

SHEFFIELD CITY COUNCIL

POLICY COMMITTEE DECISION RECORD

The following decisions were taken on Tuesday 5 July 2022 by the Strategy and Resources Policy Committee.

Item No

8. PRIORITIES FOR THE YEAR AHEAD

- 8.1 The paper set out an initial set of strategic priorities for Sheffield City Council that have been developed by the Chairs of the new policy committees and the leaders of the parties in the administration.

These outcomes will form the basis of the new Corporate Plan which will be developed by Members over the summer (in line with the timetable agreed by S&R Committee on 31st May 2022).

Having a single set of priorities will provide focus and purpose for the City Council for the medium-to-long term, setting the policy framework for what we want to achieve for Sheffielders and how budgets and annual plans contribute to achieving those longer term priorities.

A package of reports will be submitted to the next meeting of the Committee to look at organisation performance. This would include a first draft of the Corporate Plan and form the basis for Policy Committee's to look at areas of improvement in more detail.

- 8.2 **UNANIMOUSLY AGREED:** That Strategy and Resources Policy Committee:-

1. Agree the initial set of strategic priorities for Sheffield City Council for the 2023/24 municipal year.
2. Note the ongoing work on the development of the Corporate Plan and agree that the strategic priorities should form the basis for this.
3. Note that a draft Corporate Plan will be brought forward for consideration by the Strategy and Resources Committee at its meeting on 30 August 2022.

8.3 Reasons for Decision

- 8.3.1 The recommendations are designed to ensure the council has a clear strategic direction and focus for the immediate period, as well as forming a solid foundation for the ongoing development of the Corporate Plan, a first draft of which is due to be considered by Strategy and Resources Committee on 30 August. By approving these priorities, the committee will also ensure that the work of the organisation is focused on those policies and activities that will help to deliver for the people and communities of Sheffield.

8.4 **Alternatives Considered and Rejected**

- 8.4.1 No alternative options to the production of an initial set of strategic priorities was considered as it was agreed by Strategy and Resources Committee at its meeting of 31 May 2022 that these should be developed and brought forward for consideration at this meeting.

9. **MEDIUM TERM FINANCIAL ANALYSIS AND COMMITTEE BUDGET RECOMMENDATIONS**

- 9.1 The report set out the medium term financial position for the Council and proposes how individual Policy Committee budget targets for 2023/24 are set.

9.2 **UNANIMOUSLY AGREED:** That Strategy and Resources Policy Committee:-

1. Note, as a planning assumption, core Council Tax increases of 2% each year.
2. Note, as a planning assumption, Adult Social Care Precept increases of 1% each year.
3. Note, the three-year Government settlement was prior to the high inflation rates and lobby Central Government for additional financial support to offset the pressure caused.
4. Note, the Council's current level of reserves provides a limited amount of time for action to be taken strategically in response to the financial position;
5. Note, unless firm action is taken to contain pressures and deliver significant savings and/or mitigations, the Council's financial position will soon be unsustainable.
6. Note, an updated MTFA will be presented in October 2022 following identification of savings by Committees and refinement of pressures in the coming months. Any further action required will also be set out.
7. Approve that Policy Committees will be asked to develop savings / additional income options that cover their own pressures – in effect cash standstill.
8. Require Policy Committees to report at their meetings in September on how they can balance their budgets.
9. Note that a consolidated report based on the individual Policy Committee reports will be brought to the 12 October meeting of this Committee.

9.3 **Reasons for Decision**

- 9.3.1 The majority of the recommendations are asking Members to note the assumptions applied to, and the unsustainable financial position highlighted by, the medium-term financial analysis. The aim is to set out the scale of the challenge

ahead, the limited resources and timescales in which to deliver change and some of the difficult decisions that will need to be taken.

The main decision for Members set out within the recommendations is the preferred approach to tackling the forecast budget gap for 2023/24. Policy Committees will be asked to develop savings / additional income options that cover their own pressures – in effect cash standstill.

This approach is deemed to Page 59 Page 16 of 33 be the most equitable and likely for ensuring a balanced budget is delivered for 2023/24.

9.4 **Alternatives Considered and Rejected**

9.4.1 The Council is required to both set a balance budget and to ensure that in-year income and expenditure are balanced. No other alternatives were considered.

10. **MONTH 2 BUDGET MONITORING AND 2021/2 OUT-TURN**

10.1 The report provided the outturn monitoring statement on the City Council's Revenue and Capital Budget Outturn as at the end of Month 12, 2021/22. The report also provided an update of the Council's Treasury Management activity in 2021/22 and set out expectations for the coming of the year.

10.2 **UNANIMOUSLY AGREED:** That Strategy and Resources Policy Committee:-

1. Note the updated information and management actions provided by the report on the 2021/22 Revenue Budget Outturn as described in the report;
2. Approve carry forward requests for 2 items in the People portfolio
 - a. £700k underspend for Local Area Committees and
 - b. £972k unspent grant monies to support Clinically Extremely Vulnerable individuals.
3. Note the updated information and management actions provided by the report on the 2021/22 Capital Programme Monitoring as described in Appendix 1 of the report.
4. Note the annual Treasury Management Outturn report for 2021/22 as described in Appendix 2 of the report.

10.3 **Reasons for Decision**

10.3.1 To record formally changes to the Revenue Budget and the Capital Programme.

10.4 **Alternatives Considered and Rejected**

10.4.1 Several alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the

constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

11. COST OF LIVING CRISIS STRATEGY AND ACTION PLAN

- 11.1 The report provided the Strategy and Resources Committee with an update Sheffield's response to the cost-of-living crisis.

Following the decisions made at the S&R Committee meeting on 31st May 2022, incident-style response arrangements have been established with the first citywide Cost of Living (CoL) Crisis Strategy Group meeting on 23rd June.

The CoL Crisis Strategy Group developed a draft action plan for S&R Committee to consider which outlines the actions we are and will take as a city to support communities across Sheffield. This will continue to develop over the coming months based on evidence and insight from our Page 51 Agenda Item 12 communities about the support they need and to ensure we prepare as best we can for additional cost of living pressures in the winter.

Finally, the paper provided an outline of the Food Access Plan for Sheffield, which will focus on the themes of responding to immediate need, responding to underlying causes of food poverty and coordination and capacity building. The Food Access Plan will ultimately form part of the city's new Food Strategy (expected Sept 2022) but S&R Committee are asked to agree the outline focus and initial investments.

- 11.2 **UNANIMOUSLY AGREED:** That Strategy and Resources Policy Committee:-

1. Notes the work that has been done to establish an incident response-type arrangement to help the city respond to the current situation and prepare for the forthcoming autumn and winter period, including the establishment of a strategic-level group chaired by the Leader of the Council and a tactical partner group led by a senior SCC officer.
2. Endorses the strategic aims, objectives, principles and draft action plan that have been developed in response to this work, as set out in Appendix 1 and Appendix 2 of the report which will be developed further in collaboration with partners.
3. Agrees the outline Food Access Plan and proposed funding allocations as set out in paragraphs 21-24 and Appendix 3 of the report.
4. To the extent that further decisions reserved to this Committee will be required in order to finalise and implement the action plan, delegates authority to take those decisions to the Director of Policy, Performance and Communications, in consultation with the chair of the Strategy and Resources Committee following discussion with the Cost-of-Living Crisis strategic group.

11.3 Reasons for Decision

11.3.1 The recommendations build on the commitments made by the Strategy and Resources Committee on 31st May to support Sheffieldsers through the cost of living crisis. Working with communities and partners across the city, the recommendations ensure that SCC will play a leading role through the strategic and tactical incident-type response.

11.3.2 The recommendations also propose investments in supporting food access in the city in line with the developing Food Access Plan.

11.4 **Alternatives Considered and Rejected**

11.4.1 Focus the Food Access Plan purely on immediate need and allocate the full £200k to purchase food. This would support food banks in the short term but would not address any of the systemic issues or underlying causes of food poverty. The approach proposed seeks to strike a balance between addressing underlying causes, building capacity within the current system and ensuring that food banks and food relief projects are able to cope with anticipated increase in demand.

11.4.2 Focus the Food Access Plan and resource purely on prevention and addressing the underlying causes of food poverty. There is consensus that prevention should be a priority and that in an ideal world there would be no need for food banks to exist. However, the reality of the current cost of living crisis means this is no short term prospect of eliminating poverty and there is a very real need for emergency food support that cannot be ignored. These proposals mean that we can provide real support to food banks in the short term so that emergency food provision is accessible to those who need it, but where possible can also try to continue to shift away from a dependency model of emergency food provision to one of prevention.

11.4.3 Do nothing. The cost of living crisis affects those on the lowest incomes the most as they have the least amount of disposable income. As food is often one of the more flexible items in a household's budget (compared to rent or utility bills for example) this often leads to food poverty and households being unable to purchase sufficient nutritious food for their needs. This has both physical and mental health consequences.

12. **CAPITAL APPROVALS FOR MONTH 2 2022/23**

12.1 This report provides details of proposed changes to the existing Capital Programme as brought forward in Month 02 2022/23.

12.2 **UNANIMOUSLY AGREED:** That Strategy and Resources Policy Committee:-

1. That the committee approve the proposed additions and variations to the Capital Programme listed in Appendix 1 of the report.
2. That the committee approves the council entering into agreements to provide funding to 3rd parties as identified in Appendix 2 of the report; and
3. In connection with the South-West Bus Corridors Scheme, requests the Transport, Regeneration and Climate Policy Committee to consider the concerns expressed at this meeting in relation to the impact on businesses

of introducing 12-hour bus lanes within that Scheme.

12.3 **Reasons for Decision**

- 12.3.1 The proposed changes to the Capital programme will improve the services to the people of Sheffield.
- 12.3.2 To formally record changes to the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.

12.4 **Alternatives Considered and Rejected**

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

13. **CONTINUED SUPPORT FOR VOLUNTEER RUN LIBRARIES 2022 - 2023**

- 13.1 The purpose of this report is to recommend the continuation of the grant and support package for Associate Libraries for the year April 2022 to March 2023, and continued support for Co-delivered libraries. This is an interim measure pending a strategic review of library services.

This grant was originally going through the interim decision-making process in October/November 2021. However, it was withdrawn at that time so it could be considered alongside a strategic review of library services. In March 2022 it was clear the strategic review of library services would not happen in the timescale required to ensure the volunteer run libraries continued to be solvent. Therefore, the decision-making process was re-started and now subject to the new committee decision making process.

The funding for this grant and support package being £209k was contained in the Council's March 2022 Budget report. However, an urgent decision is now needed to enable the grants to be issued.

- 13.2 **UNANIMOUSLY AGREED:** That Strategy and Resources Policy Committee:-

1. Notes that the funding for the proposed grant payments in this report were included in the Council's budget report in March 2022.
2. Approves the establishment of a fund and the urgent distribution of such funds to continue support for Associate libraries until 31st March 2023 and assist their viability and stability by providing a support package up to the value of £209k as set out in the report.

3. Approves the continued support for Associate and Co-delivered libraries by LAIS and other Council services is continued until 31 March 2023, as set out in the report.

13.3 Reasons for Decision

- 13.3.1 The current arrangements for Associate and Co-delivered libraries expired on 31st March 2022.
- 13.3.2 Continued support will increase the likelihood of all the volunteer run libraries remaining open and vibrant for the year 2022-2023.
- 13.3.3 The Libraries, Archives and Information service is undertaking a Full Service Review, and any implications of this review for Associate and Co-delivered libraries will be the subject of future reports and recommendations.
- 13.3.4 Continued support for Associate libraries will give added confidence to trustees and volunteers, at a point they are taking on board lease responsibilities.
- 13.3.5 By supporting the volunteer run libraries to remain on the Library Management System, all SCC library members can access any library in Sheffield using a single, city-wide library card.
- 13.3.6 Continued support will provide a period of financial stability and growth that will attract more volunteers and trustees, and give them additional time to build capacity and develop external funding opportunities.
- 13.3.7 The proposal will ensure the standards and controls relating to the operation of the Council's Library Management System by volunteer libraries are maintained.

13.4 Alternatives Considered and Rejected

- 13.4.1 This option provides no funding for the Associate libraries and removes all support packages beyond which can be provided at no cost to Sheffield Library Service or the Council.

Strength of this option:

- This option would save £209k

Weaknesses of this option

- Consultation with the volunteer run libraries shows a slip in their financial sustainability due to the Pandemic, and therefore reliance on fundraising and reserves is unlikely.

- A high probability that a number of libraries would close immediately.
- A high probability of further closures in the subsequent months after library reserves are depleted, unless they find an alternative source of funds.
- Having a grant from the Council provides Trustees and volunteers with a sense of stability and confidence of Council support. Without the grant, the volunteer run libraries may lose volunteers and struggle to recruit.
- As this option would result in some library closures, this would have a negative impact on the health, wellbeing and prosperity of the communities where libraries would close.

13.4.2 In this option the Associate libraries would still receive a grant but the support package would be reduced or cut altogether. This means they would not have access to any SCC library book stock and resources, the Library Management System/I.T, and the Peoples' Network (computer access) or any SCC staff support.

Strengths of this options:

- This option would save the Council £62k.
- The financial sustainability of the volunteer libraries would be maintained

Weaknesses of this option:

- The quality of the service would reduce as they would not have access to the city wide book stock and resources, and would need to buy significant amounts of new books to retain a viable library service.
- Without guidance and support from SCC staff, the quality of the library offer is likely to reduce – i.e. reduced access to training, governance support, ensuring compliance with data protection, equalities.

13.4.3 This option would be to continue with the grant and the support package, but with a ten percent reduction on the grant.

Strengths of this option:

- This option would save the Council £13,570.

Weaknesses of this option:

- A ten percent reduction in grant, plus the weak financial position of the libraries due to the Pandemic, plus rising energy costs, could mean some libraries can no longer cover their basic running costs.

14. HOUSING SUPPORT FUND

14.1 To update the Committee of the latest and future allocation of funding received from the Department of Work and Pensions (DWP) known as the Household Support Fund (HSF).

To seek approval from the Strategy and Resources Committee to spend the Housing Support Funding from DWP in line with the spending plan detailed in this report and, following the same spending priorities that have been previously undertaken through Housing Support funding.

To inform the Committee of a new requirement, to deliver at least one third of the fund to households, to pension age individuals.

14.2 UNANIMOUSLY AGREED: That Strategy and Resources Policy Committee:-

1. Approves delivery of a programme of support funded from the Household Support Funding for the period 1 April 2022 to 30 September 2022 in line with the report from the allocations totalling £5.204m from the Department for Work and Pensions (DWP).
2. Subject to the Department of Work and Pensions guidance and grant eligibility of spend remaining the same for the period from 1 October 2022 to 31 March 2023, approves delivery of a programme of support funded from the Household Support Fund for that period in line with the report from the allocations for that period in the same proportions as outlined in the report.

14.3 Reasons for Decision

- 14.3.1 The recommendations presented to the Strategy and Resources Committee will enable Sheffield City Council to provide the funds to support vulnerable households in the city to meet immediate needs and help those who are struggling to afford food, energy and water bills, and other related essentials through the cost of living crisis.

14.4 Alternatives Considered and Rejected

- 14.4.1 This report provides a detailed proposal and delivery that officers, in consultation with elected members, believe to be the best way of delivering the Household Support Fund