



Report to Policy Committee

Author/Lead Officer of Report:

James Henderson, Director of Policy, Performance and Communications

Tel: 0114 2053126

Report of: *Acting Chief Executive*

Report to: *Strategy and Resources Committee*

Date of Decision: *31 May 2022*

Subject: ***Our Sheffield: The Year Ahead***

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>				
Has appropriate consultation taken place?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>				

Purpose of Report:

This report provides the Strategy and Resources Committee with an overview of the council’s financial, policy and operating context.

It describes the key issues and opportunities facing the authority over the coming year. The report recommends that the committee develops, firstly, a high-level set of policy priorities (to be discussed at a proposed Strategy and Resources Urgency Committee meeting in June 2022) to provide clarity of direction and, secondly, a longer-term Corporate Plan for discussion at the August meeting of the Strategy and Resources Committee.

Recommendations:

It is recommended that the Strategy and Resources Committee:

1. Note the financial, policy and operating context set out in this report, and the risks and opportunities identified therein.
2. Agree to receive further reports on these issues as required, whilst noting that the primary responsibility for responding to these issues will lie with the relevant policy committee
3. Agree the proposal to develop a statement of policy priorities for the year ahead and to hold a meeting of the Strategy and Resources Urgency Committee to consider and agree this.
4. Note the importance of developing a Corporate Plan for the organisation and to note the work already done to engage with staff across the council on this.
5. Agree to holding a series of Member workshops as set out in paragraphs 25 and 26 of this report to help develop the content of the Corporate Plan
6. Agree to receive and consider a draft of the Corporate Plan at its meeting on 30 August in advance of a final report being considered by Full Council.

Background Papers:

Our Sheffield - One Year Plan 2021-22

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Ryan Keyworth, Director of Finance and Commercial Services</i>
		Legal: <i>David Hollis, Assistant Director of Legal</i>
		Equalities & Consultation: <i>James Henderson, Director of Policy, Performance and Communications</i>
		Climate: <i>n/a</i>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:	<i>Eugene Walker, Acting Chief Executive</i>
3	Committee Chair consulted:	<i>Cllr Terry Fox, Chair of Strategy and Resources Committee</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>James Henderson</i>	Job Title: <i>Director of Policy, Performance and Communications</i>
	Date: <i>20 May 2022</i>	

Purpose of report

1. This report sets out the key issues, opportunities, and challenges facing the council over the next twelve months.
2. This report also sets out a proposed approach for the development of a Corporate Plan, with an intention of bringing forward a draft of the plan to the Strategy and Resources Committee in September 2022.

Background

3. Sheffield is a brilliant city – resourceful, inventive, welcoming – a place rooted in its history and ambitious for the future. The Members and officers of the Council are proud to serve the city of Sheffield. As a Council and organisation, our guiding purpose is to put Sheffield first; to support its residents, communities and businesses to thrive; to deliver the very best public services that we can; and to lead alongside city partners, with ambition, openness and purpose, towards a bright future for our city and our region.
4. However, the council faces a series of opportunities and challenges over the forthcoming year. This report draws the attention of the Members of the Committee to those issues, describes action already underway in relation to them, and explains and requests endorsement further planned activity. In some instances, the main responsibility for these issues will sit with the Strategy and Resources Committee, whilst for others the main responsibility will be with one of the other policy committees. However, drawing this into one report is intended to enable the Strategy and Resources Committee to maintain an overview of the whole.
5. The financial, policy and operating context set out in this report will help to inform the development of a Corporate Plan for the council. A Corporate Plan is an important tool for any organisation to describe its overall priorities and the outcomes that it is trying to achieve. An effective Corporate Plan is arguably even more important for an organisation of the size, scale and complexity of the city council to be able to explain to residents, staff and partners what the council intends to achieve and the activity that it will prioritise. It is also an important tool in enabling Members and citizens to hold the council to account for what it has delivered.
6. Building on the One Year Plan, which is due to expire in summer 2022, the new Corporate Plan is intended to set both short- and medium-term priorities for the organisation. In turn this will enable resource allocation

(including budget setting) to follow the overall objectives of the council more precisely.

7. This report sets out a proposed timeline for the development of the Corporate Plan over the summer to enable proper Member, staff and community engagement. In order to provide clarity of direction for the organisation in the shorter-term, and following the formation of the new administration, it is proposed to bring forward a report rapidly that will set out a small number of immediate areas of focus for the organisation, enabling us to respond quickly to some of the contextual issues set out below (including, particularly, the cost-of-living crisis). This will in turn help to inform the development of the Corporate Plan.

Our financial, policy, and operating context

8. The Council's financial position is extremely challenging

8.1 The Council is facing a challenging financial position driven by rising cost pressures in the two social care areas and emerging inflationary pressure on contracts and energy. The Council finished the 2021/22 financial year with a £20m overspend – helped by one-off income from the NHS.

8.2 Balancing the 2022/23 Budget required significant savings and a use of reserves. The use of reserves can only be one-off. Alongside the series of budget savings agreed by Full Council across all SCC service areas, a series of strategic reviews were commissioned as part of the 2022/23 budget that are designed to save money over the longer term whilst protecting vital services.

8.3 The Council's ability to set a balanced budget for the 2023/24 financial year will be determined by the success we have in implementing the agreed budget savings and the strategic reviews referred to above being seen through to completion.

8.4 Further information regarding the council's current budget situation, the current position regarding the implementation of the budget plans approved by Full Council in March 2022, and the emerging position for 2023/24 and beyond is set out in a subsequent paper on this agenda. Nevertheless, it is important for the Strategy and Resources Committee, through its Finance Sub-Committee, to maintain a detailed understanding of the emerging financial situation and to note the agreed position of Full Council when it set the budget that: *"it is the responsibility of each Committee to work within the budget framework*

agreed by Council. This includes taking timely action to address any overspend within the services for which the Committee is responsible.”

9 The cost-of-living crisis is having a significant impact for many Sheffielders

9.1 The cost-of-living crisis is beginning to have a significant impact in Sheffield. Price rises driven by energy inflation, alongside additional taxation, are having an impact on most households in the city, with those on the lowest incomes likely to be hardest hit. The energy price cap is likely to rise again in the autumn, with the potential to precipitate an even deeper crisis for very many in the city.

9.2 A more detailed paper setting out the council's current work on responding to the cost-of-living crisis and a proposed approach for how we coordinate a city-wide response to this over the coming months is set out in a subsequent paper on this agenda.

10 The Levelling Up Accelerator programme represents a significant opportunity for Sheffield, which we are aligning with work already underway on the City Strategy

10.1 Sheffield was announced as one of the first places to receive **Levelling Up** regeneration funding for Castlegate and is working closely with the Department for Levelling Up, Housing and Communities (DLUHC), BEIS and Homes England to assemble and deliver a Sustainable Growth Accelerator Programme that will help deliver tangible impact upon the 12 Levelling Up Missions. A prospectus will be produced shortly, however in the longer term, the areas highlighted for acceleration with levelling up will need to be firmly placed in the wider strategic, Sheffield context.

10.2 In addition, as part of its work to develop the investment strategy for the South Yorkshire Renewal Fund, SCC will need to develop a **Place Based Plan** setting out investment priorities for the city.

10.3 We have proposed to the Sheffield City Partnership Board that we align these programmes with the City Strategy, creating a single story that strategic partners and businesses can articulate about the city's needs, opportunities and priorities. This will result in the whole city coming together to set out some clear missions for the year ahead, with the Sustainable Growth Accelerator Programme acting as the fuel to propel the city to achieve these, working alongside both Government and the South Yorkshire MCA. This will ensure that we

maximise the impact of both new funding streams (such as Levelling Up Funds) and the gainshare resources agreed as part of the Devolution Agreement.

10.4 There is a small window of opportunity over the summer to demonstrate to Government our commitment and intent. Further reports will be presented for consideration by this committee and the Transport, Regeneration and Climate Policy Committee.

11 There is an opportunity to further develop our approach to devolution and community empowerment

11.1 Last year saw the successful implementation of the Local Area Committees and the preparatory work for the new committee system. There are a number of unresolved issues in how the council wants to involve and empower communities (including the role of the new structures that have been established), and, in the case of the Local Area Committees what the Council's longer-term approach to devolution of powers/funding to these structures should be.

11.2 To assist the Governance Committee in its work last year shaping the new committee system, the support of Involve (the UK's leading public participation charity) was enlisted to provide advice and guidance on how best to ensure that citizen voice is heard in the new committee system. A final report is due back from Involve shortly, and this should help to provide a roadmap for the authority in terms of its approach to community involvement and empowerment.

11.3 It will also be important during the course of this year for the council to clarify and reconfirm its relationship with the Voluntary, Community and Faith sector in the city. Working with our partners in the VCF sector is likely to become even more important given the financial context of the organisation and the ongoing cost-of-living crisis highlighted above, which is affecting both VCF sector organisations themselves and those that they are working with.

12 Some of the services that the people of Sheffield rely on are not performing sufficiently strongly

12.1 At the core of our role in making Sheffield a brilliant place to live and work is the responsibility to provide high quality services, meeting and exceeding the expectations of the people of Sheffield in every part of the city. We will bring forward a targeted 12-month action plan to focus on agreed areas on poor performance.

12.2 As part of this we need to develop a performance management, intelligence and assurance culture across the organisation and become a citizen focused organisation that drives continuous improvement. However, we need to take immediate action to address critical areas of under-performance. The relevant committee for each of the identified areas of under-performance will have responsibility for overseeing work to bring performance back on track, with Strategy and Resources maintaining a whole-organisation overview.

13 We have a substantial asset maintenance backlog and need a new approach to the management of our assets

13.1 Across the whole estate, there is a backlog maintenance cost of approximately £120m. We have developed a corporate asset management plan to help us reduce this backlog through rationalising the size and cost of our estate. Our approach to asset management should be about more than budget savings: there is an opportunity to deliver significant impact on our carbon emissions as an organisation, ensure our accommodation is fit for purpose and increase the agility of how we work as well as delivering savings (running costs and cost avoidance in backlog maintenance).

13.2 The programme set out in the corporate asset management plan seeks to achieve an estate we can afford in terms of revenue running costs and maintenance backlog. The programme has four themes: City Centre, Depots, Localities and Service Tenancies.

13.3 Strategy and Resources Committee has responsibility for all property related decisions, and therefore oversight of the corporate asset management programme will be part of this committee's remit

14 Significant changes to NHS governance will take effect shortly

14.1 The Health and Care Bill achieved Royal Assent in April and as a result the new NHS machinery at local level has now been placed on a statutory footing. This includes the abolition of the Clinical Commissioning Group and absorption of its functions into the South Yorkshire Integrated Care System.

14.2 The relationship between SCC and the NHS is critically important from in order to improve outcomes for people who require care and from a financial perspective (via the Better Care Fund). There is a risk that the new NHS machinery will result in a loss of momentum in our work on joint commissioning. Conversely it also represents an opportunity to strengthen integration if approached carefully.

15 Adults' and Children's Social Care are both areas of significant risk for the authority

- 15.1 Both Adult Health and Social Care and Children's Services are under a significant amount of immediate pressure across all areas of business (including home care, residential care, discharge and reablement) with rising costs and lack of capacity in the system resulting in financial stress and a risk of poorer outcomes for individuals.
- 15.2 Children's and Adults' care services represent the council's two largest areas of expenditure, the two most significant areas of risk in terms of poor outcomes for vulnerable people (and the connected inspection/regulatory risk), and the two areas that support/are integral to wider systems that are under growing financial/demand stress. There is also the ongoing risk of market failure in both the adults' and children's care sectors and the challenge and opportunity of significant policy/legislative change in both sectors.
- 15.3 Adult Social Care is CQC-regulated and an inspection is possible at some point over the course of the year. Plans are in place and being implemented to ensure that we are well-prepared for this.
- 15.4 From a Children's Services perspective, although the service continues to perform well, it is at increased risk because of the imminent loss of leadership capacity and because of the ongoing financial pressures that it is experiencing.

16 Further progress is required on the Local Plan during 2022/23

- 16.1 The Local Plan will set the overall shape for the physical and spatial development of the city over the next few decades. It represents a significant opportunity to shape the Sheffield of the future in a positive way.
- 16.2 Members agreed the timetable for the development of the Local Plan during the course of 2021/22 after many years of delay, including agreement of an approach around the use of brownfield and greenfield sites (spatial options). This represents a significant step forward but the year ahead will see a number of key milestones/risks for the Local Plan including the publication of a draft plan for consultation in October 2022.

16.3 A paper setting out the key milestones for the Local Plan during 2022/23 is included as a subsequent paper on this meeting. Owing to its centrality to the Council's Budget and Policy Framework and because of its cross-cutting nature, the chair of the Strategy and Resources Committee may wish to consider whether lead responsibility for the Local Plan should rest with this committee or with the Transport, Regeneration and Climate Committee.

17 Further rapid action will be required to meet the Council's climate change ambitions

17.1 The Council has declared a climate emergency and agreed an ambitious deadline for net zero by the end of the decade. During 2021/22 we agreed the Ten Point Plan setting out our broad objectives that will help meet our response to the climate crisis.

17.2 However, to have any chance of meeting this deadline and achieving the objectives set out in the Ten Point Plan, we will need a full action plan agreed during the 2022/23 financial year. Although we have made good progress, we are some distance behind other core cities in this space.

17.3 Responsibility for the development of the action plan will sit principally with the Transport, Regeneration and Climate Policy Committee, but it will be important for each policy committee to consider and take action to respond to the climate crisis and within and across their individual areas of responsibility.

18 The Clean Air Zone is due to be implemented in the early part of 2023

18.1 Sheffield's air quality does not meet the legal safe standard at various points on the network. The Government required us to develop plans to introduce a Clean Air Zone for the city centre.

18.2 The Clean Air Zone for Sheffield is due to go live in the early part of 2023 following a number of delays. The Council remains at risk of financial claw back if our go-live date is further delayed.

19 The Race Equality Commission is due to report during the summer

19.1 The Race Equality Commission report is due to be published during the summer. This is likely to make a number of hard-hitting recommendations about the city's overall approach to race equality

and specific recommendations about the Council are also likely. A report will be brought back to this committee following publication of the REC report detailing a proposed SCC response to those recommendations.

19.2 Furthermore, internal work done during 2021/22 has identified weaknesses in our practice around equality, diversity and inclusion more generally. Plans are already in place to enable rapid improvement in this area both in terms of our workforce inclusion and diversity and how we support and engage with diverse communities across the city in support of our Equality Objectives and the public sector equality duty.

Developing a new plan for Sheffield

20 Given the challenging policy, financial and operating context outlined above, the importance of the Council developing and agreeing a clear, prioritised plan, setting out its objectives for the coming years, is especially important.

21 A Corporate Plan should set out Elected Members' vision and priorities for Sheffield, and acts as a point of reference for staff, so that they understand their role in achieving Members' vision for SCC, and residents, so that they know what to expect from us. It should demonstrate the organisation's commitment to delivering that vision for Sheffield and outline how we will work with partners, communities and businesses to achieve it.

22 An effective Corporate Plan will set out:

- In one document outline the priorities and vision of members for the city over a period of at least three years
- our **commitment to deliver** on these priorities over the coming years.
- our honest take on the **key challenges** facing people and communities and what we can do to address them.
- our ambition to **work together as a city**, not just the council, with residents, communities, partners and businesses.

It will also be clear on how we get there by:

- helping us **to prioritise our resources** and draw a link between what we do and what we want to achieve
- shaping how we **work with partners in new ways** that will be more effective for the city and more financially sustainable for the Council.
- being **open and clear about our plans while listening** to and including others across the city

23 It should be a document that guides the organisation as its main policy framework – but it should also be a living and evolving document that is

capable relevant in the face of changing circumstances. To ensure that this happens, it is proposed that the main Corporate Plan, once agreed, is accompanied by a more detailed document setting out the key activity for the organisation over the year ahead in support of the overall priorities set out in the Corporate Plan itself. This document would be refreshed on an annual basis (alongside an annual report on progress to the Strategy and Resources Committee).

What we have done so far

24 Ahead of the election, we engaged with staff and senior managers to develop our understanding of what they need from the Plan, to act as a foundation for this work. From this we heard a number of key messages:

- A strong desire to have Members' priorities captured in a simple and easily accessible plan;
- People were clear that the Plan must be meaningful to our communities, that so that residents and communities can see and understand what we're trying to do for the city
- Staff also want to understand how their work connects to others' across the Council, and to understand what's going on across the Council more broadly
- A strong public service ethos and desire to do the best for Sheffield has been evident in the way staff have engaged
- A clear view that we need to do more to engage with communities and to use the engagement work we already do better, to recognise that different communities have different needs and to ensure we avoid a one-size-fits-all approach.
- Staff welcomed being engaged in this work, and were keen that they maintain involvement as it develops.

What we need to do now

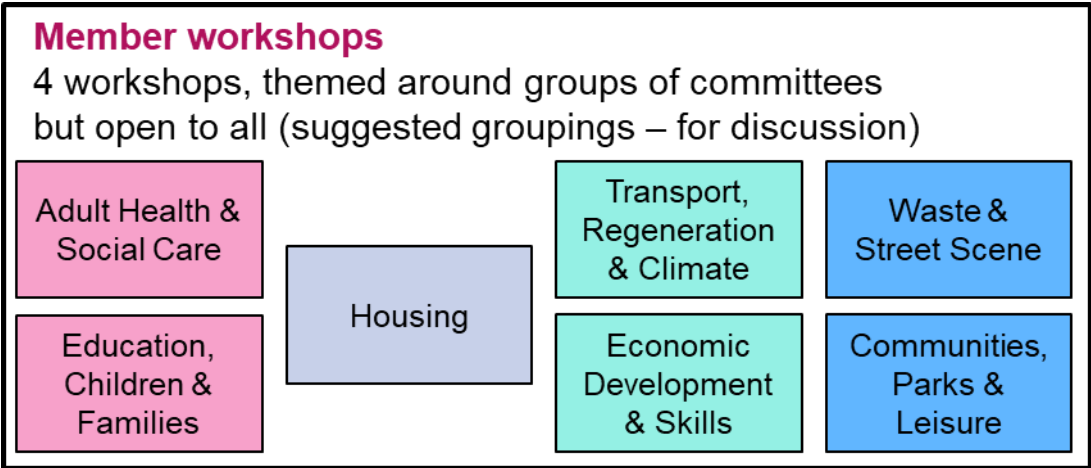
25 There are a number of areas of activity that we need to undertake to develop the plan:

1. Following the appointment of chairs and members of the new committees, work with Members to develop a set of shared policy priorities
2. Development of a draft Plan
3. Staff, public and partner engagement
4. Finalisation and formal approval of the Plan by Full Council

26 Working with senior Members from all three council groups, we propose holding a meeting of the Strategy and Resources Urgency Committee in June to discuss and agree a set of focus areas for the Council during the year ahead. This will both provide some short-term clarity for the organisation

about areas of focus, which will help to inform the budget setting process for 2023/24, as well as providing a helpful launchpad for the development of the Corporate Plan over the summer.

- 27 Our proposal for approaching the Corporate Plan development work is to run a series of member workshops, themed loosely around groupings of committees (such as in the example below). Relevant committee members would be invited to attend each one, but invites to each would be open to all Members, providing an opportunity to Members on other committees to input into areas that are outside their direct responsibilities but may be connected, or for relevant ward/constituent concerns to be represented in discussions.
- 28 These workshops would focus on agreeing outcomes for the areas being discussed, and then working with Members to prioritise within these. The output from these workshops will then need to be brought together to identify the small set of overarching priorities for the whole organisation.



- 29 We will also draw on existing material, including, importantly, the Local Area Committee Plans in this work.

Development of a draft Plan

- 30 Following these workshops, we would intend to bring a draft of the plan to the Strategy and Resources Committee meeting due to be held on 30 August.
- 31 In between the conclusion of the workshops and the meeting of the Committee on 30 August, Members may wish to consider meeting informally as a committee to oversee the process. Through this route the committee would have responsibility for both overseeing the development of the content, and ensuring effective engagement and involvement of the public and stakeholders in its development.
- 32 Because the Corporate Plan is a key component of the Council’s overall Budget and Policy Framework, it is suggested that Full Council endorse the

final version of the Corporate Plan. Therefore, a target date for Full Council to consider the plan of October 2022 is proposed.

How does this decision contribute?

33 The proposals set out in this report will help contribute to set a clear direction for the organisation for the forthcoming year, and through the development of the Corporate Plan, beyond. They will help to ensure that the organisation stays focused on key objectives whilst responding to the changing context within which it is working. In turn this will ensure that the council continues to place the wellbeing of the people of Sheffield and the communities in which they live at the heart of its decision-making.

Has there been any consultation?

34 There has been no consultation on the contents of this report as it provides a position statement to members of the committee and a proposed approach to developing a new plan for the council. As part of this approach, consultation with staff, citizens and Members on the content and direction of the plan is proposed.

Risk Analysis and implications of the decision

Equality Implications

35 There are no direct equality implications arising from this report. The operating context described in the first half of the paper, including, but not limited to, the forthcoming publication of the Race Equality Commission report, the cost-of-living crisis, and the work on Levelling Up, and the council's response to these, are all likely to have substantial equality implications. The same is true of the development of the Corporate Plan.

36 Equality Impact Assessments will be developed to ensure that a thorough and robust understanding of these equality implications is made for each of these issues as they come forward for consideration by the committee.

Financial and Commercial Implications

37 There are no direct financial and commercial implications arising from this report.

Legal Implications

38 There are no direct legal implications arising from this report. Once adopted the legal implications of delivery against the Corporate Plan will be considered as part of the decision-making process.

Climate Implications

39 There are no direct climate implications arising from this report. There are likely to be climate implications arising from the council's response to many of the issues documented in the first part of this report: climate impact assessments will be undertaken for these as needed.

Other Implications

40 There are no other implications of this report.

Alternative Options considered

41 Two alternative options were considered:

- Producing a Corporate Plan for discussion at the Strategy and Resources Committee in July. This was discounted on the basis that it would leave insufficient time for engagement with Members, staff or other stakeholders.
- Not producing a Corporate Plan at all. This was discounted on the basis that the policy, financial and operating context for the organisation was such that not having a clear statement of direction, objective and priorities would have a significant detrimental impact on the organisation's ability to operate effectively.

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Report to Policy Committee

Author/Lead Officer of Report: Ryan Keyworth,
Director of Finance and Commercial Services

Tel: +44 114 474 1438

Report of: Ryan Keyworth
Report to: Strategy and Resources
Date of Decision: 31 May 2022
Subject: Month 1 Monitoring, Financial Position and Budget Timetable

Has an Equality Impact Assessment (EIA) been undertaken?	Yes		No	X	
Has appropriate consultation taken place?	Yes		No	X	
Has a Climate Impact Assessment (CIA) been undertaken?	Yes		No	X	
Does the report contain confidential or exempt information?	Yes		No	X	

Purpose of Report:

This report brings the Committee up to date with the Council's financial position as at Month 1 2022/23. The report also seeks the Committee's agreement to a proposed budget timetable for the development of the 2023/24 budget.

Recommendations:

The Committee is recommended to:

1. Note the Council's challenging financial position
2. Confirm that *"It is the responsibility of each Committee to work within the budget framework agreed by Council. This includes taking timely action to address any overspend within the services for which the Committee is responsible."* As agreed by Full Council on 23 March 2022
3. Note that the Finance Sub-Committee on 7 June will receive more detailed budget monitoring
4. Note that each Policy Committee will receive more detailed budget monitoring for their areas of responsibility at their meetings in June 2022
5. Requires any Policy Committee that is forecasting an overspend on their budget to develop an action plan to address the overspend in-year and ask the Finance Sub-Committee to monitor both the development of any required action plans and delivery against them
6. Approve the budget timetable set out in 1.5.1 of this report
7. Note that each Policy Committee will be advised of the budget timetable at their June 2022 meetings including the requirement for each Policy Committee to plan to develop budget proposals over the course of the summer

Background Papers:

[2022/23 Revenue Budget](#)

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Ryan Keyworth, Director of Finance and Commercial Services</i>
		Legal: <i>David Hollis, Assistant Director, Legal and Governance</i>
		Equalities & Consultation: <i>James Henderson, Director of Policy, Performance and Communications</i>
		Climate: <i>n/a</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	SLB member who approved submission:	<i>Ryan Keyworth</i>
3	Committee Chair consulted:	<i>Cllr Terry Fox</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>Ryan Keyworth</i>	Job Title: <i>Director of Finance and Commercial Services</i>
	Date: <i>31 May 2022</i>	

1. PROPOSAL

1.1 Context

1.1.1 The Council is facing a challenging financial position. It is critical that all Committees stay within the budgets that have been allocated to them by Full Council

1.1.2 A specific recommendation to Council in the [March 2022 budget report](#) supports this:

“d) To note that, if overspends against the agreed budgets emerge, then Executive Directors and Directors will be required to develop and implement plans to mitigate fully any overspend, within 2022/23, in consultation with elected Members;”

1.1.3 This recommendation was further reinforced by an [amendment](#) to the [report establishing the new Committee](#) system approved at Council on 23 March proposed by Cllr Cate McDonald (Executive Member for Finance and Resources), seconded by Cllr Sioned-Mair Richards (Chair of Audit and Standards Committee).

“49. It is the responsibility of each Committee to work within the budget framework agreed by Council. This includes taking timely action to address any overspend within the services for which the Committee is responsible.”

1.2 Background – 2021/22 Out-turn and 2022/23 Budget

1.2.1 The Council finished the 2021/22 financial year with a £20m overspend – helped by one-off income from the NHS.

£m	FY Outturn	FY Budget	FY Variance
People	286.7	264.3	22.4
Place	131.2	135.1	(3.8)
PPC	3.1	3.4	(0.4)
Resources	10.5	8.8	1.7
Corporate	(411.7)	(411.6)	(0.1)
Total	19.8	0.0	19.8

1.2.2 Balancing the 2022/23 Budget required significant savings and a use of reserves. On 2 March 2022, Council approved the 2022/23 budget. That budget required almost £53m of savings proposal and the use of £15m of the Council's one-off reserves to balance it.

£m 22/23	Approved Savings
People	37.7
Place	7.1
PPC	1.2
Resources	6.7

Total	52.7
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The Council has also earmarked £25m of reserves to manage the delivery (ie can the saving be realised) and timing risks (ie when can the full saving be delivered) associated with the £52.7m savings.

1.2.3 The Council allocated a total of £70m Reserves to support the Budget from 2021/22

These one-off reserves have been used, or are earmarked as follows:

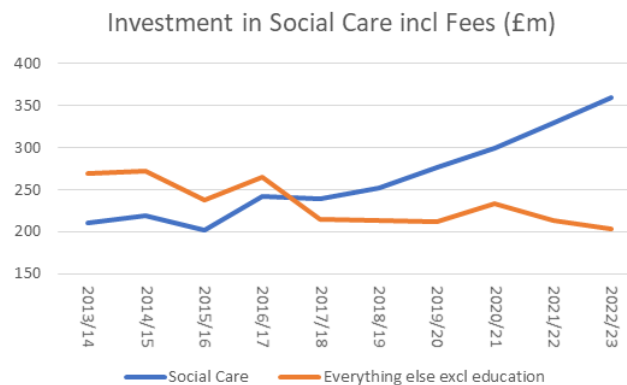
Reserves Usage	£m
2021/22 Overspend	20
2022/23 Budget Balancing	15
2022/23 Current Overspend	19
<i>Unallocated</i>	<i>16</i>
Total	70

1.2.4 The 2022/23 budget, consistent with the Council's long-term priority, protected investment in key front-line services and in particular social care.

The table below shows how budgets changed from 2021/22 to 2022/23. Effectively, the 2021/22 overspend in People as shown above has been built into the 2022/23 budget. There have been some reallocations between portfolios (eg Libraries) but the message is unaltered:

£m Budget Comparison	2021/22	2022/23	Change
City Futures		43.8	
Operational Services		112.3	
Sub-Total	135.1	156.1	21.0
People	264.3	291.9	27.7
Policy, Performance And Comms	3.4	2.8	(0.6)
Resources	8.8	6.6	(2.2)
Corporate (Incl Use Of Reserves)	(411.6)	(457.4)	
Total	0.0	(0.0)	45.8

1.2.5 Over the longer term and including fee income, this chart shows how the Council has continued to invest in Social Care services with increases of 6% per year for last 10 years and 8% per year for the last 5 years.



1.2.6 The use of reserves can only be one-off. A series of Reviews were commissioned as part of the 2022/23 budget that are designed to save money over the longer term whilst protecting vital services:

Early Intervention & Prevention including Financial Support	Review and consolidation of the Council's early intervention and prevention services including services provided by Children and Families, Housing, Communities, Adult Health and Social Care. Review of the Council's approach to providing financial support / hardships support including the funding and administration of schemes. Including Council Tax support / hardship, s17 payments, No Recourse to Public Funds, Local Assistance Scheme etc
Libraries	Review the Council's Libraries offer, including the remaining 11 Council-run libraries to determine whether any more should become volunteer run libraries.
Accommodation	<ol style="list-style-type: none"> 1. City Centre e.g Moorfoot, Howden, Town Hall 2. Locality buildings 3. Depots / operational type bases 4. Community buildings, including all parks/libraries 5. Service tenancies 6. Commercial Estate and leased out
Apprenticeships	Review to explore further opportunities to grow our apprenticeship cohort, saving money and providing opportunities at the same time.
Customer Service	<ol style="list-style-type: none"> 1. Communication 2. Access to Services 3. Quality and Timeliness 4. Digital and Self-Service

1.3 Month 1 2022/23

1.3.1 The Council is forecasting an £18.7m overspend against the 2022/23 budget

Full Year £m	Outturn	Budget	Variance
Corporate	(457.0)	(457.1)	0.1
City Futures	44.6	43.8	0.8
Operational Services	111.9	112.0	(0.1)
People	308.2	291.9	16.3
Policy, Performance Comms	2.9	2.8	0.1
Resources	8.1	6.6	1.5
Total	18.7	0.0	18.7

1.3.2 This overspend is due to a combination of agreed Budget Implementation Plans ("BIPs") not being fully implemented and ongoing cost / demand pressures that are partially offset by one-off saving.

Full Year £m	One-off	BIPs	Trend	Variance
Corporate	-	-	0.1	0.1
City Futures	-	-	0.8	0.8
Operational Services	(3.2)	1.3	1.8	(0.1)
People	(1.2)	15.4	2.1	16.3
Policy, Performance Comms	-	0.1	-	0.1
Resources	-	1.4	0.1	1.5
Total	(4.4)	18.2	4.9	18.7

- 1.3.3 Individual Policy Committees will receive more detailed budget monitoring at their June 2022 meetings. **It is recommended** that the Strategy and Resources Committee requires any Policy Committee that is forecasting an overspend on their budget to develop an action plan to address the overspend in-year.

1.4 Outlook for 2023/24 and Beyond

- 1.4.1 We do not expect to receive additional core funding – the trend in government is to support specific initiatives rather than general funding uplifts. In any case, the Local Government finance settlement is normally issued just before Christmas – far too late to support a budget process.

The best we can hope for is that the government will recognise and provide funding to cover the current high rates of inflation, although there are no indications from government on this and we would not expect to get any confirmation until the Autumn Statement at the earliest.

- 1.4.2 We are working on the Medium Term Financial Analysis which will provide our best estimate of the Council's overall financial position for the next few years. We normally produce this over the summer for publication in the early Autumn, but this year, we are bringing it forward to July because of the Council's difficult financial position.

- 1.4.3 There is likely to be a significant budget gap to bridge for 2023/24

Possible 2023/24 Budget Gap	£m
Use of Reserves in 2022/23 Budget	15
Current 2022/23 Forecast Overspend	19
One-offs being used in 2022/23	4
Ball-park inflationary / demand pressures	?45?
Expected Grant / Council Tax Increase	(15)
Potential Budget Gap	68

1.5 2023/24 Budget Timetable

- 1.5.1 The high-level timetable for the 2023/24 budget has been structured around the Committee timetable. This timetable will require significant work from Policy Committees over the summer and will mean that budget proposals from Committees will be reported during September.

Throughout June 2022	Budget Monitoring and timetable Reports to Policy Committees at Month 1 2022/23.
5 July 2022	Medium Term Financial Analysis to Strategy and Resources Committee . Strategy and Resources Committee sets Policy Committee budget targets.
July – September 2022	Policy Committees develop Revenue and Capital budget proposals to address any cost or demand pressures within the budget allocated by Strategy and Resources Committee.
Throughout September 2022	Policy Committee meetings to formally set out how they are going to deliver their budget – reporting the results of the work done over the summer.
12 October 2022	Consolidated budget report based on individual Policy Committee work to Strategy and Resources Committee .
Throughout November 2022	Policy Committee meetings formally to sign-off budgets after any changes from Strategy and Resources Committee in October
5 December 2022	Overall budget formally signed off by Strategy and Resources including the Housing Revenue Account Rent setting report as part of the Housing Policy Committee’s budget.
24 January 2023	Budget report formally approved by Strategy and Resources with recommendations to Full Council
1st February 2023	Housing Revenue Account budget approved at Full Council , together with the Rent Setting decision
1st March 2023	2023/24 Revenue and Capital Budgets to Full Council

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The recommendations in this report will ensure that the Council has a robust budget process for 2023/24 and will ensure that each Policy Committee undertakes any work required to both balance their 2022/23 budget and prepare for the 2023/24 budget.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 There has been no consultation on this report, however, it is anticipated that the budget process itself will involve significant consultation as the Policy Committees develop their budget proposals

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

- 4.1.1 There are no direct equality implications arising from this report. It is expected that individual Committees will use equality impact analyses as a basis for the development of their budget proposals in due course.

4.2 Financial and Commercial Implications

- 4.2.1 There are no direct financial implications from this report.

4.3 Legal Implications

4.3.1 Under section 25 of the Local Government Act 2003, the Chief Finance Officer of an authority is required to report on the following matters:

- the robustness of the estimates made for the purposes of determining its budget requirement for the forthcoming year; and
- the adequacy of the proposed financial reserves.

4.3.2 There is also a requirement for the authority to have regard to the report of the Chief Finance Officer when making decisions on its budget requirement and level of financial reserves.

4.3.3 By the law the Council must set and deliver a balanced budget, which is a financial plan based on sound assumptions which shows how income will equal spend over the short- and medium-term. This can take into account deliverable cost savings and/or local income growth strategies as well as useable reserves. However, a budget will not be balanced where it reduces reserves to unacceptably low levels and regard must be had to any report of the Chief Finance Officer on the required level of reserves under section 25 of the Local Government Act 2003, which sets obligations of adequacy on controlled reserves.

4.4 Climate Implications

4.4.1 There are no direct equality implications arising from this report. It is expected that individual Committees will consider climate implications as they develop their budget proposals in due course.

4.4 Other Implications

4.4.1 No direct implication

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 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.



Report to Strategy and Resources Committee

**Author of Report: James Henderson
(Director of Policy, Performance and Communications)**

Report of: *Director of Policy, Performance and Communications*

Report to: *Strategy and Resources Committee*

Date of Decision: *31st May 2022*

Subject: *Supporting Sheffielders through the cost-of-living crisis*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>				

Purpose of Report:

This report sets out how the cost-of-living crisis is having profound implications for people across Sheffield and the steps that SCC and partners in the public and voluntary, community and faith (VCF) sector have taken to provide support and advice to those who are being most impacted.

The report proposes that we urgently establish a cross-partner incident management approach to the cost-of-living crisis, learning from the strength of our whole city response to Covid-19. This will include the establishment of a strategic response group ('Gold'), chaired by the Leader of the Council, that will bring together relevant Committee Chairs, SCC officers and representatives from across Sheffield's public, private and VCF sector. This group will set out and direct Sheffield's overall response to supporting communities through the cost of living crisis.

This 'Gold' command group will be supported by a 'Silver' (tactical) group who will have responsibility for coordinating planning and activity in support of the overall strategy developed by the Gold group. This group will set meet frequently and set out an operational plan to respond to the cost-of-living challenges facing the city.

Recommendations:

That Strategy and Resources Committee:

1. Note the work that has been done on a cross-partner basis to date to help the people of Sheffield respond to the cost-of-living crisis, as described at paragraph 7 of this report, including supporting the work of South Yorkshire Community Foundation to establish a new fund to support people with the cost-of-living crisis.
2. Agree to establish an incident response 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 'Gold' group to be chaired by the Leader of the Council and a 'Silver' partner group led by a senior SCC officer.
3. Ask all policy committees at their first meetings to consider nomination of an Elected Member to sit on a cross-party Gold group
4. Agree that partner organisations should be invited to join the Gold group, recognising that the cost-of-living crisis demands a whole-city response across the public, private and VCF sectors.
5. Agree to receive a report at its July meeting setting out a proposed strategy and action plan for addressing the cost-of-living crisis in Sheffield, which should include proposals around the utilisation of the Food Action Plan fund established as part of the 2022/23 budget, along with updates on the social isolation and volunteering funds.

Background Papers:

(Insert details of any background papers used in the compilation of the report.)

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Ryan Keyworth (Director of Finance and Commercial Services)
		Legal: David Hollis (Assistant Director of Legal and Governance)
		Equalities & Consultation: Laurie Brennan (Head of Policy and Partnerships)
		Climate: N/A
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:	<i>James Henderson (Director of PPC)</i>
3	Committee Chair consulted:	<i>Cllr. Terry Fox</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: James Henderson	Job Title: Director of Policy, Performance and Communications
	Date: 23 rd May 2022	

Supporting Sheffielders through the cost-of-living crisis

Purpose of report

1. This report sets out a proposed and whole-city response to the cost-of-living crisis which is having profound implications for communities across Sheffield.
2. It sets out the actions that we have taken with partners to date and proposes an incident management approach to co-ordinate the city's response, bringing together organisations from across the public, private and VCF sector.

The cost-of-living crisis is bringing real hardship to Sheffielders in all communities

3. The cost-of-living crisis is beginning to have a significant impact in people in every part of our city. Price rises driven by energy price inflation, alongside additional taxation, are having an impact on most households in the city, with those on the lowest incomes likely to be hardest hit (particularly as benefit uplifts fail to keep pace with inflation). The energy price cap is likely to rise again in the autumn, with the potential to precipitate a very real crisis for very many in the city during the winter.
4. Poverty was getting worse before Covid-19¹ and the pandemic has had a disproportionate impact on the poorest communities, and especially those living in deprived areas, black and minority ethnic communities, and disabled people. Having already had many temporary support and protections reduced or removed in autumn 2021, including Universal Credit reducing by £20 a week, many people are now facing a cost-of-living increase which is going to significantly reduce their ability to afford essentials in the face of further cuts to support.
5. Illegal money lending is also getting worse, with more people using illegal lenders for essentials. The pandemic and subsequent events have also seen people affected who had generally been able to cope financially before. We estimate that around half of the people who went newly onto Universal Credit during lockdown were completely new to the benefits system. We are also seeing a growing cohort of people who are on low incomes but not low enough

¹ 35.5% children in Sheffield (34,822 children) were in poverty before the pandemic (this is up from 29.9% or 30,713 children five years ago)

to be eligible for benefits and who are facing steep increases in their cost of living and their subsequent ability to cover essentials.

Incomes are going down while costs are rising by more than 50%

- Universal Credit reduced by £20 a week in autumn 2021
- Energy and food prices are rising dramatically, particularly from April. Energy bills are rising by 54% on the average standard variable tariff. This includes significant increases in the Daily Standing Charge that even people using the minimum amount of energy have to pay.
- Household debt has been increasing, with lower income households more affected.
- Rents are going up, especially in the private sector.
- BBC [explanation](#) of the cost-of-living increase.

Government-financed support schemes are reducing or stopping

- Debt Advice and help to claim Universal Credit in Sheffield has reduced significantly
- Discretionary Housing Payment budget for help with housing costs has reduced by 30%
- Some temporary funds to cover emergency essentials are coming to an end, including self-isolation payments and hardship support.
- School holiday food vouchers for children eligible for Free School Meals have been provided for the last two years using Government funding – they are likely to continue during this academic year but funding may stop after that.

We've taken action taken to support Sheffielders

6. To date, Government action to the cost-of-living has been very limited. A Council Tax rebate of £150 per Band A-D house has been announced, along with a repayable £200 loan scheme to offset increasing energy bills.
7. But, in the absence of intervention from Government, we have been taking action to support our communities:
 - **Supporting people in most need** – SCC currently spends £8.38m to support Sheffielders in financial need. We are improving access to support and advice via the [SCC website on support available](#), including Council Tax Support, Council Tax hardship scheme, Discretionary Housing Payments, Local Assistance Scheme and Household Support Fund.

- **£200k investment in tackling food poverty** – allocated £200k in the 2022/23 budget to help tackle food poverty, including developing a Food Access Plan which includes working with and supporting the city’s food banks and increasing community capacity for schemes that build social links and long-term access to healthy food.
- **Tackling social isolation and supporting volunteering** – allocated £1m in the 2022/23 budget for prevention and early intervention work on social isolation and allocated £500k to support volunteering in the city.
- **Council Tax rebate** – from May 2022, we are making payments of £150 to around 138,000 households in the city for whom we have Direct Debit details and implementing a Post Office Payout to the 77,000 households who are eligible for a rebate but for whom we do not have bank account details.
- **South Yorkshire Community Foundation cost of living crisis fund** – we are working with SYCF to support and promote a fund that they are creating to help local people most affected by the cost of living crisis. SYCF will independently administer the fund which will be open to organisations, including foodbanks, to bid for grants to help them support local people. To kickstart the fund, SCC will donate £20,000 and there may be Sheffielders who would like to donate some or all of their Council Tax Energy £150 rebate to the fund.
- **Getting advice and guidance to our frontline staff**– guide given to public and voluntary sector frontline staff in the city to provide advice about reading meters before the energy increase
- **Regular operational briefings for frontline staff** – providing benefits, financial support, disadvantaged people and poverty mitigation for public and VCF sector organisations
- **Sheffield Money Support** - SCC has worked with partners to put together this Sheffield Money Support [website](#) and a ‘Worrying about Money?’ leaflet (available by following the Sheffield leaflet link from [here](#)). Copies of the leaflet have been sent to all Sheffield schools and GPs.
- **Developing a Poverty Action Plan** – building on the city’s Poverty Summit in October 2021, we are working with partners to develop the Poverty Action Plan. This includes identifying short and longer term actions and establishing a picture of ‘typical’ households that experience poverty and thus how we can tailor support to address the different types of pressures they’re under.

Concerted local and national action is needed to respond to the cost-of-living crisis

8. Sheffield City Council, working with its partners, is already doing much to respond to the cost-of-living crisis. However, it is clear with inflation running at 9% and expected to hit 10% later in the year, and a further increase in the energy cap expected, that the worst of this crisis is ahead of us. Rapidly stepping up the city's response is critical if we are to support the citizens and communities of Sheffield to weather this oncoming storm.
9. The cost-of-living crisis is an immediate and pressing issue facing many households and communities around the city. It is exacerbated by over a decade of austerity and the fact that very many people in Sheffield already live in and with poverty. It is also having an impact on people who may have been coping prior to the CoL crisis but who will find rising costs very difficult or impossible to manage.
10. Our response needs to be focused on the steps we can take as a city to alleviate the effects of the CoL crisis, and in particular the impact that it is having on routine day-to-day income and expenditure decisions for households – the choice, for some, between heating and eating.
11. At a city level, our ability to affect the root causes of the cost-of-living crisis will be limited. We have no levers to address the cost of gas or electricity, nor the rising food and basic commodities prices in our shops. That can only be done by national Government within the globalised trade system. Our ability to alter the tax burden that people experience or the amount of benefits they can access is very low. With some minor exceptions, Government are the only ones able to act on these issues.
12. This does not mean that we are helpless or without action that we can take. As a city we can have a significant impact across a number of areas, including:
 - Co-ordinating a focused response with the city's strategic partners and VCF sector, maximising support and impact on people and communities
 - Supporting people to make the best possible choices about how they use the income they have
 - Helping people to maximise their income further (including, but not limited to, benefit maximisation)
 - Providing direct and indirect financial support, including through the various hardship schemes we are responsible for
 - Supporting people if they are struggling to cope, and, as a minimum, ensuring that our actions don't exacerbate problems further (for example, approaches to Council Tax or rent arrears)
 - Providing visible and high-profile leadership for the city

13. And we can use our influence and networks to demonstrate to Government that a city level and national level response is necessary if we are to make any progress on our wider ambitions (for example, levelling up) and reduce the potential for existing poverty to be further exacerbated by the CoL crisis and for more people to be exposed to significant hardship.
14. At the same time, we need to use the period over the summer to prepare for the autumn and winter when it is likely that the energy price cap will be raised further, just at the point at which households begin to require more energy for heating.
15. Our response to Covid was a positive example of how we have responded to a significant crisis as a city. The CoL crisis will potentially have a similar level of impact to Covid and will also require a cross-partner response. We should consider responding to the CoL crisis using a similar approach to Covid – recognising that additional capacity was unlocked during the pandemic as some normal business was paused.
16. While this currently is not the case with CoL crisis, managing it akin to an emergency incident response and doing so quickly, albeit over a longer time scale than would usually be the case for an emergency, will enable us to get ahead of the challenge and give us vital structure and focus. We will need to identify capacity and resource in line with our proposed response.
17. This will mean replicating the most important part of an incident management response:
 - Shared intelligence and situational awareness
 - Setting a clear, simple and easily followed strategy that is agreed by all partners
 - Having strategic and tactical governance layers, supported by a number of specialist 'cells' to deliver aspects of the response
 - Having a clear and agreed view on what success looks like (ie. what we want to achieve through the actions we take)
18. It is proposed that we put in place a 'Gold' group to provide strategic direction for this work. That group should be led and chaired by the Leader of the Council, supported by other relevant committee chairs and key officers. Ideally, this should be a partnership group, with representatives of other public, private and voluntary sector organisations invited to take part.
19. With the Gold group providing overall strategy and direction, a Silver level (tactical) group should also be established. This group would have responsibility for coordinating planning and activity in support of the overall strategy developed by the Gold group. It would meet frequently (probably at least weekly to begin

with) to provide pace and assurance, and would report progress to the Gold group periodically.

20. As with the Gold group, it is envisaged that the Silver group would operate best as a partnership group with representatives of public, private and voluntary sector organisations, probably chaired by a senior council officer, reflecting the convening role that we have in this space. Representatives would need sufficient authority to speak on behalf of their organisations and commit them to a course of action.
21. In line with the overall strategy, the Silver group would establish an operational plan and a set of workstreams to deliver this plan. This could include setting up some specific cells to deliver parts of the plan (this was a model that was used in Covid – for example, cells were established on specific issues like PPE and testing).
22. As part of this we will also need to determine resource requirements and it will be important to measure the impact and effectiveness of what we put in place.
23. This citywide response will also work alongside the South Yorkshire Mayor and other partners in South Yorkshire to identify opportunities for us to join up across the region to support our residents.

Community involvement and the importance of lived experience

24. Through the services and support SCC delivers directly and with our partners in the public and VCF sector, we are working alongside the people and communities across the city who are most exposed and suffering the consequences of the cost-of-living crisis.
25. To develop further community voice, we are working with Local Area Committees (LACs). LACs are fundamentally connected to communities, helping resolve challenges at the neighbourhood level and helping signpost families to advice, guidance and support where they need it. They also have a key role in bringing together local partners to help and support where required.
26. One action that we might wish to consider taking would be to establish a reference group of people who are experiencing the impacts of the cost-of-living crisis. By doing this and involving them in exploring and developing potential actions and solutions, we are likely to gain valuable insights and ideas that we wouldn't otherwise be able to access about the things that are most likely to be of practical benefit to people.
27. If we were to do this, we would need to think carefully about how such a group might be constituted and what its remit would be, but in principle it could be a very powerful mechanism for ensuring that we were focusing our limited resources in the right way. It is suggested that advice be sought from Joseph

Rowntree Foundation or a similar organisation as to how to establish such a group.

Recommendations

28. It is recommended that Strategy and Resources Committee:
1. Note the work that has been done on a cross-partner basis to date to help the people of Sheffield respond to the cost-of-living crisis, as described at paragraph 7 of this report, including supporting the work of South Yorkshire Community Foundation to establish a new fund to support people with the cost-of-living crisis.
 2. Agree to establish an incident response 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 'Gold' group to be chaired by the Leader of the Council and a 'Silver' partner group led by a senior SCC officer.
 3. Ask all policy committees at their first meetings to consider nomination of an Elected Member to sit on a cross-party Gold group
 4. Agree that partner organisations should be invited to join the Gold group, recognising that the CoL demands a whole-city response across the public, private and VCF sectors.
 5. Agree to receive a report at its July meeting setting out a proposed strategy and action plan for addressing the cost-of-living crisis in Sheffield, which should include proposals around the utilisation of the Food Action Plan fund established as part of the 2022/23 budget, along with updates on the social isolation and volunteering funds.

RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

Equality Implications

29. The cost-of-living crisis is likely to have a more significant impact on some groups of people in the city than others. This is likely to include people who share protected characteristics under the Equality Act, including women, disabled people, people from certain ethnic minority backgrounds, and both older and younger people. People with caring responsibilities are also likely to be disproportionately impacted as their income tends to be lower than the population as a whole.

30. The council's response to the cost-of-living crisis is intended to mitigate the worst effects of the crisis on people and communities across the city, including those who are most exposed to it. As described above this will include people who share certain protected characteristics. Therefore, the proposal set out in this report is intended to have an overall positive impact on equality within the city, although this will be within the wider negative context of the cost-of-living crisis.
31. A full Equality Impact Assessment is being prepared and will be included as part of the cost-of-living crisis action plan as set out at Recommendation 6.

Financial and Commercial Implications

32. There are no new financial implications arising from this report. The Food Access Plan, and social inclusion funds referenced at paragraph 7 are in line with funding commitments made by Full Council at their meeting of 2nd March 2022. Further detail of how these funds will be utilised will be brought back to the next meeting of the committee as set out at recommendation 5.
33. The other measures in this report will be funded from existing budgets.

Legal Implications

34. The Council's main response to the cost-of-living crisis will be delivered under its main functions. The arrangements in this report are permitted by the power under s111 Local Government Act 1972 to do any thing which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

Climate Implications

35. There are no climate implications directly arising from this report. Any climate implications arising from the development of the strategy and action plan will be considered at the next meeting of the Strategy and Resources Committee.

Other Implications

36. There are no other implications directly arising from this report.

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Report to Policy Committee

Author/Lead Officer of Report: Simon Vincent,
Service Manager (Strategic Planning)

Tel: 0114 2735259

Report of: Executive Director, City Futures

Report to: Strategy & Resources Policy Committee

Date of Decision: 31 May 2022

Subject: Governance arrangements for the Local Plan

Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>		
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>				
Has appropriate consultation taken place?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>		
Has a Climate Impact Assessment (CIA) been undertaken?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>		
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
N/a				

Purpose of Report:

To seek agreement on the governance arrangements for overseeing work on Sheffield's emerging Local Plan (the 'Sheffield Plan').

Recommendations:

It is recommended that:

- (a) owing to its cross-cutting nature, the Strategy & Resources Committee should have overall responsibility for the Sheffield Plan;
- (b) due to the level of work involved in producing the Sheffield Plan, responsibility for overseeing development of it should be delegated to the Transport, Regeneration and Climate Change Policy Committee;
- (c) the Sheffield Plan Member Working Group should be re-established under the committee system of governance to enable it to continue to play a key advisory role on the content of the Plan and provide regular progress reports to the Transport, Regeneration and Climate Change Policy Committee

Background Papers:

- [Report to the Cooperative Executive \(16 February 2022\) – Sheffield Local Plan Spatial Options](#)
- [Sheffield Statement of Community Involvement](#) (July 2020)
- Sheffield [Local Development Scheme](#) (21 October 2021)

Lead Officer to complete:-	
1	<p>I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.</p> <p>Finance: Kerry Darlow</p> <p>Legal: Victoria Clayton</p> <p>Equalities & Consultation: Louise Nunn</p> <p>Climate: Mark Whitworth</p>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>
2	<p>EMT member who approved submission:</p> <p>Kate Martin, Executive Director, City Futures</p>
3	<p>Committee Chair consulted:</p> <p>Terry Fox</p>
4	<p>I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.</p> <p>Lead Officer Name: Simon Vincent</p> <p>Job Title: Service Manager (Strategic Planning)</p> <p>Date: 20 May 2022</p>

1. PROPOSAL

- 1.1 This report relates to the arrangements for Member involvement in the work on the emerging Sheffield Local Plan (the 'Sheffield Plan') following the move to the committee system of governance. It is proposed that owing to its crosscutting nature, overall responsibility for the Plan should rest with the Strategy and Resources Policy Committee but that responsibility for overseeing progress should be delegated to the Transport, Regeneration and Climate Change Policy Committee. It is also proposed that the existing Local Plan Member Working Group should continue to meet to provide an advisory role to officers who are developing the plan content.
- 1.2 The Sheffield Plan will be the city's statutory development plan, produced in accordance with the Town & Country Planning (Local Planning) (England) Regulations 2012. Officers are currently drafting the Publication Draft Sheffield Plan (under Regulation 19) and assembling the associated necessary evidence. This will reflect the decision on the spatial strategy taken by the Cooperative Executive in February.
- 1.3 Under the most recent published Local Plan timetable¹ (October 2021), the intention is to consult on the Publication Draft Plan in October/November 2022. Consultation on the Sheffield Plan 'Issues and Options' (under Regulation 18) took place in autumn 2020. The Plan is due to be submitted to the Government for public examination in April 2023 and is expected to be adopted by December 2024.
- 1.4 The Publication Draft Plan must be approved by full Council prior to public consultation taking place. However, it will also be essential to provide an effective mechanism for engaging with Members prior to full Council approval. The scope of the Sheffield Plan means that it will deal with issues that are relevant to most of the Policy Committees – it covers matters such as housing, economic growth climate change/sustainable design, open space, community facilities, air quality, transport and pollution. Given the breadth of issues covered in the Plan and its significance to the future development of the city, it is appropriate for overall responsibility for the Plan to rest with the Strategy & Resources Policy Committee.
- 1.5 Although it is proposed that the Strategy & Resources Policy Committee should have overall responsibility for the Sheffield Plan, the level and complexity of work needed to produce the Publication Draft Plan means that this Committee is unlikely to be able to devote sufficient time to it in the period up to submission to Government. It would therefore be appropriate for much of the policy development work on the Publication Draft Plan to be overseen by the Transport, Regeneration and Climate Change Policy Committee.
- 1.6 The Transport, Regeneration and Climate Change Policy Committee should receive regular progress reports on the Sheffield Plan, so the public can be confident that progress is being made. However, it is proposed that the Sheffield

¹ Sheffield Local Development Scheme (21 October 2021).

Plan Member Working Group would provide a more frequent advisory role to officers who are working on the content of the plan.

- 1.7 The Cooperative Executive approved the establishment of a cross-party Local Plan Member Working Group in October 2021, with membership drawn from the Climate Change, Economy and Development Transitional Committee. Its purpose was to enable officers to obtain an ongoing political steer on the content of the Plan in advance of the Plan being submitted to Government for public examination. The Working Group is made up of 2 Members from each of the 3 largest political parties and does not have any decision-making powers.
- 1.8 The Climate Change, Economy and Development Transitional Committee was disestablished at the Annual Meeting of full Council on 18th May 2022 when new policy committees were established to enable a committee system of governance. To enable the Sheffield Plan Member Working Group to continue it is necessary to re-establish it as a working group of the Transport, Regeneration & Climate Change Policy Committee (being the policy committee being given delegated responsibility for the development of the Sheffield Plan).
- 1.9 As set out in the Terms of Reference below, generally we would anticipate the Working Group would meet once every two weeks. However, over the period leading up to the Publication Draft Plan being reported to the Strategy & Resources Policy Committee, the Group may need to meet more frequently. There will be an intense period of work to consider key issues relating to:
 - Draft site allocations – early July 2022
 - Draft sub-area policies – late July 2022
 - Draft development management policies – late July/August 2022

Terms of Reference for the Working Group

- 1.10 It is proposed that the terms of reference should be:
 - (a) The Group will comprise up to 2 Members from the each of the three largest political parties and include at least one of the joint chairs of the Transport, Regeneration and Climate Change Policy Committee.
 - (b) The Group will report directly to the Transport, Regeneration and Climate Change Policy Committee and may be required to report back to Strategy and Resources Policy Committee from time to time.
 - (c) The Group will provide advice to officers on the content of the Publication Draft Sheffield Plan (Regulation 19).
 - (d) Officers will seek the advice of the Group where it is felt:
 - a political steer is necessary due to the potential for an issue to be controversial
 - a policy choice could have a significant impact on the economy, the environment or social inclusion, or

- a policy choice may have a significant impact on other services the Council provides

(e) It will be open to Members of the Group to request certain issues are considered by the Group where this is practicable within the constraints of the timetable set out in the Local Development Scheme.

1.11 We envisage that briefings for all the political groups will also be needed at key stages. The LAC chairs and MPs will also be briefed on how the emerging Draft Sheffield could affect their areas.

2. HOW DOES THIS DECISION CONTRIBUTE?

2.1 Once adopted the Plan will play an important role in supporting Council priorities in relation to the 1-Year Plan themes of:

- Education, health and care
- Climate change, economy and development
- Communities and neighbourhoods

3. HAS THERE BEEN ANY CONSULTATION?

3.1 There has been no public consultation on the proposal because it is essentially an internal Council governance issue. However, public consultation on the Sheffield Plan Issues and Options took place in autumn 2020 and the Publication Draft Plan will also be subject to public consultation later this year. The Statement of Community Involvement (July 2020) sets out how the Council will consult on the Sheffield Plan.

3.2 It should be noted that any changes the Council wishes to make to the Publication Draft in response to comments made during the consultation will need to be submitted to the Planning Inspector as proposed amendments alongside the Draft Plan. There is no guarantee that the inspector will accept the changes proposed by the Council. It is likely that the Inspector will propose a series of 'Main Modifications' to the Plan; these may or may not include the amendments proposed by the Council (depending on whether the Inspector agrees with them, based on the evidence presented at the public examination).

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

4.1.1 None.

4.2 Financial and Commercial Implications

4.2.1 None

4.3 Legal Implications

4.3.1 There are no legal implications of this decision; continuation of the working group

will assist the Council in its statutory duty to produce a Local Plan.’

4.4 Climate Implications

4.4.1 None.

4.5 Other Implications

4.5.1 None

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 An alternative option would be for officers to seek a political steer on specific matters relating to the Sheffield Plan directly from either the Strategy and Resources Policy Committee or the Transport, Regeneration and Climate Change Policy Committee. However, the Strategy and Resources Committee only meets monthly and the Transport, Regeneration and Climate Change Policy Committee every 2 months. It would cause considerable delay to the Sheffield Plan timetable if each issue under consideration had to be reported to one of the formal Policy Committees.

5.2 A further option would be to formally establish a Task and Finish Group for either the Strategy & Resources Policy Committee or the Transport, Regeneration and Climate Change Policy Committee. However, under Council Procedure Rules at 25.2, a Policy Committee is only able to have one Task and Finish Group operating at any one time. Having a Task and Finish Group for the Local Plan would effectively limit the scope to have a Group working on other matters for a considerable period.

6. REASONS FOR RECOMMENDATIONS

6.1 The cross-cutting nature and significance of the Sheffield Plan for the future development of the city means that it is appropriate for the Strategy & Resources Policy Committee to take overall responsibility for the Plan. However, delegation to the Transport, Regeneration and Climate Change Policy Committee reflects the level of work required from Members to progress the Plan and the relative capacities of the two Policy Committees.

6.2 Continuing the Sheffield Plan Member Working Group will allow officers to obtain a regular political steer on various matters relating to the content of the Sheffield Plan. The Group will have no decision-making powers. The Strategy and Resources Policy Committee can be kept up to date on progress and will have ultimate responsibility for deciding whether to support the Publication Draft Plan and refer it to full Council for final approval.