a commitment was made for 75 new build family sized council houses over the next 3 years. Since this report the City Council's Housing Strategy and the Strategic Housing Market Assessment have both articulated the need for more affordable housing in the City. These strategic drivers coupled with an increase in the level of forecast 'additional' Right to Buy receipts (those ring-fenced for use on delivering new affordable units)



makes the delivery of new council housing through the HRA an emerging priority for 2014/15 and beyond.

In line with this the Council will make full use of the capacity of the HRA to deliver the maximum number of new/ additional council homes possible under the current borrowing rules. In order to make the schemes viable, and so as not to compromise existing investment priorities and the wider business plan, all new units must be self-financing over the long term.

Consequently and where this is consistent with Government guidance many new units and all additional new build units will be let at Affordable Rent. However where circumstances permit, for example for more cheaply acquired property (such as former council homes) purchased using RTB receipt, a Social Rent can and will be charged.

Also schemes will only be brought forward when there is sufficient match funding to make them viable. Initially around 600 units (plus the 30 already delivered in 2013) are forecast in the coming 6 years. This is the maximum number which might be delivered with current forecasts of match funding (mostly ring-fenced Right to Buy receipt). This number will be updated as forecasts of match funding develop.

New units will be predominantly acquisitions as this is how the Council can deliver the most additional council houses for the money, but new build will also be brought forward as sites are identified in order to deliver the types of housing which are not available to purchase. Initially a commitment is made to increase the number of new build units from 75 to 120 but with the intention of adding to this as more sites are identified including through the garage site review.

And whilst the location of new build will be driven by the availability of land, the type and location of acquisition and the type of new build unit will be determined by what is needed most in that particular area.

On 10th April 2013 a Cabinet Decision was made to approve a Purchase and Repair Scheme, part funded by HCA Grant to bring 31 Long Term Empty (LTE) properties into use as council housing let at Affordable Rent. The Council is exploring the potential to extend this scheme and this is factored into the investment programme but will be subject to a separate approval.

- **Communal Area refurbishment**

In 2013/14 a commitment was made to refurbish the communal areas to 2,600 of the Council's 12,200 low rise flats. The Well Maintained Homes and Neighbourhoods service design group set as one of its vision statements that investment in communal areas in and around block of flats would continue. The expected additional cost for completing the communal areas of all low rise flats is £15.5m. Because of the urgency and importance of this work this is now factored into the plan with the intention that works are concluded by March 2018. As a result of this a slower start will be made to other lower priority aspects of the investment programme over the next 5 years.

Feasibility and design work will be undertaken to communal areas of the Council's 3,000 maisonette dwellings to determine the cost of investment required to bring all maisonettes to this standard too.

- **Garage Strategy**

The condition of council garages has deteriorated over the years as a result of a lack of investment and the long term sustainability and income of garages will be at risk if investment is not made.

A consultation on the future of the council's garage stock has taken place in recent months with presentations to tenants on proposals at Local Housing Forums from July to Sept 2013. A draft strategy outlining an investment need of around £4m has been developed through this process and is expected to be available for consideration in early 2014. If the strategy is approved resources would need to be added to the investment programme such that works could begin from 2015/16.

#### **d) Other Developments**

##### i. Regeneration

A Cabinet decision was made on 8<sup>th</sup> May to proceed with the Arbourthorne Fields Redevelopment scheme. These changes have now been factored into the business plan including a reduction in stock numbers, a corresponding reduction in rental income partly offset by reductions in revenue maintenance costs and capital investment, reduced scheme costs to reflect demolition and reduced capital funding to reflect the use of Right to Buy receipts to part fund the scheme.

##### ii. Community Heating

The roll-out of city wide heat metering to Community Heating (District Heating) systems will start in 2014. Around 2,300 dwellings will have meters fitted in 2014/15 including replacements to all existing metered schemes. This investment will mean that households are able to regulate their heat and directly benefit from any savings. It will take around 3 years to fit all meters throughout the city.

##### iii. Revenue Repairs

The total repairs service budget for 2014/15 now incorporates the new repairs contract prices for 2014/15 including year 1 restructuring costs. Budgets for years 2-5 are not finalised and will be the subject of further adjustment. Over the life of the contract the efficiency savings targeted in the 2012 business plan are expected to be realised.

#### **e) Financial Summary**

The table below sets out the proposed capital programme over the five years of the business plan. It adds a new year 5 resource allocation.

The table format has been adjusted this year to reflect changes to the programme:

- In line with the anticipated end of the Decent Homes programme in March 2014 the Decent Homes line is renamed Area Investment Environmentals and Heat Metering costs are moved to heating and boilers
- 'Other Planned Elementals' line is renamed 'kitchen bathrooms, windows and doors' and activity not matching this description is moved to other headings (mainly roofs and externals)
- The capital programme is now divided into investment activity and stock increase activity

The key changes to budgets include:

- £5m activity removed from the investment programme reflecting the decision to proceed with the demolition of Arbourthorne Fields, plus some savings and work no longer required in relation to smaller projects
- Some reprofiling of resources including an additional £5m moved to roofing and £15.5m moved to Communal areas in order to fully fund these programmes, and £20m roofing activity slipped into 2018/19 to reflect planned delivery timetable
- An expected underspend on the Decent Homes programme of £8m (now added to 'Kitchens, bathrooms, windows and doors' to accelerate delivery of future elemental works)

HRA Capital Programme	2013-14 Expected outturn £m	2014-15 £m	2015-16 £m	2016-17 £m	2017-18 £m	2018-19 £m	2014-19 5 year total £m
Essential work (H&S, fire safety etc)	1.609	3.191	3.547	2.326	1.663	0.800	11.527
Adaptations & Access	2.204	2.305	2.225	2.225	2.300	2.200	11.255
Regeneration	1.585	3.270	1.340	1.012	0.000	0.000	5.622
Waste	0.090	0.490	2.006	0.911	0.000	0.000	3.407
Other (community heating, programme mgt)	0.722	1.466	2.505	1.805	1.255	0.605	7.636
Area Investment Enviromentals	21.790	2.665	1.008	0.000	0.000	0.000	3.673
Heating & boilers	6.880	11.312	11.080	9.651	4.598	6.000	42.642
Roofs & externals	0.072	13.172	26.727	27.926	25.184	28.989	121.998
Communal areas	0.000	0.500	4.500	4.900	5.000	3.500	18.400
Electrics	0.000	0.030	4.500	4.500	4.970	5.000	19.000
Kitchens, Windows, Bathrooms & Doors	0.000	0.250	6.654	10.025	9.217	7.970	34.116
Other planned elementals	0.301	0.300	0.000	0.000	0.000	5.000	5.300
<b>Sub total</b>	<b>35.253</b>	<b>38.951</b>	<b>66.092</b>	<b>65.281</b>	<b>54.187</b>	<b>60.064</b>	<b>284.575</b>
75 New build	2.310	3.597	3.810	0.000	0.000	0.000	7.407
Long Term Empty Acquisitions	0.681	2.414	0.000	0.000	0.000	0.000	2.414
New stock increase	0.000	1.800	10.881	10.736	19.153	11.270	53.840
<b>Total HRA Expenditure</b>	<b>38.244</b>	<b>46.762</b>	<b>80.783</b>	<b>76.017</b>	<b>73.340</b>	<b>71.334</b>	<b>348.236</b>

The following table shows the budget for the revenue repairs service. Year 1 represents a full year outturn, year 2 is the anticipated current year outturn and year 3 is the budget proposal for next year. Indicative figures are shown for years 4- 7 in order to maintain a 5 year figure horizon. The numbers from last year's review are shown in grey.

	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £m	13/14 £m	14/15 £m	15/16 £m	16/17 £m	17/18 £m	18/19 £m
<b>Repairs</b>							
Revenue repairs budget	31.8	33.0	37.0	32.0	31.7	34.8	35.7
	32.7	33.1	33.1	33.9	34.8	35.4	-

## 5. TENANT SERVICES

### a) Overview

This section of the business plan is concerned with services provided to tenants. It includes services such as tenancy management, income management and re-housing services together with tenancy enforcement (ASB), supported housing, estate services and governance and involvement.

### b) Risks

The main risk facing this aspect of the business plan will remain the gearing up of services to mitigate the impact of welfare reform.

### c) Key Developments

#### i. Ensure all income owed is collected

A key priority for the business plan has been to provide support to tenants affected by welfare reform and mitigate the impact of welfare reform on the business plan.

Much of the activity in 2013 has been focused on proactively visiting tenants affected by the new under-occupancy rules (8,511 attempted proactive visits as of November 2013 has resulted in 52% affected tenants being offered support and advice), encouraging tenants to make best use of Discretionary Housing Payments (£425k into HRA since April 2013) and supporting them to downsize as appropriate (450 tenants have expressed the need to move urgently; 127 tenants have downsized into council properties and 10 tenants into Housing Association properties since April 2013). It is now important to ensure that efforts are also made to prepare tenants for the implementation of Universal Credit.

Budget provision for service enhancements in 2014/15 are proposed as follows:

Activity	2014/15 Budget	Purpose	Update
Additional staff	£455k	Preventative & arrears work-preparing tenants for welfare reform changes. £190k approved in 2012.	Staffing to increase by a further £265k in 2014/15.
Debt advice	£80k	Specialist debt workers based at Citizens Advice Bureau	To fund 250 referrals per year
Smart Move	£70k	Previously grant funded	Function integrated into the Access to Housing team
Hardship Fund	£500k	Selective write off of debt (rent arrears) for tenants at severe risk of eviction, particularly under occupiers.	Budget to be increased from £50k to support tenants affected by the underoccupancy rules.
Payment methods	£46k	Costs for administering jam jar accounts and direct debits	Low numbers of jam jar accounts make unit costs higher at this stage. Also difficult to predict take up.
Texting	£20k	To offer a text messaging service to remind tenants to make payment (as per learning from demonstration projects)	New proposal for 2014/15. Will be used to fund the development of the Housing Management ICT System.
Downsizing support	£14k	More practical support with moving home (van, utilities, carpets etc)	Scheme delivered through Furnished Accommodation Service.

In line with the 'Making The Most Of Our Available Income' service design vision statements from 2013 the Council is also evaluating the benefits of more closely aligning rent collection with council tax collection so that tenants with debt to the council have a single point of contact and a single repayment plan.

## ii. Make Best Use of Homes

The business plan made a commitment in 2012 to make the re-housing process more effective and efficient by reviewing Lettings Policy and introducing a new ICT System for the bidding process.

The Lettings Policy review concluded in 2012/13 and Cabinet approved the new Policy on 20<sup>th</sup> March 2013. Some changes to Lettings Policy were implemented in 2013/14. However, given the complexity of the changes full implementation of the new policy will take longer to achieve and will take place in stages with expected completion during 2014/15. A review of the cost of implementation and efficiencies that can be achieved as a result of implementing the new policy have now been incorporated into the business plan and these will be reviewed on a regular basis as the policy changes are implemented.

The Lettings ICT system was implemented in October 2013. The cost of the project in 2012/13 was £376k. This was part funded by £225k rolled forward by the ALMO from its (pre self-financing) 2011/12 budget resulting in a business plan cost in 2012/13 of £151k against a budget of £100k. The cost of the project in 2013/14 is expected to be around £660k.

The reasons for the increased costs are –

- Scoping and configuration proved more intensive and time consuming than initially envisaged
- Increased development time required due to complexity and size of Sheffield system
- Unforeseen delays and costs in liaising between IT suppliers/contractors and securing sign off of work required. This has included costs incurred because the existing housing management software could not be upgraded to the current version as soon as expected
- Increase project team costs due to longer than expected lead in time caused by IT delays
- Unforeseen costs for development of the interface between the housing management software and the lettings ICT system

The anticipated financial benefits of the new ICT system have also been reassessed and uplifted to £200k per annum.

The 2012 business plan included an ambition to improve the sustainability of tenancies over the long term by linking up support services to more effectively prevent tenancies failing. In 2012/13 the Future of Council Housing 'Joined Up Services' project group was established to look at this area in detail. Following the delivery of this group's vision statements three 'Joined Up Services' pilots were established in November 2013 each with a focus on specific customer groups (young people in Gleadless Valley; Families in Foxhill and Brushes/ Wincobank). These pilots will foster closer working links across housing, other council and partner agencies in order to better support households to sustain tenancies. It is intended that the learning from these pilots will inform a future 'Housing Plus' model of housing management which incorporates the wider feedback from the Future of Council Housing consultation and Service Design process and which will be the subject of a separate Cabinet decision in 2014. The 2014/15 and 2015/16 budgets include

provision for a Housing Plus project team, subject to the development of a business case and its approval by Cabinet.

The Council's High Support Service is an intensive family intervention project which supports whole families who are at risk of losing their home for causing antisocial behaviour by tackling the root causes of such behaviour. If as a result of the council's wider budget setting process the level of Housing Related Support funding for the High Support service is reduced, it is proposed the HRA would meet the resulting £100k funding shortfall in 2014/15 in order that the service to council tenants can continue as part of the HRA's wider strategy for sustaining tenancies. The longer term arrangements for High Support would be subject to review in 2014/15.

### iii. Attractive Neighbourhoods

A key aim for the business plan is to reduce the high cost of estate services whilst ensuring neighbourhoods continue to be attractive and pleasant places to live. This is to be achieved in two ways.

a) Taking a coordinated approach to the prevention of fly tipping through investment in education and enforcement. This was to be funded through savings made on bulky waste.

- Savings from changes to the bulky waste service in 2012/13 were higher than anticipated and forecast savings targets have been upgraded accordingly.
- A programme of education and enforcement has begun with delivery in Central and East areas making use of the 'Love Where You Live' approach. Early indications are that these will be successful and very popular with residents.
- Savings on tipping charges in 2012/13 were greater than forecast. However the incidence of tipping was reduced across all housing areas suggesting these savings cannot be attributed entirely to the Education and Enforcement activity. Analysis shows staff time spent dealing with fly tipping remained the same in 2012/13.

b) Reviewing green and open space management on council housing land, including a 10% efficiency target for Council Housing Service and Parks staff in relation to the work they undertake on council housing land.

- Work began on a North East pilot (complementing a long running pilot in the South east) in November 2012 to test integrated working between Council Housing Service Estate Officers and Parks staff and whether this might offer financial efficiencies as well as a more joined up service for the customer.
- The Future of Council Housing 'Clean, Attractive Neighbourhoods' service design has delivered its vision statement which sets out the need for a value for money service with clear standards, improved monitoring and a joined up, collaborative approach to green and open space maintenance.
- Work is now underway to learn from the pilot and deliver the vision. It is unlikely that any new ways of working resulting from this vision will be in place for 2014/15 so it is proposed to delay the planned efficiencies by a further 12 months.

### **d) Other Updates**

#### i. Going Local

In 2013/14 £200k of the £400k Going Local budget was reserved for investment in communal areas. This was because in 2012/13 £225k of the budget was spent on communal security and refurbishment and committing at least £200k to communal areas safeguards the use of these

funds for this strategic objective and ensures procurement can be optimised to deliver improved value for money. It is proposed this approach continues into 2014/15 but is reviewed with tenants in 2014/15 for implementation in 2015/16.

### iii. Cornhill Flats

In 2013 the current office has been relocated from two converted flats, thereby freeing these properties so they can be converted back to residential accommodation. There is now a 24 hour staffing presence (porter) at the Cornhill temporary accommodation scheme. The capital delivery costs (previously estimated to be £121k) are now expected to be around £212k and are factored into the investment programme in section 2. Income from the new dwellings will partially offset the cost of a porter.

### iv. Digital inclusion

The 2013/14 business plan made no financial provision for digital inclusion beyond the £30k funding in 2012/13 for the Digital Region project. However, digital inclusion is a significant emerging priority for the City and in 2013 the 'Easy Access to Services' Service Design group highlighted digital inclusion in two of its twelve vision statements for a future council housing service. In 2013 a digital pilot project was established with a budget of £30k and from 2014/15 to 2018/19 a budget of £45k/annum is proposed to support council housing tenants and their families to get online. This activity will deliver targeted community interventions to support digital inclusion activity across the city based on the findings from the digital pilot project.

### v. Other

The City Stewardship contract ends in March 2014. Proposals for a new training and employment scheme are currently being developed.

## **e) Financial Summary**

The tables below set out the investment and efficiency savings expected during the next 5 years of the business plan. Each figure represents a one-off saving (negative numbers) or cost (positive numbers) compared with the 2011/12 budgets and does not take account of inflation.

Year 1 represents a full year outturn, year 2 is the anticipated current year outturn and year 3 is the budget proposal for next year. Indicative figures are shown for years 4- 7 in order to maintain a 5 year figure horizon. The numbers from last year's review are shown in grey underneath.

activity to mitigate welfare reform (2012/13)	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Smartmove	70	70	70	70	70	70	70
	70	70	70	70	70	70	-
Debt Advice Worker	40	40	40	40	40	40	40
	40	40	40	40	40	40	-
Additional IMU staff – preventative & arrears work	25	190	190	190	190	190	190
	50	190	190	190	190	190	-

additional activity to mitigate welfare reform (2013/14)	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Visiting affected tenants	55	0	0	0	0	0	0
	90	0	0	0	0	0	-
Training on Welfare Benefits	0	5	0	1	0	1	0
	0	5	0	1	0	1	-
Support for under-occupying customers who want to move	0	27	14	14	5	5	0
	14	27	14	14	0	0	-
Payment methods – jam jar	0	6	21	37	37	37	37
	0	0	37	37	37	37	-
Hardship Fund	0	50	500	250	125	75	50
	0	50	50	50	50	50	-
Payment methods – direct debit	0	0	25	25	25	25	25
	0	0	25	25	25	25	-
Increased funding to CAB for another Debt Worker	0	0	40	40	40	40	40
	0	40	40	40	40	40	-

additional activity to mitigate welfare reform (2014/15)	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Additional staff	-	155	265	219	219	219	219
Texting	-	-	20	10	10	10	10

Allocations Policy and CBL	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Lettings Policy review implementation & efficiencies	102	55	220	18	-50	-50	-50
	185	140	-50	-50	-50	-50	-
Lettings ICT system (CBL) implementation costs	151	662	0	0	0	0	0
	100	75	0	0	0	0	-
Lettings ICT system (CBL) - efficiencies (Rehousing)	0	-50	-100	-100	-100	-100	-100
	0	-40	-50	-50	-50	-50	-
Lettings ICT system (CBL) - efficiencies (Rent Loss)	0	-25	-50	-50	-50	-50	-50
		-17	-25	-25	-25	-25	-
Lettings ICT system (CBL) - efficiencies (Vacant Mgt)	0	-25	-50	-50	-50	-50	-50
	0	-18	-25	-25	-25	-25	-

Invest to save on Estate Services – fly tipping costs	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Savings from limiting bulky waste collections to one collection per year	-239	-190	-190	-190	-190	-190	-190
	-145	-145	-145	-145	-145	-145	-
Education and enforcement spend	20	100	100	100	100	70	40
	70	150	150	120	100	70	-
Savings on tipping charges	-138	-59	-97	-133	-169	-169	-169
	-20	-59	-97	-133	-169	-169	-



Savings on staff costs from collecting black bags /fly tipping and chute clearances	0	-78	-128	-177	-225	-225	-225
	-26	-78	-128	-177	-225	-225	-

Invest to save on Estate Services – fly tipping costs	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Savings from dry stores as a result of closure on H&S grounds	0	-27	-54	-54	-54	-54	-54

Open Space Maintenance	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Savings on staff costs from undertaking less ground maintenance work	0	0	0	-40	-80	-80	-80
	0	0	-40	-80	-80	-80	-80
Open space maintenance SLA (10% saving)	-48	0	0	-110	-220	-220	-220
	0	0	-110	-220	-220	-220	-220
Block cleaning - service improvements.	0	0	0	50	75	100	150
	0	50	75	100	125	150	-
Cleared Sites	0	-50	-100	-150	-200	-250	-250
	0	-50	-100	-150	-200	-250	-250

Other on-going investment priorities	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Digital Inclusion	30	30	45	45	45	45	45
	30	0	0	0	0	0	-
Cornhill concierge capital	12	200	0	0	0	0	0
	121	0	0	0	0	0	-
Cornhill concierge revenue spend (porter)	0	31	75	75	75	75	75
	0	75	75	75	75	75	-
City Stewardship	0	-50	0	0	0	0	0
	0	0	0	0	0	0	-
Cornhill concierge revenue income (rents)	0	8	20	20	20	20	20
	0	20	20	20	20	20	-

Successful Tenancies (including indicative housing plus project costs)	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Project costs total	0	54	350	200	0	0	0
	50	250	250	250	250	250	-
Efficiencies (rent loss)	0	0	0	-100	-125	-125	-125
Efficiencies (vacant repairs)	0	0	0	-100	-125	-125	-125
Efficiencies total	0	0	0	200	-250	-250	-250
	0	60	120	250	500	500	500
Net position	0	54	350	0	-250	-250	-250
	50	190	130	0	-250	-250	-250

## 6. DEBT AND TREASURY MANAGEMENT

### a) Overview

This section of the business plan is concerned with how we ensure the risks and opportunities associated with borrowing are optimised for the benefit of the HRA.

### b) Risk

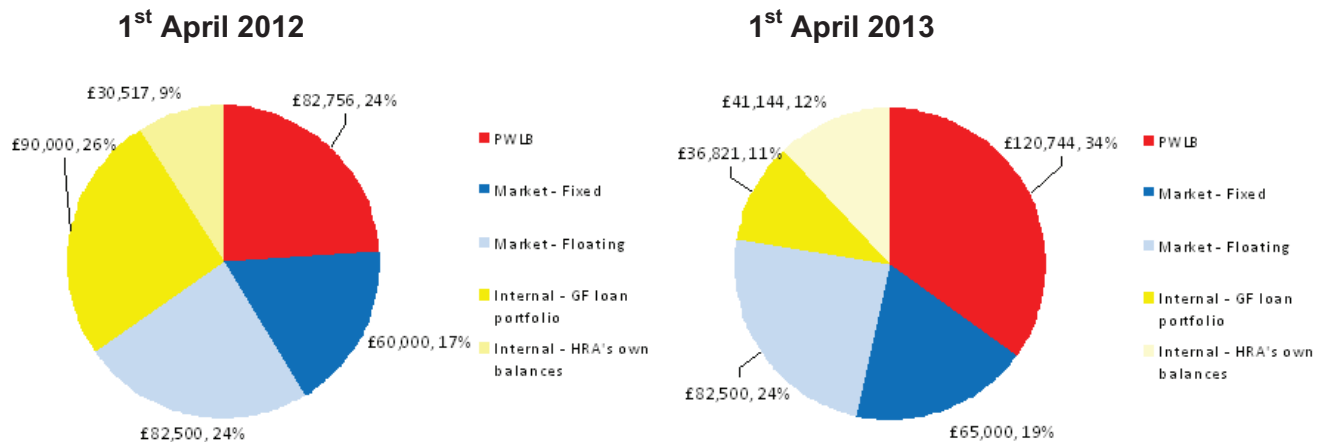
The key risk to this element of the business plan is interest rate risk. The HRA supports around £350m borrowing and no additional debt has been taken on since the debt settlement which signalled the transfer to self-financing in March 2012. Debt costs around £17m in interest payments each year (12% turnover). Each loan is like a mortgage in that after a fixed period it matures and has to be repaid. As each loan matures the council can choose to repay it either from rental income, or by taking out a new loan (refinancing). If the council chooses to repay through refinancing the new loan may either be cheaper or more expensive than the original, depending on interest rates at the time. In order to mitigate the risk of having to take on new debt at high interest rates it is preferable to ensure the council can always afford to *choose* whether to pay off newly maturing debt from rent or refinancing and is never held to ransom by high interest rates.

### c) Key Developments

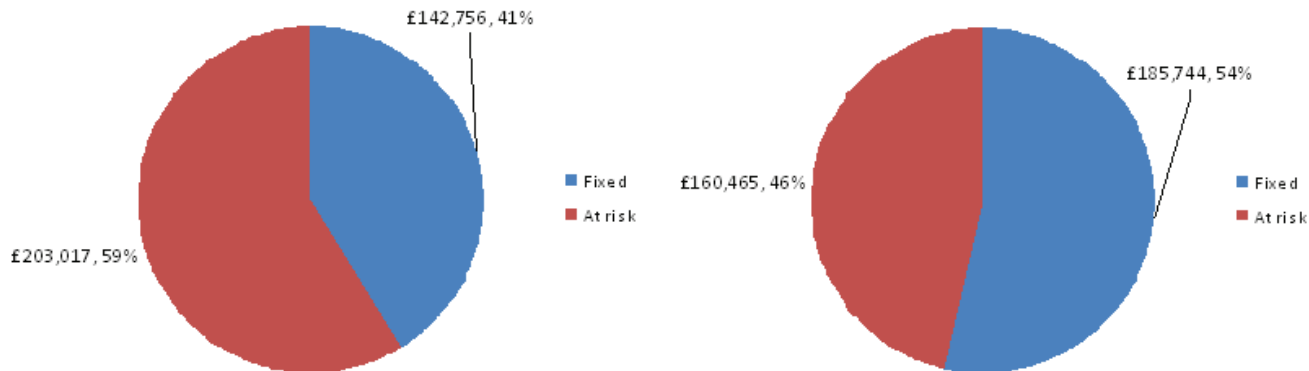
At the start of 'self-financing' the HRA had a significant amount of internal borrowing. This represents the Council's use of cash reserves from the General Fund and from the HRA to finance capital expenditure.

During 2012/13 £48.5m of low cost fixed-rate loans were taken out to allow the HRA to repay General Fund for cash it had borrowed in prior years. This externalisation of debt by taking fixed-rate loans, and thus acquiring cost certainty, allows the HRA to mitigate a large proportion of the interest-rate risk inherent in its loan portfolio. Moving away from a portfolio heavily exposed to interest-rate risk brings increased cost certainty, and will assist the HRA in creating a stable and accurate business plan.

The following charts show the debt composition of the HRA as at the start of self-financing in comparison to the start of 2013/14



The following charts show that the amount of the HRA's loan portfolio at risk from interest rate rises has reduced substantially from 59% to 46%:



During 2012/13 treasury management decisions were taken by the Council's Director of Finance to slow this process down and in May 2013 a change in approach was adopted to support the HRA and the Authority's overall position by halting the externalisation of debt in favour of ongoing internal borrowing. The overriding issues driving these decisions were sustained historically low borrowing costs and sustained high cash balances for the authority as a whole. Whilst the continuation of internal borrowing could only ever be a short term position it did allow further savings to be generated in 2013/14 from lower than forecast borrowing costs.

However by September 2013 the environment had changed again:

- Borrowing costs have increased and rates are set to increase further
- The Authority has moved into a cash deficit position.
- The Council was developing plans to make use of borrowing headroom to deliver new council housing units

With this in mind the externalisation of debt recommenced in order that the HRA de-risk a sizeable amount of its loan portfolio, and allowed the authority to move away from a cash deficit position.

Loans are now being taken at a rate that is budgeted for within the HRA business plan, and with maturities that provide the HRA with the flexibility it needs to make financing choices to support its wider plans. This means the business plan is establishing a sound borrowing platform on which to make long term investment decisions at the expense of shorter term interest savings.

## 7. VALUE FOR MONEY

### a) Overview

The value for money section underpins all aspects of the business plan. This section also reviews overheads and support costs such as management costs, accommodation costs and Service Level Agreement (SLA) costs.

### b) Risks

The risk to this section of the business plan is that efficiency targets built into the plan do not materialise. The business plan has high value savings factored in both for the new Repairs and Maintenance contract and the Future of Council Housing efficiencies. Failure to achieve these would therefore have significant implications for the plan.

### c) Key Developments

#### i. Back Office Efficiencies

The original target in the business plan was to achieve efficiency savings of 10% in 2012/13 and 7.5% in 2013/14 on Sheffield City Council and Sheffield Homes support costs. These targets are being delivered as planned and it is proposed they remain.

#### ii. Future of Council Housing Efficiencies

The business plan assumed a target of £1.2m annual savings resulting from the Future of Council Housing project from 2014/15. It is expected that around £600k savings will be delivered in 2013/14 with further plans in place to meet the target as planned. From 2014/15 the Future of Council Housing Project costs transfer to the Tenant Services section of the plan in order to deliver phase 3 of the project: Housing Plus (subject to separate Cabinet decision).

#### iii. Repairs and Maintenance Service Re-design

An original business plan priority is for a value for money repairs and maintenance service ready for 2014: "The HRA Business Plan assumes an efficiency saving of 2% (£665k) on the repairs and maintenance service post 2014 but this is dependent on the procurement". As well as this efficiency target £300k procurement costs for 2012- 2014 were factored into the plan.

On 10<sup>th</sup> April 2013, Cabinet approved that the HRA Repairs and Maintenance service be procured on the open market to seek a contractor to deliver this service post April 2014. In November 2013 the Council announced that it had selected Kier Services as preferred bidder for the social housing repairs and maintenance contract. The contract will be for the next three years (2014 -17) with an option to extend this by a further two years. It is expected the efficiency targets built into the HRA Business Plan will be met although a reprofiling of the savings between years will be necessary once known.

#### iv. Cost Pressures

An actuarial review was undertaken in 2013 on the Council's overall pension liabilities with the result that contributions will increase. The impact on the HRA is likely to be around £1.4m per year compared with 2013/14 but the final position will not be known until discussions have concluded with the Pensions Authority.

A fund exists within the HRA to fund the council housing service's exposure to insurance liabilities. Based on revised claims forecasts and the need for the HRA to be fully funded, additional resources need to be allocated to the fund. Also adding pressure to budgets are the changed billing criteria for vacant properties in respect of council tax charges.

Staffing budgets are uplifted by 1% in 2014/15 to take account of the expected cost of living increase. Cost inflation for 2014/15 has been assumed at 2.75% and then CPI+0.5% thereafter.

#### d) Financial Summary

	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
Support cost efficiencies	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
SCC efficiencies (non-council housing service)	-225	-394	-506	-619	-619	-619	-619
Sheffield Homes/ Council Housing Service efficiencies	-448	-784	-784	-784	-784	-784	-784
	-448	-784	-784	-784	-784	-784	-

	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
FoCH (integration) efficiencies	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Future of Council Housing project costs	190	196	0	0	0	0	0
	196	196	0	0	0	0	-
Future of Council Housing implementation costs	103	216	0	0	0	0	0
	200	500	0	0	0	0	-
Future of Council Housing project efficiencies	-345	-616	-1200	-1200	-1200	-1200	-1200
	-225	-900	-1200	-1200	-1200	-1200	-

	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
Repairs and maintenance procurement	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Repairs & maintenance procurement & post 2014 efficiencies	100	300	-665	-665	-665	-665	-665
	200	100	-665	-665	-665	-665	-

	Yr1 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
Cost pressures	12/13 £000	13/14 £000	14/15 £000	15/16 £000	16/17 £000	17/18 £000	18/19 £000
Impact of actuarial review on pensions	-755	-755	645	645	645	645	645
	-755	-755	-755	-755	-755	-755	-
Insurance costs	150	300	1,500	2,000	500	500	200
	-	-	-	-	-	-	-
Council tax on vacants	0	100	100	100	100	100	100
	-	-	-	-	-	-	-

## Housing Revenue Account 2014/15 Budget and 5-Year Projections

<b>Revenue Account</b>	<b>2013.14 Outturn</b>	<b>2014.15</b>	<b>2015.16</b>	<b>2016.17</b>	<b>2017.18</b>	<b>2018.19</b>	<b>Total 14-19</b>
<b>INCOME</b>							
Income from Rents	-141.1	-147.7	-152.4	-157.1	-161.9	-166.8	<b>-785.9</b>
Other Income	-6.3	-5.9	-6.0	-6.2	-6.2	-6.5	<b>-30.8</b>
<b>Total</b>	<b>-147.4</b>	<b>-153.6</b>	<b>-158.4</b>	<b>-163.3</b>	<b>-168.1</b>	<b>-173.3</b>	<b>-816.7</b>

<b>EXPENDITURE</b>							
Homes - Revenue Repairs	33.0	37.0	32.0	31.7	34.8	35.7	<b>171.2</b>
Homes - funding for Capital Programme (Depreciation)	37.1	38.0	38.8	39.7	40.6	41.6	<b>198.7</b>
Tenants Services (including management)	51.0	53.7	55.0	54.1	55.6	57.1	<b>275.5</b>
Interest on Debt	15.0	15.3	15.9	16.2	17.7	18.2	<b>83.3</b>
Other Costs	1.4	2.2	1.9	2.1	3.3	1.6	<b>11.1</b>
<b>Total</b>	<b>137.5</b>	<b>146.2</b>	<b>143.6</b>	<b>143.8</b>	<b>152.0</b>	<b>154.2</b>	<b>739.8</b>

<b>Surplus(-) or deficit</b>	<b>-9.9</b>	<b>-7.4</b>	<b>-14.8</b>	<b>-19.5</b>	<b>-16.1</b>	<b>-19.1</b>	<b>-76.9</b>
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Opening Revenue Reserve	-28.9	-10.0	-10.0	-10.0	-10.0	-10.0	
Surplus (-) or deficit	-9.9	-7.4	-14.8	-19.5	-16.1	-19.1	
Transfer to Capital Reserves	28.8	7.4	14.8	19.5	16.1	19.1	
Closing Revenue Reserve	-10.0	-10.0	-10.0	-10.0	-10.0	-10.0	

## Capital Account - 5-Year Projections

<b>Capital Account</b>	<b>2013.14 Outturn</b>	<b>2014.15</b>	<b>2015.16</b>	<b>2016.17</b>	<b>2017.18</b>	<b>2018.19</b>	<b>Total 14-19</b>
<b>EXPENDITURE</b>							
	38.2	46.8	80.8	76.0	73.3	71.3	<b>348.2</b>

<b>FUNDED BY</b>							
Major Repairs Reserve	34.3	43.7	74.6	71.0	54.0	56.7	<b>300.0</b>
Additional Borrowing	0.0	0.0	0.0	0.0	12.9	9.2	<b>22.1</b>
RTB Receipts	0.0	0.0	1.4	1.4	1.5	1.8	<b>6.1</b>
Additional RTB Receipts	0.6	1.1	3.4	2.2	4.7	3.4	<b>14.8</b>
Other capital contributions	3.3	2.0	1.4	1.4	0.2	0.2	<b>5.2</b>
<b>Total Funding</b>	<b>38.2</b>	<b>46.8</b>	<b>80.8</b>	<b>76.0</b>	<b>73.3</b>	<b>71.3</b>	<b>348.2</b>

## City Wide average weekly rent by bedsize

Bedsize	Average weekly rent		Increase	
	2013/14	2014/15		
Bedsit	£54.80	£57.97	£3.17	5.78%
1 bed	£61.99	£65.81	£3.82	6.16%
2 bed	£70.31	£74.69	£4.38	6.23%
3 bed	£78.90	£83.71	£4.81	6.10%
4 bed	£85.36	£90.41	£5.05	5.92%
Total (all bedrooms average)	£69.99	£74.30	£4.31	6.16%

Note: The above rents are for illustrative purposes only as they are based on city wide averages. Actual individual property rents will vary from these figures. Both years' averages are of restructured rents calculated using 2013/14 stock numbers to enable comparison.

## Proposed Community Heating Charges from April 2014

1. Unmetered Heat

Bedsize	Full heating		Partial heating	
	Current Prices £/week	Prices April 2014 £/week	Current Prices £/week	Prices April 2014 £/week
<b>Heating &amp; hot water</b>				
Bedsit	11.05	<b>11.38</b>	10.21	<b>10.52</b>
1 Bedroom	11.47	<b>11.82</b>	10.50	<b>10.82</b>
2 Bedroom	14.23	<b>14.66</b>	13.22	<b>13.62</b>
3/4 Bedroom	15.32	<b>15.78</b>	14.23	<b>14.66</b>
<b>Heating only</b>				
Bedsit	8.13	<b>8.38</b>	7.53	<b>7.76</b>
1 Bedroom	8.33	<b>8.58</b>	n/a	<b>n/a</b>
2 Bedroom	10.50	<b>10.82</b>	9.73	<b>10.03</b>

Note: For sheltered schemes the above prices are split into dwelling heating and communal heating. The communal element of charges will be a fixed £3.03 per dwelling per week in 2014/15.

2. Metered Heat

	Charge		Prices from April 14	
<b>Existing schemes</b>				
<b>Leverton/ Hanover/ Netherthorpe</b>	Unit charge	pence per kwh	<b>4.38</b>	(i.e 100 kwh heat ticket is £4.38)
	Standing charge	£ per week	<b>3.68</b>	
<b>Hillside</b>	Unit charge	pence per kwh	<b>3.04</b>	(i.e 100 kwh heat ticket is £3.04)
	Standing charge	£ per week	<b>3.14</b>	
<b>Balfour House</b>	Unit charge	pence per kwh	<b>3.40</b>	(i.e 100 kwh heat ticket is £3.40)
	Standing charge	£ per week	<b>4.63</b>	
<b>New schemes</b>				
<b>Standard price</b>	Unit charge	pence per kwh	<b>3.38</b>	
	Standing charge	£ per week	<b>4.00</b>	



## HRA Financial Assumptions

The detailed financial model behind the HRA Business Plan includes a number of assumptions we have used to understand what resources will be available for council housing over the next five years in the context of the next thirty years. These baseline assumptions are listed below.

Revenue assumptions	Assumption
Homes – opening number of homes in 2014/15	40,698
Homes - dwellings by 2043/44	35,808
Number of RTBs 2014/15	265
Total number of RTBs by 2043/44	4,935
Rents	CPI + 1% from 2015/16
Consumer Prices Index (CPI) of inflation	Based on average of independent forecasts to 2017 and 2.2% thereafter
Convergence date	2014/15
Bad Debts	Average of 1.1% of debt
Void rate	1.36%
Repairs	Increased by contractual inflation
HRA reserves are maintained in accordance with risk based reserves strategy	£10m in 2014/15

Debt assumptions	Assumption
Opening HRA Borrowing requirement on 1 <sup>st</sup> April 2014	£349m
HRA borrowing limit	£391m
Interest rates on HRA debt	Approx. rates 4.0% to 5.2%

Capital assumptions	Assumption
Capital receipts	£RTB receipts credited to HRA from 2015/16. Additional receipts used towards new affordable housing.
Capital delivery (council housing investment)	£3.7 million per annum 2014/15
Capital costs (council housing investment)	£0.605 million per annum 2014/15

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**HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN UPDATE, HRA BUDGET AND RENT INCREASE 2014/15**

At its meeting on 15<sup>th</sup> January 2014, the Cabinet received a joint report of the Executive Directors, Communities, Place and Resources providing the 2014/15 update to the Housing Revenue Account (HRA) Business Plan. The report also presented a 2014/15 revenue budget for the HRA.

The Cabinet's minute is set out below, and the Council is asked to approve the recommendations:-

**HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN UPDATE, HRA BUDGET AND RENT INCREASE 2014/15**

- 16.1 The Executive Directors, Communities, Place and Resources submitted a joint report providing the 2014/15 update to the Housing Revenue Account (HRA) Business Plan. The report also presented a 2014/15 revenue budget for the HRA.
- 16.2 **RESOLVED:** That this Cabinet recommends to the meeting of the City Council on 5th February, 2014 that :-
- (a) the HRA Business Plan update report for 2014/15 be approved;
  - (b) the HRA Revenue Budget for 2014/15 as set out in Appendix B to the report be approved;
  - (c) the rent increase for Council dwellings by an average of 6.2% from April 2014 be approved;
  - (d) the rents for Council dwellings being set at target rent, when re-let following vacancy, from April 2014 be approved;
  - (e) the increase of annual rents for garages and garage sites by an average of 6.2% from April 2014 be approved;
  - (f) the increase of community heating charges by 3% in 2014/15 be approved;
  - (g) it notes that it may be necessary to amend the sheltered housing service charge, in the event of a review of the service, if the Supported Housing Subsidy changes as part of the Council's wider budget setting process;
  - (h) it resolves that charges for furnished accommodation and temporary accommodation are not increased;
  - (i) it delegates authority to the Director of Commissioning, Communities to amend the burglar alarm charge in 2014/15 in line with the costs incurred under the new contract. Until the contract is in place and the charges are known the burglar alarm charge will remain unchanged; and

- (j) it delegates authority to the Director of Commissioning, Communities and the Director of Finance, in consultation with the Cabinet Member for Homes and Neighbourhoods to authorise prudential borrowing as allowed under current Government guidelines.

(NOTE: A copy of the joint report is appended to this report.)

John Mothersole  
Chief Executive

## SHEFFIELD CITY COUNCIL

### COUNCIL MEETING – 5<sup>TH</sup> FEBRUARY 2014

#### List of Amendments to Notices of Motion received by the Chief Executive

#### ITEM OF BUSINESS NO.9 – NOTICE OF MOTION GIVEN BY COUNCILLOR NEALE GIBSON

1. Amendment to be moved by Councillor Cliff Woodcraft, seconded by  
Councillor Shaffaq Mohammed

That the Motion now submitted be amended by:-

1. the deletion of paragraphs (b) to (g); and
2. the addition of new paragraphs (b) to (l) as follows:-
  - (b) thanks all volunteers and donators to food banks and supports their work to help Sheffielders in need;
  - (c) however, believes it is highly inappropriate to exploit individual cases to draw broad conclusions or score political points;
  - (d) notes that under the last Government the number of food banks increased tenfold;
  - (e) highlights the following quote from Channel 4's Fact Check blog: "It's clear that food banks started under Labour and began to grow rapidly before the global financial crisis";
  - (f) notes that the Coalition Government have allowed Jobcentre staff to refer people to food banks - a move that was blocked by the last Government;
  - (g) recalls that Labour politicians have still not apologised for the economic downturn that they helped create and the impact of that downturn on local people's living standards;
  - (h) supports the measures taken by the Coalition Government to resuscitate economic growth and deliver a stronger economy;
  - (i) believes Liberal Democrats in Government have been vital in supporting local people with the cost of living, by fighting to:-
    - (i) give 24 million ordinary workers a £700 tax cut;

- (ii) increase the state pension by £650 thanks to our ‘triple lock’;
  - (iii) freeze Council Tax, saving the average Sheffield household £185 this year;
  - (iv) deliver an average saving of £50 on household energy bills; and
  - (v) freeze fuel duty, saving motorists £170 per year;
- (j) contrasts this with the appalling record of the last Government, who:-
- (i) crashed the economy, which is why the cost of living is high now;
  - (ii) scrapped the 10p tax, leaving half a million of the lowest paid workers worse off; and
  - (iii) increased the state pension by an insulting 75p;
- (k) furthermore highlights the following decisions of the current Administration, which have failed to support local families:-
- (i) imposing a 23% cut in Council Tax Benefit, refusing an offer of £1.1 million from the Government to reduce the cut; and
  - (ii) rejecting proposals from opposition councillors for a cross-party working group to support local residents affected by the ‘bedroom tax’; and
- (l) therefore calls upon the ruling group to drop their petty political point-scoring and work with the Government and local agencies to support local families.

**ITEM OF BUSINESS NO.10 – NOTICE OF MOTION GIVEN BY COUNCILLOR LEIGH BRAMALL**

2. Amendment to be moved by Councillor Ian Auckland, seconded by Councillor Joe Otten

That the Motion now submitted be amended by:-

1. the addition of the following words at the end of paragraph (a) “and is a direct consequence of the Gambling Act 2005, introduced by the last Government which included the removal

of the need for operators to prove unmet demand”

2. the re-lettering of paragraphs (b) to (f) as new paragraphs (c) to (g) and paragraph (g) as a new paragraph (i);
3. the addition of new paragraphs (b) and (h) as follows:-
  - (b) notes the comments of the Labour MP, Tom Watson, who stated the Labour Party ‘dropped the ball’ over the 2005 Gambling Act;
  - (h) therefore welcomes the motion passed by the Liberal Democrat Conference in September 2013 on High Street Gambling;

**ITEM OF BUSINESS NO.11 – NOTICE OF MOTION GIVEN BY COUNCILLOR IAN AUCKLAND**

3. Amendment to be moved by Councillor Leigh Bramall, seconded by Councillor Chris Rosling-Josephs

That the Motion now submitted be amended by:-

1. the deletion of all the words after the words “therefore notes with concern” in paragraph (b) and their substitution by the following words “the Government’s National Planning Policy Framework which has resulted in the Planning Inspectorate stating that the current allocation of sites for housing does not go far enough to meet the demands”; and
2. the deletion of paragraphs (c) to (h) and the addition of new paragraphs (c) to (o) as follows:-
  - (c) regrets that this is an issue for the vast majority of local authorities across the country and notes that other authorities such as Brighton, Hull, Coventry and Kirklees have had to withdraw local plans as they did not meet requirements;
  - (d) confirms that if the Council do not meet the Government targets for a five year supply of immediately deliverable sites, developers could win permission to build on the city’s green spaces and even green belt sites on appeal, even after a planning application is turned down by the Council, which could lead to a planning free for all, potentially increasing the level of development on green belt land in an uncontrolled manner, which has already happened in other places such as Leeds;
  - (e) regrets that yet again the main opposition group seek to mislead

local people by suggesting that the need to find green spaces for housing is merely down to Councils wishing to build on them, rather than the reality, which is that it is driven by their own Government's planning policy;

- (f) notes these comments by Jonathan Carr-West, Chief Executive of the Local Government Information Unit: 'the National Planning Policy Framework and targets around housing supply are putting significant strain on councils' ability to protect the green belt.';
- (g) confirms that this is the view of the Campaign for the Protection of Rural England (CPRE) who state that: 'Local authorities that are producing plans are coming under pressure to allocate more greenfield sites than originally intended. And over half (52%) of local authorities do not have up to date adopted local plans in place. As a result, they will come under increased pressure to approve any application for housing development in line with policies in the NPPF, rather than with local views.';
- (h) notes these comments from Shaun Spiers, Chief Executive of CPRE: 'We know that Planning Minister Nick Boles wants good quality, beautiful development, but his policies are not delivering. There can be no sustainable solution to this country's housing problems unless there is a renewed focus on improving quality, increasing local control and minimising the loss of countryside. The NPPF is not currently delivering that mix. The Government urgently needs to rethink its approach.';
- (i) echoes criticisms that this Government have significantly weakened the previous Government's brownfield-first policy which actively prioritised building on brownfield sites;
- (j) confirms that the present Administration is doing all it can to see as much brownfield land as possible built on and will continue to work to minimise development on green field sites, but it is the Government that has both cut the Council's funding to subsidise brownfield site regeneration, and then stipulated that the Council has to provide a five year supply at any one time of 'economically deliverable' (ie, financially attractive) sites for developers, which rules out many brownfield sites, restricting site supply;
- (k) welcomes the action of the present Administration to bring hundreds of empty homes back into use, however, will take no lectures from the main opposition group who brought a derisory 13 empty homes back into use in their last year in administration;
- (l) welcomes the policy of the Labour Party to stand up to



developers by tackling landbanking through the proposed introduction of a “use it or lose it policy” and believes it is this Government that have surrendered to big developers through rejecting this idea;

- (m) confirms that the Council would be willing to stand up to developers and implement the ‘use it or lose it’ policy were the Government to give local authorities the freedoms to do so;
- (n) believes that the Government’s reforms have been anti localist and have taken planning powers away from local people and given them instead to the Secretary of State and believes that the need to consider the Green Belt is ultimately a consequence of this Government’s approach; and
- (o) proposes that the Cabinet Member for Business Skills and Development writes to the Secretary of State outlining the consequences of the issues caused by the Government's cuts to housing investment for brown field development, and the problems this has caused, and asks the mover of the motion to confirm he will co-sign the letter.

**ITEM OF BUSINESS NO.12 – NOTICE OF MOTION GIVEN BY COUNCILLOR BEN CURRAN**

4. Amendment to be moved by Councillor Shaffaq Mohammed, seconded by Councillor Andrew Sangar

That the Motion now submitted be amended by:-

- 1. the deletion of paragraphs (c) to (g); and
- 2. the addition of new paragraphs (c) to (g) as follows:-
  - (c) praises measures championed by Liberal Democrats in Government to support the low paid, including a £700 tax cut for ordinary workers;
  - (d) compares this to the last Government who scrapped the 10p tax, leaving half a million of the lowest paid workers worse off;
  - (e) notes that British workers – excluding the richest 10% – saw their take-home pay rise in real terms in the past year;
  - (f) however, recognises that more needs to be done to support low paid workers and therefore welcomes calls from The Rt. Hon. Vince Cable MP for a significant rise in the minimum wage; and

- (g) furthermore, supports the Liberal Democrat aspiration to raise the income tax threshold again to lift all workers on national minimum wage out of income tax altogether.

**ITEM OF BUSINESS NO.13 – NOTICE OF MOTION GIVEN BY COUNCILLOR JULIE DORE**

5. Amendment to be moved by Councillor Shaffaq Mohammed, seconded by Councillor Roger Davison

That the Motion now submitted be amended by:-

1. the deletion of paragraphs (c) and (d); and
2. the addition of new paragraphs (c) and (d) as follows:-
  - (c) supports the Government's move towards Individual Electoral Registration and recognises the importance of Liberal Democrats in improving this legislation; and
  - (d) regrets that following the Electoral Commission's 2003 recommendation that the United Kingdom move to Individual Electoral Registration, the last Government dithered for seven years instead of taking the necessary action.

6. Amendment to be moved by Councillor Nikki Bond, seconded by Councillor Mazher Iqbal

That the Motion now submitted be amended by the addition of a new paragraph (d) as follows and the re-lettering of original paragraph (d) as a new paragraph (e):-

- (d) notes with concern the implications of this policy on Sheffield as a city with a high student population and communities with high numbers of ethnic minority residents.

**ITEM OF BUSINESS NO.14 – NOTICE OF MOTION GIVEN BY COUNCILLOR SHAFFAQ MOHAMMED**

7. Amendment to be moved by Councillor Leigh Bramall, seconded by Councillor Geoff Smith

That the Motion now submitted be amended by the deletion of all the words after the words "That this Council" and the substitution of the following words therefor:-

- (a) echoes criticisms that since it came to power in 2010 this Government presided over the weakest economic recovery in history which was a direct result of the Government's failure to produce a credible plan for jobs and growth and led to a double dip recession;
- (b) believes that after three damaging years of flatlining, people in Sheffield will be astonished at the breathtaking arrogance and complacency of the Leader of the main opposition group;
- (c) regrets that because of the Government's mismanagement of the economy, with slower growth and higher unemployment, the Government is now set to continue to make cuts beyond the current Parliament;
- (d) notes that the impact of the Government's economic failure has hit the north of England and areas such as Sheffield much harder than the south;
- (e) believes that this is illustrated by the recent Centre for Cities report which demonstrates that between 2010 and 2012 80% of all new jobs created in the United Kingdom were in London;
- (f) recalls that the most high profile politician to suggest that unfair government cuts delivered by an unpopular and illegitimate government could lead to riots was the Deputy Prime Minister before the last general election;
- (g) opposes Government decisions which contributed to the weakening of the recovery such as cutting public spending too far too fast, significantly cutting investment in regional economic growth including the abolition of Regional Development Agencies, abolishing the Future Jobs Fund, increasing VAT and failing to put in place measures to stimulate growth;
- (h) calls on the Government to do more to support local businesses and commit to giving genuine support to all small and medium-sized enterprises, which are the lifeblood of our economy, by matching the pledge of the Leader of the Opposition to cut and freeze business rates for all small firms, and not just those in retail, but manufacturers, high-tech firms and other job creators;
- (i) welcomes the business friendly approach of the present Administration and supports the following actions taken locally by the present Administration to support local businesses including:
  - (i) the Skills Made Easy Programme;
  - (ii) Sheffield Apprenticeship Programme;

- (iii) RISE graduate internship programme;
  - (iv) start up loans for young people;
  - (v) Keep Sheffield Working Fund;
  - (vi) SME Loan Fund;
  - (vii) Export Pilot project for 30 companies;
  - (viii) launched Threshold Companies Initiative for growth SMEs;
  - (ix) Summer Saturdays;
  - (x) developed Sheffield City Region Investment Fund;
  - (xi) secured Tax Increment Finance scheme for city centre – 1 of 3 places in UK;
  - (xii) enterprise programme provided intensive support to over 200 growing SMEs and 150 start ups;
  - (xiii) launch of the Sheffield Economic Masterplan;
  - (xiv) series of business summits held, hundreds of business engaged;
  - (xv) Business Advisor Panel helping to keep Sheffield business friendly; and
  - (xvi) making the case for HS2 and Victoria Station; and
- (j) welcomes the present Administration's action to support the economy, however, believes that the Government must do much more to redress the widening gap between London and the rest of the country and calls on the Government to give cities such as Sheffield the tools they need to grow their local economies and welcomes the Core Cities Prospectus for Growth which outlines several steps the Government could take to achieve this.

**ITEM OF BUSINESS NO.15 – NOTICE OF MOTION GIVEN BY COUNCILLOR JILLIAN CREASY**

8. Amendment to be moved by Councillor Mazher Iqbal, seconded by Councillor Geoff Smith

That the Motion now submitted be amended by the deletion of paragraphs (d) to (g) and the addition of new paragraphs (d) to (j) as follows:-

- (d) recognises that the Council is facing an unprecedented level of cuts from Central Government meaning that by 2015/16 the Council will have had an overall reduction in Government formula funding by 50% and recognises that with this level of funding reductions all services across the Council will be seriously affected;
- (e) recognises that over the past three years, the Council has done everything possible to make budget reductions in libraries

without making substantial changes to the service, however recognises that with the level of cuts now facing the Council, this is no longer possible;

- (f) welcomes that the Council is looking to find new ways of delivering library services given the serious situation facing libraries nationally and notes reports stating that over 400 libraries have closed nationally and 1000 are estimated to close by 2016;
- (g) further notes that the consultation on the library review has now closed and the Council is listening to the responses ahead of bringing forward proposals to Cabinet;
- (h) notes that the Council has received comments about the independent model from the groups looking to run libraries and will take on board these comments as it responds to the consultation;
- (i) recalls that the proposal by the Cabinet Member for Communities and Inclusion that the results of the consultation be brought to scrutiny before a decision is made, was agreed by the Council last month; and
- (j) welcomes that the Cabinet Member for Communities and Inclusion has already indicated that he is listening to concerns that have been raised about the Independent Model based on the feedback from the consultation and recognises that decisions about the library review will be made at Cabinet on 19th February, 2014.

**ITEM OF BUSINESS NO.16 – NOTICE OF MOTION GIVEN BY COUNCILLOR MAZHER IQBAL**

9. Amendment to be moved by Councillor Andrew Sangar, seconded by Councillor Roger Davison

That the Motion now submitted be amended by:-

- 1. the deletion of paragraphs (b) to (f); and
- 2. the addition of new paragraphs (b) to (h) as follows:-
  - (b) recalls the numerous scandals involving big money in politics under the last Government including the Bernie Ecclestone, Hinduja Brothers and Cash for Peerages scandals;

- (c) furthermore, reminds Members of the 2010 lobbying scandal, which engulfed a number of Labour MPs – including the former MP for Sheffield Central – in which one ex-Minister described himself as a ‘cab for hire’;
- (d) praises the decision of Liberal Democrats in Government to fight for a fairer politics by tackling the big money in politics and the unhealthy influence of lobbyists;
- (e) however recognises the legitimate concerns raised by charities and therefore welcomes the pause on the Bill and the numerous concessions agreed by the Government;
- (f) believes that the final legislation will not restrict charities from campaigning on national issues as they have done in previous general elections;
- (g) notes that, among others, the Bill has been backed by former Labour MP and Speaker of The House of Commons, Michael Martin; and
- (h) yet believes that the current national Labour leadership is under such submission to the vested interests within its own party that it is unwilling to support moves to make politics more transparent.

**ITEM OF BUSINESS NO.18 – NOTICE OF MOTION GIVEN BY COUNCILLOR COLIN ROSS**

10. Amendment to be moved by Councillor Leigh Bramall, seconded by Councillor Julie Dore

That the Motion now submitted be amended by:-

- 1. the deletion in paragraph (d) of the words “led by Greg Mulholland MP” and their substitution by the words “by members of all parties”;
- 2. the addition of the words “, after pressure from Toby Perkins MP,” after the words “Government proposals” in paragraph (e); and
- 3. the deletion of paragraph (f) and the addition of new paragraphs (f) and (g) as follows:-
  - (f) regrets that changes directly implemented by the Coalition Government to General Permitted Development Orders have made it easier for pubs to be converted to small supermarkets

without the need for planning permission at all and opposes these Government changes; and

- (g) confirms that the issue of creating a retention of community facilities policy and requiring applicants to demonstrate the lack of economic viability of a pub will be considered as part of the development of the Local Plan.

**ITEM OF BUSINESS NO.19 – NOTICE OF MOTION GIVEN BY COUNCILLOR PENNY BAKER**

11. Amendment to be moved by Councillor Harry Harpham, seconded by Councillor Pat Midgley

That the Motion now submitted be amended by the deletion of all the words after the words “That this Council” and the substitution of the following words therefor:-

- (a) regrets the continued smoke and mirrors of the main opposition group who continue to make erroneous claims about the Park Hill project;
- (b) reiterates the numerous previous motions that have been passed by the Council stating for the record that not a penny of the funds described by the main opposition group will be spent on the refurbishment of the Park Hill flats and regrets that the main opposition group are continuing to imply that the Council has allocated Council resources for the Park Hill redevelopment when in fact this is not the case;
- (c) for the avoidance of doubt, re-iterates that:
  - (i) there are additional costs relating to the Park Hill site which until this Government came to power were paid for by a Government grant;
  - (ii) these costs include looking after the empty flat blocks, providing security where the blocks are still lived in, funding Police Community Support Officer patrols and rehousing local residents; and
  - (iii) the Coalition Government has now completely ended the Housing Market Renewal Grant that previously paid for these costs and the Council has been left to pick up the £2.4m bill;
- (d) further believes that there is no question about whether or not these costs should be funded and firmly believes that it is the

right thing to do to ensure that the local residents are safe;

- (e) also notes that it is the Council's statutory duty to provide home loss payments to residents who are moving home;
- (f) further reiterates its opposition to the irresponsible decision of the Government to end the Housing Market Renewal Grant, leaving local taxpayers to pick up the bill for costs that were previously funded by the Government;
- (g) confirms that the Green Links project is not part of the Park Hill development, and that it will improve links between Norfolk Park all the way down to the Canal Basin and is funded from the New Homes Bonus (NHB) which is specifically designed for regeneration projects and not to fund services such as libraries;
- (h) further confirms that this is an initiative under the City Centre Breathing Spaces strategy signed off by Councillor Penny Baker when she was Cabinet Member and continues the implementation of the Sheaf Valley Park Master Plan which links Norfolk Park to Victoria Quays which has been supported by public consultation and local friends groups and was also signed off by the previous Administration;
- (i) notes that the present Administration's use of the NHB has been held up as best practice by the Audit Commission; and
- (j) believes that it is outrageous that when Council services are at serious risk from the Government, the main opposition group continue to support slashing Council budgets in the north and 400 libraries have shut nationwide with 1000 predicted by 2016, and believes that all the main opposition group are interested in doing is trying to mislead local people in a desperate attempt to deflect the responsibility from the Deputy Prime Minister.

**ITEM OF BUSINESS NO.20 – NOTICE OF MOTION GIVEN BY COUNCILLOR ROBERT MURPHY**

12. Amendment to be moved by Councillor Sue Alston, seconded by Councillor Ian Auckland

That the Motion now submitted be amended by the addition of a new paragraph (c) as follows:-

- (c) therefore welcomes the millions of pounds that have been invested in Sheffield's trams, trains and buses since 2010 as a result of Liberal Democrat influence in Government.



13. Amendment to be moved by Councillor Jillian Creasy, seconded by Councillor Robert Murphy

That the Motion now submitted be amended by the addition of new paragraphs (c) to (e) as follows:-

- (c) notes with dismay proposals to cut over £5 million from the budget of the South Yorkshire Passenger Transport Executive (PTE), proposals which include reducing the hours and journeys qualifying for concessionary travel for OAPs and the disabled, the ending of the popular Freebee city centre bus service and making cuts to Community Transport;
- (d) understands that making cuts to the PTE grant is a decision made by South Yorkshire councillors on the Integrated Transport Authority, not Central Government; and
- (e) calls on all Members of the South Yorkshire Integrated Transport Authority to reject any cuts to the PTE grant and the District Council Levy, and asks the representatives of Sheffield to convey this motion to the Authority.

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