

Cabinet

Wednesday 18 January 2017 at 2.00 pm

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

The Press and Public are Welcome to Attend

Membership

Councillor Julie Dore	(Leader of the Council)
Councillor Leigh Bramall	(Deputy Leader/Cabinet Member for Business and Economy)
Councillor Ben Curran	(Cabinet Member for Finance and Resources)
Councillor Jackie Drayton	(Cabinet Member for Children, Young People & Families)
Councillor Jayne Dunn	(Cabinet Member for Housing)
Councillor Mazher Iqbal	(Cabinet Member for Infrastructure and Transport)
Councillor Mary Lea	(Cabinet Member for Culture, Parks and Leisure)
Councillor Bryan Lodge	(Cabinet Member for Environment)
Councillor Cate McDonald	(Cabinet Member for Health and Social Care)
Councillor Jack Scott	(Cabinet Member for Community Services and Libraries)

PUBLIC ACCESS TO THE MEETING

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

A copy of the agenda and reports is available on the Council's website at www.sheffield.gov.uk. You can also see the reports to be discussed at the meeting if you call at the First Point Reception, Town Hall, Pinstone Street entrance. The Reception is open between 9.00 am and 5.00 pm, Monday to Thursday and between 9.00 am and 4.45 pm. You may not be allowed to see some reports because they contain confidential information. These items are usually marked * on the agenda.

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

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

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

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

FACILITIES

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

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

**CABINET AGENDA
18 JANUARY 2017**

Order of Business

- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of Public and Press**
Note: (i) The appendix to item 13 – ‘Waste Services Review: Consideration of Delivery Solutions for Waste Services’ is not available to the public and press because it contains exempt information described in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended) relating to the financial or business affairs of any particular person.

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

- 5. Minutes of Previous Meeting** (Pages 5 - 18)
To approve the minutes of the meeting of the Cabinet held on 30 November 2016

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

- 7. Items Called-In For Scrutiny** (Pages 19 - 22)
Call-In of decision by Cabinet on “China Economic and Civic Programme Update”

Report of the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

- 8. Retirement of Staff** (Pages 23 - 26)
Report of the Director of Legal and Governance

- 9. Sheffield City Centre Wi-Fi** (Pages 27 - 40)
Report of the Executive Director, Place

- 10. Housing Revenue Account (HRA) Business Plan and HRA Budget 2017/18** (Pages 41 - 84)
Report of the Executive Director, Communities

- 11. Revenue Budget and Capital Programme Monitoring 2016/17 Month 7 as at 14 December 2016** (Pages 85 - 128)

Report of the Acting Executive Director, Resources

- 12. Waste Management Policies** (Pages 129 - 198)

Report of the Executive Director, Place

- 13. Waste Services Review: Consideration of Delivery Solutions for Waste Services** (Pages 199 - 212)

Report of the Executive Director, Place

NOTE: The next meeting of Cabinet will be held on Wednesday 15 February 2017 at 2.00 pm

ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

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

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

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

You **must**:

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

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

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

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

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority –
 - under which goods or services are to be provided or works are to be executed; and
 - which has not been fully discharged.

- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) –
 - the landlord is your council or authority; and
 - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
 - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
 - (b) either -
 - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPIs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.

Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously.

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

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

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

Further advice can be obtained from Gillian Duckworth, Director of Legal and Governance on 0114 2734018 or email gillian.duckworth@sheffield.gov.uk.

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Cabinet

Meeting held 30 November 2016

PRESENT: Councillors Julie Dore (Chair), Leigh Bramall (Deputy Chair), Ben Curran, Jackie Drayton, Jayne Dunn, Mazher Iqbal, Mary Lea, Bryan Lodge, Cate McDonald and Jack Scott

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1. APOLOGIES FOR ABSENCE

1.1 There were no apologies for absence.

2. EXCLUSION OF PUBLIC AND PRESS

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

3. DECLARATIONS OF INTEREST

3.1 Councillor Julie Dore declared a personal interest in agenda item 9 'Proposed Lease of Exchange Place Studios' (See minute 8 below) as a Member of the Arts Council Board where funding for the proposal was granted.

3.2 Councillor Jackie Drayton declared a personal interest in agenda item 12 (See minute 11 below) 'China Economic and Civic Programme Update' as a Trustee of the JG Graves Charity.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the meeting of Cabinet held on 19 October 2016 were approved as a correct record.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Public Question in relation to Question asked at Full Council on 2 November 2016

5.1.1 Nigel Slack commented that he was still awaiting a response to a question he had asked at the meeting of Full Council, held on 2 November 2016, in respect of 'Outsourced Contracts' and asked when this would be forthcoming? Mr Slack provided a copy of the question he had asked for reference.

5.1.2 Councillor Ben Curran, Cabinet Member for Finance and Resources, apologised to Mr Slack for this and accepted that the delay was unsatisfactory. Councillor Curran would continue to chase to ensure Mr Slack received a response.

5.2 Public Question in respect of Question asked at Cabinet regarding 'Covert Communications Data Capture'

5.2.1 Nigel Slack commented that he was still awaiting a response to his question

asked at the Cabinet meeting held on 19 October 2016 in respect of South Yorkshire Police utilising 'Covert Communications Data Capture' and asked if there had there been any progress on this matter?

5.2.2 As one of the Council's representatives on the Police and Crime Panel, Councillor Jackie Drayton, Cabinet Member for Children, Young People and Families, responded that the question had been asked at the last meeting of the Police and Crime Panel and the Panels minutes were available on the website. Councillor Drayton understood Mr Slack knew where to access the minutes. She also stated that he was able to attend the Police and Crime Panel as it was a public meeting and he could ask a question directly to the panel there.

5.3 Public Question in respect of Trade Union Law

5.3.1 Nigel Slack referred to a question he had asked at the last meeting of Full Council, held on 2 November 2016, and apologised if the question was not as clear as it might have been. He had took it from the comments of the Leader of the Council that she had recognised that it was connected to the incident on Marden Road that morning.

5.3.2 Mr Slack therefore clarified that he was referring to 'Trade Union and Labour Relations (Consolidation) Act 1992 – Section 241 – Intimidation or Annoyance by Violence or Otherwise'. Mr Slack stated that this was the law that had been used to arrest 5 people involved in the tree campaign. This law was being used to prevent protest, which was potentially in breach of: 'Human Rights Act Article 11 – Right to Protest and Freedom of Information'. This provided that 'The right applies to protest marches and demonstrations, press conferences, public and private meetings, counter-demonstrations, 'sit-ins', motionless protests etc. The right only applies to peaceful gatherings and did not protect intentionally violent protest.'

5.3.3 Despite claims of intimidation beyond the protests, Mr Slack had seen nothing to suggest 'intentional violence' at any of the protests. Indeed, Councillor Lodge, Cabinet Member for the Environment, commented on that in the radio interview held on 29 November 2016. With this in mind, Mr Slack asked did the Council agree with this Trade Union Law being used by the Police to prevent protest by, and the arrest of, members of the public? In addition, Mr Slack asked the Council, hopefully with unanimous Cabinet approval, to request the Chief Constable of South Yorkshire Police to drop the charges against the 5 protesters.

5.3.4 The Leader of the Council, Councillor Julie Dore, stated that, at the time Mr Slack's question was submitted to the Full Council meeting on 2 November 2016, she was not aware of the specific incident referred to on Marden Road or the particular clause of the Trade Union Bill referred to by Mr Slack.

5.3.5 As a result of the issues surrounding the recent operation on Rustlings Road, Councillor Dore had met with the Police and Crime Commissioner regarding the participation in that operation and the Council had expressed a sincere apology regarding two particular aspects of that operation – the early start and the fact that the Council had not publicised its response to the report of the Independent Tree Panel in a timely manner. The apology had not been given for 7 days following the

operation, as the Council needed to establish the facts of what had occurred.

- 5.3.6 As regards using the Act referred to by Mr Slack, Councillor Dore stated that, from her discussions with the Police and Crime Commissioner, whenever South Yorkshire Police carried out an operation, they received their own legal advice. In respect of the operation on Rustlings Road, the duty was to ensure there was no public disorder as there was evidence to suggest that could have been a particular issue for that operation.
- 5.3.7 The South Yorkshire Police and Crime Commissioner had said that the Act was only used where someone is stopping someone else carrying out their lawful work and there was a duty of care to everyone. Any action stopping someone doing their work did not need to be of a violent manner, it simply related to actions leading to the inability of a workforce to carry out their work.
- 5.3.8 From information given to Councillor Dore in respect of the work on Rustlings Road, in order to carry out the work safely, the workforce had put cordons around the area and asked protestors to stay outside these as they may be at risk if they didn't. The Police had negotiated with the protestors and explained the consequences if they did not meet this request, however some protestors did enter the cordon and this meant a threat to the safety of themselves and others and it was explained to them that if they didn't leave this area they would be arrested.
- 5.3.9 Councillor Dore added on behalf of the Cabinet that the Council could not intervene with police operations and the carrying out of their duties. She acknowledged that the protestors could use the Human Rights Act in their defence and she hoped that when citizens were faced with any criminal case they would be treated with the utmost respect and the Police would act in accordance with the law.

6. ITEMS CALLED-IN FOR SCRUTINY

- 6.1 There were no items called-in for Scrutiny since the last meeting of the Cabinet.

7. RETIREMENT OF STAFF

- 7.1 The Acting Executive Director, Resources submitted a report on Council staff retirements.

- 7.2 **RESOLVED:** That this Cabinet :-

(a) places on record its appreciation of the valuable services rendered to the City Council by the following staff in the Portfolios below:-

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
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Children, Young People and Families

Richard Broad	Teacher, Limpsfield Primary	29
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	School	
Carlton Lee	Buildings Supervisor, Meersbrook Bank Primary School	25
Avril Read	Senior Supervisory Assistant, Holt House Infant School	26

Communities

Carol Sturch	Advanced Practitioner	25
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Place

Trevor Scott	Principal Planning Officer	29
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(b) extends to them its best wishes for the future and a long and happy retirement; and

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

8. PROPOSED LEASE OF EXCHANGE PLACE STUDIOS

8.1 The Executive Director, Place submitted a report in relation to the Exchange Place Studios at Castlegate.

8.2 **RESOLVED:** That:-

- (a) Cabinet approves the proposals to enter into the agreement to grant a lease of property at Exchange Place to Yorkshire Artspace Society (YAS) Ltd on the terms set out in this report;
- (b) Cabinet delegates authority to the Executive Director, Place, in consultation with the Director of Capital and Major Projects and the Director of Legal and Governance, to agree the terms of the documentation required to effect this transaction; and
- (c) the Director of Legal and Governance be authorised to complete such legal documentation as she considers necessary or appropriate in connection with this transaction on such terms as she may agree to give effect to the proposals set out in this report and generally to protect the Council's interests.

8.3 Reasons for Decision

8.3.1 The proposed refurbishment of the Exchange Place Studios will be a major boost for the cultural attraction of the City Centre and the Castlegate area in particular. This has wider economic benefits in terms of making the city an exciting place to

locate and attract talented staff for businesses in the creative and digital industries which is a key growth area.

- 8.3.2 It is important to ensure that the closure and demolition of the former markets building does not result in a decline at Castlegate and that investment is secured into new projects that will help to transform the area.
- 8.3.3 The proposal to grant a lease for 100 years at a premium of less than the full open market value will potentially unlock a grant from the Arts Council of £500,000. The refurbishment of the property will benefit a Council owned asset which is currently in a poor state of repair.
- 8.3.4 The proposed option to repurchase the property at the original price also gives the Council additional opportunity to generate a much higher value in the future.

8.4 Alternatives Considered and Rejected

- 8.4.1 The Council could continue to hold the property for the next few years before seeking to dispose on the open market and may achieve a higher value if it did so. However future values cannot be guaranteed and potential uses may not have the same vibrancy and economic benefits for the regeneration of Castlegate as the proposed disposal to YAS.
- 8.4.2 The property was empty for several years after South Yorkshire Passenger Transport Executive (SYPTTE) vacated, as it proved difficult to find a purchaser or tenants prepared to take the property on in its poor condition. If the proposal to grant a long lease to YAS is not approved, then YAS would be likely to stay in on a temporary basis, but without a long term interest they may take a less proactive approach to maximising the studio use and wider events in Castlegate. There is a limited risk that YAS may decide to vacate, in which case the Council would incur management costs until such time as the property could be sold.
- 8.4.3 As a further alternative, the Council could consider using its own capital resources to carry out the refurbishment works rather than an Arts Council grant and charge YAS a higher rent to recover those costs. However, the Council's capital programme has limited capacity and this may not be seen as a high priority for the use of limited funds. As stated at paragraph 1.1 of the report the YAS business model for all of their properties is based on the rent from the studio holders covering the running and management costs, with any surplus used for artists' development, public events and community engagement. It is therefore unlikely that YAS would be able to pay more than a nominal rent to the Council.

9. LIBRARY REVIEW 2016 - FUTURE SUPPORT ARRANGEMENTS FOR VOLUNTEER RUN LIBRARIES

- 9.1 The Executive Director, Communities submitted a report in relation to future support arrangements for volunteer run libraries.
- 9.2 **RESOLVED:** That:-

- (a) Cabinet continue support for Associate libraries until 31st March 2020, to assist their viability and stability as follows - a support package to the value of £262k in year 1 that maintains the level of support provided from 2014-2017; for year 2 the support package will not be less than 80% of £262k; and in year 3, not less than 70% of £262k, subject to identifying the funding as part of the 2017-18 budget process;
- (b) the support package to include a grant pot, a new book fund, a small marketing fund, and the operational costs of the Associate libraries remaining on the Library Management System; a breakdown of the support package is listed in the report in Section 1 'Proposal';
- (c) continued support be provided for the Associate and Co-delivered libraries until 31st March 2020 where this can be resourced by the Library, Archives and Information Service (LAIS) with existing staff and core budget; this includes support from SCC run Hub libraries, advice and support with local and national initiatives, I.T support and training relating to the Library Management System;
- (d) continued support be provided for Co-delivered libraries to 31st March 2020; co-delivered libraries receive the same offer as SCC's Hub libraries without the staffing and funded from LAIS core funding; building running costs are paid directly by LAIS; co-delivered libraries may be re-charged for running costs that are above the budget due to extended non-library usage of the building;
- (e) future funding and support for Associate and Co-delivered libraries for years 4 and 5 (2020/21 and 2021/22) will be delegated for decision by the Executive Director, Communities in consultation with the Cabinet Member for Community Services and Libraries; and
- (f) provision of the Library Management System, I.T., maintenance and related software, supplied via the corporate wide contract, will be free of charge until 2019, when this will be reviewed as part of corporate IT contract negotiations.

9.3 **Reasons for Decision**

- 9.3.1 The current arrangements for Associate and Co-delivered libraries are due to expire on 31st March 2017.
- 9.3.2 Continued support will increase the likelihood of all the volunteer run libraries remaining open and vibrant into the medium and long term as they develop and grow in depth of experience and capability.
- 9.3.3 Continued support for Associate libraries will give added confidence to trustees and volunteers, at a point they are taking on-board lease responsibilities.
- 9.3.4 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.

9.3.5 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.

9.3.6 The proposal will ensure the standards and controls relating to the operation of the Council's Library Management System by volunteer libraries are maintained.

9.4 **Alternatives Considered**

9.4.1 The support arrangements for Associate and Co-delivered libraries are due to end as of 31st March 2017. There were 4 possible options to consider, with Option 4 being recommended as the preferred option. The benefits and risks of the preferred option can be found in the Proposal in section 1 of the report. The other options considered and rejected are outlined below:

Option 1

LMS provision as agreed to 2019, but no further grant support for Associate libraries, and the cessation of Co-delivered libraries (who may become Associate libraries) as of 1st April 2017. The provision of the LMS to be resourced through current corporate contracts and current library service staff and library budget.

Benefits of Option 1

- The Council will not have to find the additional funding for the support package
- Library groups can operate independently
- The Co-delivered libraries are not yet generating sufficient income to meet the income earning target required to meet all the costs of running the library. This option would mean the library service would not have to find the budget to meet this deficit, thus making a saving.

Risks of Option 1

- The Associate libraries can stay on the LMS until 2019 but with limited support from the Library Service. This could mean standards relating to the LMS may reduce, especially as training and technical support will be minimal.
- Van rounds delivering books would either cease or be very limited. Therefore the length of time it would take for library users to receive a reserved book could significantly increase.
- Some of the library groups may be unable to meet their financial

obligations, leading to closure.

- The instability of funding could mean volunteers are less willing to get involved and could lead to reduced library hours or library closure.
- The Co-delivered libraries would be at greatest risk of closure as they may not have accumulated sufficient fundraising capacity to be sustainable as an Associate library.

Option 2

Continue the existing support arrangements for Co-delivered libraries, with the costs funded by the LAIS service budget for a further period. The grant provision for Associate libraries would come to an end as of 31st March 2017, with LMS provision to 2019 as Option 1.

Benefits of this option 2

- Enable 5 libraries that serve some of the most deprived communities in Sheffield to continue and have stability of service.
- Financial independence of the Associate libraries may help grant applications.

Risks of this option

- Some Associate libraries may not be able to meet their financial obligations, leading to them surrendering their lease and the library closing.
- The instability of funding for the Associate Libraries may discourage volunteers from running and managing the libraries.
- The reducing income generated from library fees and charges in the Co-delivered libraries may lead to budget reductions in other LAIS service areas, which may impact on the quality of service that can be delivered.
- If there is a budget reduction in future years for the LAIS, it may not be affordable for the service to continue to pay for all of the Co-delivered libraries from its core budget.

Option 3

Continue support for Associate libraries. The current Co-delivery model would cease, with Co-delivered libraries becoming Associate libraries with a grant and lease (or tenancy agreement where a lease is not possible).

The benefits of Option 3 are:

- Simplified model, making clearer distinction between volunteer run libraries and Council run libraries.
- Co-delivered libraries will not be vulnerable to any potential library service budget reductions in the future.
- Lease/Tenancy and Grant agreements will provide a clearer framework for engaging with Co-delivered libraries and managing standards.
- Operating as Associate libraries, rather than Co-delivered, should improve prospects of obtaining grant funding.
- The Co-delivered libraries would get a grant on the same basis and level as the current Associate libraries.

The risks of Option 3 are:

- Potential complications in offering lease or tenancy options.
- Staff time and cost in setting up tenancy or lease arrangements.
- Some of the Co-delivered libraries may find paying running cost bills directly onerous, when they want to concentrate on running the library.
- The Trustees/Management committees of the organisations running the co-delivered libraries may find the additional liability more onerous.
- There would be additional cost to the Library service in making a grant available for the Co-delivered libraries.

Option 4 (Option Accepted)

Option 4 is continued support for Associate and Co-delivered libraries from 1st April 2017 to 31st March 2020. Future funding and support for years 4 and 5 will be delegated for decision by the Executive Director in consultation with the Cabinet Member.

The cost of this option from Council funds is £262k for year 1, for year 2 at least 80% of £262k and for year 3 at least 70% of £262k, subject to identifying the funding as part of the 2017-18 budget process. . The costs of the Co-delivered libraries will be maintained from the core budget of the Library, Archive and Information Service.

Benefits of the preferred option:

- Create a period of financial stability and growth to attract and give confidence to volunteers and Trustees.
- Extend the period of support whilst the Associate libraries develop their experience and capacity in managing a leased building.
- Build the viability of the volunteer run libraries, enabling them to remain open.

- Ensure the relationship between SCC and the volunteer run libraries is clearly defined
- Ensure the standards and controls relating to the operation of the Council's Library Management System by volunteer libraries are maintained.

The risks of this option are:

- The Council continues to face significant financial challenges due to continued austerity measures.
- If there is a budget reduction in future years for the LAIS, it may not be affordable for the service to continue to pay for all of the Co-delivered libraries from its core budget.
- There would be an increased cost to the library service (whilst a support package is in place for Associate libraries) if Co-delivered libraries choose to become Associate libraries.

**10. REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2016/17
MONTH 6 AS AT 30 SEPTEMBER 2016**

10.1 The Acting Executive Director, Resources submitted a report providing the Month 6 monitoring statement on the City Council's Revenue Budget and Capital Programme for September 2016.

10.2 **RESOLVED:** That Cabinet:-

- (a) notes the updated information and management actions provided by this report on the 2016/17 Revenue Budget position; and
- (b) in relation to the Capital Programme:-
 - (i) approves the proposed additions to the Capital Programme listed in Appendix 6.1 of the report, including the procurement strategies and delegations of authority to the Interim Director of Finance and Commercial Services or nominated Officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;
 - (ii) approves the proposed variations, deletions and slippages in Appendix 6.1 of the report;
 - (iii) notes the variation authorised by Directors under the delegated authority provisions; and
 - (iv) notes the latest position on the Capital Programme.

10.3 **Reasons for Decision**

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

10.4 Alternatives Considered and Rejected

- 10.4.1 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.

11. CHINA ECONOMIC & CIVIC PROGRAMME UPDATE

- 11.1 The Executive Director, Place submitted a report updating Cabinet on the programme of activities that has been developed with Chinese partner organisations.

11.2 RESOLVED: That Cabinet:-

- (a) notes the Council's programme of activity with Sheffield's Chinese partners;
- (b) authorises the completion of the required legal documents which will underpin the long-term Strategic Investment Partnership with Guodong following the signing of Heads of Terms in June 2016;
- (c) notes the expression of interest received from Guodong and authorises entering into a twelve month period of exclusivity to assess the viability of developing a 5 star hotel at the Central Library building on Surrey Street;
- (d) approves the commencement of the negotiation of terms with Guodong regarding the library building on the principles set out in the report;
- (e) in line with the principles outlined in the report, approves the development of options for both the temporary and the permanent relocation of the Central Library Service and the Graves Art Gallery that may be required as a result of the receipt of the hotel expression of interest; and
- (f) notes that the terms of the hotel proposal and the options for any impacted services will be the subject of a future report to Cabinet prior to entering into any binding agreement.

11.3 Reasons for Decision

- 11.3.1 The expression of interest regarding a hotel development received from Guodong presents a substantial opportunity to protect the future of an iconic building within the city centre. It also presents an opportunity to enhance the hotel offer and

increase investment and employment in Sheffield.

11.3.2 This proposal provides an opportunity to give proper consideration to the future of the Central Library Service and the Graves Art Gallery, if a hotel development at this location is deemed viable.

11.3.3 Developing the investment partnership with Guodong to an operational state will enable the delivery of projects and ensure activity is performance managed.

11.3.4 The educational partnership is supported between the "Sheffield" School in Chengdu and the Oasis Don Valley Academy, along with wider collaboration between Sheffield and Chengdu, as it offers a special opportunity to increase aspiration among pupils and educators in both cities.

11.4 **Alternatives Considered and Rejected**

11.4.1 Alternative options considered regarding the expression of interest in the Central Library building to be developed into a 5* Hotel are:-

Do nothing. This option does not take into consideration the imminent need for repairs to the building and the almost certain inability to secure major capital investment in the building as a library.

Market the building for sale. There is no indication that there is any interest from the market in acquiring this building.

Undertake a feasibility study for the future of the building. This is likely to take a minimum 12 to 18 months, during which time this current development proposal could be withdrawn. There will be a cost associated and no guarantee of a long term solution for the building.

Identify funding for refurbishment of the building. There will still be an ongoing maintenance cost.

11.4.2 Alternative options considered in place of establishing the trade partnership agreements with Daqing and Nanchang:

Do nothing: Not entering into these relationships limits opportunities for Sheffield and its businesses in these fast growing commercial centres.

Ad hoc: Without the city-to-city framework being established as a protocol for joint-work between the two cities, businesses would be less likely to be able to deliver commercial and economic benefits from the relationships established in China.

11.4.3 Alternative options considered in place of establishing a strategic investment partnership with Guodong:

Do nothing: Not entering a long-term investment relationship does not support the economic and regeneration objectives of Sheffield.

Establish Partnerships with other organisations: The review of investor and investment opportunities that was undertaken by UKTI in 2015 established that Guodong was likely the best fit long-term investment partner for Sheffield.

12. THE JG GRAVES CHARITABLE TRUST: GRAVES PARK IMPROVEMENT PROJECT

12.1 The Executive Director, Place submitted a report seeking approval to spend funds from the Graves Park Charitable Trust (registered charity number 510841), in line with the Charity's trusts and objects.

12.2 **RESOLVED:** That Cabinet, in its capacity as trustee of the Graves Park Charity, approves spending £115,643 from the Charitable Trust account, which includes the income from the sale of Cobnar Cottage, for the purposes listed in the report.

12.3 Reasons for Decision

12.3.1 To deliver the benefits listed in the report.

12.4 Alternatives Considered and Rejected

12.4.1 Option 1: Do nothing option

The funds held in the charitable account can only be spent at Graves Park. The funds could be left in the account and generate interest for use in the future. However the Council made a commitment to local people that the funds generated by the sale of Cobnar Cottage would be used to benefit the park and there is an expectation that there will be visible improvements to the site. This is therefore not the preferred option.

12.4.2 **Option 2: Deliver the project as described in this report**– this is the preferred option. This option delivers a range of improvements aimed at meeting the needs of all users of the park. The project will deliver the following benefits:

- Improvements to the path network and entrances will ensure that the park is accessible and welcoming.
- Improved toilet facilities in the sports area (Charles Ashmore Road entrance) will support the development of the tennis area as a Lawn Tennis Association priority site and encourage new users to the bowling greens, pitch and putt and cricket pitch.
- The project will deliver improvements to the play value of the park.
- Investments in signage will encourage visitors to make full use of all of the activities available and improve the visitor experience.
- The works will benefit the local and wider community and continue the commitment to quality green space.

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Agenda Item 7



Author/Lead Officer of Report: Alice Nicholson,
Policy & Improvement Officer

Tel: 0114 27 35065

Report of: Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

Report to: Cabinet

Date of Decision: 18th January 2017

Subject: Call-In of decision by Cabinet on “China Economic and Civic Programme Update”

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
- Expenditure and/or savings over £500,000		<input type="checkbox"/>		
- Affects 2 or more Wards		<input type="checkbox"/>		
Which Cabinet Member Portfolio does this relate to? <i>Business and Economy/ Communities and Libraries/ Culture, Leisure & Parks/ Children's and Young People</i>				
Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing Scrutiny and Policy Development Committee				
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>				
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:- <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>				

Purpose of Report:

This paper reports the outcome of the Scrutiny Committee meeting held on 15th December 2016 where a Call-In on the decision of Cabinet on 30th November 2016 regarding “China Economic and Civic Programme Update” was considered.

Recommendations:

That Cabinet:

- a) Notes the decision of the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

Background Papers:

Cabinet Report: China Economic and Civic Programme Update

<https://imgmeetings.sheffield.gov.uk/ieListDocuments.aspx?CId=123&Mid=6559&Ver=4>

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>(Insert name of officer consulted)</i> n/a
		Legal: <i>(Insert name of officer consulted)</i> n/a
		Equalities: <i>(Insert name of officer consulted)</i> 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>(Insert name of relevant Executive Director)</i> n/a
3	Cabinet Member consulted:	<i>(Insert name of relevant Cabinet Member)</i> n/a
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 Decision Maker 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>Alice Nicholson</i>	Job Title: Policy & Improvement Officer
	Date: <i>10/01/2017</i>	

Called-In Decision – Outcome of Scrutiny Committee Meeting

1. Cabinet Decision

- 1.1 At its meeting on the 30th November 2016 Cabinet took the following decision:

RESOLVED: That Cabinet:-

- (a) notes the Council's programme of activity with Sheffield's Chinese partners;*
- (b) authorises the completion of the required legal documents which will underpin the long-term Strategic Investment Partnership with Guodong following the signing of Heads of Terms in June 2016;*
- (c) notes the expression of interest received from Guodong and authorises entering into a twelve month period of exclusivity to assess the viability of developing a 5 star hotel at the Central Library building on Surrey Street;*
- (d) approves the commencement of the negotiation of terms with Guodong regarding the library building on the principles set-out in the report;*
- (e) in line with the principles outlined in the report, approves the development of options for both the temporary and the permanent relocation of the Central Library Service and the Graves Art Gallery that may be required as a result of the receipt of the hotel expression of interest; and*
- (f) notes that the terms of the hotel proposal and the options for any impacted services will be the subject of a future report to Cabinet prior to entering into any binding agreement.*

2. Scrutiny

- 2.1 As per Part 4, section 16 of Sheffield City Council's Constitution, this decision was called in.
- 2.2 The Economic and Environmental Wellbeing Scrutiny and Policy Development Committee considered this call-in at a meeting held on 15th December 2017.
- 2.3 The Committee heard from the relevant Cabinet Members, Council Officers, Councillors who called-in the decision, and members of the public. The issues discussed included, future of the Central Library, exclusivity agreement, ongoing open and transparent process.
- 2.4 The Scrutiny Committee:
- (a) agreed to take no action in relation to the called-in decision
 - (b) requests that a further report on an update on progress of the China Economic and Civic Programme be submitted to its first meeting in the Municipal Year 2017/18, prior to the final decision being made by the Cabinet.

3. Recommendations:

That Cabinet:

- a) notes the decision of the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee
-

Agenda Item 8



Author/Lead Officer of Report:
Simon Hughes/Principal Committee Secretary

Tel: 27 34014

Report of: *Acting Executive Director, Resources*

Report to: *Cabinet*

Date of Decision: *18th January 2017*

Subject: *Staff Retirements*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
- Expenditure and/or savings over £500,000	<input type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>N/A</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>N/A</i>		
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>		
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:-		

Purpose of Report:

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

Recommendations:

To recommend that Cabinet:-

- (a) place on record its appreciation of the valuable services rendered to the City Council by the above-mentioned members of staff in the Portfolios stated;
- (b) extend to them its best wishes for the future and a long and happy retirement; and
- (c) direct that an appropriate extract of the resolution now made under the Common Seal of the Council be forwarded to those staff above with over 20 years' service.

Background Papers: None

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

1. PROPOSAL

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

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
<u>Children, Young People and Families</u>		
Margaret Cowen	Teacher, Shooters Grove Primary School	42
Deborah Kelly	Headteacher, Brightside Nursery Infant School	37
Deborah Rayner	Clerical Officer, Reignhead Primary School	21
Anne Taylor	Learning Mentor, Brightside Nursery Infant School	22
Gillian Nugent	Higher Level Teaching Assistant Level 4, Meersbrook Bank Primary School	22
Jane Howe	Supervisory Assistant, Stocksbridge High School	27
<u>Place</u>		
Jeffrey Lister	Cemetery Operative	44

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Agenda Item 9



Lead Officer: Edward Highfield, Director of Creative Sheffield
Report Author: David Oliver, Solution Architect

Telephone: E. Highfield 011422 32349, D. Oliver: 07792 846021

Report of: *Simon Green, Executive Director of Place*

Report to: Cabinet

Date of Decision: *Wednesday 18th January 2017*

Subject: *Sheffield City Centre Wi-Fi*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
- Expenditure and/or savings over £500,000	<input type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? Business and Economy		
Which Scrutiny and Policy Development Committee does this relate to? Economic & Environmental Wellbeing		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given?	EIA1017	
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Purpose of Report:

The purpose of this report is to seek approval to undertake a competitive procurement for a concession contract, for up to 10 years, for the provision of a Sheffield city centre public access Wi-Fi service and to enter into contract with the bidder that provides the most economically advantageous tender.

Recommendations:

It is recommended to delegate authority to the Director of Creative Sheffield:

- a. In consultation with the Cabinet Member for Business & Economy, the Executive Management Team, the Director of Finance and Commercial Services and the Director of Legal and Governance to approve the final procurement strategy, and,
- b. In consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance to agree contract terms and enter

- into contracts at the conclusion of the procurement, and,
- c. In consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance to take such steps as deemed necessary to meet the Fundamental Principles and achieve the Outcomes outlined in this report.

Background Papers:

None

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: Marianne Betts, Director of Finance & Commercial Services
	Legal: Janusz Siodmiak / Deepak Parmar
Equalities: Michael Bowles, Head of Elections, Equalities and Involvement	
<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>Simon Green, Executive Director of Place</i>
3	Cabinet Member consulted: Leigh Bramall, Cabinet Member for Business and Economy
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 Decision Maker 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>Edward Highfield</i>
	Job Title: <i>Director of Creative Sheffield</i>
Date: 09 December2016	

1. PROPOSAL

1.1 Background

1.1.1 The aim to provide a public access Wi-Fi service is being facilitated by Sheffield City Council (the Council) on behalf of wider City partners such as the Sheffield Business Improvement District (BID) because the BID believes that this will help make Sheffield City Centre a more vibrant and attractive place for citizens, visitors, businesses and shoppers; and that it will increase footfall and help local businesses thrive and grow.

1.1.2 SCC is in a unique position to support in this way through exploiting City wide street assets. This provides a platform for others to exploit. For example, a public access Wi-Fi service could enable citizens, visitors and shoppers to access information, services and products provided by a wide range of potential providers.

1.1.3 If successful, the public access Wi-Fi service will be procured using a concession contract. This requires bidders to provide a Wi-Fi service and to pay the Council a rental fee for the use of its street assets, in exchange for exclusive use of those street assets for providing wireless communication services.

1.1.4 If successful, the intention is for the Wi-Fi service to be completely free of charge for the user. Therefore, bids not offering a 100% free of charge service to the user will be rejected.

1.1.5 It is intended that there will be no upfront or ongoing investment made by the Council for the provision of the public access Wi-Fi service. Therefore, there is a risk that the market is not interested in bidding for the concession contract because without such funding, it cannot identify a way of recouping its own investment and making sufficient profit. There is also a risk that bids are received, but that they do not meet requirements. In these situations, it will not be possible to proceed to full implementation.

1.2 The Fundamental Principles that bids must comply with are:

- There should be no net cost to Sheffield City Council in deployment, operation or exit;
- There should be no or minimal legal, financial or reputational risk to the Council throughout the contract life;
- The bid should contribute a revenue stream to the Council; and,
- The bid should not prevent or limit the Council from being able to implement wireless communications services for its own administrative or service delivery purposes or future city centre vibrancy initiatives.

1.3 The Outcomes Sought from the Wi-Fi service are:

- Free of charge to the user;
- A high quality customer experience for access, registration and use;
- A family friendly experience;
- Good city centre coverage ideally including Council owned public buildings such as the winter gardens;
- Good performance that keeps pace with technology; and,
- A reliable communications platform that can be used by the Sheffield Business Improvement District (BID) and others to increase footfall and to help local business thrive and grow.

1.4 Current Position

1.4.1 Currently there is no ubiquitous free of charge public access Wi-Fi service across Sheffield City Centre. However, there is some provision:

- Free of charge public access Wi-Fi is available in many shops, bars and restaurants in Sheffield City Centre, provided by either a national telecommunications company such as O2 in McDonalds or Costa Coffee or independently by the individual shop, bar or restaurant.
- Stage Coach provide free of charge public access Wi-Fi on some of their bus fleet.
- Free of charge public access Wi-Fi is available in some public buildings including the Sheffield Central Library. This was funded by the Arts Council for England and the service provider is O2.
- Free of charge Wi-Fi is available for the University of Sheffield, Sheffield Hallam University and the Sheffield College students, staff and visitors at these institutions.
- Sky provides Wi-Fi hotspots which are for use by their broadband or mobile customers. In most cases their The Cloud Wi-Fi hotspots also provide free of charge access for the public.
- BT provides Wi-Fi hotspots which are for use by their broadband or mobile customers via BT FON and BT WiFi.
- Free of charge public access Wi-Fi is being provided in NHS locations.
- The European Commission has recently proposed funding community Wi-Fi schemes, which if approved by the EU Parliament, would enable the Council to apply for funding of up to 20,000 Euros in Spring/Summer 2017. Officers have evaluated this proposed scheme and have identified that this will not meet the Fundamental Principles for Sheffield City Centre Wi-Fi and that

it is highly unlikely to meet the Outcomes Sought for Sheffield City Centre Wi-Fi.

1.5 The Need For Change

1.5.1 The reason for the project is:

- To provide a public access Wi-Fi service in public spaces and public buildings within the Sheffield BID area. The Sheffield BID and others believe that a city centre public Wi-Fi service will make Sheffield City Centre a more vibrant and attractive place for citizens, visitors, businesses and shoppers in order to increase footfall and to help local businesses thrive and grow; and,
- To complement Sheffield City Council's broader strategic objectives of being one of the best connected cities in the country. Many UK cities have public access Wi-Fi services including Leeds, Manchester and York.

1.5.2 There are many other potential applications for a city centre Wi-Fi service and Officers recognise these and the benefits that they would bring.

1.5.3 Therefore, proposals will be evaluated based on their ability to meet the Fundamental Principles and Outcomes Sought which are described above, and also a range of additional desirable requirements identified through consultations with stakeholders.

1.5.4 For the purpose of clarity, this project is something that the Council is choosing to do in order to support the Sheffield BID and the City Centre in general. The Council is in a unique position to help in that it owns thousands of street assets that could be used to provide public access Wi-Fi through a concession contract, in exchange for providing the bidder with exclusive use of those streets assets for wireless communications.

1.5.5 This project is not something that the Council is legally obliged to do. The Council could decide not to progress this project and may do so if the bids received do not meet the requirements described in this report.

2. HOW THIS DECISION CONTRIBUTES

2.1 Economic Benefits

2.1.1 The primary purpose of this project is to provide free of charge public access Wi-Fi connectivity to the Internet in the outdoor area covered by the Sheffield BID, and where possible in public buildings such as the Winter Gardens, in order to provide economic benefit to the businesses located in Sheffield City Centre.

2.1.2 In so doing, this project will support the Sheffield BID and others who believe that this will make Sheffield City Centre a more vibrant and attractive place for citizens, visitors, businesses and shoppers in order to

increase footfall and to help local businesses thrive and grow.

2.2 Social Benefits

2.2.1 The City Centre Wi-Fi Service provides access to the internet to those in society that may have an internet enabled device but that cannot afford a home broadband connection and it provides access to the internet to those in society that may have an internet enabled device but that find themselves homeless.

2.2.2 It is generally accepted that access to the internet provides the following benefits, though some of these will be limited by the nature of an outdoor Wi-Fi service.

- Improved access to public services which are increasingly available online;
- Improved contact between public services and the homeless;
- Improved education outcomes through the use of web-based learning materials;
- Better employability through more effective job-hunting;
- Improved health and well-being through remote monitoring (health sensors are now built into smart phones) better communications and access to health and well-being services;
- Reduced isolation as access to the Internet can help improve communication and social engagement; and,
- Access to savings and discounts offered through on-line shopping.

2.3 Corporate Plan

2.3.1 This project complements the Council's broader ambition to become 'a superfast, digitally connected city' by being 'amongst the most connected cities in the UK where businesses can access the technology to grow, making the City region an attractive location to run a business and work in.' ('Sheffield City Council Corporate Plan 2015-18').

2.3.2 The Corporate Plan recognises that 'improved connectivity provides a platform for the City to run better, enabling business, and individuals to create and co-create high quality, targeted, real time products' and that 'making the most of technology means having digitally literate local people; people with the ability and confidence to teach themselves and adapt to continually changing digital tools and services' in order to:

- Support existing businesses looking to adopt technology, enabling them to grow;
- Increase the attractiveness of the City to businesses looking to start-up;
- Enable local people to secure employment within new or growing businesses who will increasingly use this technology;
- Raise aspirations of young people as they prepare for education, training and work; and,

- Ensure people and businesses can access and use a range of services and resources that are increasingly digitally enabled, in their everyday lives.

3. CONSULTATIONS

3.1 Officers have consulted widely in the production of this report. In addition, officers have consulted with a number of national, regional and local telecommunications companies to determine if there is interest from the market.

3.2 There is no requirement for the Council to consult the public regarding this project.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Key Risks

Risk	Description	Mitigation	Impact	Probability
No bids are received	There is a risk that the market is not interested in bidding for the concession contract because for example the market cannot identify a way of recouping its investment and making sufficient profit.	Soft market testing has identified that there is interest and that the Council can expect to receive bids.	High	Low
Bids do not meet expectations or requirements	There is no upfront or ongoing investment being made by SCC in this project. Therefore, there is no guarantee that the bids received will meet requirements. There is a risk that expectations exceed what the market is prepared to offer in exchange for the concession.	Expectations of stakeholders will need to be managed. SCC will share with the market what it's essential and desirable requirements are. SCC will evaluate bids against these criteria. Soft market testing has indicated that SCC can expect to receive bids that meet the essential criteria.	High	Medium
Risk of incurring financial cost	Concession contracts do not require the Council to make an up-front or ongoing investment. However, there will be an ongoing cost to SCC for liaison with the supplier and others regarding technical, contractual and practical matters.	The rental income received by SCC for the use of its street assets will be used to offset internal administrative costs for managing the contract.	Medium	Low
Reputational risk from under performance of the supplier for example a poor quality service	Examples of poor quality service include: a poor quality customer experience for access, registration and use; inadequate content	A service specification and set of terms and conditions have been developed and will be shared with suppliers during the procurement	High	Low

	filtering; poor coverage; poor upload and download speeds; periods of unavailability, providing exclusivity terms that limit the Council from being able to implement wireless communications services for its own administrative or service delivery purposes. There is also a risk that SCC could become liable for legislative obligations under DPA and RIPA.	process.		
Risk that the concession contract stops the city from benefitting from future wireless communications initiatives and services	Bidders are expected to require exclusive use of SCC street assets for providing wireless telecommunication services. If exclusivity is given without condition, it could limit the Councils ability to implement wireless communications services for its own administrative or service delivery purposes or future city centre vibrancy initiatives. It could also limit the provision of future wireless communications technologies or services.	A service specification and set of terms and conditions have been developed and will be shared with suppliers during the procurement process. The terms will ensure that 'exclusivity' does prevent the City from benefitting from future wireless communications initiatives and services. SCC will not accept bids that seek unreasonable terms of exclusivity.	High	Low

4.2 Equality of Opportunity Implications

- 4.2.1 An Equalities Impact Assessment has been completed for this project, Reference: EIA1017 (Sheffield City Centre Wi-Fi).
- 4.2.2 Overall there are no significant differential, positive or negative, equality impacts. The City Centre Wi-Fi Service provides access to the internet to those in society that may have an internet enabled device but that cannot afford a home broadband connection and it provides access to the internet to those in society that may have an internet enabled device but that find themselves homeless.

4.3 Financial and Commercial Implications

4.3.1 Concession Contract

Officers have identified that a competitive procurement for a concession contract is the most appropriate method of procuring a public access Wi-Fi service for Sheffield City Centre. The concession contract will enable the preferred bidder to install its wireless communications equipment on Council owned street light columns, city centre CCTV columns, and

potentially on Council owned buildings, on an exclusive basis (for the provision of this type of service), in exchange for the provision of a free of charge public access Wi-Fi service and a rental payment for the use of the assets. The concession contract does not require the Council to make an up-front or ongoing investment. However, this approach means that there is no guarantee that the market to respond with a proposal that meets all of its requirements.

4.3.2 Commercial Arrangement

The project will require the Council to enter into a contractual arrangement with the preferred bidder for up to 10 years. Officers have developed a service specification and set of terms and conditions on which to contract which minimises risk to the Council whilst maintaining a sufficiently high standard to avoid any future reputational risk. These terms will be issued as part of the procurement process and will form part of the SCC evaluation process.

4.3.3 Procurement Costs

Internal costs will be covered by project budgets.

4.3.4 Running Costs

There will be no cost to the Council for the deployment, operation or exit of the city centre Wi-Fi service. However, there will be a requirement for SCC to manage the contract. The revenue income received from the concessionaire will be used to cover the internal administration of the contract including for example liaison/communications with the concessionaire and other stakeholders.

4.3.5 Revenue

SCC will receive a revenue stream from the rental income paid by the concessionaire for exclusive use of the Council's assets. It may also be possible to negotiate a gain share of profits generated by the concessionaire after the concessionaire has covered its costs. However, soft market testing has indicated that this is far from certain and cannot be assumed.

4.3.6 Exclusivity

Bidders will require exclusive use of SCC assets for the provision of wireless communications services which could potentially include: public access Wi-Fi, small cell technology for 4G backhaul, and/or commercial wireless broadband services. Officers will ensure that the exclusivity terms do not limit the Council from being able to implement wireless communications services for its own administrative or service delivery purposes, or future city centre vibrancy initiatives.

4.3.7 Indicative Time Table

An indicative timetable of events is provided below. Please note that this is subject to change.

Stage	Date
Issue of Invitation To Tender to Long List	Jan 2017
Submission of Pre-Qualification Questionnaire and Stage One Tenders	Feb 2017
Evaluation of Pre-Qualification Questionnaire and Stage One Tenders	Mar 2017
Consultation with Cabinet Member for Business & Economy, the Executive Management Team, the Director of Finance and Commercial Services and the Director of Legal and Governance	Mar 2017
Notification of Results of Evaluation	Mar 2017
Dialogue Sessions between SCC and the Short Listed Bidders	Apr 2017
Submission of Best And Final Offer (BAFO)	May 2017
Evaluation of BAFO	May 2017
Notification of Award	May 2017
Standstill Period	Jun 2017
Contract Award	Jun 2017
Wi-Fi Service Go Live	Dec 2017

4.4 Legal Implications

4.4.1 Applicable Legislative

The City Wi-Fi Service will be compliant with all applicable legislation including the Data Protection Act 1998; the Data Retention Regulations 2009; The Regulation of Investigatory Powers Act 2000; and, the Digital Economy Act 2010 (if applicable) and other relevant legislation that may be implemented during the life of the contract. The successful bidder will be responsible for legislative compliance.

4.4.2 The concession contract will also mitigate potential risks to Sheffield City Council that could arise from the Electronic Communications Code and the Landlord and Tenant Act 1954.

4.4.3 The procurement of City Wi-Fi Service is exempt by EU Concession Directive (2014/23) and the Concession Contracts Regulations 2016. The procurement exercise will be consistent with the requirements of Contract Standing Orders.

4.5 Property, Planning and Development Implications

4.5.1 The concession contract will enable the successful bidder to install wireless telecommunications equipment on Council owned property and street assets such as street light columns and CCTV columns.

4.5.2 The concessionaire will be required to follow all appropriate SCC policies and procedures including those relating to Health and Safety, Planning and Development.

4.5.3 The concessionaire will undertake a network design and survey work and will ensure that the building facades, rooftops, street light columns

and CCTV columns to be used are in a good state of repair and that installation will not cause damage.

- 4.5.4 The concessionaire will be responsible for obtaining and maintaining all necessary planning permissions, third party permissions and/or rights to provide services. SCC will assist the concessionaire to obtain these efficiently and effectively. However, the concessionaire must satisfy the requirements of the various planning and development processes in the same way as any other developer.
- 4.5.5 The implementation, operation and maintenance of wireless telecommunications equipment installed on assets managed by Amey or other third parties will be conducted or supervised appropriately and in a manner that is acceptable to the SCC Highway Network Manager and Sheffield Traffic Manager and the Director of Legal & Governance and Monitoring Officer.
- 4.5.6 All works will be undertaken or supervised by a SCC approved and appropriately qualified and experienced third party. This is expected to be Amey for the Street Light Columns.
- 4.5.7 The wireless telecommunications equipment and its mounting brackets will be fit for purpose, robust and designed for outdoor deployment.
- 4.5.8 The wireless telecommunications equipment will be regularly maintained.

4.6 Public Health Implications

- 4.6.1 Wi-Fi poses no risk to public health. The World Health Organisation report that: "To date no adverse health effects have been established from mobile phone, base stations or wireless technology". Most Wi-Fi devices use the 2.4Ghz radio frequency band, as do baby alarms, radio-controlled cars, cordless (DECT) phones and Bluetooth headsets.
- 4.6.2 It is generally accepted that access to the internet enables improved health and well-being through remote monitoring (health sensors are now built into smart phones); better communications; and, access to health and well-being services. It can also reduce isolation as access to the Internet can help improve communication and social engagement.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 A Sheffield BID and/or SCC funded public access Wi-Fi service has been considered as an option. However, the opportunity to provide a Wi-Fi service through a concession contract which requires no investment from SCC is preferable to a model requiring investment. This approach enables Sheffield BID and SCC to provide a public access Wi-Fi service and to use their limited budgets elsewhere.
- 5.2 An externally funded public access Wi-Fi service has been considered

as an option. However, the funding source used to provide such services in Leeds, York and Edinburgh (the BDUK Super Connected Cities Scheme) is no longer available.

- 5.3 The European Commission has recently proposed funding community Wi-Fi schemes, which if approved by the EU Parliament, would enable the Council to apply for funding of up to 20,000 Euros in Spring/Summer 2017. Officers have evaluated this proposed scheme and have identified that this will not meet the Fundamental Principles for Sheffield City Centre Wi-Fi and that it is highly unlikely to meet the Outcomes Sought for Sheffield City Centre Wi-Fi.

6. REASONS FOR RECOMMENDATIONS

- 6.1 It is recommended that SCC undertakes a competitive procurement for a concession contract for the provision of a city centre Wi-Fi service and, subject to the required objectives described in this report being met to the satisfaction of the Director of Legal & Governance and Monitoring Officer and the Director of Finance & Commercial Services, to enter into a concession contract for the provision of those services.

- 6.2 This is the preferred option because it enables the Sheffield BID and SCC to achieve its fundamental principles and outcomes sought without having to make a significant investment.

- 6.3 The Fundamental Principles that bids must comply with are:

- There should be no net cost to the Council, in deployment, operation or exit;
- There should be no or minimal legal, financial or reputational risk to the Council throughout the contract life;
- The bid should contribute a revenue stream to the Council; and,
- The bid should not prevent or limit the Council from being able to implement wireless communications services for its own administrative or service delivery purposes or future city centre vibrancy initiatives.

- 6.4 The Outcomes Sought from the Wi-Fi service are:

- Free of charge to the user;
- A high quality customer experience for access, registration and use;
- A family friendly experience;
- Good city centre coverage ideally including council owned public buildings such as the winter gardens;
- Good performance that keeps pace with technology; and,
- A reliable communications platform that can be used by the BID and others to increase footfall and to help local business thrive and grow.

Report Ends

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Author/Lead Officer of Report: Louise Cassin,
Housing Business Plan Officer

Tel: 0114 2930240

Report of: Laraine Manley
Report to: Cabinet
Date of Decision: 18 January 2017
Subject: Housing Revenue Account (HRA) Business Plan and HRA Budget 2017/18

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? Housing		
Which Scrutiny and Policy Development Committee does this relate to? Safer and Stronger Communities		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? 1033		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Purpose of Report:

The report provides the 2017/18 update of the Housing Revenue Account (HRA) Business Plan. It includes proposals to:

- Continue with our commitment of 1,000 new/replacement council homes, with a switch of focus from acquisitions to new build with no overall increase in the cost of the programme. A higher percentage of new builds within the programme will help us to build the mix of housing that we need
- Continue to deliver, as planned, improvements to our tenants' homes to make sure they continue to be well maintained over the next 5 years
- To change garage rents to a single rate for garage plots and a single rate for garage sites. Once implemented this will apply to new garage tenants immediately and to existing garage tenants once improvements have been

made to existing sites and plots

- Prepare to implement new government housing policies when legislation comes into force, ensuring we work with our affected tenants to make sure they are fully supported
- Explore potential savings to the HRA allowing time to consult on options in order to help mitigate against anticipated future financial pressures to the HRA

Recommendations:

It is recommended that Cabinet recommends to the meeting of the City Council on 1 February 2017 that:

1. The HRA Business Plan report for 2017/18 as set out in appendix A to this report is approved
2. The HRA Revenue Budget 2017/18 as set out in appendix B to this report is approved
3. Rents for council dwellings including temporary accommodation are reduced by 1% from April 2017 in line with the requirements in the Welfare Reform and Work Act 2016
4. From 2017/18, garage rents will change to a single rate for garage plots and a single rate for garage sites. Once implemented this will apply to new garage tenants immediately and to existing garage tenants once improvements have been made to existing sites and plots
5. The community heating unit charge for tenants who receive metered heating is reduced by 10% from April 2017. Community heating charges for those tenants receiving unmetered heating will remain unchanged from April 2017
6. Following the review of sheltered housing service charges in 2015, as approved by the Cabinet Member for Housing, and work undertaken on future charging for communal heating in sheltered schemes as reported to the Cabinet Member, the existing weekly charge of £14.89 will be amended to £15.54 to recover the cost for communal heating in sheltered schemes.
7. Burglar alarm charges are to remain unchanged from April 2017
8. Charges for furnished accommodation are to remain unchanged from April 2017
9. The Director of Housing and Neighbourhoods and Director of Finance, in consultation with the Director of Legal and Governance and the Cabinet Member for Housing, be granted delegated authority to authorise prudential borrowing as allowed under current government guidelines

Background Papers:

Equalities Impact Assessment (appendix F)

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: Karen Jones
		Legal: Andrea Simpson
		Equalities: Louise Nunn
<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:	Jayne Ludlam
3	Cabinet Member consulted:	Councillor Jayne Dunn
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 Decision Maker 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>Louise Cassin</i>	Job Title: <i>Housing Business Plan Officer</i>
	Date: <i>09.01.17</i>	

1. PROPOSAL

1.1 Summary

1.1.1 The report provides the 2017/18 update of the Housing Revenue Account (HRA) Business Plan. Section 1.5.1 lists the key proposals.

1.1.2 This report also presents a 2017/18 revenue budget for the HRA.

1.1.3 A separate report on the Capital Programme, which includes the council housing investment programme 2017/18, will be considered by Cabinet on 15 February 2017. This will include details of the council's funded capital investment plan for council housing which complements the service and financial plans for the HRA in this report.

1.2 The HRA Business Plan

1.2.1 The HRA Business Plan sets out how all aspects of council housing will be funded from income (predominately rents) the local authority is able to generate in its capacity as landlord. It sets budgets for the coming year and provides a 5 year plan in the context of a 30 year affordability profile.

1.2.2 Each year the HRA Business Plan is reviewed and updated to set budgets and charges for the year ahead and to provide an updated 5 year plan in the context of a 30 year affordability profile. Some of the key achievements of the HRA Business Plan over the last 5 years are listed in appendix A to this report.

1.3 The HRA Ring-fence

1.3.1 The HRA is the financial account of the council as landlord. It is ring-fenced in law for income and expenditure in respect of council housing and housing land and certain activities in connection with the provision of council housing only. Other council services are funded through council tax and central government support which benefits all citizens of Sheffield regardless of tenure.

1.4 Summary of Key Changes for 2017/18

1.4.1 The HRA report to Cabinet in February 2016 set out some of the key policy changes contained in the forthcoming Housing and Planning Bill which it was envisaged would have a significant and detrimental impact to the HRA Business Plan. These included Pay to Stay, the extension of Right to Buy to housing association tenants (to be funded nationally through payments by local housing authorities to the government based on estimated receipts from the sale of higher value council homes as they fall vacant) and the implementation of

fixed term tenancies.

1.4.2 The Housing and Planning Act 2016 received royal assent in May 2016 although most of the social housing provisions are not yet in force. The government announced in the Autumn Statement (November 2016) and in correspondence to local housing authorities that there would be a number of changes to these original proposals. This included:-

- No longer proceeding with the compulsory Pay to Stay proposals
- The extension of Right to Buy to housing association tenants is to continue. There will be a large scale regional pilot on Right to Buy extension which the government will fund
- No higher value asset payments from local authorities in 2017/18
- The implementation of fixed term tenancies policy is still to be introduced, however government are yet to announce any timescales for this

1.4.3 Tenants have been kept up to date throughout the year on the latest developments and have been reassured that the Director of Housing and Neighbourhoods and the Cabinet Member for Housing have been working closely with central Government on these issues to ensure the best outcome for Sheffield and to minimise the risk to tenants.

1.5 Headlines

1.5.1 The key headlines for the HRA Business Plan are:-

- Continue with our commitment of 1,000 new/replacement council homes, with a switch of focus from acquisitions to new build with no overall increase in the cost of the programme. A higher percentage of new builds within the programme will help us to build the mix of housing that we need
- Continue to deliver, as planned, improvements to our tenants' homes to make sure they continue to be well maintained over the next 5 years
- To change garage rents to a single rate for garage plots and a single rate for garage sites. Once implemented this will apply to new garage tenants immediately and to existing garage tenants once improvements have been made to existing sites and plots
- Prepare to implement new government housing policies when legislation comes into force, ensuring we work with our affected tenants to make sure they are fully supported

- Explore potential savings to the HRA allowing time to consult on options in order to help mitigate against anticipated future financial pressures to the HRA

1.5.2 The financial viability of the HRA Business Plan is measured by its ability to repay debt over 30 years. In last year's update, mitigations as a result of the 1% rent reduction were factored into the 30 year business plan such as extending investment lifecycles, to ensure the plan was financially viable and secure over the 30 year life of the plan.

1.5.3 These mitigations remain factored into the plan for 2017/18.

1.6 Income and Resources

1.6.1 Dwelling rents for 2017/18 including temporary accommodation are to reduce by 1% in line with the Welfare Reform and Work Act 2016. This will be the second year of rent reductions as part of the Act. The 1% decrease is equivalent to an average reduction of £0.76 per week. Appendix D sets out the average rents per house size in Sheffield.

1.6.2 The process of making all council housing rents equitable over time by letting vacant properties at the target rent level will continue. Currently the average rent is £0.90 less than 'target' compared with a difference of £0.96 last year.

1.6.3 It is proposed from 2017/18 that garage rents will change to a single rate for garage plots and a single rate for garage sites. Charges for garage plots and sites vary across the city; therefore a change to a single rate will provide a simpler and fairer charging mechanism for both garage plots and sites. Once implemented this will apply to new garage tenants immediately and to existing garage tenants once improvements have been made to existing sites and plots. All garage tenants will be given notification of any change to their existing garage rent rate.

1.6.4 The community heating unit kilowatt hour (kWh) charge will reduce by 10% from 3.38 pence to 3.04 pence per kWh for 2017/18. This will apply to all tenants who receive a metered heat supply. This reduction reflects reducing commercial gas prices meaning there has been scope to reduce the pence per kWh rate. The 10% reduction also applies to the weekly hot water charge which covers unmetered hot water used in customer's dwellings (in certain sheltered schemes). This reduces the weekly charge from £0.70 to £0.63 per week.

The weekly standing charge levied on heat metered properties remains unchanged and will remain at £4.00 per week for the third

consecutive year.

For a small number of tenants who still receive an unmetered heat supply, their charge will be held at 2016/17 rates. It is envisaged that these will be converted to a metered heating supply early in 2017/18 in accordance with the provisions of the Heat Network (Meter and Billing) Regulations 2014.

A full breakdown of all community heating service charges is set out in appendix D to this report.

- 1.6.5 Following the review of sheltered housing service charges in 2015, as approved by the Cabinet Member for Housing, and work undertaken on future charging for communal heating in sheltered schemes as reported to the Cabinet Member, the existing weekly charge of £14.89 will be amended to £15.54 to recover the cost for communal heating in sheltered schemes. This is a result of the installation of heat meters in sheltered housing schemes during 2016/17, as required by the Heat Network (Meter and Billing) Regulations 2014, so that tenants pay individually for the heat supplied to their homes rather than through a community heating charge. The £0.65 increase per week will be an eligible charge for housing benefit.
- 1.6.6 The procurement for the installation and maintenance of burglar alarms has completed resulting in the burglar alarm charge remaining unchanged for 2017/18.
- 1.6.7 The furnished accommodation charge will remain unchanged for 2017/18.
- 1.6.8 Further detail on Income and Resources is available in the HRA Business Plan 2017/18 appendix A.
- 1.7 Homes
 - 1.7.1 The aim of the investment programme has been to create an affordable plan to match expected resources and to address as much of the higher risk backlog elements quickly in order to minimise costs overall.
 - 1.7.2 In 2011, when the first business plan was drafted, the investment backlog was estimated to be around £257m. By March 2017 the backlog is expected to have reduced to £101m.
 - 1.7.3 A number of fully and partially unfunded investment areas still remain in the business plan. Each year as the business plan is reviewed efforts are made to incorporate elements of the unfunded items into the 5 year programme.

- 1.7.4 The 5 year investment programme will continue to prioritise and deliver, as planned, improvements to people's homes (kitchens, bathrooms, windows, doors, roofs, boilers, communal areas etc) to make sure homes continue to be well maintained.
- 1.7.5 The commitment to optimising the number of new/replacement council homes continues to be a high priority despite pressures. The current stock increase programme is made up of a mix of acquired properties and new build properties. It is proposed that in 2017/18 the stock increase programme continues to work to a target of 1,000 new/replacement homes, with a higher proportion of new build units in order to provide the mix of properties we want to achieve. It is expected that the overall cost of the programme will remain the same.
- 1.7.6 A repairs strategy that will help to develop new and more efficient ways of working is continuing to be developed. The Housing Repairs and Maintenance Service will be insourced in April 2017, as approved by Cabinet in March 2015.
- 1.7.7 Further detail on Homes is available in the HRA Business Plan 2017/18 appendix A
- 1.8 Tenant Services
- 1.8.1 Universal Credit was rolled out in Sheffield on 18 January 2016 for single new benefit claimants. The roll out to couples and families will take place in two tranches, July 2018 for the Bailey and Cavendish Court Jobcentres and September 2018 for the Eastern Avenue, Hillsborough and Woodhouse Jobcentres, with migration of existing claimants in Sheffield expected to take place between 2019 and 2022. Supporting tenants through this transition to Universal Credit as well as supporting tenants affected by other welfare reform changes such as the reduction to the benefits cap will continue to be a key priority for the business plan in 2017/18 and beyond. This will be of importance to those tenants identified as vulnerable and those tenants who may be affected by several welfare reform changes.
- 1.8.2 'Housing+' was implemented citywide on 3 October 2016 as a major change in the way that housing services are delivered across the city. Housing+ adopts a patch-based approach meaning there is much more emphasis on face to face contact with tenants. As well as delivering front-line services, the teams will work with other providers and local people to help strengthen the local community. By providing advice and low-level preventative work in ways of working outside the 'traditional' housing boundaries, neighbourhood officers will help tenants maintain their tenancy and reduce their need for more costly interventions. This will in turn achieve savings for the HRA and incidental benefits for other council services.

- 1.8.3 On 1 May 2015, the delivery of a housing grounds maintenance single service was implemented and involved the transfer of housing estate officers to the Parks and Public Realm service. Savings factored into the HRA Business Plan last year as a result of the integrated service remain profiled for 2017/18. It is proposed that the current standards of delivery and service level agreement (SLA) arrangements continue to be monitored and reviewed in 2017/18.
- 1.8.4 Further detail on Tenant Services is available in the HRA Business Plan 2017/18 appendix A.
- 1.9 Debt and Treasury Management
- 1.9.1 The HRA funds a large investment programme which will continue in the next few years.
- 1.9.2 In order to accommodate the investment programme, the HRA will need to support further borrowing but it will be a question of when this debt is taken and at what rate. This is closely monitored by active treasury management activity throughout the year.
- 1.9.3 The key considerations that shape these decisions are:
- The interest rate environment
 - The HRA's cash requirements for investment and debt management
 - Affordability in the context of the overall 30 year HRA business plan
- 1.9.4 Further detail on Debt & Treasury Management is available in the HRA Business Plan 2017/18 appendix A.
- 1.10 Forecast Outturn 2016/17
- 1.10.1 Regular revenue budget monitoring reports have been presented during the year to Cabinet. These have shown a more favourable outturn compared with the original budget.
- 1.10.2 Early indications suggest an improved full-year outturn position. This will continue to support the 30-year business plan in line with the HRA's financial strategy.
- 1.10.3 Further monitoring reports updating the 2016/17 position will be presented in accordance with the Council's budget monitoring timetables.
- 1.11 HRA Budget 2017/18
- 1.11.1 The HRA Business Plan 2017/18 (at appendix A) sets out the recommended budget for 2017/18 and includes the key changes described in the Income and Resources, Homes, Tenant Services

and Debt & Treasury Management sections above.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The proposals in this report are aimed at maximising financial resources to deliver outcomes to council tenants in the context of a self-financing funding regime, developments in national policy, the current economic climate and reductions in government funding. They will contribute towards the Corporate Plan priorities of Thriving Neighbourhoods and Communities, Tackling Inequalities and being an In-touch Organisation.
- 2.2 The Council must ensure that as a self-financing entity council housing in Sheffield has a sustainable future. The purpose of the HRA Business Plan report for 2017/18 is to ensure the cost of council housing - including investment in homes, services to tenants, the servicing of debt and overheads - can continue to be met by the income raised in the HRA.
- 2.3 The foundation of the HRA Business Plan is ensuring council homes are occupied because letting homes generates the rental income which funds all aspects of council housing.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Tenants have been kept informed of progress in relation to the Housing and Planning Act 2016 via a number of communications. This has included the Housing and Neighbourhoods Panel (HANAP), an update on the council housing web page, an article in 'In Touch' magazine that is delivered to all tenants and an article in 'The Bridge' magazine that is delivered to all Tenants and Residents Associations (TARAs) and Citywide Forum. Tenants will continue to be kept informed once any further updates are provided from government and any Regulations affecting how change is to be implemented have been published.
- 3.2 This report will be discussed with tenant representatives at the Citywide Forum on 12 January 2017. Comments and views expressed will be offered verbally to the Cabinet meeting.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 Consideration has been given to equalities relating to HRA budgets and business plan options and a full Equalities Impact Assessment (EIA) has been completed. Issues raised will be addressed through regular monitoring against actions in the EIA.
- 4.1.2 The Capital Programme report to Cabinet on 15 February 2017 will

deal with any equalities considerations relating to the council housing investment programme.

- 4.1.3 Any in-year proposed change in policy or service provision will require an individual EIA.

4.2 Financial and Commercial Implications

- 4.2.1 The 2017/18 budget is the sixth annual budget set under the self-financing system. It follows the principles set out in the original business plan and allows for a continuation of services to tenants, revenue repairs to properties and also financial support for the council housing investment programme by means of a contribution from revenue.
- 4.2.2 Any annual revenue surpluses on the account will continue to support the 30-year business plan.
- 4.2.3 The council housing capital programme will require the HRA to support further borrowing as allowed under the current government guidelines. In these early years of self-financing the debt strategy for the HRA will continue to be reviewed and developed in accordance with the Council's treasury management policy.
- 4.2.4 Further details on the council housing capital programme will be set out in the report to Cabinet on 15 February 2017.
- 4.2.5 Appendix B details the initial 5 year projections for the HRA income and expenditure account. These are based on current assumptions and will be reviewed during 2017/18 in the light of any known changes.

4.3 Legal Implications

- 4.3.1 The duty to keep a Housing Revenue Account and prevent a debit balance on it and restrictions as to what may be credited or debited to the account ("the ringfence") are governed by Part VI of the Local Government and Housing Act 1989 (the 1989 Act). This formerly included provision for annual HRA subsidy paid by central Government to local housing authorities, as determined by the Secretary of State. HRA subsidy was abolished by the Localism Act 2011, which provided for the Secretary of State to make a determination providing for the calculation of a settlement payment to or from each local housing authority. This settlement and its implications for the self-financing HRA continue to inform the HRA Business Plan.
- 4.3.2 The HRA provisions in the 1989 Act include the duty in January or February each year to formulate proposals relating to HRA income and expenditure. Those proposals are contained in this report.

These proposals must be made on the best assumptions possible at the time as to all matters which may affect the amounts to be credited and debited to the account, and the best estimates possible as to those amounts.

- 4.3.3 By section 24 of the Housing Act 1985 (the 1985 Act) the Council has a broad discretion in setting such reasonable rents and other charges as it may determine and must from time to time review rents and make such changes as circumstances may require. Such circumstances will of course include other statutory requirements such as those described in this report. The duty to review rents and make changes is itself subject to the requirements for notice of a variation set out in Section 103 of the 1985 Act. The notice must specify the variation and the date on which it takes effect which must be at least four weeks after the date of service. To implement the rent variation recommended in this report notice of the variation must be sent to all tenants within the first week of March at the latest.
- 4.3.4 The HRA report to Cabinet in February 2016 set out a number of anticipated legislative changes as a result of the impending Housing and Planning Act and Welfare Reform and Work Act, both of which were then bills before parliament but have since been passed, and other welfare reforms. These are set out below, updated to reflect progress or any changes to government policy since then.

Change to Rent Policy

An annual 1% reduction in social housing rents (whether social or affordable rent) for 4 years is set out in the Welfare Reform and Work Act 2016 and has been implemented with effect from April 2016. The reduction is calculated by reference to the applicable rent on 8 July 2015 and significantly reduces funding for council housing.

Extension of the *Right to Buy* to Housing Association tenants

The extension of the *Right to Buy* to Housing Association tenants is enabled by the Housing and Planning Act 2016. Though the legislation does not expressly make the link, this is to be funded nationally through payments by local housing authorities to the government based on the estimated receipts from the sale of 'high value' council homes as they fall vacant. The government has now confirmed that initially there will be an expanded regional pilot of housing association Right to Buy which will be funded by government, and no Higher Value Asset payments will be required from local authorities in 2017/18.

'Pay to Stay' – Higher Rents for Higher Earners

The Housing and Planning Act also provided for social landlords to be required to charge a market or near market rent to tenants whose household income exceeded £31,000, with local authorities paying the resulting additional income to the Treasury for deficit reduction.

This had been anticipated to come into force from April 2017 but the government has now confirmed that it will not proceed with the policy.

The Implementation of Fixed Term Tenancies

The Housing and Planning Act includes provisions so that in future, except in circumstances to be specified by the Secretary of State, secure tenancies may only be granted for a fixed term of between 2 and 10 years (or until the 19th birthday of the youngest child in the household if that is longer). Also, a successor to an existing secure tenancy who is not a partner succeeds to a tenancy automatically converted to a fixed term of 5 years. Shortly before the end of the fixed term the landlord must carry out a review and decide whether to (1) offer to grant a new (fixed term) tenancy of the dwelling, (2) seek possession of the dwelling but grant a tenancy of another dwelling instead or (3) seek possession of the dwelling without offering a tenancy of another dwelling. There has been no formal announcement of the timetable for implementing the changes and the relevant provisions are not yet in force but the anticipated date is April 2017. The government has confirmed that it still intends to proceed with the policy and has indicated that a tenancy should not be renewed on review if a change of circumstances mean that the family is now 'higher income'.

Further Welfare Reforms

- The benefits cap has been reduced to £20,000 from £26,000 as a result of the Welfare Reform and Work Act 2016.
- The 2015 Summer Budget included an announcement that from April 2017 those out of work aged 18-21 making new claims to Universal Credit (UC) would no longer be automatically entitled to the housing element although there would be some exceptions. This has now been clarified. It will apply to 18-21 year olds who make a new claim for UC after the full roll out, so from July or September 2018 in Sheffield depending on which Jobcentre is involved. It will not apply to those already in receipt of HB or the housing element of UC before that date and there will be exemptions including those young people who do not have a parental home in which they can reasonably live.

The 2015 Autumn Statement set out a proposal that from 2018 the Government proposes to limit HB (or the housing element of UC) for claimants in social rented housing who started their tenancy after April 2016 to the relevant Local Housing Allowance (LHA) rates. This will include the Shared Accommodation Rate for single claimants aged under 35 without dependent children. This has also been clarified recently in a ministerial written statement to the House of Commons. The LHA limitation will commence in April 2019. For HB claimants it will apply to tenancies that began in or after April 2016; for UC claimants it will apply to **all** tenancies, whenever they

began. There will be transitional protection arrangements for claimants who move from HB to UC after April 2019 and claimants who move from UC to HB on reaching state pension age and whose tenancies began before April 2016 will be protected.

4.4 Risk Management

- 4.4.1 The risk management plan is the basis of the council's risk management strategy for the HRA Business Plan.
- 4.4.2 The key risks to the business plan have been identified and are listed in section J of the appendix report.
- 4.4.3 Following an assessment of the risks to the HRA in the coming 5 years it is proposed for 2017/18 for a reserve level of £5m.
- 4.4.4 The main viability test for the business plan is its capacity to repay debt over the life of the business plan. Having this capacity provides cover for interest rate rises and mitigates the need to refinance borrowing in times of high interest rates.
- 4.4.5 The long term viability of the plan is dependent on the delivery of additional savings that will be required in the coming years.

4.5 Other Implications

- 4.5.1 Any environmental and sustainability issues arising from the council housing investment programme within this report will be dealt with in the Capital Programme report to Cabinet on 15 February 2017.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The stock increase programme as agreed in last year's business plan is a combination of new/replacement council housing with an emphasis on acquisitions. The option to continue with a profile geared towards acquisitions was considered but rejected as it no longer provides the mix of housing that we need.

6. REASONS FOR RECOMMENDATIONS

- 6.1 To optimise the number of good quality affordable council homes in the city;
- 6.2 To maximise the financial resources to deliver key outcomes for tenants and the city in the context of a self-financing funding regime;
- 6.3 To ensure that tenants' homes continue to be well maintained and to optimise investment in estates; and
- 6.4 To assure the long term sustainability of council housing in Sheffield.

**Sheffield City Council Housing Revenue Account (HRA)
Business Plan 2017/18**

1. INTRODUCTION

a) Purpose of this Report

This is the Housing Revenue Account (HRA) Business Plan report for 2017/18. This report:-

- Proposes HRA rents and charges for 2017/18
- Proposes budgets for 2017/18
- Reports on progress and sets out new policy choices for 2017/18
- Refreshes the 5 year planning budgets and where appropriate updates long term planning assumptions
- Provides a 30 year affordability profile based on updated financial assumptions

b) Report and Structure

The HRA Business Plan 2017/18 report is presented in the following structure:-

1. Introduction
2. Income and Resources
3. Homes
4. Tenant Services
5. Debt and Treasury Management

c) Background

In England the HRA operates using a self-financing funding model which means that each local housing authority has to fund its council housing from the income it is able to generate from rents and other charges. There is therefore a limit to what can be afforded by the business plan in order that forecasted spend does not exceed income.

The HRA Business Plan 2017/18 report is the fifth annual update since the approval of the original plan in 2012 which marked the start of the self-financing arrangements.

d) The HRA Ring-fence

The HRA is the financial account of the Council as landlord. It is ring-fenced in law for income and expenditure in respect of council housing and housing land and certain activities in connection with the provision of council housing only.

Other council services are funded through council tax and central government support which benefits all citizens of Sheffield regardless of tenure.

Certain traditional housing management functions including rent collection, repairs, rehousing and tenancy management through tenancy conditions (including responding to anti-social behaviour) are essential for the housing service to function and to meet the landlords' contractual and statutory obligations and must, therefore, be funded by the HRA.

It should also be recognised that although the HRA through the ring-fence can only be invested in council housing services, these services can result in wider benefits that can have a positive impact to other council services.

e) Impact of Policy Changes to the HRA Business Plan

In 2015, the government announced as part of its summer budget, a change to national rent policy for social housing. This was included within the Welfare Reform and Work Act 2016, and in April 2016 the first of a statutory 1% reduction in social rents for 4 years was applied and included as part of last year's business plan update. This had a significant impact to the business plan with a reduction in the plan's forecast income. Mitigations were factored into the business plan last year which included:-

- Extending lifecycles for investment items such as bathrooms, windows and heating systems
- Reductions to repairs budgets
- Applying savings from local policy changes
- Updating longer term forecasts where we have a better understanding of probable costs
- Back-office savings

In addition to the 1% rent reduction, a number of major changes for social housing were announced, some of which were included in the Housing and Planning Act 2016 that received royal assent on 12 May 2016 although most of the provisions are not yet in force.

It was originally envisaged that some of the key policy changes contained in the Housing and Planning Act 2016 would have a significant and detrimental impact to the HRA Business Plan. This included:-

- **Pay to Stay** - a mandatory scheme whereby local authorities would have to charge up to a market rent to tenants whose household income exceeds a proposed £31,000 per year (£40,000 in London).
- **The Extension of Right to Buy to Housing Association Tenants** – a scheme involving the government reimbursing housing associations in relation to the discounts made available to their tenants exercising their Right to Buy as part of the voluntary agreement. This is to be funded nationally through payments by local housing authorities to the

government based on estimated receipts from the sale of higher value council homes as they fall vacant.

- **Implementation of Fixed Term Tenancies** - councils will be required to offer fixed term tenancies of between 2 -10 years to new tenants (or until the 19th birthday of the youngest child in the household if that is longer).

Since the enactment of the Housing and Planning Act 2016, the government announced in the Autumn Statement (November 2016) a number of changes to these original proposals. These included:

- No longer proceeding with the compulsory Pay to Stay proposals
- The extension of Right to Buy to housing association tenants is to continue. There will be a large scale regional pilot on Right to Buy extension which the government will fund
- No higher value asset payments from local authorities in 2017/18
- The implementation of fixed term tenancies policy is still to be introduced, however government are yet to announce any timescales for this

f) Responding to the Housing and Planning Act 2016

In response to the Housing and Planning Act 2016, work has been on-going in order to determine the impacts of the policies.

Tenants have been kept informed of progress in relation to the Housing and Planning Act 2016 via a number of communications including the Housing and Neighbourhoods Panel (HANAP), Citywide Forum, an update on the council housing web page, an article in 'In Touch' magazine that is delivered to all tenants and an article in 'The Bridge' magazine that is delivered to all Tenants and Residents Associations (TARAs).

The Director of Housing and Neighbourhoods and the Cabinet Member for Housing have also been working closely with central government on these issues to ensure the best outcome for Sheffield is achieved to minimise the risk to tenants.

g) HRA Business Plan Achievements

This is the fifth update of the HRA Business Plan and since 2012 the HRA Business Plan has accomplished a number of achievements. These achievements have helped to benefit our tenants and the council housing services we are able to provide.

Some of our key achievements over the last 5 years are illustrated on the following page.



h) HRA Business Plan Headlines for 2017/18

The key headlines for the HRA Business Plan 2017/18 are:

- Continue with our commitment of 1,000 new/replacement council homes, with a switch of focus from acquisitions to new build with no overall increase in the cost of the programme. A higher percentage of new builds within the programme will help us to build the mix of housing that we need
- Continue to deliver, as planned, improvements to our tenants' homes to make sure they continue to be well maintained over the next 5 years
- To change garage rents to a single rate for garage plots and a single rate for garage sites. Once implemented this will apply to new garage tenants immediately and to existing garage tenants once improvements have been made to existing sites and plots
- Prepare to implement new government housing policies when legislation comes into force, ensuring we work with our affected tenants to make sure they are fully supported
- Explore potential savings to the HRA allowing time to consult on options in order to help mitigate against anticipated future financial pressures to the HRA

i) 30 Year Affordability and Future Savings Options

The financial viability of the HRA Business Plan is measured by its ability to repay debt over 30 years. In last year's update, mitigations as a result of the 1% rent reduction were factored into the 30 year business plan such as extending investment lifecycles, to ensure the plan was financially viable and secure over the 30 year life of the plan.

These mitigations remain factored into the plan for 2017/18.

j) Summary of Risks

The key risks to the HRA Business Plan for 2017/18 include:

- Welfare Reform
- Right to Buy
- Rent loss from vacant properties
- Investment backlog
- Unfunded items
- Implementation of fixed term tenancies
- Interest rate risk

Further details on the key risks to the business plan are contained within chapters 2-5 in this report.

A risk based reserve has been established in order to mitigate the risks listed above. It is proposed for 2017/18 for a reserve level of £5m.

2. INCOME AND RESOURCES

a) Overview

This section of the HRA Business Plan is concerned with income into the HRA. It includes rent setting and charges payable by tenants to the council as landlord.

b) Risks

i. Welfare Reform

The government's welfare reform continues to be a significant risk to the business plan. Universal Credit was rolled out in Sheffield on 18 January 2016 for single new benefit claimants. The roll out to couples and families is confirmed in 2 phases, July 2018, and September 2018, with migration of existing claimants in Sheffield expected to take place between 2019-2022.

Total arrears at the end of 2015/16 had reduced from £10.81m to £10.67m. This is mainly due to a number of mitigations in place to help support tenants affected by welfare reform such as funding additional officers to manage additional impacts of welfare reforms, Hardship Fund payments and Discretionary Housing Payments (DHPs). As well as helping to reduce arrears, these mitigations have also helped tenants to sustain their tenancies. Arrears collection will however become increasingly difficult as Universal Credit continues to be rolled out and other welfare reforms such as the benefit cap are introduced.

Welfare reform impact on arrears is expected to peak in 2023/24, mainly due to additional arrears arising from Universal Credit.

Other impacts to arrears will include a reduction to the benefit cap from £26,000 to £20,000. This has been applied from November 2016 to tenants who had an existing cap, tenants who are newly capped as a result of a reduction in the threshold will have their benefits capped from January 2017. It is too early at this stage to see what the actual impacts have been, however additional arrears are expected, with arrears due to the benefit cap expected to peak in 2017/18.

From April 2017 those out of work aged 18-21 making new claims for Universal Credit after the full roll out in the area (so from July 2018 or September 2018 in Sheffield) will no longer be automatically entitled to the housing element although there will be some exceptions.

From April 2019, the government proposes to limit Housing Benefit for claimants in social rented housing who started their tenancy after April 2016 to the relevant Local Housing Allowance (LHA) rates. For tenants receiving Universal Credit, the LHA rates will apply to all new and existing tenancies.

There will be transitional protection arrangements for claimants who move from Housing Benefit to Universal Credit after April 2019. Claimants who move from Universal Credit to Housing Benefit on reaching state pension age and whose tenancies began before April 2016 will be protected.

ii. Right to Buy

Right to Buy sales are forecasted to continue to peak in 2017/18 at around 350 sales expected. Increased sales in Right to Buy creates implications for the HRA as the stock profile is reduced, meaning less rental income into HRA as a result.

iii. Rent Loss from Vacant Properties

Rent loss from vacant properties continues to be a risk for the HRA. The vacant rent loss target has been set at 1.5% for 2017/18 and beyond. Further pressures to vacant rent loss are likely as a result of Housing and Planning Act 2016 policy changes that are likely to increase tenancy turnover.

c) Key Developments

i. Rents

- Dwellings

Social rents will reduce by 1% for 2017/18 equivalent to an average reduction of £0.76 per week. This is in-line with the national social housing rent policy included in the Welfare Reform and Work Act 2016 that social rents reduce by 1% for four years. This will be the second 1% rent reduction.

Vacant properties will continue to be re-let at the 'target' (formula) rent in order to continue the process of making council rents equitable over time following the ending of the national 'rent convergence' policy by government one year early. Target rents will also reduce by 1% in April.

The Council has a small but increasing number of properties that are let at an Affordable Rent (up to 80% of market rent). These are predominately new build properties and properties acquired as part of the stock increase programme. The 1% annual reduction applies to all social housing rents so properties let at an Affordable Rent will also be reduced.

- Garages

Garage rents have been frozen since 2014/15. It is proposed from 2017/18 that garage rents will change to a single rate for garage plots and a single rate for garage sites. Charges for garage plots and sites vary across the city; therefore a change to a single rate will provide a simpler and fairer charging mechanism for both garage plots and sites. Once implemented this will apply to new garage tenants immediately and to existing garage tenants once improvements have been made to existing sites and plots. All garage tenants will be given notification of any change to their existing garage rent rate.

ii. Other Charges

- Community Heating

The new heat metering installation programme has been underway and other than a small number of properties where access has been denied, it is planned that almost 6,000 new meters will have been installed by the end of March 2017. Having meters fitted means that our customers have a greater choice on the amount of heat they consume and therefore the amount they pay for their heating.

The community heating kilowatt hour (kWh) unit charge will reduce by 10% from 3.38 pence per kWh to 3.04 pence per kWh for 2017/18. This will apply to all tenants who receive a metered heat supply. This reduction reflects reducing commercial gas prices meaning there has been scope to reduce the pence per kWh rate. The 10% reduction also applies to the weekly hot water charge which covers unmetered hot water used in customers' dwellings (in certain sheltered schemes). This reduces the weekly charge from £0.70 to £0.63 per week.

The weekly standing charge levied on heat metered properties remains unchanged and will remain at £4.00 per week for the third consecutive year.

For a small number of tenants who still receive an unmetered heat supply, their charge will be held at 2016/17 rates. It is envisaged that these will be converted to a metered heating supply early in 2017/18.

Once all 6,000 properties are connected to heat metering and we have complete data across all seasons, we will be in a better position to fully understand the annual trading position on the community heating account. Until we reach this point it would be prudent to keep prices relatively stable. Relative price stability in the energy market over recent years and the incremental utilisation of reserves have made it possible for us to keep our community heating prices stable for our customers. We know our customers do not want to see spikes in prices, and longer term price stability is very important to them. At present and also moving forward we are well placed to deliver this price stability.

It is proposed to retain a community heating reserve of £1.9m. This is to enable the Council to absorb risks such as significant future increases in gas prices and in doing so avoid the need to implement sharp/reactive price increases for tenants.

- Sheltered Housing

Following the review of sheltered housing service charges in 2015, as approved by the Cabinet Member for Housing, and work undertaken on future charging for communal heating in sheltered schemes as reported to the Cabinet Member, the existing weekly charge of £14.89 will be amended to £15.54 to recover the cost for communal heating in sheltered schemes. This is a result of the installation of heat meters in Sheltered Housing schemes during 2016/17, as required by the

Heat Network (Meter and Billing) Regulations 2014, so that tenants pay individually for the heat supplied to their homes rather than through a community heating charge. The £0.65 increase per week will be an eligible charge for housing benefit.

- Furnished Accommodation

The furnished accommodation charge will remain unchanged for 2017/18.

- Burglar Alarms

The procurement for the installation and maintenance of burglar alarms has completed resulting in the burglar alarm charge remaining unchanged for 2017/18.

3. HOMES

a) Overview

This section of the HRA Business Plan is interested in the physical condition of council homes and estates. This section includes the capital investment into homes such as new kitchens, bathrooms and boilers as well as repairs.

b) Risks

i. Investment Backlog

The investment backlog is investment to homes which is due now. The investment backlog is a key risk to the plan because delaying investment work increases the likelihood of responsive repairs being required in the interim. Responsive repairs are by their nature more expensive than planned works and so the later in the plan the backlog is tackled, the higher the overall cost of the business plan.

Work Element	Investment Backlog (forecasted as at end 2016/17)
Bathrooms, Kitchens, Windows, Doors	£8.5m
Full & Partial Decent Homes Omissions	£14.3m
Heating	£4.7m
Roofs	£47.2m
Electrics	£26.3m
Total	£101.0m

In 2011, when the first business plan was drafted, the investment backlog was estimated to be around £257m. By March 2017 this is expected to have reduced to £101m.

ii. Partially or Unfunded Items

These are investment items which were deemed unaffordable when the first business plan was developed in 2011 and so were not factored into the 30 year investment programme at all.

Each year as the business plan is reviewed efforts are made to incorporate elements of this into the five year programme. The following table provides an update on work being undertaken to include these items into the ongoing investment plan:

Investment Area	Current Position
Communal areas of maisonettes	Scoping work has begun on the investment needed in the communal areas of maisonettes. Detailed business cases will be brought forward following the conclusion of surveying and

	analysis. It has been estimated a total in the region of £15m will be required, all of which has been factored into 2019/20 and 2020/21.
Externals – canopies, pointing and render	The estimated funding required for this work has increased to £12m
Work to complement Streets Ahead – communal drives, street lighting etc	In the 2015/16 update a £4m provision was made for 2019/20 and this remains. Total costs for this works are estimated to be around £35m
Additional environmental works – drying areas, steps, paths, handrails, walls etc	In conjunction with the maisonettes, work has begun to scope out the options for improving the external environment. This includes any work not picked up through the Highways PFI. This is a significant piece of surveying work that will take some time to conclude. Approximately £14m allocated to this project has been slipped from the 5 year programme following a review of savings.
Plastering and internal doors	The provision to deal with the emerging issue of plastering has been increased within the 5 year programme to £6m. There is still no provision for internal doors in the 5 year programme or in the longer term business plan.
Non-dwelling assets	A small provision of £800k has now been added to the programme in 2021/22

c) Key Developments

i. 5 Year Investment Programme

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

The 5 year investment programme will continue to prioritise and deliver as planned, improvements to people's homes (kitchens, bathrooms, windows, doors, roofs, boilers, communal areas etc) to make sure homes continue to be well maintained.

Key Commitment	Progress Update
Addressing 90% of the 2012 heating backlog by March 2017	The obsolete heating programme which began in 2009 completed at the end of 2015/16. There is still a significant number of systems that could not be completed due to access/refusals. These will be completed when access can be gained. The future programme will move to concentrate on replacing boilers on a 15 year age cycle.
All higher priority roofs to be addressed by March 2019	All roofing projects have been procured and are progressing quickly. The initial flat roofing programme has been completed which is earlier than expected.
Replacement kitchens, bathrooms, windows and doors for 7,000 of 12,800 homes still needing some work by March 2019	The kitchen, bathroom, windows & doors projects have been awarded to contractors and work has begun on site. Less work is being found within

	properties than was originally forecast which is expected to result in a saving to the HRA.
Electrical backlog to be addressed after Decent Homes, heating and roofs	Work set out in the electrical strategy to make improvements and to ensure electricians are maintained in line with the latest safety requirements and to modernise properties to bring them to a standard fit for the future is to be approved.
Refurbishment of communal areas to all 12,000 low rise flats by March 2019	The communal area programme is now procured and making good progress on site.
Energy Efficiency work	Business cases will be developed during 2016/17 for an external wall insulation programme which will support the targets set out in the energy strategy to improve the thermal comfort to the most poorly performing dwellings.
Garage Strategy	Garage demolition work was agreed in June 2016 and work to deliver this started in November 2016. Further garage improvement works is to be developed and expected to be agreed later in 2016/17.

The table below sets out the proposed indicative capital programme over the next 5 years of the business plan. It adds a new 'year 5' resource allocation for 2021/22 and the 2016/17 column shows the anticipated outturn.

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2017-22
HRA Programme	<i>Outturn</i>						<i>Total</i>
EXPENDITURE (In £millions)							
Essential investment work (health & safety, etc)	3.3	1.2	1.5	1.2	0.9	3.0	7.8
Adaptations & Access	1.8	1.9	2.0	2.2	2.5	2.5	11.1
Regeneration	1.1	-	-	-	-	8.0	8.0
Garages Capital	0.4	2.4	0.8	-	-	0.2	3.4
Waste	0.5	1.2	1.4	-	-	-	2.6
Community Heating	-	-	2.4	1.2	1.4	0.9	5.9
Area Investment Environmentals	0.2	0.1	-	-	-	-	0.1
Heating & Insulation	6.1	2.2	6.5	6.9	7.2	1.7	24.5
Roofs & externals	26.6	22.8	25.5	14.3	14.1	19.2	95.9
Communal areas investment	5.8	8.5	3.4	5.2	5.0	5.0	27.1
Electrics	-	7.9	7.7	6.9	4.7	4.0	31.2
Kitchens, Windows, Bathrooms & Doors	7.6	12.2	7.3	7.8	7.0	5.0	39.3
Other planned elementals	-	2.3	2.0	2.0	2.3	2.8	11.4
Sub-Total Core Investment Programme	53.4	62.7	60.5	47.7	45.1	52.3	268.3
Capital management fee	3.2	3.0	3.0	3.0	3.0	3.0	15.0
LTE Purchase & Repair (CHS)	1.4	0.2	-	-	-	-	0.2
Acquisitions (CHS)	0.9	0.5	0.6	0.6	0.6	-	2.3
Total Capital Programme	58.9	66.4	64.1	51.3	48.7	55.3	285.8
Stock increase programme	11.1	9.7	15.4	14.0	29.2	-	68.3
Overall Total HRA Programme	70.0	76.1	79.5	65.3	77.9	55.3	354.1

The 2016/17 programme is profiled in line with expected procurement and delivery timescales.

ii. Stock Increase Programme

The commitment to optimising the number of new/replacement council homes continues to be a high priority.

The stock increase programme includes a mix of acquisitions and new build, working to a target of 1,000 new/replacement homes. The makeup of the previously agreed programme comprised of a higher proportion of acquisitions compared to new builds. To date (December 2016) the programme has achieved 285 acquisitions and 89 general needs new build properties which are near to completion.

A review of the current programme, which included the types and locations of properties which were acquired and potential design and unit price of new build units, has taken place. It is proposed from 2017/18, a higher proportion of new build units are included within the programme in order to provide the mix of properties we want to achieve. A higher proportion of new builds will also allow us more flexibility in design specification and present opportunities for us to provide purpose build housing such as older persons living and supported living accommodation.

Acquisitions of properties for sale on the open market in Sheffield remain important to the programme as the purchase of these units is generally faster and therefore enables us use funding when required.

The council housing stock increase programme is a key part to achieving the council's wider Housing Strategy and contributes to delivering affordable homes to support growth in the city.

The Council will continue to make residual contributions to past social housing projects.

iii. Repairs

The HRA Business Plan 2017/18 continues to factor in efficiencies relating to fewer repairs as a result of planned investment works made to roofs, kitchens, bathrooms and boilers etc.

The changes in the Housing and Planning Act 2016 are likely to present some extra pressures on the repairs budget such as anticipated increases in tenancy turnover as a result of the implementation of fixed-term tenancies. Once this has been implemented and we have a better understanding of the impacts, this will help to determine a future position.

The Housing Repairs and Maintenance Service will transfer into the Council on 1 April 2017. Work is in progress to prepare for an in-house service. There may be a period of stabilisation following the transfer. A review will take place to ensure the service is fully integrated with the housing service and with other essential functions in the council.

A repairs strategy that will help to develop new and more efficient ways of working is continuing to be developed. Efficiencies in the Housing Repairs & Maintenance Service originally approved by Cabinet in March 2015 are being assumed at this stage; however the insourcing of the service from April 2017 may have an impact on future repairs budget provision.

4. TENANT SERVICES

a) Overview

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

b) Risks

i. Implementation of Fixed Term Tenancies

The implementation of fixed term tenancies for new council housing tenancies may have implications for other council housing policies such as housing allocations and tenancy conditions, however it is not known at the time of writing this report when this policy is to be implemented.

c) Key Developments

i. Income Management

Supporting tenants through welfare reform and investing in activity to mitigate the impacts has been a key commitment since the first HRA Business Plan in 2012. This has included visiting affected tenants, recruiting additional staff including specialist debt workers, support for tenants to downsize, training staff on welfare benefits and alternative payment methods such as helping tenants to set up jam-jar accounts and direct debits.

A Hardship Fund was set up in 2013/14 to help tenants impacted by the 'bedroom tax'. The fund has been successful and in 2015/16 saved the HRA a minimum of £365,000 and helped 375 tenants sustain their tenancies.

The council housing service will continue to support tenants through welfare reform and the HRA Business Plan 2017/18 will continue to fund these provisions, especially with expansion to families and couples of Universal Credit in 2018.

ii. Housing+

Housing+ was rolled out citywide on 3 October 2016 and is a major change in the way that housing and other council services are delivered across the city. The service adopts a patch-based approach meaning there is much more emphasis on face to face contact with tenants. There will be an emphasis on more contact with customers in their own homes and all households will be offered an annual visit to discuss their tenancy, and support or advice will be drawn-in from the relevant specialists for those households who need it. There will be 7 neighbourhood teams, based on electoral ward boundaries. As well as delivering

front-line services, the teams will work with other providers and local people to help strengthen the local community. By providing advice and low-level preventative work in ways of working outside the 'traditional' housing boundaries, neighbourhood officers will help tenants maintain their tenancy and reduce their need for more costly interventions. This will in turn achieve savings for the HRA and incidental benefits for other council services.

iii. Attractive Neighbourhoods

- Green and Open Space Management

On 1 May 2015, the delivery of a housing grounds maintenance single service was implemented and involved the transfer of housing estate officers to the Parks and Public Realm service. Savings factored into the HRA Business Plan last year as a result of the integrated service remain profiled for 2017/18. It is proposed that the current standards of delivery and service level agreement (SLA) arrangements continue to be monitored and reviewed in 2017/18.

- Waste Management

A number of waste management initiatives with the purpose of making efficiencies and reducing the costs of fly-tipping were factored into the original business plan. Work continues with such initiatives with efficiencies as a result factored into the business plan.

Waste management initiatives include:

- Closure of dry stores
- Education and enforcement programme
- Removal of bulky waste

5. DEBT & TREASURY MANAGEMENT

a) Overview

This section of the HRA Business Plan concerns the management of housing debt. The HRA has a large investment programme which will continue in the next few years.

In order to accommodate the investment programme, the HRA will need to borrow but it will be a question of when this debt is taken and at what rate. This is closely monitored by active treasury management activity throughout the year.

The key considerations that shape these decisions are:

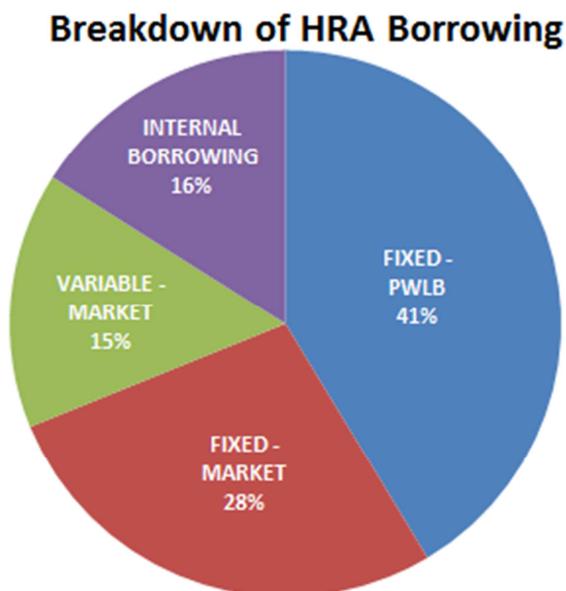
- The interest rate environment
- The HRA's cash requirements for investment and debt management
- Affordability in the context of the overall 30 year HRA business plan

b) Risks

The HRA currently supports a Capital Financing Requirement of £346m of which around 31% is exposed to interest rate variations. Part of the role of treasury management is to manage the HRA's exposure to interest rate fluctuation which is a key risk to the HRA Business Plan. However, it is also important to retain a degree of flexibility to take advantage of borrowing at low interest levels should opportunities arise.

c) Key Developments

i. Loan Portfolio



n Fixed

The HRA's fixed borrowing portfolio is made up of n 28% market loans (including LOBOs not yet in their call period) and n 41% Public Works Loan Board (PWLB) loans.

Lender Option Borrower Option (LOBOs) loans are loans that are generally very long term that incorporate two linked options; the lender option – for the lender to set revised interest rates at predetermined set periods, and the borrower option – once the lender has exercised their option, for the borrower to pay the revised interest rate or to repay that loan and refinance the borrowing elsewhere.

PWLB loans are taken out from UK Debt Management Office (part of HM Treasury) and are generally longer term loans with fixed interest rates.

n Internal borrowing

Currently internal borrowing represents 16% of the total HRA capital financing requirement (CFR). Using cash reserves instead of externalising borrowing saves the HRA costs it would otherwise incur in interest payments and avoids the need to invest cash with counterparties to earn low returns.

However, this only represents a temporary position because the HRA will need to replace the cash as soon as they are required for activity such as funding capital expenditure. This means that the HRA will need to externalise its internal borrowing as and when the cash is needed.

n Variable

15% of the HRA's loan portfolio is treated as variable rate borrowing (as the LOBO loans are in their call period) and as such these loans are at risk from any fluctuations in interest rates due to external economic factors.

Moving away from a portfolio heavily exposed to interest rate risks brings increased cost certainty, and would assist the HRA in producing a stable and accurate business plan.

Overall, the proportion of the portfolio exposed to interest rate risk (n internal borrowing and n variable loans) is now 31% which is down from 40% last year. This significant reduction is partly due to the reclassification by the lender of certain LOBO loans into fixed rate loans.

ii. Business Plan Viability

The main viability test for the business plan is its capacity to repay debt over the life of the business plan. Having this capacity provides cover for interest rate rises and mitigates the need to refinance borrowing in times of high interest rates. It should be noted that the HRA currently has some loans that mature beyond 30 years but has limited options to replace this borrowing within the 30 year timeframe due to the cost involved.

Appendix B

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2017-22
Revenue Account	<i>Outturn</i>						<i>Total</i>
INCOME (in £millions)							
Net income dwellings	147.1	144.4	141.9	139.9	143.8	147.0	717.0
Other income	6.3	6.1	6.2	6.4	6.6	6.7	32.0
Total	153.4	150.5	148.1	146.3	150.4	153.7	749.0
EXPENDITURE (in £millions)							
Homes - Repairs and maintenance	32.4	32.3	32.1	32.0	31.5	32.2	160.1
Homes - funding for Capital Programme	56.5	50.5	47.2	46.1	49.6	50.8	244.2
Tenant Services - Including Management	50.0	52.4	52.7	53.0	53.9	55.2	267.2
Interest on Borrowing	14.5	15.3	16.1	15.2	15.4	15.5	77.5
Total	153.4	150.5	148.1	146.3	150.4	153.7	749.0
Required Revenue Reserve	5.3	5.0	5.1	5.2	5.3	5.3	

Appendix C

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2017-22
Capital Account	<i>Outturn</i>						<i>Total</i>
EXPENDITURE (In £millions)							
Total	70.0	76.1	79.5	65.3	77.9	55.3	354.1
FUNDED BY (In £millions)							
Revenue Funding & Capital Reserve	64.3	68.4	68.7	55.1	61.8	50.8	304.8
Additional Borrowing	0.0	0.0	0.0	0.0	6.7	0.6	7.3
Right to Buy Receipts	4.2	6.0	9.9	9.1	9.0	3.5	37.5
Other capital contributions	1.5	1.7	0.9	1.1	0.4	0.4	4.5
Total Funding	70.0	76.1	79.5	65.3	77.9	55.3	354.1

Appendix D

City Wide average weekly rent by bedsize

Bedsize	Average weekly rent		Decrease	
	2016/17	2017/18		
Bedsit	£58.78	£58.19	£0.59	1%
1 bed	£66.63	£65.96	£0.67	1%
2 bed	£76.00	£75.24	£0.76	1%
3 bed	£85.03	£84.18	£0.85	1%
4 bed	£93.54	£92.60	£0.94	1%
Total (all bedrooms average)	£75.37	£74.61	£0.76	1%

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

Proposed Community Heating Charges from April 2017

1. Unmetered Heat

Bedsize	Full heating		Partial heating	
	Current Prices £/week	Prices April 2017 £/week	Current Prices £/week	Prices April 2017 £/week
Heating & hot water				
Bedsit	11.38	11.38	10.52	10.52
1 Bedroom	11.82	11.82	10.82	10.82
2 Bedroom	14.66	14.66	13.62	13.62
3/4 Bedroom	15.78	15.78	14.66	14.66
Heating only				
Bedsit	8.38	8.38	7.76	7.76
1 Bedroom	8.58	8.58	n/a	n/a
2 Bedroom	10.82	10.82	10.03	10.03

2. Metered Heat

New schemes	Charge		Current Prices £/week	Prices April 2017 £/week
Standard price	Unit charge	pence per kwh	3.38	3.04
	Standing charge	£ per week	4.00	4.00
	*Unmetered hot water charge	£ per week	0.70	0.63

* only for dwellings where hot water cannot be measured through the meter

HRA Financial Assumptions

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

Revenue assumptions	Assumption
Homes – opening number of homes in 2016/17	40,195
Homes - dwellings by 2045/46	34,473
Number of RTBs in 2016/17	335
Total number of RTBs by 2016/17 to 2045/46	5,345
Rents	£72.79 average in 2016/17
Consumer Prices Index (CPI) of inflation	2% per annum
Bad Debts	0.95% in 16/17, increasing in future years in response to Universal Credit implementation
Void rate	1.5% per annum
Repairs	Increased by contractual inflation until insourcing complete
HRA reserves are maintained in accordance with risk based reserves strategy	£5.0m in 2017/18

Debt assumptions	Assumption
Opening HRA Borrowing requirement on 1 st April 2017	£347.3m
HRA borrowing limit	£388.3m
Interest rates on HRA debt	3% in 16/17, 17/18 and 18/19 3.5% in 19/20 4% in 20/21 4.5% from 21/22 onwards

EIA (SharePoint Reference 1033) – HRA Business Plan 2017-18 including rents and charges

a) Introduction

This paper accompanies the HRA Business Plan 2017-18 including rents and charges EIA (ref 1033) on the SharePoint site.

Section B provides how we have consulted with tenants in 2016-17 and Section C provides some further equalities information with regard to HRA Business Plan proposals for 2017-18 and other recommendations contained within the cabinet report.

b) HRA Business Plan Consultation

Tenants have been kept informed of progress in relation to the Housing and Planning Act 2016 and the HRA Business Plan 2017-18 via a number of communications. This has included:-

- The Housing and Neighbourhoods Panel (HANAP) – May and July 2016
- An update on the council housing web page – September 2016
- An article in 'In Touch' magazine that is delivered to all tenants – September 2016
- An article in 'The Bridge' magazine that is delivered to all Tenants and Residents Associations (TARAs) – September 2016
- A presentation at Citywide Forum – September 2016

All communications have been intended to reach as wider tenant demographic as possible. Tenants will continue to be kept informed once any further updates are provided from Government and regulation has been published.

Consultation proposals on further savings options have yet to be worked up, however any consultation completed in 2017-18 will follow the usual engagement process that has occurred in previous year's consultation of the HRA Business Plan.

Consultation Action Plan: -

- Development of a consultation plan / checklist
- Work with established groups and colleagues in order to try and engage more with equality groups e.g. network groups, equality hub, staff groups etc

c) HRA Business Plan 2017/18 Proposals

As part of the HRA Business Plan update for 2017/18, the following key proposals have been presented:-

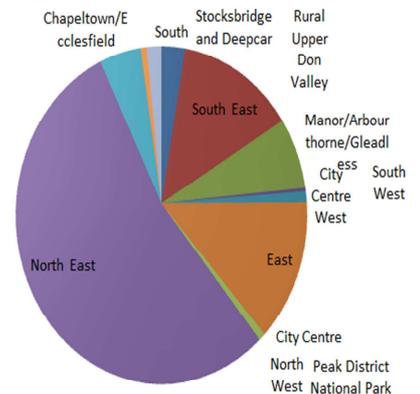
- Continue with our commitment of 1,000 new/replacement council homes, with a switch of focus from acquisitions to new build with no overall increase in the cost of the programme. A higher percentage of new builds within the programme will help us to build the mix of housing that we need**

Following a review of the current stock increase programme in 2016 and taking into account housing policy changes by government, the proposal for the stock increase programme in 2017/18 is for the acquisitions target within the programme to be reduced in order to allow for a higher number of new build properties to be built. The overall target of new / replacement homes will remain at around 1,000 and the overall cost of the programme will remain the same.

Impacts and Mitigations

The tables below provide an overview of location, property size and property type of acquired properties as part of the stock increase programme so far.

	1 bed	2 bed	3 bed	4+ bed	Total
South	0	2	6	0	8
South East	3	13	22	1	39
Manor/Arbourthorne/Gleadless	0	13	5	2	20
South West	0	1	0	0	1
City Centre West	2	0	1	0	3
East	6	16	13	3	38
City Centre	0	0	0	0	0
Peak District National Park	0	0	0	0	0
North West	0	0	1	1	2
North East	22	69	54	8	153
Chapelton/Ecclesfield	1	5	7	1	14
Rural Upper Don Valley	0	1	1	0	2
Stocksbridge and Deepcar	1	2	0	2	5
Total	35 12%	122 43%	110 39%	18 6%	285 100%
	184 = strategic priority				



COMPLETED PROPERTIES BY ARCHETYPE

Archetype	Number	Percentage
House	235	82%
Flat	40	14%
Bungalow	4	1%
Sheltered	0	0%
Maisonette	6	2%
Non-trad House	0	0%
Non-trad Flat/Maisonette	0	0%
Other	0	0%
285		

These purchases have been made using a scoring process within the acquisitions strategy which includes data and needs identified in the [Strategic Housing Market Assessment](#).

The acquisitions programme is reliant on housing that is available and is financially viable for us to purchase. A high proportion of acquired housing has been made in the North East of the city and this is mainly due to there being more council housing in this part of the City, with ex council properties being a priority to purchase.

The acquisitions strategy is reviewed on an annual basis to adjust for changes within the housing market.

The overall impacts of a switch of focus from acquisitions to new build include:

- More opportunities and flexibilities for the Council to provide a housing mix needed
- Opportunities for more custom build properties such as older people's independent living and housing schemes specifically for people with learning disabilities
- Opportunities to be more flexible with the design such as adaptable homes e.g. wheelchair access
- Opportunities to look at incorporating more renewable energy technology and having more thermally efficient homes
- Opportunities to build larger family homes (for 6 people or more)

Properties acquired/built through the stock increase programme will continue to be let through the Choice Based Lettings System, meaning that there shouldn't be a disproportionate impact to a particular equalities or demographic group.

Phases 1, and 2 of the new build programme will be general needs housing (a total of 89 units built in Darnall, Manor and Weakland) and will be offered through the Choice Based Letting System. Phases 3, 4 and 5 are still being scoped and developed as part of the overall new build programme.

An increase in the council housing stock is likely to have a positive impact across all socio economic groups as increasing the type and number of properties available can help to house a number of target groups such as people with disabilities, older people and larger families.

Newly acquired properties as part of the programme will continue to be let at an Affordable Rent in line with last year's decision.

Properties that are let at an Affordable Rent will remain within the Housing Benefits cap therefore existing or new tenants that receive Housing Benefit would not be detrimentally impacted by this. If however their circumstances changed e.g. gained employment, if they were paying an Affordable Rent this is likely to be more than if they were living in a social rented property. The Affordable Rent would however be lower than the equivalent in the private rented sector.

- **Continue to deliver, as planned, improvements to our tenants' homes to make sure they continue to be well maintained over the next 5 years**

On-going investment to people's homes remains a key priority to the business plan and for all tenants; therefore there would be no disproportionate impact on any particular equalities group.

- **To change garage rents to a single rate for garage plots and a single rate for garage sites. Once implemented this will apply to new garage tenants immediately and to existing garage tenants once improvements have been made to existing sites and plots**

Garage rents have been frozen since 2014/15. It is proposed from 2017/18 that garage rents will change to a single rate for garage plots and a single rate for garage sites. Charges for garage plots and sites vary across the city; therefore a change to a single rate will provide a simpler and fairer charging mechanism for both garage plots and sites. Once implemented this will apply to new garage tenants immediately and to existing garage tenants once improvements have been made to existing sites and plots. All garage tenants will be given notification of any change to their existing garage rent rate.

Impacts and Mitigations

A change in the garage rent to a single rate will mean that all garage tenants will be charged the same rent, meaning this will be a fairer charge. The change in rate to a single rate may see some garage tenants rents increase and some decrease, however this will mean that all garage tenants will be charged via a simpler and fairer charging mechanism. All effected tenants will be contacted and informed about any change to their current garage rent.

The proposal is for the change to the single rate charge to be introduced to new council garage tenants immediately once implemented and to existing garage tenants once improvements have been made to existing sites and plots.

Garage plots and sites are located across the city (see table below). Garage tenants are available to be applied for by all council tenants who wish to apply for one in their area, therefore there is no impact to any one particular socio-economic group over another. As the table shows below there is a higher proportion in the South East and South West of the city. The garage demolition programme will have an impact on the overall number of garages as some will be demolished due to health and safety and viability reasons.

Number of garages by Housing Management Area				
	Locations	Garage Plots	Garage Sites	Total
North West	84	683	156	839
Central	29	159	98	257
South East	127	576	892	1468
South West	177	1643	27	1670
North	65	565	128	693
East	36	271	221	492
Total	482	3897	1522	5419

The impacts to tenants overall should be generally low. All garage tenants have been consulted and been kept informed of developments via the Asset Management team.

Garage rent is not covered by Housing Benefit, therefore current garage tenants will be paying for this outside of any benefits they may receive.

- **Prepare to implement new government housing policies when legislation comes into force, ensuring we work with our affected tenants to make sure they are fully supported**

In 2015 a number of major changes for social housing were announced, some of which were included in the Housing and Planning Act 2016 that was enacted on 12 May 2016. It was originally envisaged that some of the key policy changes contained in the Housing and Planning Act 2016 would have a significant and detrimental impact to the HRA Business Plan. This included:-

- **Pay to Stay** - a mandatory scheme whereby local authorities would have to charge up to a market rent to tenants whose household income exceeds a proposed £31,000 per year (£40,000 in London).
- **The Extension of Right to Buy to Housing Association Tenants** – a scheme involving the government reimbursing housing associations in relation to the discounts made available to their tenants exercising their Right to Buy as part of the voluntary agreement. This is to be funded

nationally through payments by local authorities housing revenue accounts to the government based on estimated receipts from the sale of higher value council homes as they fall vacant.

- **Implementation of Fixed Term Tenancies** - councils will be required to offer fixed term tenancies of between 2 -5 years to new tenants (extending to 10 years in certain circumstances to be determined by regulation).

Since the enactment of the Housing and Planning Act 2016, the government announced in the autumn statement (November 2016) a number of changes to these original proposals. This included:-

- No longer proceeding with the compulsory Pay to Stay proposals
- The extension of Right to Buy to housing association tenants is to continue. There will be a large scale regional pilot on Right to Buy extension which the government will fund
- No higher value asset payments from local authorities in 2017/18
- The implementation of fixed term tenancies policy is still to be introduced, however government are yet to announce any timescales for this

Implementation of Fixed Term Tenancies

Councils will be required to offer fixed term tenancies of between 2 -10 years to new tenants (or until the 19th birthday of the youngest child in the household if that is longer).

Shortly before the end of the fixed term, the landlord (Sheffield City Council) must carry out a review and decide whether to:

- i. Offer to grant a new (fixed term) tenancy of the dwelling
- ii. Seek possession of the dwelling but grant a tenancy of another dwelling instead or;
- iii. Seek possession of the dwelling without offering a tenancy of another dwelling.

Only spouses, civil partners and common law partners can succeed automatically to a lifetime tenancy. Other family members that qualify as a successor to a tenancy will be granted a 5 year fixed term tenancy.

The policy will apply to new tenants, however existing lifetime tenants *required* to move home will retain security of tenure and existing tenants who *choose* to move home may be given a further lifetime tenancy in circumstances still to be prescribed in regulations.

- Impacts and Mitigations

There are around 4,200 new council tenancies per year; therefore this is the number initially to be expected to be impacted by this policy. This will apply to the majority of tenants regardless of socio-economic status. There may be some exemptions such as vulnerable people and people with a disability; however the detail is yet to be published via regulations by government. There may also be an

extension for people with school age children up to 10 years (again not yet confirmed as awaiting details from government).

Traditionally lifetime tenancies have meant that people have been able to access council housing knowing that their secure tenancy has meant they could settle within a community for a prolonged period of time. Although new tenants may be able to sustain their tenancy pending a review after 5 years, this policy removes that security they may otherwise have had with council housing. Implications and impacts as a result of this is are likely to be increased tenancy turnover which could also create an issue around community cohesion and sustainability if there is an increase in turnover within estates and areas.

We will ensure to keep all tenants informed of any updates regarding this policy via a number of communications. We will also ensure that any information we distribute is available for people who English is not their first language, braille and large print.

- **Explore potential savings to the HRA allowing time to consult on options in order to help mitigate against anticipated future financial pressures to the HRA**

This will be looked at as part of the consultation proposals in 2017/18 and beyond.

In addition to the proposals mentioned above, the second 1% rent reduction will be applied from April 2017 as required in the Welfare Reform and Work Act 2016. See the **SharePoint EIA (reference 1033)** for specific impacts on demographic groups.



Author/Lead Officer of Report: Dave Phillips,
Head of Strategic Finance

Tel: 0114 273 5872

Report of: *Eugene Walker*

Report to: *Cabinet*

Date of Decision: *18 January 2017*

Subject: *Revenue and Capital Budget Monitoring 2016/17 –
As at 31 October 2016*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>Finance and Resources</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Overview and Scrutiny Management Committee</i>		
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>		
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:-		
<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>		

Purpose of Report:

This report provides the month 7 monitoring statement on the City Council's Revenue and Capital Budget for 2016/17.

Recommendations:

Members are asked to:

- (a) Note the updated information and management actions provided by this report on the 2016/17 Revenue Budget position.
- (b) Approve the revenue expenditure request detailed in **Appendix 7**.
- (c) In relation to the Capital Programme:
 - (i) Approve the proposed additions to the Capital Programme listed in **Appendix 6.1**, including the procurement strategies and delegations of authority to the Interim Director of Finance and Commercial Services or nominated officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;
 - (ii) Approve the proposed additions to the Capital Programme relating to the Growth Investment Fund listed in **Appendix 6.1**
 - (iii) Approve the proposed variations, deletions and slippage in **Appendix 6.1**;

And note:

- (iv) The variations authorised by Directors under the delegated authority provisions.
- (v) The latest position on the Capital Programme.

Background Papers:

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>Dave Phillips</i>
		Legal: <i>Sarah Bennett</i>
		Equalities: No
<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</i>
3	Cabinet Member consulted:	<i>Councillor Ben Curran Cabinet member for Finance and Resources</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 Decision Maker 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>Dave Phillips</i> 	Job Title: <i>Head of Strategic Finance</i>
	Date: 6 th January 2017	

1. PROPOSAL

(Explain the proposal, current position and need for change, including any evidence considered, and indicate whether this is something the Council is legally required to do, or whether it is something it is choosing to do)

- 1.1 *This report provides the month 7 monitoring statement on the City Council's Revenue and Capital Budget for 2016/17.*

2. HOW DOES THIS DECISION CONTRIBUTE?

(Explain how this proposal will contribute to the ambitions within the Corporate Plan and what it will mean for people who live, work, learn in or visit the City. For example, does it increase or reduce inequalities and is the decision inclusive?; does it have an impact on climate change?; does it improve the customer experience?; is there an economic impact?

)

- 2.1 *To formally record changes to the Revenue Budget and gain Member approval for changes in line with Financial Regulations.*

Please refer to paragraph 25 of the main report for the recommendations.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 *No*

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 *No*

4.2 Financial and Commercial Implications

- 4.2.1 *Yes. Cleared by Dave Phillips*

4.3 Legal Implications

- 4.3.1 *No*

4.4 Other Implications

- 4.4.1 *No*

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 *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.*

6. REASONS FOR RECOMMENDATIONS

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

REVENUE BUDGET & CAPITAL PROGRAMME MONITORING AS AT 31 OCTOBER 2016

Purpose of the Report

1. This report provides the Month 7 monitoring statement on the City Council's Revenue Budget and Capital Programme for October 2016. The first section covers Revenue Budget Monitoring, and the Capital Programmes are reported from paragraph 19.

REVENUE BUDGET MONITORING

Summary

2. Previously we have presented the Council's financial position in two elements, namely the underlying position on the services commissioned/provided by the Council, and the position on services that are commissioned and funded jointly with the health service. For the purpose of this report, we have presented the financial position as just one element that is the Council's overall position.
3. As at month 7, the Council is showing a forecast overspend of £4.8m. This is an improved position of £603k since the month 6 monitoring report. It should be stressed that this is prior to any mitigating savings that are currently being identified by Portfolios to reduce this overspend by year end.
4. The overall Council position is summarised in the table below.

Portfolio	Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 6
CYPF	73,047	67,084	5,963	↔
COMMUNITIES	145,305	138,117	7,188	↔
PLACE	144,402	144,697	(295)	↓
POLICY, PERFORMANCE & COMMUNICATION	2,466	2,237	229	↔
RESOURCES	55,042	55,295	(253)	↓
CORPORATE	(415,505)	(407,430)	(8,075)	↔
GRAND TOTAL	4,757	(0)	4,757	↓

5. In terms of the month 7 forecast overspend position of £4.8m, the key reasons are:
 - **Children, Young People and Families (CYPF)** based on trends to date are forecasting to overspend by £6.0m. Placements are reporting a £3.0m overspend; this reflects the full year impact on the current number of placements and the costs for the remainder of the year, Fieldwork Services

forecast overspend of £1.1m resulting from pressures on social workers as a result of increased number of caseloads. Additional pressures within the service include delayed savings of £739k on Short Break and Direct. In addition, there is a forecast overspend of £750k relating to health care services. This is as a result of not yet securing agreement to joint contributions with the CCG for Children's Services Payments.

- **Communities** based on trends to date are forecasting an overspend of £7.2m. This is primarily due to a £3.2m overspend as a result of demand pressures in Care and Support relating to Learning Disability Services and Long Term Support. In addition, there is a forecast overspend of £4.0m relating to health care services, due mainly to an emerging overspend against Commissioned Mental Health Services
- **Place** are forecasting an underspend of £295k primarily due to additional planning fee income now being forecast within Development Services.
- **Policy, Performance and Communications** are forecasting an overspend of £229k due to lower than anticipated advertising income as a result of contract delays.
- **Resources** are forecasting an underspend of £253k due mainly to the additional employee costs of £244k as a result of the Customer Engagement Programme being unachievable in this financial year and £224k of additional pressure within Transport and Facilities Management arising from additional costs on Burngreave New Deal for Communities Property and reduced income to support the Voluntary Registration of Land project. These overspends are offset by £321k reduction in spending within Central Costs due mainly to lower than anticipated former employee pensions costs and £268k on Commercial Services due to confirmation of early payments discounts and project savings.
- **Corporate** are showing a forecast underspend of £8.1m, this is due to a £13.9m underspend following a major review of corporate budgets: the release of £3.0m from the Better Care Fund contingency to relieve pressure on the Mental Health budget, £3.0m on the Corporate Redundancy budget due to lower than anticipated VER/VS applications, an anticipated £2.7m pressure relating to the Independent Living Fund not materialising in 2016/17, £2.0m reduction in borrowing costs as a result of an increase in cash balances available for investment, the use of £1.6m of Social Care reserves, and the release of £0.9m corporate contingencies set aside for potential city centre redevelopment costs as well as pay inflation in line with Living Wage Foundation rates.

These underspends offset a forecast overspend of £5.8m, which are due to an anticipated shortfall in the Better Care Fund (BCF). We and the CCG agreed when the BCF was set up that £9.3m of funds would be made available in total by the two partners. The NHS would fund £5m, and the Council would fund £4.3m as a one-off in 2015/16, with the aim that the BCF would identify savings to eliminate the need for this contribution after 2015/16, or the CCG would identify a source of funds for it. However we now have a significant concern that slippage on this approach is occurring without the underlying savings yet emerging on a joint budget of £280m. SCC is the junior financial partner in this arrangement. Consequently the £4.3m is now a corporate pressure, and in addition the CCG is currently only able to guarantee £3.5m of the £5m of its share of the funding. We and the CCG continue to discuss the funding and management of the BCF.

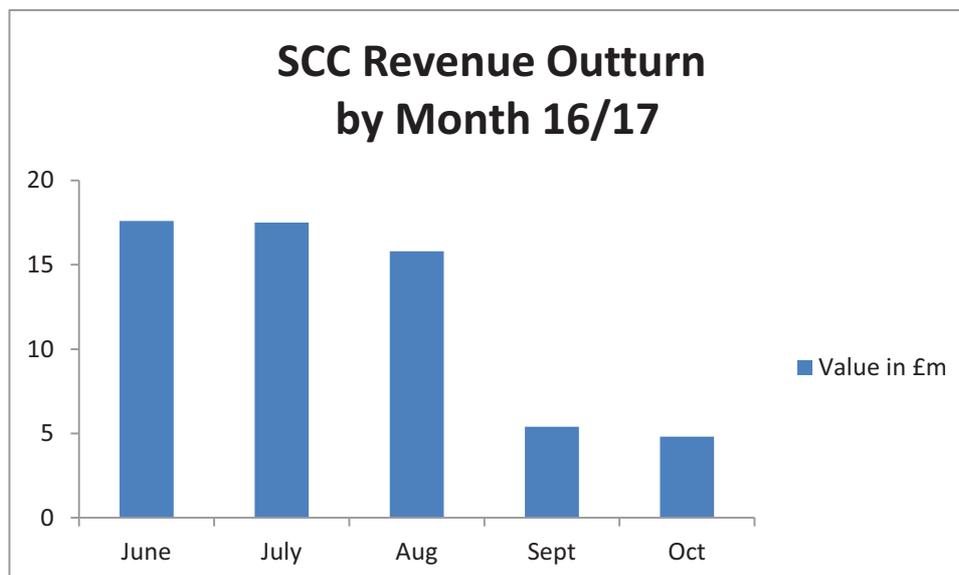
6. The cumulative effect of funding cuts due to the national austerity programme, combined with emerging social care pressures and the challenge of securing funding from Health are making the Council's current financial predicament extremely difficult. Based on the current trajectory, and in spite of a major review of corporate budgets, it would appear highly likely that the Council is going to overspend this year. Although emergency measures are being considered, and plans are being put in place to balance the budget for 2017/18, the strategy to bring social care pressures under control will take at least a year to implement.

Commentary

7. The main variations since Month 6 are:
 - **Place.** The improvement this month is primarily due to additional planning fee income now being forecast within Development Services.
 - **Resources.** The improvement this month is due to the transfer of the KAPs Insourcing budget from Place following a review of the actual costs being incurred of £271k, and £80k for the cost of lift repairs now to be met from capital.
8. Movements from initial forecasts at month 3:

The forecast outturn shows an improved position of £12.8m from the £17.6m overspend reported in month 3. This improvement reflects Portfolios' attempts to reduce spending, but also the major review of corporate budgets to help offset

the significant pressures within the Communities and CYP portfolios. The position month by month is shown in the following chart:



9. Full details of all reductions in spend, overspends and movements from the previous month within Portfolios are detailed in **Appendix 1**.

Public Health

10. The Public Health ring-fenced grant is currently forecasting a £406k underspend against the original grant allocation. Further details of the forecast outturn position on Public Health are reported in **Appendix 2**.

Housing Revenue Account

11. As at month 7, early indications suggest an improved full year outturn position of £4.1m. As such, in line with the HRA Business Plan, the funding contribution to the capital investment programme will be revised to take this into account.
12. Main areas contributing to the outturn include a net increase in income of £371k primarily as a result of a reduced level of bad debt provision offset by a higher turnover of vacant properties; a reduction in other income of £187k; lower demand on the repairs service resulting in a saving of £433k; a reduction in overall running costs of £2.8m of which £1.9m relates to savings on staffing costs / vacancies pending restructure of the service. A reduction of £623k is also forecast on loan interest payments due to revised borrowing assumptions.
13. Further details of the HRA forecast outturn can be found in **Appendix 3** of this report.

Growth Investment Fund

		£m
Income	Reserves as at 1/04/16	-7.1
	Anticipated 16/17 NHB Grant	-9.3
	Total Income	<u>-16.4</u>
Expenditure	2016/17 Spend to Date	0.9
	Forecast to Year End	1.0
	Future Years' Approved Commitments	2.2
	Proposed Approvals in this report	1.6
	Proposed Future Allocations	3.4
	Total Expenditure	<u>9.1</u>
	Funds Available for Investment	<u><u>-7.3</u></u>

14. The Council has received New Homes Bonus since 2011 and has applied this through the New Homes Bonus fund to projects which support housing growth and regeneration. Schools, housing and economic growth are at the heart of the Council's priorities and in order to deliver on these the Council will have to invest in the city's infrastructure like transport.
15. The Council has at its disposal a variety of funds including the New Homes Bonus, Community Infrastructure Levy (CIL) plus receipts from investing in development projects funded by these income streams. In order to support the expanded Growth agenda Members have resolved to pool these sums into a single Growth Investment Fund to maximise the effective use of this income.

Approval Requests

16. This report proposes the approval of up to £1.65m of expenditure from the Growth Investment Fund on revenue and capital projects. Full details can be found for the capital project (Medium Term Congestion Inner Relief Road Junction Scheme) in Appendix 6.1 and revenue projects in Appendix 7.

Collection Fund

17. Collection Fund monitoring will be reported in month 9 and will include the third quarter results. **Appendix 4** has been retained for the Collection Fund as blank for continuity for future months.

Corporate Risk Register

18. The Council maintains a Corporate Financial Risk Register which details the key financial risks facing the Council at a given point in time. The Corporate Risk Register is reported quarterly and will be reported in month 9. **Appendix 5** has been retained for the Corporate Risk Register as blank for continuity for future months.

Capital Summary

19. The forecast for 2016/17 has decreased by £6.1m on the month 6 forecast to £230.2m. The Approved programme budget is £250.2m, a difference of £20m. This represents a slippage rate of 8% which is up from 5.5% at month 6. The majority of the difference is in the Housing programme which is forecasting an underspend of £15.5m mainly arising on acquiring or building new council housing stock and refurbishment of existing properties.
20. Further details of the Capital Programme monitoring are reported in **Appendices 6 and 6.1**.

Implications of this Report

Financial implications

21. The primary purpose of this report is to provide Members with information on the City Council's Budget Monitoring position for 2016/17, and as such it does not make any recommendations which have additional financial implications for the City Council.

Equal opportunities implications

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

Legal implications

23. There are no specific legal implications arising from the recommendations in this report.

Property implications

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

Recommendations

25. Member are asked to:

(a) Note the updated information and management actions provided by this report on the 2016/17 Revenue Budget position.

(b) Approve the revenue expenditure request detailed in **Appendix 7**.

(c) In relation to the Capital Programme:

(i) Approve the proposed additions to the Capital Programme listed in **Appendix 6.1**, including the procurement strategies and delegations of authority to the Interim Director of Finance and Commercial Services or nominated officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;

(ii) Approve the proposed additions to the Capital Programme relating to the Growth Investment Fund listed in **Appendix 6.1**

(iii) Approve the proposed variations, deletions and slippage in **Appendix 6.1**;

And note:

(iv) The variations authorised by Directors under the delegated authority provisions.

(v) the latest position on the Capital Programme.

Reasons for Recommendations

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

Alternative options considered

27. 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.

Dave Phillips
Head of Strategic Finance

PORTFOLIO REVENUE BUDGET MONITORING AS AT 31 OCTOBER 2016

Children Young People and Families (CYPF)

Summary

1. As at month 7 the Portfolio is forecasting a full year outturn of an overspend £5.9m, which is consistent with the month 6 position. The key reasons for the forecast outturn position are:
 - **Business Strategy** - £104k forecast overspend, the key reason is a forecast overspend of £107k on Transport, due to increased demand.
 - **Children and Families** - £5.9million forecast overspend, the key reasons are:
 - Fieldwork Services - a forecast overspend of £1.1m, this is mainly due to a forecast overspend on fieldwork staffing budgets of £365k, due to pressures on social workers and an increase in the number of caseloads, the planned tapering down model of social workers has been delayed and a number of temporary staff have been recruited to meet this increase in demand. £456k forecast overspend on non-staffing budgets, due to increased transport costs and contact time for Looked After Children. £203k forecast overspend on legal fees, due to an increase in the number of cases.
 - Health Strategy – a forecast overspend of £739k on Short Break and Direct Payments, due to the delay in anticipated savings due in year and an increase in demand this year.
 - Provider Services – a forecast overspend of £557k, due to delays in anticipated savings on integrated residential and disability services with health, due in year.
 - Early Intervention and Prevention – a forecast overspend of £551k due to anticipated savings of £200k on uncommitted contracts, offset by a reduced expected contribution of £750k from the CCG, leaving a net overspend of £551k.
 - Placements – forecast overspend of £3m, this reflects the full year impact on the current number of placements and the costs of these placements for the remainder of the year. Also includes £250k overspend due to a reduction in the expected contribution from the CCG.

- **Inclusion and Learning Service** – A forecast reduction in spend of £116k which is a number of small underspends across the service.
- **Lifelong Learning, Skills and Communities** – A forecast overspend of £99k, which is due to a number of overspends across the service.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
BUSINESS STRATEGY	2,434	2,330	104	↔
CHILDREN & FAMILIES	63,938	58,061	5,877	↔
INCLUSION & LEARNING SERVICES	(140)	(23)	(116)	↔
LIFELONG LEARN, SKILL & COMMUN	6,815	6,716	99	↔
GRAND TOTAL	73,047	67,084	5,963	↔

DSG

2. The following is a summary of the position on DSG budgets at Month 7:

	Month 6 £000	Month 7 £000
Business Strategy	(187)	(222)
Children and Families	149	195
Inclusion and Learning Services	1,057	1,082
Lifelong Learning, Skills and Communities	368	404
	1,387	1,459

Commentary

3. There are no significant changes in either the cash limit position or the DSG report from the month 6 position.

Communities Portfolio

Summary

4. As at month 7, the Portfolio is forecasting a full year outturn of an overspend of £7.188m. The key reasons for the outturn position are:

Performance, Information and Planning underspend of £405k:

- The underspend position for PIPS is mainly due to the pay award budget of £458k held in Executive but matched by spend across the portfolio. There are further underspends against Insurance & Mail £161k, Governance and Change £46k, Performance and Planning (Quality) £72k and Quality £65k plus other minor underspends. These are offset by overspends against

senior management posts £74k, supplies and services £33k, £36k on IT, performance and planning staff £94k and on Business Support staff of £157k.

Care & Support overspend of £4.4m:

- Access, Prevention and Reablement forecasts a net overspend of £242k due to spend on agency staff across APR £292k partly netted off by an underspend on minor works and adaptations £50k.
- Learning Disabilities returned an outturn of £2.9m overspend. This is made up of:-
 - Purchasing LD is forecasting an overspend of £3.1m. This overspend is made up £3.6m of new client costs (new packages and increases to existing packages) that have emerged in 2016-17, £999k of forecast unachieved savings, offset by a reduction in spend against the client packages rolled forwards from 2015/16 of £1.5m.
 - LD Assessment and Care Management is forecasting an overspend of £351k due to full year cost of additional review teams. A proportion of the total cost of these teams is now set against existing budget due to vacancies in the establishment which has therefore reduced this overspend.
 - LD Provider services is forecasting an underspend of £582k due to reductions in client hours as a result of a movement of clients from in-house services to independent provision (hours moved to purchasing budget) and the subsequent reduction in use of agency staff and bank staff.
- Long Term Support is showing an overspend of £1.4m. This comprises the net position of an overspend in adults purchasing of £1.7m, with an underspend on staff of £307k.
- Provider Services is reporting an underspend against budget of £33k. The underspend is due to a £287k reduction in spend on Carers in the Adult Placement Shared Lives Service and underspends on salaries against Care4You Business and Performance £27k and Community Support Services £97k. This is netted down by a reported overspend against City Wide Care Alarms £378k as a result of lower income than budgeted. Reablement Services report a position which is almost balanced to budget as a result of drawdown of £361k of corporate funding to cover salary costs until full implementation of the MER.
- Contributions to Care has an overspend position of £46k against budget. This figure is made up of an overspend against SCAS staffing of £64k due to

additional staffing recruited to work on Appointeeships. There is also an additional pressure of £46k on Health contributions to Direct Payments. This is net of overachievements in Integrated Charge income of £310k and Residential income of £437k, offset by under achievements of £287k in Property Income and in CHC income of £397k.

- Safeguarding service is reporting an underspend of £75k as a result of spend of reduced salary and legal costs to budgeted.

Commissioning overspend of £3.3m:

- An underspend of £490k is reported by Commissioned Housing which is mainly due to a delay in implementation of new Housing Related Support Contracts coupled with annualised contracted savings and a small staff saving.
- An overspend against Commissioned Mental Health Services of £3.5m. This is made up of a £3.8m overspend in Mental Health purchasing and £80k overspend in the S75 Mental Health contract offset by forecast underspends on the Older People Mental Health contract of £431k and the Partnership and Grant Aid budget of £40k. Further negotiations are on-going with the Care Trust to determine the cost of the S75 contract but the forecast overspend reflects current activity. There is an on-going conversation with the CCG to enable joint planning to be done in order to bring the overspend down within 2016/17.
- An overspend on Public Health Drug and Alcohol (DACT) of £114k. The majority of this is due to a forecast overspend on Contract Drug costs £82k, Non-Contract Treatment costs of £39k and minor overspends against staffing £14k and Alcohol Programme £17k. Offsetting all the overspends is a negotiated reduction on the contract for DIP resulting in an underspend £38k.
- Social Care Commissioning Service forecasts an overspend of £178k. There is a forecast overspend of £253k on the British Red Cross contract for Independent Living Solutions (Equipment and Adaptations) along with an additional £18k increase in PH Communities staff due to additional resource planned to continue past the original deadline of November. This is partly offset by an underspend on staffing against ILS £46k and People Keeping Well £33k.

Community Services overspend of £231k:

- Locality Management is forecasting an overspend of £168k. This is related to Voluntary Sector services, £57k is due to £119k unachieved 15/16 savings on Grants offset by a temp saving of £62k which has been found this year. The remainder is an “approved” staffing overspend on Health and Social Care

integration budget £56k and loss of income from Sheffield Teaching Hospitals £57k.

- Library Services are forecast to balance to budget. There is £68k underspend forecast on hub libraries service as a result of reduction in staffing costs and additional income as a result of new contribution to Hillsborough premises costs from housing. There is a shortfall in forecast in the World Metal Index income of £56k as a result of the planned closure of the service. Overspends on staffing in service development are offset by reduction in spend on library materials.
- Public Health budgets are over spent by £65k as a result of contract values exceeding budget by £37k, the remainder £28k is as a result of an overspend on staffing due to slippage on the MER.

Housing General Fund underspend of £317k

The underspend in Housing General Fund is mainly due to:

- City Wide Housing Services £228k underspend due to low uptake of small grants in Local Assistance Scheme, savings on staffing and higher than anticipated income.
- Business Planning £45k overspend resulting from staffing costs where funding has yet to be identified.
- Neighbourhood Intervention and Support £234k underspend mainly as a result of higher than anticipated income and savings on staffing costs relating to Housing+ MER.
- Sustainable City projects an overspend of £100k which is still subject to review.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
PIP	4,729	5,134	(405)	↔
CARE AND SUPPORT	102,140	97,718	4,422	↔
COMMISSIONING	27,833	24,576	3,257	↔
COMMUNITY SERVICES	6,791	6,560	231	↓
HOUSING GENERAL FUND	3,812	4,129	(317)	↔
GRAND TOTAL	145,305	138,117	7,188	↔

Commentary

5. The following commentary concentrates on the changes from the last report at Month 6.

PIPS

6. A forecast £405k underspend, a £14k increase in spend from the position in Month 6 due to correction of staffing forecasts.

Care and Support

7. A forecast £4.4m overspend. This is a worsening position of £9k from the position in Month 6.
8. Assessment, Prevention and Reablement report a £242k overspend, an adverse movement of £119k since month 6. This is due to the extension of contracts for agency staff working on SPA/TOC and Safeguarding projects until the end of March 2017.
9. Long Term Care reports an overspend of £1.4m which is an improved position to that reported in month 6 by £159k. There is a net improvement on purchasing of £117k due to review of Home Care Contracts, comparing actual expenditure with the commissioned value. The remainder £42k favourable move is due to increased income and reduced IT/Training costs in the Social Work teams.
10. The Contributions to Care position has improved by £101k. This is due to an error in the processes between the Carefirst system and OEO which has meant that a number of clients have not previously been billed. A briefing paper will be written by the SCAS team to inform service of the reasons and to ensure this does not re-occur.
11. The LD position has worsened by £133k from Month 6. However this is net of an increase in client costs in the purchasing area of £335k and a reduction in staffing costs of £202k within the A & CM & LD Provider Service areas. The reason for the further reduction in staffing costs is due to a service manager leaving and not being replaced whilst other staff have been moved across to fill vacancies of budgeted posts in the assessment teams rather than being supernumerary in review teams.

Commissioning

12. A forecast £3.3m overspend. This is an improved position by £22k from the month 6 outturn.
13. Mental Health Commissioning has worsened by £28k due to the inclusion of exceptional costs relating to Operation Munroe
14. An additional saving of £59k has been realised in Housing Commissioning due to the reanalysis of committed spend within the financial year following project slippage.

Community Services

15. A forecast £231k overspend. This is an improved position of £110k from the position in Month 6.
16. The favourable movement is due to Public Health staffing costs reducing as a result of funding for severance pay being received and notification that three further staff are to leave in the first week of January.

Housing General Fund

17. A forecast £317k underspend. This is a slight adverse movement of £12k from the position in Month 6.
18. The adverse movement is due to extra staffing costs in Business Planning of £74k offset by a £46k reduction in the uptake of Local Assistance grants in October and release of a £16k underspend in Private Sector Housing as a contribution towards portfolio outturn position.

Year to Date

19. The forecast £7.2m overspend is a lower figure than the variance extrapolated from the year to date position. The service and finance need to be more proactive to process the accruals needed particularly against purchasing costs which are currently only accrued to budget. The new case management system should help provide much more accurate output data about the real level of costs incurred and should inform better forecasting information. In other areas accruals have not been taken where for example payments are made in advance or where additional funding has been received and spend is expected on staffing and contracts as the year progresses which Month 7 figures do not include.

Place Portfolio

Summary

20. As at month 7 the Portfolio is forecasting a £295k underspend, an improvement of £125k from the month 6 position.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
BUSINESS STRATEGY & REGULATION	31,960	32,114	(154)	↔
CREATIVE SHEFFIELD	2,762	2,735	27	↔
CULTURE & ENVIRONMENT	30,049	30,075	(26)	↔
DEVELOPMENT SERVICES	79,630	79,773	(143)	↓
GRAND TOTAL	144,402	144,697	(295)	↓

Commentary

21. The following commentary concentrates on key risks and changes this month.

Business Strategy & Regulation

22. As at month 7 the service is forecasting a £154k largely due to additional property rent income.

Development Services

23. As at month 7 there is a £143k forecast overspend, which shows an improvement of £177k this month, due to additional planning fee income now being forecast.

24. A key risk remains the planned savings within Streets Ahead and Parking services (£1.5m in total) which continue to be progressed with a view to implementation during the latter part of 2016. The current position assumes £389k savings are achieved this year, with the shortfall being offset by other contract cost reductions (£600k) and additional income from Planning, Highways & Transport (£600k)

Resources Portfolio

Summary

25. As at month 7, the Portfolio is forecasting a full year outturn of a reduction in spending of £253k, an improvement of £346k from the month 6 position. The key reasons for the forecast outturn position are:

- An overspend of £244k on Customer Services due to the Customer Engagement Programme being unachievable in this financial year and incurring additional employee costs in order to maintain operational KPIs.
- An overspend of £224k on Transport and Facilities Management due to the one-off funding for the Voluntary Registration of Land project having now ceased and alternative funding being sought to ensure that the project is sustained £217k; £50k for an Equal Pay claim in relation to Cleaning; and £32k for the Corporate Statutory Servicing and Repairs project for which funding has yet to be identified.

Offset by:

- An increase in cashable savings of £268k on Commercial Services (Savings) due to confirmation and re-profiling of all the Early Payment Discounts and Project Savings.
- A reduction in spend of £321k on Central Costs due mainly from reduced numbers requiring funding in relation to Former Employee Pensions.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
BUSINESS CHANGE & INFORMATION SOLUTIONS	889	976	(87)	↔
COMMERCIAL SERVICES	721	755	(34)	↔
COMMERCIAL SERVICES (SAVINGS)	(2,366)	(2,098)	-268	↔
			0	↔
CUSTOMER SERVICES	(64)	(307)	244	↔
FINANCE	5,828	5,834	(6)	↔
HUMAN RESOURCES	3,289	3,328	(39)	↔
LEGAL SERVICES	3,540	3,507	33	↔
RESOURCES MANAGEMENT & PLANNING	175	174	1	↔
TRANSPORT AND FACILITIES MGT	16,972	16,748	224	↓
TOTAL	28,984	28,917	68	↓
CENTRAL COSTS	25,651	25,972	(321)	↔
HOUSING BENEFIT	406	406	(0)	↔
GRAND TOTAL	55,042	55,295	(253)	↓

Commentary

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

Transport and Facilities Management

27. A forecast £224k overspend, due to the one-off funding for the Voluntary Registration of Land project having now ceased and alternative funding being sought to ensure that the project is sustained £217k; £50k for an Equal Pay claim in relation to Cleaning; and £32k for the Corporate Statutory Servicing and Repairs project for which funding has yet to be identified. This is an improvement of £313k from the previous month.

28. The improvement this month is due to the transfer of KAPs Insourcing budget from Place following a review of the actual costs being incurred £271k; £80k cost of lift repairs now to be met from capital; offset by increased costs resulting from the reduction in the repayment period of KAPs project costs from 5 to 3 years £47k.

Policy, Performance and Communications Portfolio

Summary

29. As at month 7 the Portfolio is forecasting a full year outturn of an overspend of £229k, an improvement of £97k from the month 6 position. The key reasons for the forecast outturn position are:

- A £229k overspend due to an underlying in-year shortfall in the anticipated income from the new advertising contracts owing to the delays in negotiations. The position has improved by £97k since last month.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
ACCOUNTABLE BODY ORGANISATIONS	0	0	0	↔
POLICY, PERFORMANCE & COMMUNICATION	2,531	2,302	229	↔
PUBLIC HEALTH	(65)	(65)	0	↔
GRAND TOTAL	2,466	2,237	229	↔

Commentary

30. The following commentary concentrates on the changes from the previous month. There are no changes requiring commentary.

Corporate

Summary

31. As at month 7, the Corporate portfolio is forecasting a full year outturn of a £8.1m underspend.
- **Corporate Expenditure:** Corporate wide budgets that are not allocated to individual services / portfolios, including capital financing costs and the provision for redundancy / severance costs.
 - **Corporate income:** Revenue Support Grant, locally retained business rates and Council tax income, some specific grant income and contributions to/from reserves.

Financial Results

32. The table below shows the items which are classified as Corporate and which include:

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
CAPITAL FINANCING	31,994	34,375	(2,381)	↔
CORPORATE ITEMS	(447,499)	(441,805)	(5,694)	↔
GRAND TOTAL	(415,505)	(407,430)	(8,075)	↔

Commentary

33. There are no changes from the Month 6 position.

PUBLIC HEALTH BUDGET MONITORING

AS AT 31 OCTOBER 2016

Purpose of the Report

1. To report on the 2016/17 Public Health grant spend across the Council for the month ending 31 October 2016.
2. The report provides details of the forecast full year spend of Public Health grant compared to budget.
3. The net reported position for each portfolio/service area would normally be zero as public health spend is matched by a drawdown of public health grant. For the purposes of this report, and in order to identify where corrective action may be necessary, we have shown actual expenditure compared to budget where there is an underspend position.

Summary

4. At month 7 the overall position was a forecast underspend of £406k which is summarised in the table below

Portfolio	Forecast Full Year Expenditure	Full Year Expenditure Budget	Full Year Variance as at M7	Full Year Variance as at M6	Movement from Prior Month
CYPF	17,981	17,981	0	0	0
COMMUNITIES	12,309	12,387	-78	-77	-1
PLACE	2,632	2,798	-166	-131	-35
DIRECTOR OF PH	2,001	2,163	-162	-94	-68
Total	34,923	35,329	-406	-302	-104

5. Key reasons for the forecast under spend are:

- CYP forecast to budget.
- £78k underspend in Communities mainly due to reduced spend in Mental Health Commissioning contract activity.
- £166k underspend in Place mainly due to employee reduced spend to budget. Forecast also includes funding for posts and smoke free initiatives.

- £162k under spend in Director of PH due to reduced spend around GP health checks.

6. Key Reason for month on month changes are:

- £35k improvement in Place due to employees underspend on vacancies and maternity leave.
- £68k improvement as a result of continuing underspend on GP Health Checks. In addition, there is anticipated savings as a result of unfilled vacancies.

HRA BUDGET MONITORING

AS AT 31 OCTOBER 2016

Purpose of this Report

1. To provide a summary report on the HRA 2016/17 revenue budget for the month ending 31 October 2016, and agree any actions necessary.
2. The content of this report will be used as the basis of the content of the budget monitoring report to the Executive Management Team and to Members.

Summary

3. The HRA Business Plan is based on the principle of ensuring that investment and services required for council housing is met by income raised in the HRA.
4. As at month 7 early indications suggest an improved full year outturn position of £4.1m. As such, the funding contribution to the capital investment programme will be revised to take this into account. This is in line with the HRA Business Plan which sets out the Council's plans and priorities for investment in council housing over the next five years.
5. Main areas contributing to the outturn include a net increase in income of £371k primarily as a result of a reduced level of bad debt provision offset by a higher turnover of vacant properties; a reduction in other income of £187k; lower demand on the repairs service resulting in a saving of £433k; a reduction in overall running costs of £2.8m of which £1.9m relates to savings on staffing costs / vacancies pending restructure of the service. A reduction of £623k is also forecast on loan interest payments due to revised borrowing assumptions.

Financial Results

Housing Revenue Account (excluding Community Heating)	FY Outturn £000's	FY Budget £000's	FY Variance £000's
1.NET INCOME DWELLINGS	(147,121)	(146,750)	(371)
2.OTHER INCOME	(6,337)	(6,524)	187
3.HOMES-REPAIRS & MAINTENANCE	32,437	32,870	(433)
4.DEPRECIATION-CAP FUND PROG	39,436	39,436	-
5.TENANT SERVICES	50,016	52,855	(2,839)
6.INTEREST ON BORROWING	14,507	15,130	(623)
Total	(17,062)	(12,983)	(4,079)
7.CONTRIBUTION TO CAP PROG	17,062	12,983	4,079

Community Heating

6. The budgeted position for Community Heating is a draw down from Community Heating reserves of £293k. As at month 7 the forecast position is a draw down from reserves of 218k, an improvement of £75k. This is mainly due to lower than expected usage due to the mild weather and a reduction in overall energy costs.

Community Heating	FY Outturn £000's	FY Budget £000's	FY Variance £000's
Income	(2,680)	(2,723)	43
Expenditure	2,898	3,016	(118)
Total	218	293	(75)

Housing Revenue Account Risks

7. There are a number of future risks and uncertainties that could impact on the 30 year HRA business plan. As well as the introduction of Universal Credit and changes to Housing Benefits, the Government has announced a number of further changes in the Housing and Planning Act and Welfare Reform and Work Act. These include a revision to social housing rent policy, which will reduce rents for the next three years. This will have a considerable impact on the resources available to the HRA. In addition, other Government and changes in relation to fixed term tenancies and levy proposals in the Housing and Planning Act will impact on both tenants and the HRA business plan. Work is continually ongoing to assess the financial impact of these. Other identified risks to the HRA are:
- **Interest rates:** fluctuations in the future levels of interest rates have always been recognised as a risk to the HRA. These are managed through the Council's Treasury Management Strategy.
 - **Repairs and Maintenance:** existing and emerging risks within the revenue repairs budget include unexpected increased demand (for example due to adverse weather conditions) and future changes to contractual arrangements.
8. The HRA business plan will be regularly reviewed along with expenditure plans to ensure flexibility to respond to the expected Housing and Planning Act Regulations.

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CAPITAL PROGRAMME MONITORING

AS AT 31 OCTOBER 2016

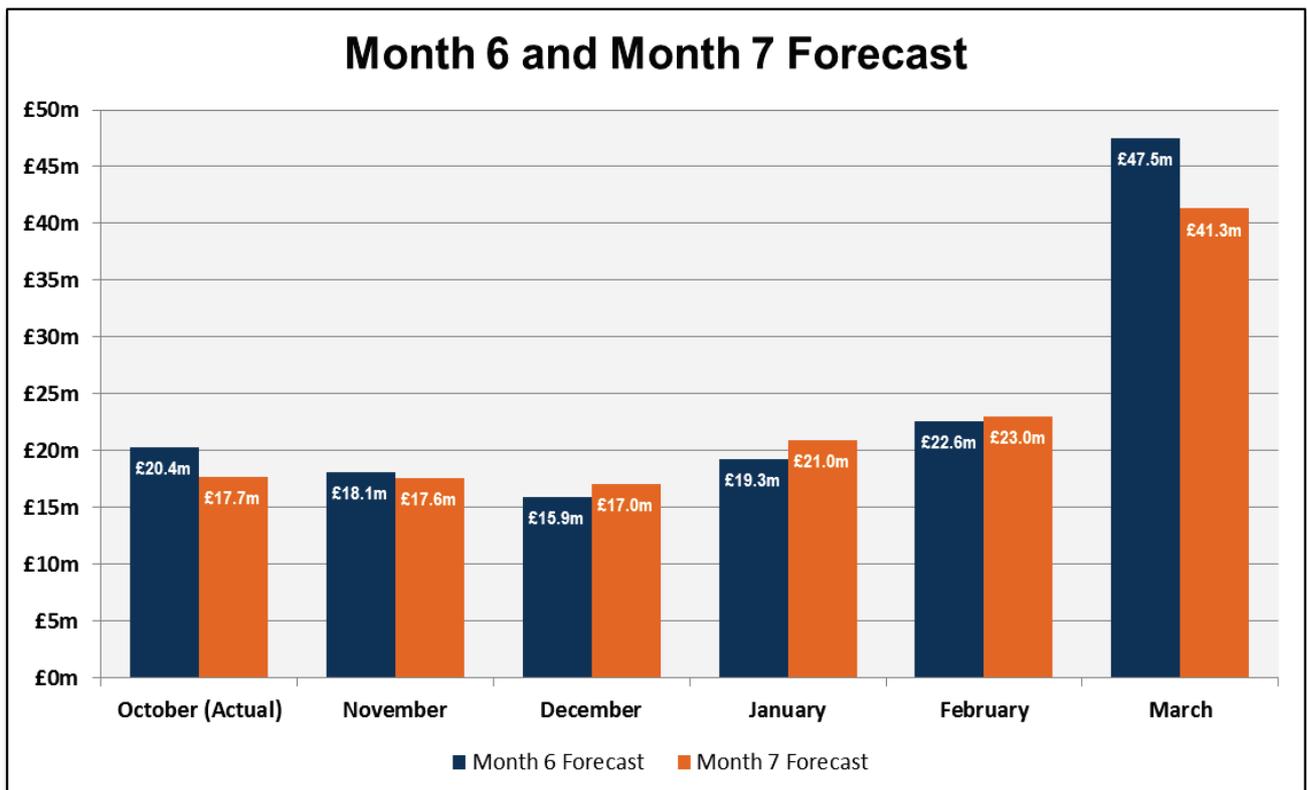
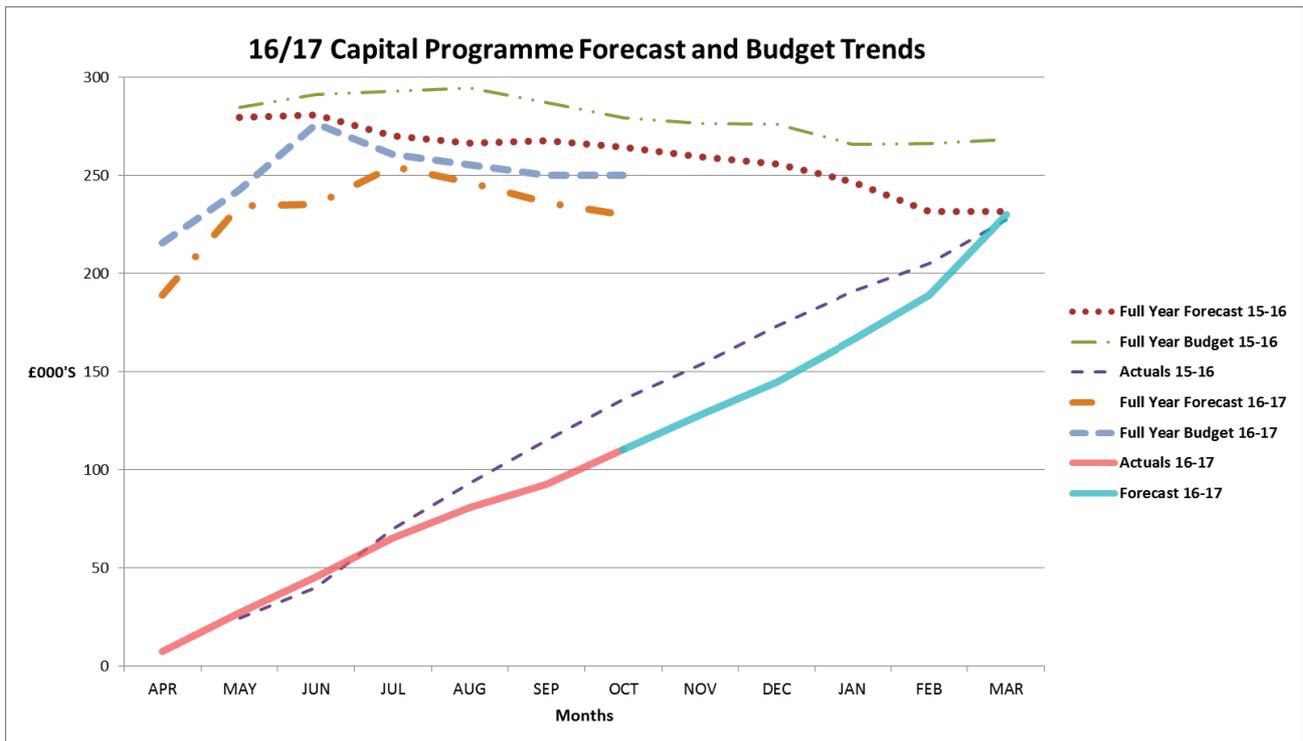
Summary

1. The forecast for 2016/17 has decreased by £6.1m on the Month 6 forecast to £230.2m. The Approved programme budget is £250.2m, a difference of £20m. This represents a slippage rate of 8% which is up from 5.5% at Month 6. The majority of the difference is in the Housing programme which is forecasting an underspend of £15.5m mainly arising on acquiring or building new council housing stock and refurbishment of existing properties.
2. The table at paragraph 4 below shows that at Month 7, the year to date spend is £19.1m (15%) behind plan. The absolute variance has improved by £0.7m on last month primarily in Housing (£2m) offset by slippage in Place (£1.4m).
3. The chart at paragraph 5 shows that capital programme spend rates in 2016/17 continues to lag behind those seen in 2015/16 when the Outturn was £232m. The current forecast is £230.2m and predicts the largest Month 12 spend seen in the Capital Programme since monitoring was introduced in 2010/11. Extrapolating current spend rates, and assuming all £1m+ projects deliver the current forecast, the Outturn will probably be about £224m. However, the rate of increase required looks to be very optimistic. In Month 7, spend was £2.5m behind the forecast made at Month 6. An Outturn in the £200m - £210m looks more likely at this stage.

4. Financials 2016/17

Portfolio	Spend to date	Budget to Date	Variance to date	Full Year forecast	Full Year Budget	Full Year Variance on Budget
	£000	£000	£000	£000	£000	£000
CYPF	13,606	17,522	(3,916)	24,600	27,682	(3,082)
Place	26,184	31,047	(4,863)	62,663	65,783	(3,120)
Housing	45,231	52,841	(7,610)	85,819	101,309	(15,490)
Highways	5,341	5,987	(646)	13,131	10,083	3,048
Communities	22	-	22	22	-	22
Resources	1,431	3,522	(2,091)	14,348	15,716	(1,368)
Corporate	18,414	18,414	0	29,582	29,582	0
Grand Total	110,230	129,333	(19,103)	230,165	250,154	(19,989)

5. Forecast trends



6. Capital Programme

	2016-17 £m	2017-18 £m	Future £m	Total £m
Month 6 Approved Budget	250.2	208.6	271.3	730.0
Additions	0.0	0.0	0.0	0.0
Variations	0.0	0.0	0.0	0.0
Slippage & Acceleration	0.0	0.0	0.0	0.0
Month 7 Approved Budget	250.2	208.6	271.3	730.0

The programme remains unchanged at £730m pending the approval of the proposals submitted to the 30th November Cabinet meeting.

PROJECT MANAGEMENT

7. From the start of this year the Council has introduced an improved system of reporting and monitoring project delivery. This will collect in one place, all project highlight reports which will be accessible to all users and, eventually, provide the basis for workflow driven meeting agendas for each stage of the Gateway Approval process. The progress of a project will be readily evident.
8. This should give better visibility of performance and lead to improved project controls because:
 - Project Managers will create their monthly highlight reports in SharePoint - showing key issues, risks and items for the Sponsor to review - and these will be visible to all as well as providing a central repository which can be used in future audit work from external funders;
 - Project sponsors can review and approve the reports within SharePoint; and
 - Programme Boards will receive a “dashboard” report showing the status of projects. This should lead to improved supervision, better control and thus improved delivery performance of projects.
9. The table below shows the current level of performance. Of the 192 projects in the system, 95% of project managers have submitted highlight reports and 90% of these have been reviewed and approved by sponsors. Overall therefore, just over 85% of the projects in the programme have been reported on and reviewed by sponsors.

10. This is slightly below last month's performance of 87%. If performance is improved upon and maintained, it is proposed that comment on this aspect of project will be by exception only.
11. The table below shows performance by Programme Board:

Outcome Programme Board	Reports Issued	Reports Completed	%	Reports Approved	%
Capital & Growth	29	29	100.0%	29	100.0%
Community Investment Programme	1	1	100.0%	1	100.0%
Housing Capital Programme	72	69	95.8%	69	95.8%
Resources Leadership Team	18	17	94.4%	17	94.4%
SRQ Board	4	4	100.0%	4	100.0%
Strong Economy	8	8	100.0%	5	62.5%
Thriving Neighbourhoods and Communities	59	54	91.5%	46	78.0%
Waste Management Board	1	1	100.0%	1	100.0%
Total	192	183	95.3%	172	89.6%

Commentary

12. The Top 20 projects in the Capital Programme accounts for 67% of the current 2016/17 budget. The key forecast variances from Budget at Month 6 include:
- Housing programme is forecasting to be £15.5m below budget by the year end. The majority of the slippage (£12.1m) occurs on the New Build Council Housing and stock acquisitions and repairs following previously reported contractor problems and a lack of suitable properties coming onto the market. The New Build project will be re-profiled in December to reflect the latest plans.
 - Place programme is forecast to be £3.1m below budget principally due to the Sheffield Retail Quarter which is £2.3m (8%) behind programme although the overall direction and progress of the scheme remains on target.
 - The Highways programme is forecasting to be £3.0m above budget awaiting approvals of new schemes associated with the Better Buses programme.

- The CYPF programme is forecast to be £3.1m below Budget of which £2.0m is due to anticipated final costs being below the approved budget on 6 projects offset by a potential £0.5m overspend at Hallam and £1.1m slippage at Gleadless. £0.3m of the £0.7m work at Aldine House Secure Unit is forecast to slip into 17/18 following a re-design of the accommodation.
- Resources programme is behind budget on the Fire Risk Assessment work £0.4m and essential repairs at the Medico Legal Centre £0.3m.

Year to date variance:

- Of the £19.1m year to date variance, £3.9m and £7.6m is on the Schools and Housing programmes respectively.
- In the Schools programme, £2.0m is due to anticipated cost savings on projects which have been procured at a lower cost, £0.8m on the schools expansion programme where the configuration of the programme has been reviewed as initial cost estimates are above the budget. This has delayed detailed design work. The residual variance is on the remaining schemes in the programme with variances of £0.1m to £0.2m per project.
- The Housing programme is £7.6m behind the plan at Month 7. The majority of the underspend £8.7m is on the New Build and Stock Acquisition/Repair for the reasons quoted above in the Outturn variance section This is offset by the Roofing programme which is £1.7m ahead of plan following good progress during the relatively mild start to Autumn.
- Place programme is £4.7m behind budget at Month 7. There are four principal variances on The Lower Don Valley Flood defence work £1.9m, Olympic Legacy Park Infrastructure £1.4m, Sheffield Retail Quarter £1.0m and Brookhill Public Realm works £0.7m.
- Resources Capital programme is now £2.1m behind principally on Fire Risk Assessment programme £0.5m and path resurfacing £0.2m. Several other projects are each recording a £100k - £150k of slippage.

Risks

13. There are several projects where the anticipated spend in 16/17 is significantly behind plan but the funding is secure to complete the work.
14. The Lower Don Valley Flood defences work is at risk. The unknown workload and novel nature of the design creates an inherent risk of overspend. This project is grant funded promising specific outcomes which could lead the

Authority exposed to clawback or putting in its own funds. A review of this project is currently underway.

Approvals

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

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

- 2 additions to the capital programme with a value of £0.4m:
- 2 variations to the capital programme amounting to an increase of £3.7m

Further details of the schemes listed above can be found in **Appendix 6.1**.

Scheme Description	Approval Type	Value £000	Procurement Route
THRIVING NEIGHBOURHOODS AND COMMUNITIES			
GREAT PLACE TO LIVE :-			
Highways			
<p>Better Buses 2 Chesterfield Road KBR This project aims to contribute to the corporate target of an annual 2% increase in bus patronage, by providing improved journey reliability for buses using the Chesterfield Road corridor.</p> <p>Information, including real-time bus data gathered by the bus operators, has shown that significant delays occur for inbound buses, during the peak hour, between Heeley Retail Park (where the existing 1km or more of bus lane currently ends) and Saxon Road (where the bus lane then continues to Heeley Bridge). It can take buses over 9 minutes to travel the 400m between these two points. At 15mph (7m/s) it should take around 1 minute not including 'dwell time' at the bus stop.</p> <p>The solution to the problem is to create an extension to the inbound bus lane, thereby getting buses to the head of the queue at Broadfield Road. Increased bus use will have secondary benefits of reducing queues for other traffic and improving air quality.</p> <p>Final costs are now agreed to create a short break (approximately 50 metres) in the bus lane to allow vehicles to wait and manoeuvre at the side road junctions of Saxon Road and Albert Road. Turning movements here are not high frequency and it is envisaged that, when no vehicles are waiting to turn, buses will use the nearside lane and other vehicles will use the offside lane, effectively giving a continuous bus lane for most of the time. This design eliminated almost all the objections to the original proposal and has minimal loss of benefit over other options. Off peak the scheme gives two inbound lanes for all traffic.</p>	Variation	3,363	Amey Hallam Highways via Streets Ahead PFI

<p>Funded by Better Buses funding and Sustainable Transport Exemplar Programme (STEP) Funding from South Yorkshire Passenger Transport Executive (SYPTEx) The Sheffield Better Buses Programme Board has now approved spending of up to £4.2m of 'Better Buses Area' and 'STEP' funding on the Chesterfield Road KBR schemes between 2014/15 and 2017/18.</p>		
<p>Air Quality Monitor Equipment The Council has a statutory duty to manage local air quality in Sheffield under the Environment Act 1995. The Air Quality Action Plan for Sheffield 2015 (which was approved at Cabinet on 11 July 2012) seeks to reduce air pollution in Sheffield in order to achieve national Air Quality targets and EU Limit Values. Compliance is monitored via permanent Automatic and Non Automatic (Diffusion Tube) methods across the City. The Council has 6 existing permanent Automatic Air Quality Monitoring Stations, all of which are old and are becoming more unreliable and prone to failure. The 6 monitoring stations are at: Tinsley Infant School, Lowfield School, King Egbert's Old School Site, Wicker, Fir Vale School, and Waingate New Monitoring Equipment is required to ensure that the impact of any interventions implemented as part of the Council's Air Quality Action Plan 2015 (potentially including a Low Emission Zone or Clean Air Strategy) can be accurately assessed and reported to DEFRA as part of our Local Air Quality Management duty. Equipment replacement will be prioritised according to condition so it's not a case of upgrading everything in one station and so on, parts of equipment can be done so that all 6 stations benefit straight away Funded by Local Transport Plan (LTP) with a possibility of the LTP commitment being reduced by Invest to Save Funding</p>	<p>Addition</p>	<p>192</p> <p>Competitive Tender, OJEU open</p>

<p>Medium Term Congestion (Inner Relief Road Junction Schemes) Authority for £120k of feasibility expenditure is sought to investigate a pipeline of small to medium size/value network improvement schemes addressing existing problems at a number of key locations on the network working with internal and external business partners facilitating economic growth. Developing outline scheme options presents opportunities to improve links internal to Sheffield, the City Centre, Wicker - Riverside Business Quarter and externally from within the City Region, providing improved access to jobs, education and training, and delivering the foundation for a strong competitive economy, demonstrating the City is well-connected. It is envisaged that Sheffield City Region Investment Fund will be available to fund the delivery phase of the schemes. This feasibility investment will ensure we have robust bid ready schemes when funding becomes available.</p> <p>Phase 1 of these improvements will focus on the A61 Inner Ring Road junctions impacting on economic welfare of the Wicker - Riverside Business District in response to concerns over access and network congestion arising from developments in the West Bar – Bridgehouses – Wicker - Riverside area, looking at:</p> <ul style="list-style-type: none"> -An additional lane on the west bound Corporation Street section of the A61 Inner Ring Road and provide a dedicated left turn lane. -Make Corporation Street one way (southbound) away from the A61 Inner Ring Road towards West Bar, whilst all traffic wanting to join the A61 Inner Ring Road would use Gibraltar Street. -Construct a new bridge over the river for pedestrians and cyclists on the west side of the existing Borough Bridge, at the entrance to the start of the Five Weirs Walk / Upper Don Trail. -Increase the length of the existing left turn lane into Mowbray Street. <p>Feasibility Stage Funded by Growth Fund (New Homes Bonus)</p>	<p>Addition</p>	<p>120</p>	<p>N/A</p>
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<p>CAPITAL AND MAJOR PROJECTS</p> <p>Asset Enhancement Potential Housing Sites</p> <p>Approval is sought for £200k authority to commission Transport and Landscape Assessments (up to a cost of £200,000) on 6 priority sites which have been identified as having the development potential to deliver up to 4600 dwellings.</p> <p>The proposal supports the Corporate Plan priority to build new homes as it contributes to securing the development potential of the sites.</p> <p>If the development potential is secured and the sites are subsequently developed for 4600 dwellings there will be financial benefits to the Council including new Council Tax revenue of upto £6.5m pa supporting the objective of being a more financially self-sufficient Council.</p> <p>The investment in the sites makes them more attractive to developers contributing to both the economic and growth ambitions of the city.</p> <p>Whilst there is a risk that some of the work could prove abortive, it is highly unlikely that the development potential of all 6 sites would be lost.</p> <p>To be funded from New Homes Bonus</p>	<p>Addition</p>	<p>200</p>	<p>Capital Delivery Partner</p>
<p>Housing</p>			
<p>Dover Street Bungalow</p> <p>Adult social care currently support around 1,700 people with a learning disability. Living accommodation choice is limited so it can be difficult for people with specific housing needs to access the right accommodation resulting in some unfortunate compromises.</p> <p>Dover Street bungalow is no longer needed for its current use as a day care centre. The Learning Disabilities Service wish to use the property to provide housing for adults with learning disabilities. An options appraisal was carried out by Housing and Neighbourhood Services to determine how best to configure and refurbish the bungalow, followed by a financial appraisal to determine viability of those options.</p> <p>The recommended option is to convert the building in to 2, 1 bed room bungalows, with an overnight carer facility sitting between. This is based on the preference of the LD service for</p>	<p>Addition</p>	<p>245</p>	<p>N/A</p>

<p>single tenancies in stand-alone units, whilst still benefiting from the shared costs of overnight care.</p> <p>This request seeks approval for Dover Street bungalow to be acquired from the General Fund and moved to the Housing Revenue Account for a market valuation figure of £108k. The Housing Revenue Account will then fund the refurbishment of the property to provide the accommodation for people with learning disabilities which has been estimated at £65k.</p> <p>Procurement will be through the existing contract for the refurbishment of homes acquired as part of the Stock Acquisitions programme. The project will be funded from this scheme too and this report seeks approval of the budget transfer.</p> <p>To be funded from Housing Revenue Account</p>		
<p>STRONG ECONOMY</p> <p>Knowledge Gateway</p> <p>The strategic rationale for the Knowledge Gateway is economic growth. The corridor links the Cultural Industries Quarter, HCA owned sites at Sheaf Sq/Station, Hallam's Central Campus, the Digital Campus and the emerging innovation zone of Castlegate. It is the subject of a bid of around £4m to the Sheffield City Region Investment Fund (SCRIF) which will lever £2m of other funding to address access, flooding and public realm improvements. This should result in significant increase in new jobs and GVA.</p> <p>Currently £433k is approved for feasibility work on this project. This submission seeks approval for a further £333k of Sheffield City Council's capital receipts to purchase properties at Esperanto Place (£325k) as these will be key to the delivery of the scheme and associated fees (£8k). The purchase will only proceed, however, should the bid for SCRIF funding be successful. Obtaining this approval now will allow the project to proceed as soon as possible once SCRIF approval is received.</p> <p>Funded by Capital Receipts</p>	<p>Variation</p> <p>333</p>	<p>N/A</p>

Scheme Description	Approval Type	Value £000	Procurement Route
<p>Transport Strategy</p> <p>The Council has ambitious plans to promote economic and housing growth over the next ten years. The growth is creating a traffic congestion problem. There is a very real risk that the city could not accommodate the extra jobs or homes generated by the desired growth rate.</p> <p>Ultimately, either planning applications could fail or there could be market failure because prospective developers will not invest in the city because it is perceived to be unattractive for living or working in.</p> <p>There is no direct financial return from this investment but by increasing the capacity of the transport network it will enable the Council to accelerate and expand the economic and housing growth activity in the city.</p> <p>The output will be a series of defined projects supported by local stakeholders, which will be ready to bid for external funds from the City Region or central government. The scale of the works required to provide the increased capacity is likely to be such that the city could not fund them using its own limited resources.</p> <p>There is a risk that the design work does not produce any projects which attract external funding or provide practical solutions to problems and thus fails to unlock investment. In this case the work would be abortive.</p> <p>The funding will be used for a combination of officer time and externally provided transport modelling to provide the empirical data to prove the validity of the proposals. This work will support the external funding applications to fund the capital works.</p>	Addition	£581k (2016/17) £223k (2017/18)	In house staff time and, where applicable, existing contracts or frameworks for external services or competitively sourced for new activities.

<p>Support to Maximise Foreign Direct Investment This project will develop the city's links with Chinese investors in order to attract foreign direct investment into the city and support outward trade with China.</p> <p>The project will enable the Council to maximise the opportunities presented by foreign direct investment in the city, including appropriate work resulting from the partnership agreement with the Guoding Group.</p> <p>This proposal aims to secure foreign direct investment of circa \$300m in specific projects within the city and to support the Sheffield Schools in China initiative, including the teaching of Mandarin in the Sheffield area.</p> <p>The project has the potential to raise £10.5m in additional direct income to the Council from business rates, New Homes Bonus and Council Tax by 2023/24. The first inflow could begin as early as 2018/19 and repay the investment by the Council within twelve months.</p> <p>There will also be the indirect jobs created by the construction activity, direct jobs from projects such as the proposed hotel, and further jobs delivered through a subsequent uplift economic activity in the city.</p> <p>There is a risk that the city could miss out on maximising investment opportunities and resultant income because of a lack of capacity.</p> <p>The project will require £300k additional staff resource, £300k of promotional expenditure to raise the city's profile and attractiveness above that of competitor cities, £250k into the Schools project, and £300k on other specialist support activities e.g. translation, legal advice on developer agreements, communications. This is a two stage approval. The 17/18 expenditure is conditional and subject to a review, in March 2017, of satisfactory progress and delivery.</p>	<p>Addition</p>	<p>£596k (2016/17) £535k (2017/18)</p>	<p>In house staff time and, where applicable, existing contracts or frameworks for external services or competitively sourced for new activities.</p>
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Author/Lead Officer of Report: Alastair Black -Waste Strategy Officer

Tel: 2037621

Report of: *Simon Green*

Report to: *Cabinet*

Date of Decision: *18th January 2017*

Subject: *Waste Management policies*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
- Expenditure and/or savings over £500,000		<input checked="" type="checkbox"/>		
- Affects 2 or more Wards		<input checked="" type="checkbox"/>		
Which Cabinet Member Portfolio does this relate to? <i>Cllr Bryan Lodge –Member for the Environment</i>				
Which Scrutiny and Policy Development Committee does this relate to? <i>Economic and Environmental Wellbeing Scrutiny Committee</i>				
Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>363 and 489</i>				
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:-				
<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>				

Purpose of Report:

The Council is seeking to secure savings in the cost of the Integrated Waste Management Contract (IWMC) with Veolia to deliver against its budget. The Council continues to review the current contract model which would significantly reduce the cost of waste services and to allow for a more responsive, flexible and sustainable service in the future.

The purpose of this Cabinet report is to recommend changes be made to how the front line service could be delivered to realise a saving on the costs of providing waste services in the City. Proposals outlined in 2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9 and 2.10 will be implemented after further evaluation with the service provider and found to be financially viable.

The key reasons for these recommendations are:

- To provide the opportunity to introduce new ways of working to increase efficiency and reduce costs, while allowing an income to be generated where allowed, benefiting both the Council and residents.
- To provide clear parameters to residents as well as the future service provider on how Waste services will be delivered.

Recommendations:

It is recommended that Cabinet give approval:-

- i) For the implementation of new polices as set out in the report and accompanying appendices so as to provide clear parameters to residents as well as the service provider on how Waste services will be delivered to residents in the City.
- ii) Delegate authority to the Director of Business Strategy and Regulation, in consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance and the Cabinet Member for Environment to take such steps appropriate to implement the polices outlined in this report.

Background Papers:

- 1) Findings of the Review of Household Waste Collection Services; Economic and Environmental Wellbeing Scrutiny Committee report to Cabinet, 11th January 2012.
- 2) House of Commons Library, Standard Note: 05988, Bin Collection – Alternate weekly collection, 17th October 2011
- 3) Cabinet Report - Waste Collection Service from 2012/13, 15th February 2012
- 4) Individual Cabinet Member report - Changes to Waste Management Abandoned Vehicle Enforcement Policy, July 2016

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: Alison Chambers
	Legal: Deepak Parmar
Equalities: Annemarie Johnston	
<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>Simon Green</i>
3	Cabinet Member consulted: <i>Cllr Bryan Lodge</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 Decision Maker 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>Alastair Black</i>
	Job Title: <i>Waste Strategy Officer</i>
Date: <i>22nd December 2016</i>	

1. PROPOSAL

Background

- 1.1. In order to maintain the delivery of its Strategic priorities while achieving targets for budget reductions, the Council is reviewing its current Integrated Waste Management Contract (IWMC) with Veolia. The final outcome of the review is yet to be determined.
- 1.2. A key outcome of the review, in addition to reducing the cost of delivering the service, is to create a more responsive, flexible and sustainable service in the future.
- 1.3. The last major change to the Waste Service in order to achieve a budget saving was the introduction of alternate week collections in 2012. Since then the Council has continued to face budget pressures. The Waste Management Service has continued to explore further budget saving options.
- 1.4. In 2015 the Council identified further possible savings related to the waste service and a City wide consultation exercise was held on the options being considered. However these were never implemented as the savings identified could not be fully released from the IWM Cat that time. As such, a decision was taken not to implement them.
- 1.5. As part of the contract review the Council has identified potential changes to how the service is delivered that would contribute to the required saving as well as improving the service offered to residents. The Council's Waste Management policies have been updated to reflect these changes and is contained in Appendix one.

2. Proposed changes to current waste polices

2.1. Change to the Recycling Collection Service

- 2.1.1. It is proposed that households who currently have a 55 litre blue box would have it exchanged for a 240 litre brown bin. This bin would be used for recycling glass, cans and plastic bottles. The existing 140 litre blue bin would be provided for recycling paper and card.
- 2.1.2. The bin will be brown so as to ensure consistency across South Yorkshire, currently Barnsley use a brown bin to collect recycling glass, cans and plastic bottles. The Council has the aspiration to work more closely with neighbouring South Yorkshire authorities,

aligning our waste services where possible, as part of the Sheffield City Region agenda.

2.1.3. There would also be the opportunity to increase the types of plastics taken, currently only plastics bottles are collected, however, this proposal would be dependent on an affordable and sustainable disposal outlet being found.

2.1.4. Residents will still receive a recycling collection every two weeks, however due to the increase in capacity provided by the new 240 litre bin, each recycling bin would be emptied on a four week cycle. There would be no changes to the general waste collections. The illustration below details how the service will operate over a four week period.



2.1.5. Recycling collections are currently undertaken by specialised 'twin pack' vehicles. These are specialised vehicles whose body is split 70/30, with glass, cans and plastic bottles going in one side and paper/card in the other. By removing the box there would no longer be a need for these types of specialist vehicle, therefore the cost of the service would be reduced as standard collection vehicles could be used. The productivity of the crews would also increase as they would only be handling one bin, not a bin and a box.

2.1.6. So as to ensure the service is operating as efficiently as possible the collection day for general waste and recycling may not be the same day of the week.

2.1.7. Properties that currently are unable to recycle plastic bottles, such as flats and maisonettes will have the opportunity to recycle them with cans and glass bottles.

2.2. Changes to collections times.

- 2.2.1. Currently bins and boxes are collected Monday to Friday, including Bank holidays, from 7am. The changes would allow for collections to start from 6am and continue throughout the day until 9pm Monday to Friday. Collections of shared containers/at flats and maisonettes could also take place on weekends between 7am to 4pm.
- 2.2.2. The changes will allow the service provider to have greater flexibility around the times and days of a week when waste collections can take place, including working at the weekend.
- 2.2.3. The increased flexibility will allow for greater efficiency in the use of the vehicles, allowing the service provider to fully exploit the use their fleet, enabling a smaller one to be retained, reducing the cost of delivering the service which should in turn reduce the cost to the Council.

2.3. Introducing a charge for containers

- 2.3.1. Through the IWMC, the Council currently provides all containers for waste and recycling collections free of charge, including to all new developments in the city. Containers also are repaired and replaced through wear and tear free of charge.
- 2.3.2. Under the Environmental Protection Act 1990, the Waste Collection Authority may specify the size, construction and maintenance of receptacles to facilitate waste collections and can require payment for the provision of waste receptacle(s).
- 2.3.3. Securing an income against the cost of providing containers will reduce the costs of the service.
- 2.3.4. A charge will be made for new or replacement bins for general waste, including successful larger bin applications. The price will be set at £20 per container for households who have their own containers. The bins will remain the property of the Council.
- 2.3.5. Where a bin is damaged by the collection crew or is reported to have gone into the back of the collection vehicle then the customer will not be liable for the cost of a replacement. However it must be reported within two working days from when the collection took

place.

- 2.3.6. There will be no charge for reducing the size of a general waste bin.
- 2.3.7. Householders are able purchase their own bins, but it must be at the capacity allocated for their household, of the correct colour, meet the specification set out by the Council, including the BS EN 840 quality standard, and the householder must agree to the Council's terms and conditions. If this bin does not meet these criteria it will not be emptied. Unsuitable bins may cause injury to staff and/or damage to the collection vehicle.
- 2.3.8. Unless authorised by the Waste Management Service, household waste not contained within an approved container will not be collected and will be treated as fly tipping.
- 2.3.9. Where bins are shared at a property, the developer, landlord or managing agent will be responsible for proving the containers. A new container will be set at £20 per individual property allocated to using the container supplied, based on the Council's capacity allocation.
- 2.3.10. Developers/Managing agents and landlords will be able to buy containers from the Local Authority or from a third party (subject to meeting the specification set out by the Council, including the BSEN 840 quality standard and agreeing to the Council's terms and conditions) so as to ensure they are the correct standard/quality. Where necessary the Council will make arrangements to ensure they are fitted with the correct Radio-Frequency Identification (RFID) chip and display the correct livery.
- 2.3.11. The Council will ensure existing shared containers are retro fitted with an RFID chips at no charge. However following their introduction and after a publicised date, those bins without a RFID chip will not be emptied. The Council will work closely with landlords and managing agents to ensure a smooth roll out.
- 2.3.12. A replacement/new container will be delivered with 5 working days if it is an existing property receiving waste services. New properties where no waste services have previously been provided will receive new containers within 10 working days.
- 2.3.13. Recycling bins provided for glass, can and plastic bottles, as well as for paper and card will continue to be provided for free to all

property types.

- 2.3.14. A £20 charge will apply for all green bins (for the collection of garden waste) where the householder subscribes to the service and does not currently have a green bin, or needs to replace a lost/damaged or stolen bin.

2.4. Shared containers

- 2.4.1. In some parts of the city there is limited space for every household to store and present the various containers for waste collection. This includes areas of the City where there are lots of steps to the pavement from where there waste containers would normally be stored. As such, some residents choose not to move their containers after emptying and which can become a local environmental issue including blocking pavements.
- 2.4.2. In some situations it may be a more practicable solution in a certain locality for a small number of bigger bins to be provided for households to share and a saving may be achieved by reducing the time taken to empty fewer bins.
- 2.4.3. Different neighbourhoods will have different considerations and clearly, identifying a suitable area to store shared bins is a clear requirement for their introduction. Therefore before implementing any change each community would be subject to further consultation on any proposals.
- 2.4.4. This policy would not apply across the City and the vast majority of households will continue to have individual containers. Assisted collections will not be affected by this proposal and where households qualify to receive this service containers will continue be collected from their storage point, emptied and returned.
- 2.4.5. Container's will be provided for free if introduced under the shared container scheme.

2.5. Allocation of waste capacity provided to households with their own bin

- 2.5.1. Households are allocated as standard, a 240 litre bin for the collection of general waste. The 'larger/additional bin' policy provides the only means by which additional collection capacity may be provided to a household. Customers can also request a smaller general waste bin, 140 litres, to replace the 240 litre bin.

2.5.2. The following size and number of bins will be provided for general waste based on the number of permanent occupants:

1-5 residents:	240 litre bin
6-9 residents:	360 litre bin
10-11 residents:	1 x 360 litre bin + 1 x 140 litre bin
12 + residents:	Additional 30 litres for each additional permanent occupier

2.5.3. The following size and number of bins will be provided for recycling based on the number of permanent occupants:

1-5 residents:	140 litre bins for paper and card and 240 litre bin for mixed recycling
6-9 residents:	240 litre bin for paper/card and 360 litre bin for mixed recycling
10-11 residents:	1 x 360 litre bin + 1 x 140 litre bin for mixed recycling 240 litre bin for paper/card
12 + residents:	Additional 15 litres for each additional permanent occupier for mixed recycling and an Additional 20 litres for paper/card

2.6. Allocation of waste capacity provided to households who share a bin, excludes sheltered and supported living and purpose built student accommodation

2.6.1. Residents living in flats and maisonettes will be generally provided with shared/communal containers for the collection of waste including recycling. A minimum of 85 litres collection capacity per dwelling per week will be provided for general waste, with an additional 15 litres per week for every additional average number of occupants (across all households) above 3 permanent occupiers.

2.6.2. A minimum of 55 litres of recycling collection capacity per dwelling will be provided for mixed recycling including plastic bottles. An additional 15 litres per week for every additional average number of occupants above 3 permanent occupiers.

2.6.3. A minimum of 33 litres per collection will be provided for paper/card with an extra 10 litres per week for every additional average number of occupants above 3 permanent occupiers.

2.6.4. The policy will be implemented when the revised recycling service is introduced.

2.7. Allocation of waste capacity provided to supported and sheltered living and purpose built student accommodation

- 2.7.1. Due to the way in which purpose student accommodation is built and let, generally single bed studios exclusive to students; capacity will be allocated based on the number of beds granted as part of the properties planning permission. This ensures that the capacity is set based on the maximum number of residential spaces and therefore no changes are needed to be made between academic years due to changes in the number of occupants.
- 2.7.2. Residents living in purpose built student accommodation will be provided with shared/communal containers for the collection of waste including recycling. A minimum of 55 litres collection capacity per bed per week will be provided for general waste.
- 2.7.3. Residents living in purpose supported and sheltered living accommodation will be provided with shared/communal containers for the collection of waste including recycling. A minimum of 55 litres collection capacity per household per week will be provided for general waste.
- 2.7.4. A minimum of 28 litres of recycling collection capacity per dwelling per collection will be provided for recycling glass, cans and plastic bottles.
- 2.7.5. A minimum of 17 litres per collection will be provided for paper/card

2.8. Allow charges to be made to landlords/property managers for the collection of excess waste/contaminated recycling from shared containers

- 2.8.1. To ensure that landlords/managing agents support their tenants in correctly managing the waste they produced a charge can be made for the emptying and resetting of contaminated recycling containers (one free reset every 12 months). Currently contaminated communal recycling containers are emptied for free, with no restrictions on the number of resets.
- 2.8.2. The waste collected from contaminated recycling containers is sent to the Energy Recovery Facility as it cannot be recycled. This is a cost to the Council as additional vehicles have to be used to deal with this issue and has a negative impact on the Council recycling performance.

- 2.8.3. The new policy allows landlords/managing agents to either remove the contamination themselves or pay for a service that covers the Council's cost for carrying out this activity.
- 2.8.4. Landlords and managing agents will also have the option to pay for the emptying of heavy or overloaded bins and the clearing of waste left on the floor of bin storage areas due to misuse.
- 2.8.5. Landlords and property managers will also have the option to pay for additional waste capacity will be provided, up to an additional 20% of the allocated capacity based on Council allocation policy.
- 2.8.6. All charges, which will exclude disposal costs, will be updated yearly to reflect the additional cost to the Council of providing these.

2.9. Install weighing equipment on collection vehicles to monitor the amount of waste and recycling from shared containers

- 2.9.1. To enable the Council to provide targeted information and advice to residents who share a bin so as to ensure they get the most from their waste services, shared containers will be fitted with a Radio-Frequency Identification (RFID) chip. The refuse collection vehicles used for collections at flats will include bin weighing equipment to record the amount of waste being collected per collection.
- 2.9.2. The RFID chip will not hold any personal data and the information held will not identify the amount of waste generated by individual properties. RFID chips will not be fitted to bins provided to individual properties.
- 2.9.3. The information will be used to better understand how residents are using the waste services, identifying where additional support is needed to help residents fully utilise the services provided. The new information will also aid the Council to tailor its communications and resources to tackle outstanding issues; as well as giving full visibility of when bins are not emptied.
- 2.9.4. The fitting of the weighing equipment on the vehicle also allows the vehicles to be used for commercial waste collections as well as domestic services which may provide efficiencies in the collection processes and allow the Council to develop a commercial waste collection offer to businesses in the City which in turn would help deliver efficiencies in our domestic waste and recycling collection services. This could create a revenue stream to the Council that currently doesn't exist meeting the Council's Commercialisation

agenda.

2.10. Changes to assisted collection approval process

- 2.10.1. Where a medical issue exists that means residents are unable to place their containers out for collection they can make an application for an assisted collection. Where necessary they may need to submit relevant information, as detailed on Appendix 2, to support their application if the Council is unable to verify the entitlement through its own records.
- 2.10.2. Anyone who applies and is aged over 75 (with no other medical issues) will automatically be eligible for an assisted service. Where the Council is unable to verify their application based on age, further information will be required to be submitted by the applicant to confirm their entitlement. These are detailed in Appendix 2.
- 2.10.3. The assisted collection service means the containers remain on the property on collection day, with the crew collecting and returning the containers after emptying to their usual point of storage on the property. The service is provided free to residents and ensures equality of access to the service provided.
- 2.10.4. This service will be provided following a successful application where an application is received from a resident aged 75 or over, or where the resident is under 75 and meets one or more of the following criteria:
- Registered blind or partially sighted
 - Hold a blue badge for parking
 - Receive the higher rate of care component of Disability Living Allowance or enhanced daily living component of Personal Independence Payment
 - Receive the mobility component of Disability Living Allowance or enhanced mobility component of Personal Independence Payment
 - Receive the War Pensioners' Mobility Supplement
 - Living alone or with a carer
- 2.10.5. Residents who apply and do not meet the criteria set out in 2.10.1 or 2.10.2 may be granted a temporary assisted collection if there is a need for this service for a set period of no more than six months. This may be due to an illness, pregnancy or recovery from an operation or injury. A repeat application can be made at the end of each agreed period. Permanent and temporary assisted collections will only be provided where there is no-one living within the

household aged 16 or over that can present the waste and recycling containers to the kerbside for collection.

- 2.10.6. Applicants will be asked to provide details of all people living at the property, their age, reason for requesting the service. The Council will provide an assisted service if no one else in the house can place the containers out for collection. The Waste Management team will assess all applications and determine the outcome. All applicants will receive written confirmation of the decision. The location at which the containers should be left for collection is to be agreed between the customer and the service provider. Where no agreement is made, the Waste Management team will decide on the location.
- 2.10.7. Currently no verification checks are undertaken for larger bin requests. Residents applying for larger bins will be required to show their eligibility; again the Council will attempt to verify their entitlement using its own records. Where the Council is unable to verify entitlement through its own records applicants will be asked to provide documentation that substantiates their entitlement.
- 2.10.8. Residents with shared bins can request an adjusted service if they have an age related or medical condition which means they cannot use the containers provided. These would be assessed on a case by case basis.
- 2.10.9. Only new applicants or those due a verification check, which take place every 3 years, will be required to comply with the policies outlined above when implemented.

2.11. Changes to the collection of side waste

- 2.11.1. Under the current policy, for two general waste collections after Christmas day, residents are able to place extra waste out for collection next to their black bin.
- 2.11.2. The new policy will mean that side waste is only taken when residents scheduled collection day is affected, either due to public holidays such as Christmas and New Year's Day or when adverse weather such as heavy snow delays collections.
- 2.11.3. The Council will communicate to residents when side waste can be placed out for collection. Residents will still be able to place out extra paper and card for collection, however side waste containing glass, cans and plastic bottles will not be collected.

3. HOW DOES THIS DECISION CONTRIBUTE?

- 3.1. The changes recommend in this report contribute to the 'Being an In touch Organisation' and 'Thriving Neighbourhood and Community' priorities identified in the Council's Corporate Plan 2015 – 2018. This is through reducing the cost to the Council of providing waste services and making the best use of public money to have the greatest impact for Sheffield. The changes also seek to be innovative through finding new approaches and being open to different ways of doing things and seeking out new ideas.
- 3.2. Waste Services are a cornerstone of the thriving neighbourhoods and communities' priority ensuring our city is clean and tidy.
- 3.3. Delivering a budget saving by altering how waste services are delivered will make a contribution to the Council's savings target, while improving the service offer.

4. HAS THERE BEEN ANY CONSULTATION?

- 4.1. An on-line public consultation was carried out between 8th August and the 15th September 2016 on the proposals being considered within 2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9 and 2.11. The consultation was split, with a questionnaire for residents who have their own individual containers and those who share waste containers at flats and maisonettes. A drop in session was also held for landlords and management agents on the 5th September. A breakdown of the consultation responses can be found in Appendix 2.
- 4.2. Following the consultation the Council took the decision, based on the responses received, not to change the length of time taken to return for a missed collection from one day to up to five working days.
- 4.3. An on-line public consultation was carried out between 15th September and 23rd October 2015 for the proposals being considered within 2.10. To support the consultation, a Focus Group took place at the Town Hall on 6th October and the details of the consultation were sent to the following groups:
 - Equalities Hub Network
 - Sheffield Pensioners Action Group
 - Sheffield Young Carers

- Sheffield 50 Plus
- Disability Sheffield
- Access Liaison Group
- Sheffield Carers
- Royal National Institute of the Blind
- Help the Aged
- Age UK
- Age Concern

4.4. A breakdown of the consultation responses for the proposal outlines in 2.10 can be found in Appendix 3.

5. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

5.1 Equality of Opportunity Implications

5.1.1 Equality Impact Assessments have been undertaken for the proposed changes, the outcome of the assessments is detailed below;

- i) EIA 489 (Review of Assisted Collection Policy) - The proposed changes to the assisted collection policy were noted to have no significant positive or negative equality impacts. The changes will have an impact, albeit at a low level, as applicants will need to provide some form of evidence that demonstrates that they are entitled to the service. The biggest impact will be for those residents who currently receive the service due to their age. However, the service will still be provided if they are unable to present the bin for collection due to a medical or physical condition. The impact is further minimised as the policy change will be implemented over time with those already using the service only being required to meet the new criteria when their application reviewed, which is every 3 years. However, once approved, the new criteria will be used for all new applicants. The proposed policy of charging for black and green bins may negatively impact social cohesion if customers choose to avoid payment for replacement/ new containers and obtain them from other properties.
- ii) EIA 363 (Changes to Household Waste Collection Service) - Overall there are no significant differential equalities implications due to the implementation of this proposal. There potentially may be some low negative impact for customers with reduced mobility, some older people, pregnancy/ maternity, carers, low income households and social cohesion. These impacts are mitigated through the assisted collection scheme and through communications to residents.

6.0 Financial and Commercial Implications

6.1 The Council believes that savings to the cost of the Collection Service can be achieved through different ways of working. This includes introducing policy changes that increase operational efficiencies by offering more flexibility in how the services are delivered.

- 6.2 However, it should be noted that the true cost to the Council of all the services will not be known until the proposed services are priced by the service provider, therefore will only be realised when the alternative service provision is in place.

7.3 Legal Implications

- 7.1 The duty of local authorities to collect and dispose of household waste is set out in Section 45 of the Environmental Protection Act 1990.
- 7.2 Section 46 of the Environmental Protection Act 1990 will allow the Council to set a charge to provide new/replacement bins to occupiers. Occupiers will also have the option of sourcing their own bin as long as it conforms to the size and construction of the bin as set out by the Council.
- 7.3 Section 1 of the Localism Act 2011 gives the Council the right to exercise the general power of competence. It therefore allows the Council to provide a discretionary service of decontaminating bins. The money charged to residents can only be cost recovery as set out in s3 of the Localism Act 2011.
- 7.4 Schedule 2 of the Controlled Waste Regulations provides that local authorities may charge for the collection of garden waste. The disposal/ treatment cost for the material collected is retained by the Authority.
- 7.5 The Council will also discharge its responsibility under any relevant legislation relating to implementing the new policies.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 The Council could continue to provide the current services in the current manner; however this would restrict the service provider to ability to create a more cost effective, more responsive, flexible and sustainable service in the future.

9. REASONS FOR RECOMMENDATIONS

- 9.1
- 1) To provide the opportunity to introduce new ways of working in the Collection Service to increase efficiency and reduce costs, while allowing an income to be generated where allowed, benefiting both the Council and residents
 - 2) To provide clear parameters to residents as well as the future service provider on how Waste services will be delivered.

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Waste Management Policies

This document sets out the Sheffield's waste and recycling policies for the following services:

1. General Waste and dry recycling collection services
2. Garden waste
3. Bulky waste collection service
4. Dry stores
5. Clinical waste
6. Chargeable collections
7. Special Events
8. Household Waste Recycling Centres
9. Waste Minimisation
10. Education and Enforcement
11. Abandoned Vehicles
12. Complaints

Appendix 1: Assisted Collection policy

Appendix 2: Waste Management Education and Enforcement policy

Appendix 3: Waste management Abandoned Vehicle policy

1. General Waste and Dry Recycling Collection Services

1.1. Materials collected

1.1.1. Sheffield City Council provides households with free collection services for household waste and dry recycling. The services provided include separate collections of:

- Fibres (Paper and card)
- Containers (Glass bottles and jars, tins, cans, and plastic bottles)
- General waste

1.1.2. The addition of further materials, including mixed plastics will be considered if a cost effective, sustainable disposal outlet becomes available.

1.2. Collection Capacity

1.2.1. The amount of waste and dry recycling collection capacity provided to households is based on the number of people living in the property.
Incorrect

1.2.2. The **weekly** waste and dry recycling collection capacity that both houses and flats are entitled to is set out in **Table 1**.

Table 1

Number of residents	General Waste (litres)	Containers (litres)	Fibres (litres)
1	55	28	17
2	70	35	21
3	85	43	26
4	100	50	30
5	115	58	35

1.2.3. The capacity set out above has been calculated based on the needs of the average household, and is allocated as follows:

- General waste: 40 litres plus 15 litres per person permanently living at the property
- Containers: 20 litres plus 7.5 litres per person permanently living at the property
- Fibres: 12.5 litres plus 4.5 litres per person permanently living at the property

1.2.4. The recycling allocation has been set following analysis of household waste collected in Sheffield at the kerbside which shows that 44% of waste

collected from homes is made up of paper, card, glass bottles and jars, plastics and cans.

- 1.2.5. The average number of people living in Sheffield households is 2.4 (2011 Census). It is reasonable to assume that the average number of people living in a house will be more than that living in a flat, and so the following standard approach will be taken to minimise the need to repeatedly move bins according to a changes in occupancy:
- All households, excluding flats, maisonettes, sheltered and supported living and purpose built student accommodation, will be provided with the 5 person entitlement.
 - Flats and maisonettes, excluding purpose built student accommodation, will be provided with the 3 person entitlement.
 - Purpose built student accommodation will be provided with the one person entitlement.
 - Sheltered and supported living accommodation will be provided with the one person entitlement.
- 1.2.6. Households with more permanent residents than the standard allocation can apply for additional capacity in accordance with the Council's extra capacity policy, see 1.3.11 and 1.4.11
- 1.2.7. For the purpose of this policy, a flat or maisonette is a property that forms part of a shared larger building or structure. Purpose built student accommodation refers to accommodation where the tenancy is only, or principally available to students in properties made up of individual studios and excludes converted houses. Sheltered and supported living accommodation includes properties accommodation for elderly or disabled people consisting of private independent units with some shared facilities and a warden.
- 1.2.8. Households, excluding flats, maisonettes, sheltered and supported living accommodation, and purpose built student accommodation, will be provided with their own set of waste and dry recycling bins. Shared bins will be provided to flats, maisonettes, sheltered and supported living accommodation and purpose built student accommodation.
- 1.3. *Households:*
- 1.3.1. This section sets out the service policy for all households, excluding flats, maisonettes, sheltered and supported living accommodation and purpose built student accommodation.
- 1.3.2. *Collection Frequency*
- 1.3.2.1. The standard collection arrangement for households with their own waste and dry recycling bins is:
- Week 1: General waste

- Week 2: Fibres: Paper and card
- Week 3: General waste
- Week 4: Containers: Glass, cans, plastic bottles

1.3.2.2. Based on the collection frequency set out in 1.3.2.1, the weekly general waste capacity set out in **Table 1** will be multiplied by 2, and the dry recycling (Containers and Fibres) capacity entitlement will be multiplied by 4.

1.3.2.3. The default position will be for the collection of general waste and dry recycling to take place on the same day on alternate weeks. However, Sheffield City Council reserves the right to collect on different days if this would achieve increased service efficiency.

1.3.3. *Container provision*

1.3.3.1. Due to limitations of bin sizes available, the closest available bin size will be provided to meet the capacity allocation. This means that the actual capacity provided may be slightly higher than the allowance.

1.3.3.2. Households will be provided with their own set of waste and dry recycling bins. Each set will include:

- 1 x 240 litre wheeled bin for general waste
- 1 x 140 litre wheeled bin for fibres paper and card) and 1 x 240 litre bin for the collection of containers (glass, cans and plastic bottles).

1.3.4. *Ownership and labelling*

1.3.4.1. All new bins provided by the Council will be numbered to identify which household the bin is allocated to. This is to reduce the risk of bins becoming lost or stolen. Recycling bins will include information on the type of material to be placed inside.

1.3.4.2. Residents can choose to put their house number on their existing bins provided to their property or if they purchase their own.

1.3.4.3. All bins provided by Sheffield City Council remain the property of the Council.

1.3.4.4. All waste and recycling bins provided must remain with the property and must not be removed. In the event of a house move, including where additional black bin capacity is provided under the Council's extra capacity policy, the bins must be left at the old property and a new request made for the new property once the move has been completed.

1.3.5. *New developments and properties*

1.3.5.1. New developments and properties must be designed to ensure sufficient storage space is in place to meet the general waste and dry recycling

collection capacity allocation requirements as calculated by **Table 1**, sections 1.2 and 1.3.31.3.3 and the collection frequency determined by Sheffield City Council, as set out in section 1.3.2.

- 1.3.5.2. All new properties are required to provide or purchase from Sheffield City Council the general waste bins needed to meet the capacity allocation. Any costs must be paid for by the developer, managing agent, owner or occupier.
- 1.3.5.3. The bin charges will be subject to an annual price review and will be provided on request, and will be published on the Council's website.
- 1.3.5.4. Customers with their own bins can choose to provide their own general waste bins, however these must meet the specification set out, including the BS EN 840 quality standard, to ensure safe collection. The customer must also agree to the Council's terms and conditions in order for the Council to provide a collection service. This specification and the terms and conditions will be made available on request and will be published on the Council's website.
- 1.3.5.5. Bins for the collection of dry recycling (Containers and Fibres) will be provided free of charge.
- 1.3.5.6. Further information regarding planning requirements for waste and recycling storage for new developments will be provided on the Council's website.
- 1.3.5.7. Bins to new properties will be delivered within 10 working days of payment being received.
- 1.3.5.8. A notice under Section 46 of the Environmental Protection Act 1990 will be issued to all households where bins are provided by the Council, or where the Council is notified that a household has provided its own bin. This Notice will provide formal notification of how to use the waste and recycling bins.
- 1.3.6. *Replacement and abandoned Bins*
 - 1.3.6.1. A £20 (subject to annual price review) charge will be made for the replacement of bins including lost/damaged or stolen general waste bins.
 - 1.3.6.2. No charge will be made where a bin has been lost or damaged by the collection crew during collection. Customers must report issues of lost or damaged (by the crew) bins within two working days of the collection taking place.
 - 1.3.6.3. Households can request for their standard 240 litre black bin to be replaced for a smaller bin. No charge will be made for providing a smaller black bin.
 - 1.3.6.4. No charge will be made to replace the bins provided for the collection of dry recycling (containers and fibres).

- 1.3.6.5. Customers can choose to provide their own replacement general waste bins, however these must meet the specification set out, including the BS EN 840 quality standard, to ensure safe collection. The customer must also agree to the Council's terms and conditions in order for the Council to provide a collection service. This specification and the terms and conditions will be made available on request and will be published on the Council's website.
- 1.3.6.6. Replacement bins will be replaced with 5 working days of an approved request being received and any payment being received.
- 1.3.6.7. A notice under Section 46 of the Environmental Protection Act 1990 will be issued to all households where bins are provided by the Council, or where the Council is notified that a household has provided its own bin. This Notice will provide formal notification of how to use the waste and recycling bins.
- 1.3.6.8. Any unused or abandoned bins left on the highway should be reported to the Council for collection. Collection will take place within 5 working days.
- 1.3.7. *Collection times*
 - 1.3.7.1. General waste and dry recycling (fibres and containers) collections operate Monday to Friday between 6am - 9pm.
 - 1.3.7.2. Collections will take place on all Bank Holidays with the exception of Christmas Day, Boxing Day and New Year's Day, or their designated Bank Holidays.
 - 1.3.7.3. No collections will take place within clearways or locations with other highway restrictions during the designated times, unless special permission has been granted by Council.
- 1.3.8. *Presentation and storage of bins*
 - 1.3.8.1. All bins should be stored within the property boundary and not on the highway between collections.
 - 1.3.8.2. Residents are required to place their waste and recycling bins at the specified collection point on their scheduled collection day before 6am (and no earlier than 6pm the day before) and then remove their bins back on to their property no later than 9am on the day after collection.
 - 1.3.8.3. Where, for reason of age or mobility there is no-one in a household able to move the bins to their collection point, an application can be made for an assisted collection service. The collection crew will then collect and return the waste and recycling bins after emptying to their usual point of storage. The assisted collection policy can be found in [Appendix 1](#).

- 1.3.8.4. The collection point is the pavement at its edge with the nearest public highway (kerbside). In most circumstances, this will be at the front of the property.
- 1.3.8.5. Where the nature of, or access to a property, means collection cannot be made from directly outside the property, the Council/service provider will identify an alternate point of bin storage and/or collection point.
- 1.3.9. *How to use the waste and recycling containers*
- 1.3.9.1. Residents must ensure that the correct materials are placed inside each waste and recycling bin:
- Black bins are for general household waste
 - The 240 litre brown recycling bin is for glass bottles and jars, cans and plastic bottles
 - The 140 litre blue bin is for paper and card.
- 1.3.9.2. It is the householder's responsibility to ensure that their recycling bins contain the correct materials. A bin will not be emptied if it contains incorrect materials. Information will be affixed to the bin to explain why it hasn't been emptied, and the householder will be required to remove the incorrect items and present it for collection on the next scheduled collection day. Alternatively, if it is the first time that the recycling bin has not been emptied due to containing incorrect materials in a twelve month period, a request can be made for a reset. At the point of requesting a reset, the customer/s will be issued with a notice under Section 46 of the Environmental Protection Act 1990 to provide formal notification of how to use the bins provided. The bin will then be emptied within 5 working days however the contents will not be recycled.
- 1.3.9.3. New occupiers of a property who acquire a recycling bin containing incorrect materials can request a reset. This will be provided within 5 working days and will be emptied as general waste and therefore not recycled.
- 1.3.9.4. Bins that are presented with their bin lid up (overloaded) pose a health and safety risk to the collection crews and can cause littering issues. A number of serious injuries have occurred where overloaded bins have been placed on to the bin lift, resulting in waste falling on to the collection operative below. To minimise the risk to employees and to reduce the risk of littering, bins must be presented with the bin lid flat against the body of the bin. Bins will not be emptied where the lids are not fully closed. Where a bin is not emptied for this reason, a tag will be placed on the bin and the household will be required to remove sufficient waste to allow the bin lid to close, and then place the bin out for collection on the next scheduled collection day.
- 1.3.9.5. Households should ensure that bins are not too heavy to allow for safe collection. Heavy bins present a health and safety risk to the collection crews. A number of serious injuries have occurred where excessively heavy bins have been placed on to the bin lift, causing them to break and fall on to

the collection operative below. To minimise the risk to employees any bins deemed by the collection operative to be excessively heavy will not be emptied. Information will be attached to the bin and the household will be required to remove sufficient waste to allow safe collection on the next scheduled collection day.

- 1.3.9.6. The waste and recycling collection capacity provided to households should be sufficient to meet the needs of the vast majority of households. For large households, or households with unique circumstances which leads to extra waste, an application process is in place for requesting extra capacity – see 1.3.11 and 1.4.11. For this reason, together with the need to reduce the risk of littering, and encourage households to reduce and recycle their waste, extra general waste put out for collection next to their black bin will not be taken. Where extra waste is presented, the bin will be emptied and any bagged waste will be placed inside the empty container in readiness for the next scheduled collection day. Information will be left on the bin to explain to the customer why the bagged waste has been placed inside their wheeled bin, and how to dispose of the extra waste. Where extra waste is not placed in a sack, the waste will be left in situ. A sticker/s will be placed on the loose waste explaining why it hasn't been removed and how to correctly dispose of it. The presentation of extra waste will be managed in accordance with the Council's Education and Enforcement policy, see [Appendix 2](#).
- 1.3.9.7. Additional paper and card may be presented for collection next to the blue bin. Any extra material should be neatly bundled, and be no bigger in size than a blue bin. Where the extra paper and card cannot be collected because it is too large, information will be attached to the blue bin to explain why it hasn't been taken and the resident will be required to remove it from the highway. Failure to remove the paper and card will be managed in accordance with the Council's Education and Enforcement policy, see [Appendix 2](#).
- 1.3.9.8. Extra glass bottles, cans and plastic bottles placed out for collection will not be taken. These materials will only be collected if placed in the correct recycling bin. Information will be attached to the recycling container to explain why it hasn't been taken and the resident will be required to remove it from the highway. Failure to remove the extra recycling will be managed in accordance with the Council's Education and Enforcement policy, see [Appendix 2](#).
- 1.3.9.9. If, despite following the above, a bin is not emptied on the scheduled collection day, households can report a missed collection to the contact centre. Unless a service alert is in place, the collection crew will then return and empty the bins within one working days of the report being received.
- 1.3.10. *Adjustments to the standard service: Container type*
- 1.3.10.1. Where the nature and/or location of a household means a bin service cannot be provided, a weekly black sack collection service will be provided

for general waste. No sack service is available for the collection of dry recyclables, however the household can request to use the standard recycling service if they present to the nearest adopted highway. The decision to provide a sack service is at the discretion of Sheffield City Council.

1.3.10.2. Shared bins may be provided to groups of houses/streets where there is limited space to store bins on the property, where there is limited usage of recycling bins, or where steps make it difficult to remove bins from the highway. Shared bins will only be introduced following a period of consultation involving the affected households and may include general waste and/or recycling bins. Households receiving an assisted collection service, will have the option to keep their own bins.

1.3.11. *Adjustments to the standard service: Collection Capacity*

1.3.11.1. The standard capacity allocation provided to households is set out in sections 1.2, 1.3.2 and 1.3.3. Households using all recycling services available and with 6 or more permanent residents are eligible, on request, for extra general waste capacity and recycling capacity. **Table 2** sets out the capacity allowance based on household size:

Table 2:

Number of residents	Weekly capacity			Capacity Entitlement			Container Provision		
	Residual waste L	Containers L	Fibres L	Residual waste L	Containers L	Fibres L	Residual waste L	Containers L	Fibres L
5	115	58	35	230	230	140	240	240	140
6	130	65	40	260	260	158	360	360	240
7	145	73	44	290	290	177	360	360	240
8	160	80	49	320	320	195	360	360	240
9	175	88	53	350	350	213	360	360	240
10	190	95	58	380	380	231	380	480	240

- 1.3.11.2. Any households with five or more permanent residents and which produces nappies or incontinence waste will qualify for a 360 litre general waste bin. Additional recycling capacity will be provided in line with the allowance set out in **Table 2**:
- 1.3.11.3. Households where one or more person has a medical condition which generates additional waste can, if they are struggling to manage with the capacity provided, apply for additional capacity regardless of household size. Each application will be considered on an individual basis, and where the provision of additional capacity is approved, the Council will determine whether to provide a clinical waste collection service, additional black bin capacity or additional recycling capacity.
- 1.3.11.4. Households requesting additional capacity will be required to complete an application form. The applicant will be required to provide evidence of occupancy for each permanent occupier of the household. Checks on occupancy may be carried out on the information provided to ensure the information provided is correct.
- 1.3.11.5. Additional capacity is granted based on the household's circumstances at that time of the application. The household must inform the Council of any changes in the number of permanent occupiers. The Council reserves the right to remove any additional capacity if a change in circumstances means the household is no longer eligible.
- 1.3.11.6. Where an application for additional waste and recycling capacity is approved, the householder will be required to make a payment as set out in 1.3.6 to cover the provision of the extra general waste capacity. No charge will be made for the provision of extra recycling capacity.
- 1.3.11.7. A condition of providing additional general waste capacity is that the household must use the recycling services provided. Where a household chooses not to do so the Council reserves the right to withdraw the additional general waste capacity. No refund will be issued where general waste collection capacity is removed under these circumstances.
- 1.3.11.8. At least every 3 years the Council will contact households with additional capacity to make sure they are still eligible. Where a household no longer meets the criteria, or where no response is received, the additional capacity will be removed and the standard allocation reinstated. No charge will be made for any reduction in waste and recycling capacity. However a charge will be made to reinstate any additional capacity if a successful application is subsequently received following removal.
- 1.3.11.9. Collections will take place in accordance with the policy set out in this document, and if a household obtains additional general waste or recycling capacity above the entitled amount, the additional bins will not be emptied, and the additional capacity will be removed. No refund will be provided where a payment was made to receive the additional capacity.

1.3.12. *Adjustments to the standard service: Collection day:*

1.3.12.1. There are a number of situations where collections may take place outside of the scheduled collection day:

- During service alerts, due to service disruption caused by bad weather, a police incident, strike or other significant unforeseen event.
- Due to public holidays, limited to Christmas Day, Boxing Day, and New Year's Day or their nominated Bank Holiday.
- Due to access issues, including road closures, preventing collection on the scheduled collection day.

1.3.12.2. Any changes resulting from a service alert will be for a temporary period, to allow the recovery of any affected collections and as a minimum will be communicated to residents on the Council's website, via social media and via a press release.

1.3.12.3. Where information regarding road closures is known in advance and where these closures will prevent collections from taking place, temporary changes to the waste and recycling collection service may be provided, at the discretion of the Council, until access is made available again.

1.3.12.4. To enable residents to manage the amount of waste generated as a result of a delayed collection, a maximum of three, tied, black sacks of extra general waste will be collected from households where their scheduled collection day has been delayed by at least three days.

1.3.12.5. Any changes resulting from public holidays will be for a temporary period, to allow the recovery of any affected collections and as a minimum will be communicated to residents on the Council's website, via social media and via a press release.

1.3.12.6. A maximum of three, tied, black sacks of extra general waste will be collected from households affected by a change of scheduled collection day over the Christmas and New Year period.

1.3.12.7. When a collection cannot be made due to access being restricted by parked cars on the highway, or road closures, further attempts will be made until the containers are emptied.

1.3.12.8. The Council may take action where there are repeated problems with access. This action may involve, although not exclusively, imposing new or enforcing existing parking restrictions, contacting the owners of cars repeatedly blocking access, changing the collection day/time, changing collection points or service provided.

1.3.13. *Adjustments to the standard service: Removal of service*

1.3.13.1. Residents may elect (by written notification) not to receive any waste collection or recycling services from the Council, but to make their own suitable and legal arrangements for the disposal of their waste. In any circumstances, the Council will not consider any refund/rebate of Council Tax. Once written confirmation is received arrangements will be made to remove any bins from the property concerned that have been provided by the Council in its duties as a Waste Collection Authority. Residents who elect not to receive waste collection arrangements from the Council, but who without reasonable cause, then fail to make their own legal and appropriate arrangements, will be subject to legal action, as necessary.

1.3.14. Adjustment to standard service: Private and narrow access roads

1.3.14.1. Where the access road to a property is too narrow for a standard refuse collection vehicle, a service adjustment including one or more of bin/container type, presentation point, and collection frequency may be required. Any adjustment will be determined by the Council.

1.3.14.2. Where it is safe to do so and where sufficient access is available, a refuse collection vehicle will be used on private/unadopted roads. However, the service provider may seek written authority from all households concerned to protect it from any claim for damages in taking the collection vehicle on the private/unadopted road. Where an indemnity is not provided, an adjustment to the service including one or more of bin/container type, presentation point, and collection frequency may be required. Any adjustment will be determined by the Council.

1.3.14.3. Where damage could occur to a collection vehicle or road during the collection process, or where there is no safe vehicular access, an adjustment to the service including one or more of bin/container type, presentation point, and collection frequency may be required. Any adjustment will be determined by the Council.

1.4. Flats, Maisonettes including purpose built student accommodation:

1.4.1. This section sets out the service policy for flats, maisonettes, sheltered and supported living accommodation and purpose built student accommodation.

1.4.2. Collection Frequency

1.4.2.1. The standard collection arrangement is:

- Week 1: General waste
- Week 2: Fibres: Paper and card, Containers: Glass, cans, plastic bottles
- Week 3: General waste
- Week 4: Fibres: Paper and card, Containers: Glass, cans, plastic bottles

- 1.4.2.2. Based on the above collection frequency, the weekly general waste and recycling (Containers and Fibres) capacity set out in **Table 1** will be multiplied by 2.
- 1.4.2.3. Where operationally efficient to do so and where capacity allows, the recycling collection frequency of (Containers and Fibres) may be reduced from every two weeks to every four weeks, in line with standard households.
- 1.4.2.4. Where operationally efficient to do so, at flats and maisonettes where 13 or more households share a bin storage area, a weekly general waste collection service may be provided. Where operationally efficient to do so, at sheltered and supported living and purpose built student accommodation, where 20 or more households share a bin storage area, a weekly general waste collection service may be provided.
- 1.4.2.5. Any decision to change the collection frequency set out in section 1.4.2.1 will be at the discretion of Sheffield City Council, within the limitations set out in sections 1.4.2.3 and 1.4.2.4.
- 1.4.3. *Container provision: Type and size*
- 1.4.3.1. **Table 1** and section 1.4.2 will identify the capacity allowance for any given property. Due to limitations of bin sizes available, the closest available bin size and numbers will be provided. This means that the actual capacity provided may be slightly higher than the allowance.
- 1.4.3.2. Shared bins will be provided and bin sizes available range from 140 litres to 1100 litres. Two wheeled bins will be made of plastic, and all four wheeled bins will be made of metal.
- 1.4.3.3. The type and number of bins provided to meet the required allocation will be at the discretion of Sheffield City Council.
- 1.4.4. *Ownership and labelling*
- 1.4.4.1. As a minimum, all shared bins will have on them, the Sheffield City Council logo, contact details, and the type of material to be placed inside the bin. Once this livery has been applied, the managing agent/landlord will be responsible for ensuring this information is provided on the bins with replacement stickers being available, on request from the Council.
- 1.4.4.2. Shared bins will contain a Radio-Frequency Identification (RFID) chip provided as part of the construction of the bin. The refuse collection vehicles used for collections at flats will include bin weighing equipment. This approach will reduce the risk of bins going missing and not being replaced, and allow for targeted education and communications as they provide an understanding of which bins are being used, and how much waste and recycling is being collected.

- 1.4.4.3. All containers provided by Sheffield City Council remain the property of the Council.
- 1.4.4.4. All waste and recycling containers provided must remain with the designated bin storage area and must not be removed.
- 1.4.5. *New developments and properties*
 - 1.4.5.1. New developments and properties should ensure sufficient storage space is in place to meet the general waste and dry recycling collection capacity requirements as set out in **Table 1** and sections 1.4.2 and 1.4.3.
 - 1.4.5.2. All new properties are required to provide or purchase from Sheffield City Council the general waste bins needed to meet the capacity allocation. Any costs must be paid for by the developer, managing agent, owner or occupier.
 - 1.4.5.3. The charge will be £20 (subject to annual price review) multiplied by the number of properties using the shared bin/s. For purpose built student accommodation, the multiplier will be the maximum number of occupants based on the number of beds.
 - 1.4.5.4. Recycling bins for both Fibres and Containers will be provided free of charge to new properties.
 - 1.4.5.5. All shared bins provided by the Council will contain a RFID chip which is provided as part of the construction of the bin.
 - 1.4.5.6. Customers can choose to provide their own general waste bins, however these must meet the specification set out by the Council to ensure safe collection, including the BS EN 840 quality standard. All bins with four wheels must be made of metal. The customer must notify the Council of any bins they have provided, and also agree to the Council's terms and conditions in order for the Council to agree to provide a collection service for any third party bins. Once notified, and the terms and conditions have been accepted, the Council will fit an RFID chip before the collection service begins. The specification and terms and conditions will be made available on request and will be published on the Council's website.
 - 1.4.5.7. Further information regarding planning requirements for waste and recycling storage for new developments will be available on the Council's website.
 - 1.4.5.8. Bins to new properties will be delivered within 10 working days of payment being received.
- 1.4.6. *Missing/damaged and abandoned Bins*
 - 1.4.6.1. An administration and delivery charge will be made for the replacement of lost/damaged or stolen general waste bins. The charge will be £20 (subject to annual price review) multiplied by the allocated number of properties

using the type and number of missing/lost bin/s. For purpose built student accommodation, the multiplier will be the number of beds.

- 1.4.6.2. No charge will be made where a bin has been lost into the back of the collection vehicle or damaged by the collection crew during collection. Customers must report issues of lost or damaged (by the crew) bins within two working days of the collection taking place.
- 1.4.6.3. No charge will be made to replace the bins provided for the collection of recycling (Containers and Fibres).
- 1.4.6.4. Lost, stolen and damaged bins will be replaced with 5 working days of an approved request being received and any payment being received if required.
- 1.4.6.5. All shared bins provided by the Council will contain a RFID chip which is provided as part of the construction of the bin.
- 1.4.6.6. Customers can choose to provide their own general waste bins, however these must meet the specification set out by the Council, including the BS EN 840 quality standard, to ensure safe collection. All bins with four wheels must be made of metal. The customer must notify the Council of any bins they have provided, and also agree to the Council's terms and conditions in order for the Council to agree to provide a collection service for any third party bins. Once notified, and the terms and conditions have been accepted, the Council will fit an RFID chip before the collection service begins. The specification and terms and conditions will be made available on request and will be published on the Council's website.
- 1.4.6.7. Any unused or abandoned bins left on the highway should be reported to the Council for collection. Collection will take place within 5 working days.

1.4.7. *Collection times*

- 1.4.7.1. General waste and recycling (Fibres and Containers) collections operate Monday to Friday between 6am - 9pm, and on weekends between 7am and 4pm.
- 1.4.7.2. Collections will take place on all Bank Holidays with the exception of Christmas Day, Boxing Day, New Year's Day, and Easter Sunday. Any changes to collections will be confirmed on an annual basis.
- 1.4.7.3. No collections will take place within clearways or locations with other highway restrictions during the designated times, unless special permission has been granted by Council.

1.4.8. *Presentation and storage of Bins*

- 1.4.8.1. An assisted collection service will be provided as standard where waste and recycling bins are shared with two or more households. The collection crew

will collect the bins from their usual point of storage and then return them after emptying.

- 1.4.8.2. If the bins are stored behind a locked gate/door, the landlord/owner/management agent will be required to provide a code/key/fob to allow access. Keys lost by the service provider will be replaced at their own cost.
- 1.4.8.3. At locations where bins are not stored at ground level, the owner/landlord/managing agent will be required to move the bins to an agreed point at an agreed time, to enable collection to take place.
- 1.4.8.4. Where, for reason of age or mobility a household cannot use the shared bins provided, an application can be made for an adjusted service to be provided. The service provided will vary depending on the nature of the issue and the service provided at that location. Any decision to provide an adjusted service will be taken by Sheffield City Council.
- 1.4.9. *How to use the waste and recycling bins*
 - 1.4.9.1. Residents/managing agents/landlords are responsible for ensuring that the correct materials are placed inside the designated recycling bins provided.
 - 1.4.9.2. Where incorrect items are placed inside a recycling bin, they will not be emptied. The householders/managing agent or landlord will be required to remove the incorrect items and present the bin/s for collection on the next scheduled collection day. Alternatively, if it is the first time that one or more recycling bins have not been emptied due to containing incorrect materials in a twelve month period, a request can be made for a reset. At the point of requesting a reset, the customer/s will be issued with a Section 46 Notice to provide formal notification of how to use the bins provided. The bin/s will then be emptied within 5 working days however the contents will not be recycled.
 - 1.4.9.3. Bins that are presented with their bin lid up (overloaded) pose a health and safety risk to the collection crews and can cause littering issues. A number of serious injuries have occurred where overloaded bins have been placed on to the bin lift, resulting in waste falling on to the collection operative below. To minimise the risk to employees and to reduce the risk of littering, bins must be presented with the bin lid flat against the body of the bin. Bins will not be emptied where the lids are not closed. Where a bin is not emptied for this reason, a tag will be placed on the bin and the householders/managing agent or landlord will be required to remove sufficient waste to allow the bin lid to close, in readiness for collection on the next scheduled collection day.
 - 1.4.9.4. Households should ensure that bins are not too heavy to allow for safe collection. Heavy bins present a health and safety risk to the collection crews. A number of serious injuries have occurred where excessively heavy bins have been placed on to the bin lift, causing them to break and fall on to

the collection operative below. To minimise the risk to employees any bins deemed by the collection operative to be excessively heavy will not be emptied. Information will be attached to the bin and the householders/managing agent or landlord will be required to remove sufficient waste to allow safe collection on the next scheduled collection day.

- 1.4.9.5. The waste and recycling collection capacity provided to flats and maisonettes should be sufficient to meet the needs of the vast majority of households. An application process is in place for flats and maisonettes which meet certain criteria for requesting extra capacity – see 1.4.11. For this reason, together with the need to reduce the risk of littering, and encourage households to reduce and recycle their waste, extra waste and recycling put out for collection in or around a bin store will not be taken. The householders/managing agent or landlord will be required to remove the waste and place inside the correct bin or make alternative disposal arrangements. The presentation of extra waste will be managed in accordance with the Council’s Education and Enforcement policy, see [Appendix 2](#).
- 1.4.9.6. It is the responsibility of the occupier/managing agent/landlord to ensure that sufficient access is made available to the bin storage area on private land. Where access is not available to allow for safe collection, no repeat visits will be made, and a further attempt at collection will only be made on the next scheduled collection day.
- 1.4.9.7. Where non-collection takes place due to an issue with presentation, a payment can be made by the managing agent or landlord for a special collection rather than having to wait until the next scheduled collection day, see [Appendix 2](#).
- 1.4.9.8. If, despite following the above, a bin is not emptied on the scheduled collection day, a missed collection can be reported to the call centre. Where no service alert is in place, the collection crew will then return and empty the container/s within one working day of the report being received.
- 1.4.10. *Adjustments to the standard service: Collection frequency*
 - 1.4.10.1. The bins provided and frequency of collection is defined in this policy. More frequent collections may be considered by exception at flats, where there is not enough storage space at to accommodate the required number of bins. Any decision to increase the collection frequency will be at the discretion of Sheffield City Council and only once payment has been received in advance for the additional collection frequency. Any agreement to provide more frequent collections will only be provided where there is no negative impact on vehicle efficiency and where the additional collection/s can be accommodated. Costs for providing more frequent collections will be made available if an agreement is made in principle to provide a more frequent service.
- 1.4.11. *Adjustments to the standard service: Capacity allocation*

- 1.4.11.1. The standard capacity provided is set out in **Table 1** and section 1.4.2. Where the average number of people living in all households making up a block of flats/maisonettes is higher than the standard assumption, an application can be made for additional capacity.
- 1.4.11.2. The application can be submitted by the landlord or managing agent, and details of permanent occupiers must be provided for all households. Checks on occupancy may be carried out to ensure the information provided is correct.
- 1.4.11.3.** Additional capacity will be provided in accordance with the allocation set out in **Table 1** and
- 1.4.11.4. **Table 2.**
- 1.4.11.5. Where an application for additional collection capacity is approved, the applicant will be required to make a payment for the extra general waste collection capacity provided. This payment will be based on a pro rata allocation of the £20 charge (subject to annual price review) multiplied by the number of households (or beds for purpose built student accommodation) sharing the bins provided. Once payment has been received, the additional capacity will be provided within 5 working days. As a worked example:
- For a block of 30 flats, the standard capacity (a 3 person allocation) would be $30 \times 85L = 2550$ litres. The original cost for supplying this capacity would have been $\text{£}20 \times 30 = \text{£}600$ which equates to a cost of 23.5p per litre. If there was in fact an average of 4 people in each flat, the capacity allocation would be $30 \times 100L = 3000$ litres, an increase of 450 litres. The price therefore to pay would be, $450 \times 23.5p = \text{£}105.75$
- 1.4.11.6. At least every 3 years the Council will contact the landlord/managing agent or residents to make sure they are still eligible for the additional capacity. Where the circumstances are such that they are no longer eligible, or where no response is received, the additional capacity will be removed and the standard allocation reinstated. No charge will be made for any reduction in waste and recycling capacity.
- 1.4.12. *Adjustments to the standard service: Collection day:*
- 1.4.12.1. There are a number of situations where collections may take place outside of the scheduled collection day:
- During service alerts, due to service disruption caused by bad weather, a police incident, strike or other significant unforeseen event.
 - Due to public holidays, limited to Christmas Day, Boxing Day, and New Year's Day or their nominated Bank Holiday.
 - Due to access issues, including road closures, preventing collection on the scheduled collection day.

- 1.4.12.2. Any changes resulting from a service alert will be for a temporary period, to allow the recovery of any affected collections and as a minimum will be communicated to residents on the Council's website, via social media and via a press release.
- 1.4.12.3. Where information regarding road closures is known in advance and where these closures will prevent collections from taking place, temporary changes to the waste and recycling collection service may be provided, at the discretion of the Council, until access is made available again. This information will be communicated directly to those affected, if required.
- 1.4.12.4. Any changes resulting from public holidays will be for a temporary period, to allow the recovery of any affected collections and as a minimum will be communicated to residents on the Council's website, via social media, and via a press release.
- 1.4.12.5. When a collection cannot be made due to access being restricted by parked cars on the highway, or road closures, further attempts will be made until the containers are emptied. Also see section 1.4.9.6.
- 1.4.12.6. The Council may take action where there are repeated problems with access. This action may involve, although not exclusively, imposing new or enforcing existing parking restrictions, contacting the owners of cars repeatedly blocking access, changing the collection day/time, changing collection points or service provided.
- 1.4.13. *Adjustment to the standard service: Removal of service*
- 1.4.13.1. Managing Agents/Landlords may elect (by written notification) not to receive any waste collection or recycling services from the Council, but to make their own suitable and legal arrangements for the disposal of their waste. In any circumstances, the Council will not consider any refund/rebate of Council Tax. Once written confirmation is received arrangements will be made to remove any bins from the property/properties concerned that have been provided by the Council in its duties as a Waste Collection Authority. Managing agents/landlords who elect not to receive waste collection arrangements from the Council, but who without reasonable cause, then fail to make their own legal and appropriate arrangements, will be subject to legal action, as necessary.
- 1.4.14. *Adjustment to standard service: Private and narrow access roads*
- 1.4.14.1. Where the access road to a property is too narrow for a standard refuse collection vehicle, a service adjustment including one or more of bin/container type, presentation point, and collection frequency may be required. Any adjustment will be determined by the Council.
- 1.4.14.2. Where it is safe to do so and where sufficient access is available, a refuse collection vehicle will be used on private/unadopted roads. However, the

service provider may seek written authority from all households concerned to protect it from any claim for damages in taking the collection vehicle on the private/unadopted road. Where an indemnity is not provided, an adjustment to the service including one or more of bin/container type, presentation point, and collection frequency may be required. Any adjustment will be determined by the Council.

1.4.14.3. Where damage could occur to a collection vehicle or road during the collection process, or where there is no safe vehicular access, an adjustment to the service including one or more of bin/container type, presentation point, and collection frequency may be required. Any adjustment will be determined by the Council.

1.5. *Charges for waste and recycling collection services*

1.5.1. Under the requirements of the Environmental Protection Act 1990, a free waste and recycling collection service is provided to Sheffield residents. The standard service provided to Sheffield residents is set out in Sections 1.3 and 1.4.

1.5.2. The Environmental Protection Act 1990 states that the Authority can stipulate:

- The type and number of containers to be used
- The collection frequency
- The placing of the containers and access required to enable collection
- The type of materials to be placed inside each container
- The steps required to enable collection to take place

1.5.3. The actions required of the customer to enable collection to take place are set out in this policy. Where a customer fails to do what is required, an extra repeat visit can be requested to carry out a collection before the next scheduled collection date. Sheffield City Council will require payment to be made to recover any costs incurred as a result of the repeat visit and collection. Charges will be made under the following circumstances:

1.5.3.1. Where one or more recycling bins has not been emptied due to containing incorrect materials. The bin/s will be emptied on the next scheduled collection if the incorrect materials have been removed. Alternatively, one free reset can be requested every 12 months. At the point of requesting a reset, the customer/s will be issued with a notice under Section 46 of the Environmental Protection Act 1990 to provide formal notification of how to use the bins provided. Should a collection be required before the next scheduled collection date, and the free reset has already taken place in the 12 months previous, a charge will be made to cover the cost of the unscheduled collection.

1.5.3.2. Where one or more bins have not been emptied due to the bin lid/s not being closed, or if the bin/s are deemed too heavy to safely empty. The

bin/s will be emptied on the next scheduled collection if the bin lid/s are closed, and are not too heavy to safely empty, however, should a collection be required before the next scheduled collection date, a charge will apply to cover the cost of the unscheduled collection and any additional resource required to safely empty the bin/s.

- 1.5.3.3. Where waste is left on the floor preventing access to bins at the bin storage area of a block of flats. The bin/s will be emptied on the next scheduled collection if the access is made available, however, should a collection be required before the next scheduled collection date, a charge will apply to cover the cost of the unscheduled visit and any additional resource required to safely access the bin/s.
- 1.5.3.4. The bins provided and collection frequency is defined under the collection frequency and container provision sections of this policy. More frequent collections may be considered by exception at flats and maisonettes, where there is not enough storage space to accommodate the required number of bins. Any decision to increase the collection frequency will be at the discretion of Sheffield City Council and only once payment has been received in advance for the additional collection frequency. Any agreement to provide more frequent collections will only be provided where there is no negative impact on vehicle efficiency and where there is capacity to carry out the additional collections. Costs for providing more frequent collections will be made available if an agreement is made in principle to provide a more frequent service.

1.6. *Waste Composition Analysis*

- 1.6.1. From time to time, Sheffield City Council undertakes analysis of the contents of waste and recycling bins put out for collection. The purpose of this exercise is to provide an understanding of fill rates and contents of the waste and recycling containers, and to understand the amount of recycling left in the black bin. The contents of the waste and recycling bins will be analysed at a street level and will not be identifiable to individual households.

2. **Garden waste**

- 2.1. The Environmental Protection Act 1990, stipulates that a charge can be made for the collection of garden waste. The cost of disposal is to be paid by the Council as the Waste Collection Authority.
- 2.2. In Sheffield, residents can pay to receive a seasonal, fortnightly garden waste collection service. Garden waste will be collected using one 240 litre green wheeled bin. Households can pay for a maximum of one green bin.
- 2.3. Collections will take place over the peak growing season between May and November, and as a minimum will include 15 collections. The price and duration of collection season will be confirmed each year in agreement with the service provider.

- 2.4. Customers paying for the service who do not currently have a green wheeled bin, or customers needing to replace a lost, damaged or stolen green bin will be required to pay a £20 charge in addition to the charge for collection (subject to annual price review).
- 2.5. The green bin should be stored within the property boundary and not on the highway.
- 2.6. Collections will take place between 6am and 9pm Monday to Friday, including Bank Holidays.
- 2.7. The collection point is the pavement at its edge with the nearest public highway (kerbside). In most circumstances, this will be at the front of the property.
- 2.8. Where the nature of, or access to a property, means collection cannot be made from directly outside the property, the Council/service provider will identify an alternate point of bin storage and/or collection point.
- 2.9. Residents are required to place their green bin at the specified collection point on their scheduled collection day by 6am (or no earlier than 6pm the day before) and then remove their containers back on to their property no later than 9am on the day after collection.
- 2.10. Households receiving an assisted collection service will automatically receive an assisted collection for their green bin. The assisted collection policy can be found in [appendix 1](#).
- 2.11. If, despite following the above, a green bin is not emptied on the scheduled collection day, customers can report a missed collection to the contact centre. Unless a service alert is in place, the collection crew will then return and empty the bin within two working days of the report being received.
- 2.12. Residents with garden waste who would prefer not to pay for a collection service, can compost their garden waste for free at a Household Waste Recycling Centre, or through Home Composting. Alternatively, residents can place garden waste into their black wheeled bin, however it will not be composted.
- 2.13. Failure to adhere to the presentation requirements set out in this policy will be managed in accordance with the [Council's Enforcement Policy](#).

3. Bulky waste

- 3.1. The Environmental Protection Act 1990, as defined by the Controlled Waste (England and Wales) Regulations 2012, states that a charge can be made

for the collection of bulky household waste. The cost of disposal is to be paid by the Council as the Waste Collection Authority.

- 3.2. For the purpose of this policy, bulky household waste is defined any household waste that does not fit, or cannot be fitted into the general waste bin provided.
- 3.3. The Council provides a chargeable service for the collection of bulky household waste from households. The price of collection is set on an annual basis, and varies according to the number of items to be collected.
- 3.4. Subsidies are provided to households that are in receipt of means tested benefits.
- 3.5. Once a collection has been requested and any payment received, the items will be collected within 7 working days. The customer will be provided with the collection day.
- 3.6. The collection service operates between 7am and 7pm, Monday to Friday.
- 3.7. The bulky waste must be left within the front property boundary (front garden) or at the side/rear of the property where there is no frontage. The collection point for flats will be from the designated bulky waste collection area or other area agreed with the managing agent/landlord and the Council. The customer must ensure that access is available to provide safe collection. The collection point will be agreed with the customer at the time of the booking.
- 3.8. In situations where a household is unable to present their waste for collection due to an age related or medical condition, alternative collection arrangements will be discussed and agreed with the customer. Where a collection is agreed from within the property, an indemnity form may need to be completed to remove any liability from the service provider from damaged caused during the collection process.
- 3.9. Only items named at the time of making a booking will be collected. Where additional items are presented for collection, these additional items will be left and only the named items will be removed. The householder will then have to arrange a further bulky waste collection, or make alternative disposal arrangements.
- 3.10. Should a non-collection take place due to the customer not fulfilling the agreed arrangement, the customer will be informed why the collection did not take place. The service provider will be deemed to have fulfilled its obligation and no refund will be provided.
- 3.11. If, despite following the above, a bulky waste collection is not carried out on the scheduled collection day, the customer can report a missed collection to the contact centre. Unless a service alert is in place, the collection crew will then return and collect the bulky waste within one working day of the report

being received, or on an alternative specified date if agreed with the customer.

3.12. Customers with bulky household waste who do not wish to pay for a collection can take their waste to a Household Waste Recycling Centre. Alternatively, if an item is in good condition, they may wish to contact a local charity who may be able to donate/sell the item.

3.13. *Adjustments to the Standard Service: Flats and Maisonettes*

3.13.1. Recognising that many flats and maisonettes have no space available for the storage of bulky households waste, additional general waste capacity up to a maximum of (20%) of the capacity allowance may be provided subject to payment of an annual collection charge. No charge will be made for disposal. The decision whether to provide the additional capacity will be taken by the Council, and will only be approved where the recycling facilities provided on site are being used effectively. Charges for additional collection capacity will be aligned to the agreed payment system set out in Section 6

4. Dry stores

4.1. Dry stores are provided at some flats and provide a location for the storage of bulky household waste.

4.2. A chargeable dry stores clearance service is available to landlords/managing agents where dry stores are in place, on request. The collection charge will vary according to collection frequency and the size of the dry store.

4.3. Collections are provided on an agreed frequency of between once every week to once every six weeks. All items of bulky household waste will be removed during the scheduled collection.

4.4. A one off collection can be requested as part of the dry store service to including waste left on the floor of the bin store at flats and maisonettes. A charge will apply to cover the cost of the unscheduled visit and any additional resources required to safely access the container/s.

4.5. The landlord/management agent will be required to provide any codes/keys/fobs to allow access to the dry stores. The landlord/managing agent must ensure that access is available to allow safe emptying of the dry store, and that entry is not prevented by damaged doors/locks, or be blocked by waste, parked cars, or other obstacles. Where access is not possible due to the failure to provide an access code/key/fob or if access is not possible to allow for safe emptying, the contractor will be deemed to have fulfilled its duty and no repeat visit will be made until the next scheduled collection unless a further payment is made for an extra/unscheduled visit.

- 4.6. If, despite following the above, a dry store is not emptied on the scheduled collection day, the customer can report a missed collection to the contact centre. Unless a service alert is in place, the collection crew will then return and empty the bins within one working days of the report being received.
- 4.7. Any request to cancel or suspend the service or change the collection frequency must be made at least 28 days in advance of the change being required.
- 4.8. The service will be withdrawn if payment is not received within 30 days.

5. Clinical waste

- 5.1. Clinical waste is separated into three categories, 'infectious waste', 'offensive waste' and 'clinical sharps'.
- 5.2. Households producing infectious waste and/or clinical sharps will be provided, on referral with a separate collection service for this waste. Households producing more than one black bin bag of offensive waste each week will, on referral, be provided with a separate weekly collection service for this waste. Sacks will be provided for infectious and offensive waste, and a box will be provided for clinical sharps. These services are free of charge to the customer but residents will need to apply for this service through their Health Care Workers or Doctor who will then contact the Council's Contact Centre and provide the Customers' details and confirm which category of waste is being produced. The necessary arrangements will then be made to set the household up on the appropriate category of clinical collection service.
- 5.3. The Council provides a collection service for sharps with a maximum collection frequency of weekly. Actual collection frequencies will be arranged with the customer based on their needs. Both infectious and offensive waste will be collected weekly.
- 5.4. All categories of clinical waste will be collected from an agreed point, normally the point of bin storage on the property. The point of storage will be agreed between the customer and the service provider, however where no agreement can be reached, the Council will determine the collection point. It is the customer's responsibility to ensure access is available to the clinical waste on collection day, and customers are advised to securely tie any bags to prevent spillage.
- 5.5. If, despite following the above, a collection does not take place on the scheduled collection day, the customer can report a missed collection to the contact centre. Unless a service alert is in place, the collection crew will then return and collect the waste within one working day of the report being received.
- 5.6. In order to protect the Council Tax payer from undue costs, where a customer fails to present offensive and/or clinical sacks for collection on three consecutive occasions, the Council may write to the customer to ask

whether the service is still needed. If no response is received the service will be withdrawn, until such a point as a new application is received from the health care worker or Doctor.

5.7. *Adjustments to the Standard Service: Offensive Waste Collections*

- 5.7.1. Customers requiring the offensive waste collection service can opt not to have a separate collection, and instead put the offensive waste into their black bin. The Council, at its discretion, may provide additional general waste collection capacity to dispose of this offensive waste.

6. Chargeable Collections

- 6.1. The Council has policies in place for the provision of services to charities, non-domestic/ non-commercial premises and commercial premises and delivers its services in accordance with the requirements of The Controlled Waste (England and Wales) Regulations 2012.
- 6.2. Where charges are made for collections these will be in line with the Council's agreed annual prices for these services. These prices can be provided on request by contacting the Waste Management Service.
- 6.3. Places of Worship receive for free, the standard (5 person allocation – see **Table 2:**) household waste and recycling collection service for general waste, Fibres and Containers. Additional or larger containers are charged for on a collection only basis (no charge for disposal).
- 6.4. Charities are offered a service whereby the cost of collection only is charged for waste and recycling collections. Charities receive the standard (5 person allocation) household recycling service free of charge following receipt of payment for the residual waste container service. Any additional recycling capacity above the free allocation is charged for.
- 6.5. Residential hostels providing accommodation to people with no other permanent address or unable to live at their permanent address are charged for their waste and recycling collection only (no charge for disposal).
- 6.6. Where a service is provided to a Place of Worship, Charity and/or hostel, the collection service provided will be the same as that provided for households.
- 6.7. Waste from residential homes, hospitals and waste from premises forming part of a school, university or other educational establishment is defined as commercial waste and where requested to provide a service, charges will be made for both collection and disposal.
- 6.8. Waste arising from hotels, campsites, domestic properties in the course of a business for the provision of self-catering accommodation and any part of a composite hereditament used for the purposes of a trade or business are producing commercial waste and charges made will encompass both collection and disposal costs.

6.9. Collection Frequencies for these commercial collections will be provided in order to meet (where possible) the customer's needs. The charges for these commercial collections will be based on the frequency/number of collections made in a given period.

7. Special Events

7.1. Where requested to by a community group, residents association, commercial organisation or other such body, the Council will provide a Special Event service such as Bring Out Your Rubbish Days (BOYR) or Community Clean Up.

7.2. These services will allow for the provision of a waste collection vehicle and crew for either a half day or a full day period.

7.3. The organisation requesting the service will be required to pay the cost of the collection service as well as the disposal costs for all wastes collected based on the tonnage collected during the event. These charges will be part of the Council's annually agreed prices.

8. Household Waste Recycling Centres (HWRCs)

8.1. Sheffield operates a permit scheme for accessing its HWRCs. The purpose of the permit scheme is to reduce the opportunity for traders to use Sheffield's HWRCs for the illegal disposal of trade waste.

8.2. The permit scheme applies to residents wishing to visit a site using a car with a trailer, and for commercial vehicles with a payload of under 1.5 tonnes.

8.3. Residents with cars, camper vans, estate cars, people carriers and 4x4s without pickups do not need a permit.

8.4. Long wheeled base vehicles and vehicles with a payload over 1.5 tonnes, including Luton Box vans, pickups (excluding 4x4s), and twin axled vehicles) are banned from accessing Sheffield's HWRCs.

8.5. Sheffield residents whose only means of transport is a van under 1.5 tonnes, and residents wishing to use a trailer, can contact the call centre to apply for a permit to gain access to their chosen site. Each permit will allow access for up to 12 visits in any 12 month period, and only one permit will be issued per household. The number of visits has been decided based on the majority of residents used a HWRC less than ten times a year.

8.6. A separate, 'One-Off' approval system is provided for those one off occasions, such as house moves, where more waste is generated than can fit in a car. This 'One Off' system is available to residents where a van is not their only form or where a van has been hired. No more than 3 one off visits will be issued in any 12 month period.

- 8.7. All applications received from non-Sheffield residents will be rejected, and they will be advised to use the sites provided within their own Local Authority area.
- 8.8. Checks will be carried out on items of waste brought to a HWRC. Where it is the belief of the site staff that the waste is from a commercial activity, the waste will be refused and the resident will be required to make alternative disposal arrangements.

9. Waste Minimisation

Sheffield City Council will provide support and advice to encourage the reduction, and reuse of waste, including permanent or periodic campaigns to support the following:

9.1. Home composting

- 9.1.1. Sheffield City Council will provide support and advice to help people to home compost. This will include providing information about where to purchase and use a home compost bin.

9.2. Junk Mail

- 9.2.1. Sheffield City Council will promote the reduction of junk mail through signposting residents to the mail preference services.

9.3. Love Food Hate Waste

- 9.3.1. Sheffield City Council will provide support and advice to help people reduce food waste. This will include providing information about correct food storage, portion control and providing advice on use by and sell by dates.

9.4. Clothing

- 9.4.1. Sheffield City Council will provide support and advice to help people reduce clothing and textile waste. This will include providing support and advice on good purchasing habits and how to repair/reuse damaged clothes.

9.5. Real nappies

- 7.5.1 Sheffield City Council will help people to access real nappy products and advice. A £10 contribution is available from Sheffield City Council to cover part of the cost associated with the purchase of real nappies from approved real nappy product and advice suppliers. A list of approved suppliers is available on request and is subject to:

- A minimum of £30 worth of nappies before discount and not including any other sundry products
- The nappies are for a child under the age of 12 months
- Only make one claim per child

- Live in the Sheffield area and are liable for Council Tax to us

9.6. *National campaigns*

- 9.6.1. Sheffield City Council will support national waste minimisation campaigns to link into the national awareness and resources generated at the national level.

10. **Education and Enforcement**

- 10.1. The Council has an Education and Enforcement policy [Appendix 2](#) to manage non-compliance of its policies relating to its services. This policy will be used where:

- Bins are left on the highway between collections outside of the prescribed hours
- Extra waste is presented next to a bin (excluding extra paper and card as set out in section 1.3.9.7)
- Where incorrect materials are placed inside a recycling container
- Heavy and overloaded waste and recycling containers

11. **Abandoned Vehicles**

- 11.1. The Council's policy for dealing with abandoned vehicles is set out in [Appendix 3](#).

12. **Complaints**

- 12.1. Complaints regarding any waste and recycling service provided in Sheffield will be managed in accordance with the [Council's complaints policy](#).

Appendix 1: Assisted Collection Policy

1 *The Assisted Collection Service*

1.1 An assisted collection service is provided to residents who are unable to present their waste and recycling containers to the kerbside for collection due to an age related or medical condition. The service fulfils the Council's requirement under the Equality Act 2010, to provide a reasonable service adjustment to enable residents to use the kerbside waste and recycling collection services provided.

1.2 A **permanent** assisted collection will be provided where an application is received from a resident aged 75 or over, or where the resident is under 75 and meets one or more of the following criteria:

- Is registered blind or partially sighted
- Holds a blue badge for parking
- Receives the middle rate of care component of Disability Living Allowance or enhanced daily living component of Personal Independence Payment
- Receives the mobility component of Disability Living Allowance or enhanced mobility component of Personal Independence Payment
- Receives Attendance Allowance
- Receives the War Pensioners' Mobility Supplement
- Holds a CredAble Access Scheme Card

1.3 Residents who apply and do not meet the above criteria may be granted a **temporary** assisted collection if there is a need for this service for a set period of no more than six months. This may be due to an illness, or recovery from an operation or injury. A repeat application can be made at the end of each agreed period. The exception to the six month limit on the temporary service is pregnancy, where the service can be provided for the duration of the pregnancy and up to 26 weeks thereafter.

1.4 Permanent and temporary assisted collections will only be provided where there is no-one living within the household aged 16 or over, or a carer, that can present the waste and recycling containers to the kerbside for collection.

2 *Application and review process*

- 2.1 Applicants are required to provide evidence to support their application for an assisted collection.
- 2.2 Applicants aged 75 or over will be asked to provide proof of age with their application. This could include a copy of a birth certificate, passport, bus pass, NHS medical Card, Older Persons' Freedom Pass, or driver's license.
- 2.3 The following checks/proof of eligibility will be required from applicants aged under 75:
- (a) Applicants will be asked to provide a photocopy of their confirmation letter confirming receipt of the stated benefit. Contact will be made with the Department of Work and Pensions with a view to establishing an Information Sharing Agreement. If such an agreement can be put in place, this would remove the need for copies to be submitted.
 - (b) Waste Management will have access, under license, to the CredAble Access Card online validation tool to enable checks to take place on whether a resident has the card, and which issues have been identified.
 - (c) Subject to confirmation with the Data Protection Team, Waste Management will have access to the Blue Badge list to allow for verification to take place.
 - (d) Applicants will be asked to send a copy of their Certificate of Visual Impairment letter. If this cannot be provided, registration will be verified with the Council's Sensory Impairment team.
- 2.4 Where further information or clarification is required, contact will be made with the applicant to support the decision making process. At the discretion of the Waste Management team, an officer may need to visit the property to assess the application.
- 2.5 Residents receiving the permanent assisted collection service will be contacted every three years and asked to confirm they still live at the address and need the service. The information required will mirror that of the original application process.
- 2.6 Residents in receipt of the temporary assisted collection service will receive the service for an agreed period of time of no more than six months, after which they will be able to reapply. The exception to the six month limit on the temporary service is pregnancy, where the service can be provided for the duration of the pregnancy and up to 26 weeks thereafter.
- 2.7 All households receiving an assisted collection service prior to the policy above being implemented, will be contacted in a staged approach over the next three years and asked to reapply for the service in accordance with the policy set out above.

3 Appeals Process

- 3.1 Residents have the right of appeal against a decision to refuse the assisted collection service. On receipt of an appeal, this will be considered by a manager within the Waste Management Team who will consider the information provided against the policy.
- 3.2 Should a resident be unhappy with the result of an appeal, or wish to make a complaint about the policy itself, this will be treated in accordance with the [Council's complaints procedure](#).

Appendix 2: WASTE MANAGEMENT EDUCATION AND ENFORCEMENT POLICY

1. Introduction

- 1.1. The aim of this policy is to set out Sheffield City Council's approach to ensuring compliance with regulatory requirements that relate to Waste Management Services.
- 1.2. The Council's approach to enforcement is based on support and education, offering advice to residents on how to correctly use the services it provides. However there will be times when this approach does not work and the Council needs to take enforcement action to ensure compliance with its policies. This is to ensure fair, equitable and sustainable waste services are provided.
- 1.3. The core functions where enforcement action will be considered are:-
 - Presentation of waste in containers for collection
 - presentation of extra waste
- 1.4. Enforcement action taken against an individual or organisation will be consistent with the Council commitment to equality and diversity.

2. Aims

- 2.1. This policy is in place to help ensure that the Council's approach to enforcement is as open and fair as possible. The policy reflects the Council's corporate aims and objectives. In particular it aims to:-
 - Carry out enforcement in a fair, practical and consistent manner.
 - Meet enforcement objectives through the provision of advice and information, using a robust approach when this fails.

3. Use of Enforcement

- 3.1. The Council recognises that enforcement action relating to waste services should be used as a last resort, when other methods to help customers have been utilised. Consequently, the Council has decided to adopt an approach that will offer advice, support and guidance as the first and preferred way to ensure compliance with its policies and procedures. Enforcement action will be used in a transparent, reasonable and proportionate way. The Council also recognises that, from time to time, legislation can change, and therefore this policy will be reviewed periodically to ensure that it fully complies with relevant legislation.
- 3.2. Presentation of waste

3.2.1. The following stages of Enforcement will be used where household is found to be failing to adhere to the following Waste Management service standards:-

- § Bins on the highway
- § Extra Waste policies
- § Contamination of recycling containers

a) Stage One

On the first occasion the Council and/or service provider is made aware that a household is failing to comply with a service standard they will, where possible, advise verbally and in any event provide written advice to the household, informing them of what they were doing a wrong and what they should be doing to adhere to the service standards. A formal record of this action will be kept by both the Council and/or the service provider.

b) Stage Two

If a household is found to be failing to comply with a service standard within 6 months from the initial intervention at described in stage one, the Council will start to use its formal powers in order to ensure compliance.

An officer from either the Council or its service provider will contact the household in person or by letter to advise them of the issue and seek to determine the household's reasons for failing to adhere to the service standard, offering support and advise as necessary. At the same time the Council will serve a notice under Section 46 of the Environmental Protection Act 1990 on the occupier/s of a property detailing the service standard they have failed to comply with and what they need to do to ensure they do comply.

If the household is found to be failing to comply after 6 months from the initial letter the process will start at stage one.

c) Stage Three

If a household is found to be failing to comply with the Section 46 notice the Council, within 12 months from when the notice was first issued, will serve a fixed penalty notice (FPN) on the household for non-compliance with the Section 46 notice.

If the household still continues to fail to adhere to the service standard or fails to discharge their liability by payment of the FPN, then the Council will consider taking legal action at the Magistrates Court to prosecute the alleged offender.

If the household is found to be failing to comply with the Section 46 notice after 12 months from when it was initially served, the Council will repeat the

stage two process. The process will start again at stage one if the person/s named on the Section 46 notice no longer live at the address.

4. Complaints

- 4.1. Complaints can be made in accordance with the [Council's complaints procedure](#).

5. Equal And Fair Treatment

- 5.1. Enforcement practices will be constantly monitored and reviewed to ensure that they are fair and equitable.
- 5.2. Information and guidance on services and enforcement action will be made available in other languages if required/on request.

6. Monitoring Of Policy

- 6.1. The implications and effectiveness of this Policy will be constantly monitored and reviewed as necessary.
- 6.2. Any cases where decisions are made on the merits of the case, but which may fall outside of the current policy, will be recorded and taken account of in subsequent reviews of this document. In any case where action is taken in such circumstances the person against whom the action is taken will be written to promptly with a clear explanation as to why the action is considered necessary in the particular circumstances of the case.
- 6.3. This will also be true of new legislation coming into effect, which may introduce new types of powers and possible actions which enforcement officers may be able to take.
- 6.4. All cases resulting in prosecution will be reviewed both by the investigating officer and the Section Manager prior to any file being referred to Legal Services. A further review of the file will take place by the Council's solicitor when further evidence, or advice may be sought or given

Appendix 3: WASTE MANAGEMENT ABANDONED VEHICLES POLICY

1. The following stages of enforcement will be used where complaints of abandoned vehicles are received. Sheffield City Council follows the strict guidelines and procedures laid down by the Government when investigating complaints of abandoned vehicles.
 - 1.1. **Stage One**
 - 1.1.1. On receiving a complaint the Council will carry out an initial investigation.
 - 1.1.2. Information will be sought from the person reporting the vehicle in respect of the vehicle type, location, age, condition, length of time in situ and tax expiry date.
 - 1.1.3. If the report indicates a vehicle has been burnt out, or is causing an obstruction on a major road, the vehicle is passed to South Yorkshire Police to deal with. If the report clearly indicates that the vehicle is not abandoned, such as parking dispute, the person reporting will be told that no further action will be taken.
 - 1.1.4. Where a vehicle has been untaxed for more than 30 days, and is located on public highway (including public car parks), the details of the vehicle will be passed to the DVLA (Driving and Vehicle Licensing Agency) for them to remove, no further action will be taken by the Council.
 - 1.2. **Stage Two**
 - 1.2.1. Where there is reason to believe the vehicle may be abandoned, a pre-removal site visit will be carried out. The information from this visit will be used to decide whether the vehicle is classed as abandoned or not.
 - 1.2.2. Following the pre-removal site visit the DVLA will be contacted to find the registered keeper details, if known. If the vehicle has been deemed to be abandoned the registered keeper, if known, will be written too and advised that their vehicle has been reported to the Council and has been determined to meet the required standard so as to be classed as abandoned. The letter will inform them that if they fail to remove it or contact the Council within 10 working days of letter being sent out the Council will remove the vehicle.
 - 1.2.3. Where the pre-removal site check indicates the vehicle may not be abandoned but is likely to become abandoned the owner of the vehicle will be contacted, where possible. They will be advised that the vehicle needs to be removed as no further warnings will be made if further complaints are made and its condition has deteriorated enough so as so allow it to be classed as abandoned.

1.2.4. Where a vehicle has been determined as being abandoned but no registered keeper can be identified it will be removed to a secure compound without further notice.

1.3. **Stage Three**

1.3.1. On removal the vehicle will be taken to a secure compound, a letter and Fixed Penalty will then be sent to the registered keeper, if known, advising them that their vehicle has been removed as abandoned. The registered keeper has 7 days from the date of the letter to contact the Council. If they come forward to claim the vehicle they will be required to pay the Fixed Penalty of £200 as well as a minimum of £150 (cost dependent on where the vehicle was collected and its condition as per Table 2) for its removal and storage. The vehicle must be collected from the compound within 10 days from the day it is removed from the highway.

1.3.2. If the owner of the vehicle does not come forward within 10 days of the vehicle being removed from the highway it will be destroyed or sold with the registered keeper, if known, invoiced a minimum of £150 (cost dependent on where the vehicle was collected and its condition as per Table 2) for the removal, storage and destruction of the vehicle. This will be in addition to the fixed penalty that has already been issue.

2. **Complaints about the Service**

2.1. You may complain at anytime if you think that :-

- a) We have not treated you fairly or politely
- b) We have not done something we should have
- c) We have done something badly

2.2. Complaints should be made to:

Head of Waste Management
5th Floor Howden House
Union Street
Sheffield
S1 2SH

(0114) 2037621

2.3. Where there are rights of appeal against formal action, advice on the appeal mechanism will be clearly set out in writing at the time the action is taken.

3. **Equal and Fair Treatment**

3.1. Enforcement practices will be constantly monitored and reviewed to ensure that they are fair and equitable.

3.2. Leaflets and other guidance will be made available in appropriate languages on request whenever possible, and translation services will be made available when necessary.

4. Monitoring Of Policy

4.1. The implications and effectiveness of this Policy will be constantly monitored and reviewed as necessary.

4.2. Any cases where decisions are made on the merits of the case, but which may fall outside of the current policy, will be recorded and taken account of in subsequent reviews of this document. In any case where action is taken in such circumstances the person against whom the action is taken will be written to promptly with a clear explanation as to why the action is considered necessary in the particular circumstances of the case.

4.3. This will also be true of new legislation coming into effect, which may introduce new types of powers and possible actions which enforcement officers may be able to take.

4.4. All cases resulting in prosecution will be reviewed both by the investigating officer and the Section Manager prior to any file being referred to Legal Services. A further review of the file will take place by the Council's solicitor when further evidence or advice may be sought or given.

5. Finance Penalties

5.1. The Refuse Disposal (Amenity) Act 1978 amended by the Clean Neighbourhoods and Environment Act 2005 allows an authorised officer of a local authority to issue a fixed penalty notice as an alternative to prosecution for the offence of abandoning a vehicle. If the penalty isn't paid then the Council should prosecute the person responsible after 14 days of the fixed penalty being issued. The penalty fines as set out in the Clean Neighbourhoods and Environmental Act 2005 are detailed in the Table 1.

Table 1.

Offence	Default penalty	Minimum full penalty	Maximum full penalty	Minimum discounted penalty
Abandoning a vehicle	£200	£200	£200	£120

5.2. The Removal, Storage and Disposal of Vehicles (Prescribed Sums and Charge) Regulations 2008 provide clarity on where charges may be applied for the removal, storage and destruction of abandoned vehicles by a Local Authority, these are set out in Table 2.

Table 2.

Vehicle position and Condition	Vehicle equal to or less than 3.5 tonnes	Vehicle exceeding 3.5 tonnes MAM but	Vehicle exceeding 7.5 tonnes MAM but	Vehicle exceeding 18 tonnes MAM

	MAM	equal to or less than 7.5 tonnes	equal to or less than 18 MAM	
Vehicle on road, upright and not substantially damaged or any two wheeled vehicle whatever its condition or position on or off the road	£150	£200	£350	£350
Vehicle, excluding a two wheeled vehicle, on road but either not upright or substantially damaged or both	£250	£650	Unladen - £2000	Unladen- £3000
			Laden - £3000	Laden - £4500
Vehicle, excluding a two wheeled vehicle, off road, upright and not substantially damaged	£200	£400	Unladen- £1000	Unladen- £1500
			Laden- £1500	Laden- £2000
Vehicle, excluding a two wheeled vehicle, off road but either not upright or substantially damaged or both	£300	£850	Unladen- £3000	Unladen- £4500
			Laden- £4500	Laden- £6000

Waste Consultation 2016 Analysis

Over a six week period between 4th August to 15th September 2016, Sheffield residents, landlords and managing agents were asked to have their say on potential changes to waste and recycling services.

There were two versions of the consultation, the main consultation which was aimed at residents with their own set of waste and recycling containers, the other being aimed at residents of flats and maisonettes who share their waste and recycling containers with other households.

In total, 1,657 responses were received to the main consultation, and 112 responses were received to the flats consultation.

The consultation was supported by an event at the Town Hall on 5th September, for landlords and managing agents. This provided an opportunity to discuss the proposed changes in more detail and highlight any thoughts/concerns.

The consultation was communicated to residents through:

- 2 press releases
- A message sent to all customers signed up to the Council's Gov Delivery service
- The Council's website, including homepage links on www.sheffield.gov.uk and the intranet.
- Twitter
- A news article was submitted for inclusion in the Equality Hub newsletter
- The consultation was principally online, with paper copies provided on request.
- Social and private landlords were contacted directly about the consultation, including an invitation to the landlord event. The list of invitees can be found in Appendix 5.

Main Consultation: Households with their own waste and recycling containers

- A copy of the consultation questions can be found in appendix 1.
- A copy of the consultation responses in full can be found in Appendix 3.
- A total of 1,657 respondents completed the consultation.

Question 1:

- More than 90% of all respondents indicated that the recycling of glass, cans, paper, card, plastics and 'other' plastics were either important or very important to them. The least importance was attributed to the one item not currently collected at the kerbside, 'other' plastics, at 93%.

Question 2:

- 61% of respondents would prefer to have a second bin for recycling instead of the blue box, even if this meant that the collection frequency would reduce to once every four weeks.

Question 3:

- 94% of respondents agreed that large households should be able to apply for extra recycling capacity in addition to extra waste capacity

Question 4:

- When considering changes to the current recycling service, respondents indicated the following were the most important considerations:

Issue to Consider	Most important
Maximising environmental Benefit	76%
A system that is easy to understand and use	71%
Providing a recycling container(s) that is easier to move for all customers including the elderly and people with reduced mobility	67%
Reducing wind-blown litter caused during collection	67%
Reducing cost and providing value for money	56%

Question 5:

- 76% of respondents agreed with or had a neutral opinion about starting collections at 6am rather than 7am Monday to Friday, including Bank Holidays.
- 75% of respondents agreed with or had a neutral opinion about ending collections at 9pm rather than the current 4pm, Monday to Friday, including Bank Holidays
- 57% of respondents disagreed that the length of time taken to return for missed collections should increase from one to up to five working days.
- 74% of respondents agreed or had a neutral opinion that collections could take place on different days e.g. a black bin emptied on a Monday and the recycling collection taking place on a Wednesday.

- 59% of respondents agreed that shared bins rather than individual bins be used for every household ONLY in areas where there is limited space at each property to store bins. This was on the basis that further local consultation be carried out prior to making any changes.

Question 6:

- 60% of respondents did not agree that a £20 charge should be introduced to provide all bins to a new property.
- 66% of respondents did not agree that a £20 charge should be introduced to provide replacement black bin containers.
- 69% of respondents did not agree that a £20 charge should be introduced to provide replacement recycling containers.
- 56% of respondents agree or have a neutral opinion that a £20 charge should be introduced to provide a new or replacement green bin for garden waste.
- All comments received can be seen in appendix 3.

Flats and Maisonettes Consultation (properties sharing their waste and recycling containers)

- A copy of the consultation questions can be found in appendix 2.
- A copy of the consultation results in full can be found in appendix 4.
- A total of 112 respondents completed the consultation, including 5 managing agents/landlords.

Question 1:

- More than 90% of all respondents indicated that the recycling of glass, cans, paper, card, plastics and 'other' plastics were either important or very important to them. The two items not currently recycled from flats, plastics and 'other plastics' received 93% and 91% importance respectively.

Question 2:

- 73% of respondents agreed with or had a neutral opinion about starting collections at 6am rather than 7am Monday to Friday, including Bank Holidays.
- 84% of respondents agreed with or had a neutral opinion about ending collections at 9pm rather than the current 4pm, Monday to Friday, including Bank Holidays.
- 79% of respondents agreed with or had a neutral opinion that collections can take place on any day of the week at flats.

Question 3:

- 65% of respondents agreed with or had a neutral opinion that managing agents/landlords should be charged for the provision of containers to new flats.
- 61% of respondents agreed with or had a neutral opinion that managing agents/landlords should be charged to replace lost/damaged black bins at existing flats.

Question 4:

- 66% of respondents agreed that an extra chargeable collection should be made available to the landlord/property manager for instances where scheduled collections do not take place due to the bins not being used correctly or where extra waste is left next to the bins.

Question 5:

- 93% of respondents agreed with or had a neutral opinion that the amount of waste and recycling capacity provided to flats should be based on the number of occupants.

Question 6:

- 75% of respondents agreed with or had a neutral opinion that the Council should be able to weigh the amount of waste and recycling collected at flats so that we can provide information to help residents get the most from their services.
- 66 comments were received and can be found in appendix 4. The main themes centred around:

- Wanting to recycle more at flats (22 comments), of which 16 specifically mentioned plastics.
- Communication and education being key to successful waste and recycling service (14 comments)
- Five responses related to not charging residents or landlords, and a further three comments stated that the landlord/managing agent would pass any charges onto their tenants.
- A question was asked as to who would be required to pay at flats without a managing agent/landlord.

Consultation Event:

Two landlords attended the event.

Appendix 1: Overview:

Sheffield residents, landlords and managing agents are being asked to have their say on potential changes to their waste and recycling services.

Despite saving more than £6million from the annual waste services budget over the past three years, Government cuts mean we need to save a further £3.4million by 2017.

We want to increase the amount of waste recycled across the city and provide a more efficient service, without changing the collection frequency of black bins.

Residents are being asked for their views on a range of potential changes including changes to the blue box recycling service, collection times as well as the introduction of charges for replacing lost and damaged containers.

Your feedback will help us to make sure we get the right balance between keeping council tax bills low, making it easier for more people to recycle more and tackle the funding cuts from Government. Your feedback will help inform recommendations that will be put to the Council's Cabinet in the Autumn.

For further information please call Waste Management on 0114 2037621.

Please send your completed form to the address below **before 15th September 2016**:

Waste Management
5th Floor North
Howden House
Union Street
Sheffield
S1 2SH

Citywide consultation:

Recycling Services

Q1. How important is it to you that we collect the following materials for recycling? (please tick)

	Very important	Important	Not important	No opinion
Glass				
Metal cans				
Paper				
Card				
Plastic Bottles				
Other plastics (yogurt pots, margarine tubs etc)				

Q2. Would you prefer a second bin for recycling instead of your blue box, if this means we collect your recycling every 4 weeks? (Your black bin collection would remain every 2 weeks)

Yes / No

Q3. Currently large households can apply for additional black bin capacity but not recycling. Do you think that large households should also be able to apply for extra recycling capacity?

Yes / No

Q4. When considering changes to our recycling collection service, what is important to you? Tick all that apply

Maximising environmental benefits	
Reducing costs and providing value for money	
Reducing wind-blown litter caused during collection	
A system that is easy to understand and use	
Providing a recycling container(s) that is easier to move for all customers including the elderly and people with reduced mobility	

Waste and recycling collections

Q5. How strongly do you agree/ disagree with the following proposals which would reduce the cost of providing the waste and recycling collection service:

- a. Start collections at 6am rather than 7am Monday to Friday, including Bank Holidays?
Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree
- b. End collections at 9pm rather than 4pm Monday to Friday, including Bank Holidays?
Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree
- c. We will return for any missed collections (where bins were placed at the kerbside for collection) within 5 working days?
Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

- d. Collections taking place on different days, e.g. your black bin may emptied on a Monday and your recycling collection may move to a Wednesday?

Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

- e. Introducing shared bins rather than individual bins for every household ONLY in areas where there is limited space at each property to store bins? NOTE: further local consultation would take place before introducing any changes.

Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

Waste and recycling containers

The cost of providing bins to new properties, and for replacing lost and damaged containers at existing properties is currently paid by the Council. We are considering changing this policy, and would welcome your views on the options set out below. Please note that for all options, no charges would be made to low income households, or where containers are damaged during emptying.

Q6. How strongly do you agree/ disagree with a charge of £20 for the following:

- a. to provide all bins required to a new property?

Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

- b. to replace lost/damaged black bins at existing properties?

Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

- c. to replace lost/damaged recycling containers at existing properties?

Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

- d. to provide a new or replacement bin to customers using the garden waste collection service

Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

Q7. Please provide any comments you have here (open text box)

Appendix 2: Waste Management Consultation: Flats

Sheffield residents, landlords and managing agents are being asked to have their say on potential changes to their waste and recycling services.

Despite saving more than £6million from the annual waste services budget over the past three years, Government cuts mean we need to save a further £3.4million by 2017.

We want to increase the amount of waste recycled across the city and provide a more efficient service, without changing the collection frequency of black bins.

Residents are being asked for their views on a range of potential changes including changes to the recycling service, collection times as well as the introduction of charges for replacing lost and damaged containers.

Your feedback will help us to make sure we get the right balance between keeping council tax bills low, making it easier for more people to recycle more and tackle the funding cuts from Government. Your feedback will help inform recommendations that will be put to the Council's Cabinet in the Autumn.

For further information please call Waste Management on 0114 2037621.

Please send your completed form to the address below **before 15th September 2016**:

Waste Management
5th Floor North
Howden House
Union Street
Sheffield
S1 2SH

Targeted consultation to residents living in Flats

Recycling Services

Q1. How important is it to you that we collect the following materials for recycling? (please tick)

	Very important	Important	Not important	No opinion
Glass				
Metal cans				
Paper				
Card				
Plastic Bottles				
Other plastics (yogurt pots, margarine tubs etc)				

Waste and recycling collections

Q2. How strongly do you agree/ disagree with the following proposals which would reduce the cost of providing the waste and recycling collection service:

- a. Start collections at 6am rather than 7am Monday to Friday, including Bank Holidays?
Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree
- b. End collections at 9pm rather than 4pm Monday to Friday, including Bank Holidays?
Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree
- c. Collect waste and recycling any day of the week at flats?
Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

Waste and recycling containers

The cost of providing bins to new properties, and for replacing lost and damaged containers at existing properties is currently paid by the Council.

Q3. How strongly do you agree/disagree that charges should be made to managing agents/landlords:

- a. to provide all bins required to a new development of flats?
Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree
- e. to replace lost/damaged black bins at existing flats?
Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

Waste and recycling collections

Q4. Currently where bins are not used correctly and/ or there is extra waste left next to the bins, the waste is not removed until the next collection day and only if the issue has been resolved. The Council could offer an extra collection service to remove this waste for a charge to the landlord/ property manager. Do you think that this extra service should be made available?

Y / N

Q5. Like houses, do you think that the amount of waste and recycling capacity provided to flats should be based on the number of occupants?

Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

Q6. How strongly do you agree/disagree that we should be able to weigh the amount of waste and recycling collected at flats so that we can provide information to help residents get the most from their services?

Strongly agree/ Agree/ Neutral/ Disagree/ Strongly disagree

Q7. Please provide any comments you have here :

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Assisted collection review – Consultation summary

A total of 145 responses were received.

1. 68% of respondents agree that assisted collections should be provided to residents aged 75 and over, regardless of whether they have a medical condition or not.
2. 94% of respondents agree that assisted collections should be provided to residents aged under 75, with a medical condition preventing them from putting their bins out for collection.
3. 70% of respondents agree that residents under 75 should only receive a permanent assisted collection service if they meet one or more of the following criteria:
 - i. Registered blind or partially sighted
 - ii. Hold a blue badge for parking
 - iii. Receive the higher rate of care component of Disability Living Allowance or enhanced daily living component of Personal Independence Payment
 - iv. Receive the mobility component of Disability Living Allowance or enhanced mobility component of Personal Independence Payment
 - v. Receive the War Pensioners' Mobility Supplement

and where there is no-one living within the household aged 16 or over, or a carer that can help.

4. 81% of respondents agree that residents should provide information to support their application for a permanent assisted collection service e.g. proof of age, photocopy of their blue badge, copy of a confirmation letter.
5. 90% of respondents agree that residents who do not qualify for a permanent assisted collection service should receive it on a temporary basis if they are in need of help.

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Author/Lead Officer of Report: Jed Turner/Waste Project Manager

Tel: 01142734066

Report of: *Simon Green*

Report to: *Cabinet*

Date of Decision: *18.01.2016*

Subject: *Waste Services Review*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
- Expenditure and/or savings over £500,000		<input type="checkbox"/> *		
- Affects 2 or more Wards		<input type="checkbox"/> *		
Which Cabinet Member Portfolio does this relate to? Cabinet Member for Environment				
Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing				
Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Equality Impact Assessment Reference Number 969				
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input 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>Appendix One is not for publication by virtue of Regulation 20(2) Local Authorities (Executive Arrangements) (Meeting and Access Information) (England) Regulation 12 because, in the opinion of the proper officer, it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>				

Purpose of Report:

The Council has an Integrated Waste Management Contract (IWMC) with Veolia, which runs from 2001 to 2036. Despite significant work with Veolia over the past five years, it has not been possible to achieve the level of savings required to ensure IWMC can operate within the Council's reducing budget. The Waste Contract Review was therefore commissioned to consider if there is a deliverable alternative strategy to the current contract.

The key strategic objective established for the review is to significantly reduce the cost of Waste Services and to allow for a more responsive, flexible and sustainable service in the future.

Following the decision of the Leader on 28th September 2016 to implement the Commercial Strategy the purpose of this Cabinet report is to recommend alternative service delivery solutions for each service area and, where appropriate, to procure contractor(s) to deliver the services post April 2018.

This report also seeks approval for project costs.

The key reasons for these recommendations are:

- New, disaggregated contracts provide the opportunity to significantly reduce the cost of Waste Services, and the opportunity for a more responsive, flexible, improved and sustainable service in the future.
- To provide the opportunity to have the delivery solution that is best able to meet our desired outcomes for each service area.
- To provide the opportunity to introduce new ways of working in the Collection Service to increase efficiency and reduce costs.
- To enable the Council to take control of strategic development of the District Energy Network ('DEN').
- To enable the Council to benefit from an increased share of income from the Energy Recovery Facility ('ERF').
- Insourcing the Management Systems, Call-centre and Communications Service will provide greater transparency on service performance to enable the Council to deliver an improved service.

Recommendations:

It is recommended that Cabinet:

1. Approve the strategy for the alternative service arrangements for waste services being:
 - a. Waste and Recycling Collection Service(s)
A seven-year contract (with extensions of up to three years) with a requirement for bidders to set out how they will introduce new ways of working to deliver greater efficiencies and continued safe working practices,
 - b. Energy Recovery Facility
A five-year (with extensions of up to five years) operation and maintenance contract including the sale of electricity and supply of heat to the District Energy Network,
 - c. District Energy Network
A two-year (with extensions of up to two years) operation and maintenance contract,
 - d. Call centre
Insourcing the Call-centre and Communications Service and Management

- Systems,
- e. Disposals
Procure a number of disposal contracts depending on which material streams and what can be aggregated.
2. Approve and budget the project costs as described in section 4.2.12 of this report
 3. Delegate authority to the Director of Business Strategy and Regulation:
 - a. In consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance and the Cabinet Member for Environment to approve the final procurement strategy, and
 - b. In consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance to agree contract terms and enter into contracts at the conclusion of the procurement, and
 - c. In consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance and the Cabinet Member for Environment to take such steps not already delegated as he deems necessary to achieve the outcomes outlined in this 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: Dave Phillips
	Legal: Sarah Bennett
	Equalities: Ian Oldershaw
<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: Simon Green
3	Cabinet Member consulted: Bryan Lodge
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 Decision Maker 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: Jed Turner
	Job Title: Waste Project Manager
Date: (Insert date)	

1. PROPOSAL

1.1 Introduction:

The Council has been unable to secure savings in the cost of the Integrated Waste Management Contract ('IWMC') with Veolia to deliver against its budget. The Waste Contract Review Project was therefore commissioned to consider if there is a deliverable alternative to the current contract which would significantly reduce the cost of waste services and allow for a more responsive, flexible and sustainable service in the future.

1.2 Background:

On 1st August 2001, Sheffield City Council entered into a Public Private Partnership with Veolia for the provision of integrated waste management services including the construction and operation of a new ERF. The Special Purpose Vehicle ('SPV') that the Council entered into the contract with was Sheffield Environmental Services Ltd. The contract was for 30 years and was extended via a supplemental agreement in 2004 for a further 5 years. The contract is due to expire 1st August 2036.

1.3 The contract incorporates all elements of waste services provided on behalf of the Council; waste collection and recycling, treatment/ disposal of all household waste (including the design, building and operation of an ERF) and management of the DEN, management of the Household Waste Recycling Centres ('HWRC') and all customer service functions.

1.4 The IWMC contract budget for all services in FY 2017/18 is a net cost of £27m.

1.5 Current employee numbers across the Veolia Sheffield contract are estimated at 280. The table below identifies the number of staff in each service area as provided by Veolia as part of their management accounts.

Service	Employees
Collections including workshop & fleet	194
Energy Recovery Facility and District Energy Network	35
HWRC and Materials Recycling	13
Overhead	37
Director	1
TOTAL	280

1.6 The Household Waste Recycling Centres (HWRC) will be subject to a separate cabinet report at a later date.

1.7 Options Review

1.7.1 A comprehensive options review was carried out to determine the most appropriate future delivery model for waste services. The Outline Business Case ('OBC') (Appendix 1) sets out the details of the options considered and describes in detail the reasons for the recommended solutions.

1.7.2 The review in the first instance considered an integrated contract (as now) compared to a separate arrangement for the different service elements. The review concluded that separate arrangements for each service area provided the Council with the best opportunity to deliver best value, savings, flexibility and long term sustainability.

- 1.7.3 The review then focused on each service element and considered the various operating models within it. Alternative operating models included insourcing delivery to the Council, establishing a Teckal company (a Company 100% owned by the Council), an external procurement route and a combination of these. The OBC sets out the costs, benefits, opportunities and risks for each option. A Member Working Group was also established to review the assessment of options and provide a strategic steer on the options being considered by the project team. The Member Working Group has ratified the recommendations within the OBC.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The changes recommended in this report contribute to the 'Being an In touch Organisation' and 'Thriving Neighbourhood and Communities' priorities identified in the Council's Corporate Plan 2015 – 2018. This is through reducing the cost to the Council of providing waste services and making the best use of public money to have the greatest impact for Sheffield. The changes also seek to be innovative through finding new approaches and business models, being open to different ways of doing things and seeking out new ideas.
- 2.2 Waste Services are a cornerstone of the 'Thriving Neighbourhoods and Communities' priorities ensuring our city is clean and tidy.
- 2.3 Sheffield's Green Commission has established a transformative energy principle for Sheffield: An energy secure city with transformative affordable, clean, efficient, low-emission, networked, renewable, resilient, simple and locally owned energy solutions. The Energy Recovery Facility and the District Energy Network are key assets for the city in realising our aspirations.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The potential changes outlined in this report are to address the delivery model for how the Council can secure better value for money in delivering the current waste services. As such, this has not been subject to public consultation.
- 3.2 However, in a separate exercise the Council has identified opportunities to reduce the costs of waste services which may mean changes to front line services. A public consultation process has taken place and closed on 15th September. An Equality Impact Assessment for this public consultation has been conducted. The Equality Impact Assessment reference is 363.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 Equality Impact Assessments will be finalised in line with the decisions made on the future service delivery model(s). Opportunities for mitigation will also be identified as part of the assessments.

4.2 Financial and Commercial Implications

Potential costs opportunity of re-procured services

- 4.2.1 The Council has estimated the potential cost of the re-procured services in 2016/17 based on revenue and cost data obtained from Veolia's management accounts (FY15/16) and the Council's modelling of cost savings and income opportunities available. The most significant savings opportunities relate to the Collection Service and the ERF.

- 4.2.2 The Council believes that savings to the cost of the Collection Service can be achieved through different ways of working. This includes reducing labour and vehicles resources, as well as introducing policy changes which will lead to efficiency savings. Future Council policies detail the frequency of collections, the size, type and quantity of containers to be used by the household and any charges which may be applied. The Council is currently considering some policy changes to waste services and a public consultation on these changes ended on 15th September 2016. These proposed policies for waste services will be presented to Cabinet in autumn 2016. The results of this will help inform any new service specification.
- 4.2.3 In regard to the ERF, the most significant opportunity relates to the Council receiving a higher proportion of the income from third party waste and electricity income than is currently received through the contract with Veolia.
- 4.2.4 However, it should be noted that the true cost to the Council of all the services will not be known until the services are put out to the market and therefore will only be realised when the alternative services provision is in place.
- 4.2.5 The most significant risks to the recommended proposals are:
- The cost of implementing the Commercial Strategy in connection with the current IWMC.
 - The assumed savings in future service delivery are not realised through the procurement process.
 - The risk to the Council if a contractor is not able to fully secure the feedstock (other waste) for the ERF which would mean reduced income share to the Council, and could cause operational issues to the ERF.
 - The Council's share of income from the ERF will be exposed to energy market price risk.
 - The unknown condition of the DEN could result in a significant cost to the Council to carry out remedial works to bring the network up to an acceptable standard. The short-term O&M contractor would only take on low level maintenance risks so the Council will retain responsibility and the risk of major repairs and maintenance whilst the network condition is properly assessed.

Pension Financial Implications

- 4.2.6 Veolia has a contractual commitment under the IWMC to balance any pension liability. Therefore, this should not present a risk at the point of transfer.
- 4.2.7 As part of the future commercial contract, the Council is to specify that a new employer is to make appropriate provisions for pension entitlements including securing Admitted Body status in the Local Government Pension Scheme for those employees that are currently still in the scheme. It is proposed that this would be on the basis of a 'closed' scheme i.e. only those employees that are currently still in the scheme can have access to it.
- 4.2.8 South Yorkshire Pensions Authority cannot set restrictions to prevent any company participating in the Local Government Pension Scheme. In terms of the pension deficit in the future, it is proposed that the Council considers funding this directly rather than bidders pricing this risk, but this will be subject to further consideration by officers on the best route to take.
- 4.2.9 Where the new employer bids on the basis of the provision of an alternative pension scheme, the employer must demonstrate that the alternative pension scheme to be provided will be broadly comparable in all material respects.

Project Costs

- 4.2.10 Delivery of this next phase of the project will require multidisciplinary input from the following internal areas:
- Waste Management Client,
 - Project Finance,
 - Legal Services,
 - Commercial Services,
 - Human Resources.
- 4.2.11 In addition external resource will be required for:
- Legal Advice,
 - Technical Advice,
 - Specialist Financial Advice (in relation to tax).
- 4.2.12 Approval is already in place for £1.2m and this report seeks approval for the balance of £2.5m. The full breakdown of project costs is included within the OBC.

4.3 Legal Implications

- 4.3.1 The Council will procure the services in accordance with the Public Contract Regulations 2015 and the Council's Contract Standing Orders which are set out in Part Four of the Council's constitution. The tender process will be a competitive process in order to achieve best value for the Council. The procurement will follow the fundamental EU procurement principles of being open, fair and transparent. The successful tenderers will be required to enter into a formal written contract, which accord with the Council's requirements. Contracts will be executed as per the requirements set out in the Council's Contracts Standing Orders.
- 4.3.2 As a requirement of the Public Contracts Regulations 2015, the procurement of these contracts will be advertised via the Official Journal of the European Union ('OJEU'), this will allow companies from all Member States in the European Union to express interest and the opportunity to bid for these services. The procurement process will also discharge the Council's general duty of attaining best value as stated in S3 (1) of the Local Government Act 1999.
- 4.3.3 It is acknowledged that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) may apply and, if that is the case, staff employed under the existing IWMC who are within scope of TUPE would transfer either to the successful tenderer or to the Council depending upon the service being insourced or outsourced. Corporate policies and procedures in this respect will be followed.
- 4.3.4 The Council will discharge its statutory functions as a Waste Collection Authority Waste and Disposal Authority under the sections 45 and 48 respectively of the Environmental Protection Act 1990. The Council will also discharge it's responsibility under any relevant legislation relating to awarding new contracts for the delivery of Waste Services.
- 4.3.5 External legal advice will be taken before the form of contract for each service area is finalised to ensure that they meet the Council's requirements.

4.4 Human Resource Implications relating to insourcing the Call Centre functions

- 4.4.1 There are human resources implications in this report, notably in the proposal to transfer the Call Centre, Communications Service and Management Information Function into the Council. At this stage, it is not possible to provide a complete assessment on all HR implications that

could arise from the implications in this report. However, immediate implications are described below.

- 4.4.2 TUPE Transfer: Reasonable and sufficient time is required to establish whether TUPE should apply, assess who is eligible to transfer, undertake a full assessment of employee liability information and mitigate against any employee liabilities, such as outstanding employee claims or actions by Veolia prior to transfer.
- 4.4.3 Where TUPE does apply, the Council will need to undertake meaningful consultation with affected staff in line with the legislation and sufficient time should be built in for this prior to transfer.
- 4.4.4 TUPE Regulations restrict the ability to change terms and conditions of employment of transferring employees. As a result of this, the Council may receive employees on a number of different terms and conditions. Veolia specified in their management accounts that there is a bonus payment of 1.4% of salary costs. The Council may be required to maintain multiple pay structures and apply different HR policies, which depending on the gender profile of this group, could reintroduce equal pay risks.
- 4.4.5 As part of this consultation, the Council would propose in line with our policy to apply the living wage as recognised by the Living Wage Foundation, which may result in an increase in salary costs to the Council. There may also be increased pension costs. Transferring employees may be entitled to benefits, such as private health care or car allowances, which could increase also the salary costs to the Council.
- 4.4.6 The Council may make changes to the way it delivers services after transfer. This may impact on location and reporting lines, staff numbers and local pay arrangements. Should such changes become necessary, the Council will consult with its staff as required by law.

4.5 **Environmental & sustainability implications**

- 4.5.1 Taking strategic ownership of the District Energy Network will allow the Council to consider developing the network to contribute to carbon reduction targets and address fuel poverty. Decentralised energy provides increased energy security and local employment opportunities. Contracts will be designed with the flexibility to respond to the Council's Sustainable Development Strategy
- 4.5.2 Contracts will be formulated to ensure that the successful Contractors comply with the current statutory requirements regarding Noise and Pollution Control, Site Waste Management, Environmental Protection and Landfill. The nature of the contracts will require the successful bidders to establish a local site base and because there are TUPE transfers (in the event that the current provider does not win the contracts), this will give opportunities for the employment of local people.
- 4.5.3 The Council's Employment and Skills requirements will be included where applicable in this procurement. These will define the requirements of the successful contractor in relation to employment and skills.

5. **ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 The key strategic objective established for the options review is to significantly reduce the cost of Waste Services and to allow for a more responsive, flexible and sustainable service in the future. The four key project drivers established to assess the options are:

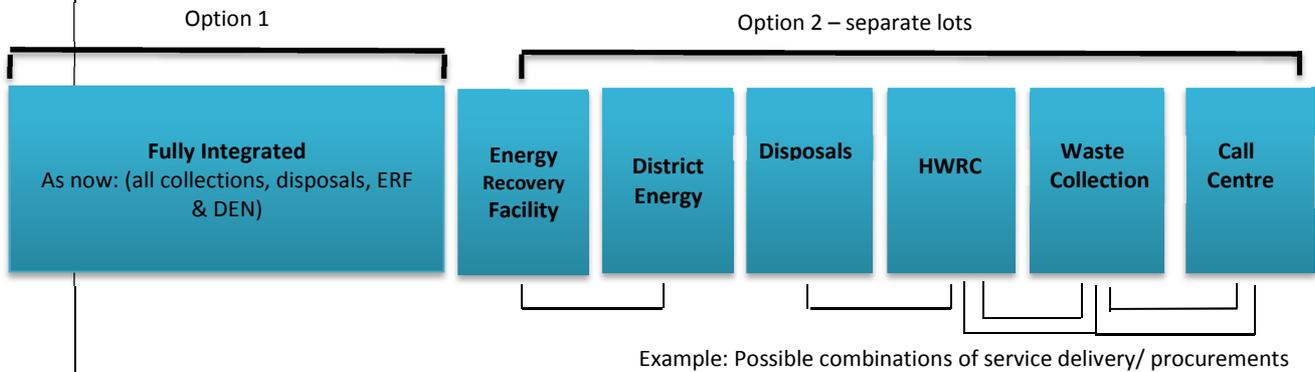
1. **SAVINGS**: Provides best opportunity to reduce costs and enhance income

2. **SIMPLER:** Provides best opportunity to focus on outcomes, performance, good working relationships, and not be 'bogged down' by contractual disputes and complex mechanisms to make improvements
3. **BETTER:** Best able to provide a service that is responsive and flexible to meet Council requirements and changing policy initiatives, such as delivery of the waste strategy, employment and skills, environmental considerations and budget pressures
4. **TIME:** Is best able to be ensure commencement of new arrangements by January 2018

The OBC describes in detail the alternative options considered and the reasons for the recommended options.

5.2 **Option One:** The first option was to review the advantages and disadvantages of an integrated contract compared to disaggregating the individual functions and contracting on an individual basis.

5.2.1 The table below shows the component parts of IWMC which could be procured/ delivered separately.



5.2.2 The key advantages and disadvantages of an integrated approach are shown in the table below.

Key advantages of the alternative approaches.	
Advantages of integrated approach.	Advantages of service specific solutions.
<ul style="list-style-type: none"> • Maximise efficiencies through economies of scale. • Reduces the Council's procurement and contract management costs. • Large contract generates significant market interest from leading contractors. 	<ul style="list-style-type: none"> • Reduces reliance on single provider, • Separate contracts generate market interest from specialist providers. • Integrated contract is large and unwieldy. • Contract terms can match differing service requirements. • Greater flexibility.

5.2.3 The option of a fully integrated contract (as now) was discarded as this option did not allow the Council to best meet its objectives, in particular:

- the opportunity to put in place contracts that match the requirements of specific service areas.
- procuring separate services is likely to attract more market interest (specialist providers) and competition, and reliance on a single contractor is reduced.
- Services are not tied into a fixed contract cycle and benefit from flexibility of different contract lengths.

5.3 **Option 2 - Review for each Service Area**

- Energy Recovery Facility
- District Energy Network
- Waste Collection

5.3.1 These three service areas were reviewed in more detail using a SWOT analysis for each option. The main options included consideration of insourcing, Teckal (company owned 100% by the Council) and an external procurement route. The option review set out the costs, benefits, opportunities, risks for each option, these were then evaluated against the four key project drivers as set out above in section 5.1.

5.4 **Energy Recovery Facility**

5.4.1 The ERF is essentially a 'static' asset, which needs to be operated at maximum capacity and as efficiently as possible but with no scope for expansion. The business drivers are to minimise risk and maximise income over the life of the asset. Income is from a very limited number of 'customers', from gate fees for waste processed, and from sales of electricity, heat and associated ROCs (a government subsidy for generating renewable energy). The ERF is capable of generating significant profits, but there is a high risk associated with filling the capacity and the technical expertise to operate the facility.

5.4.2 The commercial and technical risk of filling the ERF capacity with third party waste, together with the technical expertise required to manage the ERF and the ability to secure long term electricity and heat sales contracts, means the option of insourcing this service would result in too much risk for the Council. It therefore would not meet the Council's prime objective of securing savings. The Teckal option does not significantly reduce these risks to the Council and so the recommended option is to procure a contract for the operation of the ERF. However, it is recommended that the new contract is for a shorter term than the current IWMC in order to provide flexibility to the Council. The new contract will also seek a significantly higher share of the income that the ERF generates.

5.5 **District Energy Network**

5.5.1 The DEN is a more 'organic' and strategic asset that is capable of expansion (or contraction) with a very long-term potential operating life. The DEN has the capacity to grow in length and number of customers supplied, to accept heat from other sources in addition to the ERF, and to deliver strategic benefits including low-carbon heat, energy security, and contributing to tackling fuel poverty. The business drivers are the need for long-term, low cost capital, delivering a low but secure return on investment.

5.5.2 The Sheffield DEN is the largest, and one of the longest-established heat networks in the UK. Due to its age, the condition of the pipework of the network is uncertain. This uncertainty is exacerbated because of the lack of transparency in the IWMC with Veolia. To be able to realise the potential of the DEN as a strategic asset, the Council would need to take ownership, strategic control, and responsibility for the life-cycle development and maintenance costs of the DEN, however it should be noted that this presents significant risk to the Council. In addition there is uncertainty about the level of investment required to develop the DEN.

5.5.3 Principally because of the opportunity that the Council may wish to strategically develop the DEN, together with uncertainty over the condition and customer base of the DEN and the risk this poses to procurement, the option of selling off the asset or entering into a long-term strategic partnership was discarded and the recommendation is that the Council retains strategic ownership and direction but lets a short-term operation and maintenance contract (which may include billing) to manage the day-to-day functioning of the DEN.

5.6 **Collection Service**

5.6.1 There are a number of risks and issues that would arise from insourcing the Collection Service.

5.6.2 An insourced solution would require significant operational and management change in order to drive through service improvements and efficiency savings. The Teckal (Wholly Owned Company) option was dismissed as the Council could still be considered as an associated employer (determined by the level of control imposed by the Council on the direct employer) and therefore the risk of equal pay claims still exists. The main financial and human resources implications are explained in the table below.

5.6.3

Risk	Insource/ Teckal or Both	Impact
Pension	Insource £0.3m (min) Annual	The incremental cost of bringing the waste collection service in house is estimated to be circa £284k. This is calculated at the future service cost of 12.9%. In addition, like all employees on payroll, payroll costs would attract a further 6.1% for the Councils overall past service deficit of £332k. This will increase with call centre insource plus other overhead posts (currently SCC does not have salary details for these to be able to include in forecast estimate). SCC will also be fully liable for any future pension deficit
TUPE Transfer	In-source & Teckal	The TUPE process, will transfer into SCC or the Teckal any existing employee liabilities that Veolia has in respect of affected employees, for example outstanding legal claims, actions against Veolia prior to transfer.
TUPE Terms and Conditions	In-source & Teckal	Breach of TUPE regulations –The incoming employer will require reasonable and sufficient time to establish whether TUPE applies and to which employees. That employer will have to undertake a full due diligence assessment and consider employee liability information. Where TUPE applies, the Council will need to undertake meaningful consultation with affected staff via their representatives in line with the legislation and the Council's agreed policies in this area. Failure to do so would leave the Council open to challenge at Employment Tribunal and possible compensation of up to 13 weeks pay. If the process results in the successful claims for unfair dismissal the financial exposure based on compensation of up to 1 year's employee pay could cost the Council circa £4.8 million
Equal Pay Risk	In-source	Veolia employees and some employees of sub-contractors that may be eligible to TUPE transfer into the Council or the Teckal will not be all on the same terms and conditions and would be subject to different collective agreements depending on where they were previously employed. Some staff that initially TUPE transferred from the Council to Veolia will have transferred on historic Council T&Cs. However, it is not known whether these terms have been

		<p>altered since. As TUPE protects whatever terms and conditions and collective agreements apply at the point of transfer, insourcing would increase the number of different arrangements within the Council. the Council would be required to maintain and apply multiple pay structures and HR Policies which could re-introduce equal pay risks. This would add complexity to, and increase the risks arising from the TUPE transfer process.</p> <p>Detailed comparisons of relevant T&Cs and collective agreements are required to establish potential risks to the Council. However, information for this comparison would not be available until formal consultation commenced and employee liability information is received.</p> <p>The TUPE regulations provide the Council with some protection from an equal pay challenge in the short term. Early engagement with the Trade Unions would be key to explore whether an agreement can be obtained in relation to any measures that may mitigate this risk.</p>
Organisational Infrastructure	In-source & Teckal	The Council has not delivered a frontline service of this nature for a number of years. The Council would need to ensure that it has leadership expertise, learning and development provision, health and safety processes and employment policies in place relevant to this workforce..
Overhead	Insource & Teckal	There could be an impact on Council resources should services be in-sourced, for example Legal, Commercial, Finance and HR (increased Health, Wellbeing and Safety; Occupational Health and HR systems in particular).
Reputational Risk	In-source & Teckal	With a front line service of this nature there would be high reputation risk to the Council should there be a serious accident, fatality or industrial action as a result of the Council delivering this service.

5.6.4 Based on the analysis, the option to insource this service at this stage was discarded as this would result in too much risk for the Council and would not meet our prime objective of securing savings.

5.6.5 However, the recommendation is that the contract will include a requirement for bidders to set out how they will introduce new ways of working to bring greater efficiencies and safer working practices and at the same time enable the Council to consider insourcing this service following expiry of the contract.

5.7 **Customer Service Centre & Communications**

5.7.1 A key driver for the Council is the opportunity to regain control of management information and influence the delivery and efficiency of the service, which is considered to be a key benefit and outcome of this project. Although a procurement option can provide these support services, the weakness is that the Council would not directly control the management information and be less able to influence the delivery and efficiency of the service. A procurement option is therefore not the preferred route, however, there is a risk that additional costs could be incurred through an insourced option. The Teckal option was rejected because the Council already has the infrastructure to provide the required customer service function.

5.8 **Disposals**

- 5.8.1 Under the IWMC Veolia is responsible for the onward disposal or processing of materials collected from Sheffield's households, bring sites, HWRC's and residues from the incineration process. A number of disposal sub-contracts are in place and are market tested every 5 years.
- 5.8.2 Processing and onward transfer of recyclates and residues requires specialist providers with the necessary technologies and infrastructure, which the Council does not have. In addition it is not envisaged that TUPE will apply to these elements of the service. The options of insourcing and a Teckal arrangement have there not been considered and the only viable option is to conduct a procurement(s) for disposal contracts.

6. **REASONS FOR RECOMMENDATIONS**

- 6.1 The reasons for the recommendations are set out below.
- 6.2 The option of a fully integrated contract (as now) was discarded as this option did not allow the Council to best meet its objectives, in particular:
- the opportunity to put in place contracts that match the requirements of specific service areas.
 - procuring separate services is likely to attract more market interest (specialist providers) and competition, and dependence on a single contractor is reduced.
 - services are not tied into a fixed contract cycle and benefit from flexibility of different contract lengths and differing service requirements.
- 6.3 The preferred option is to make separate arrangements for each service, reflecting their specific nature, the Council's requirements for each service and enabling it to deliver a lower-cost, more flexible service overall.
- 6.4 **Collection Service:** It is recommended that a seven year contract (with an option to extend by up to three years) provides the best opportunity to meet the Council's objectives, in particular the opportunity to maximise savings, to put in place a contract that is likely to attract more market interest and service specific requirements focusing on the collection service. This also provides a contract length that reflects the life cycle of vehicles. However, the contract will include a requirement for bidders to set out how they will introduce new ways of working which should bring greater efficiencies and safer working practices. It will also seek from bidders a commitment to ensure all components of pay and the staff working arrangement results staff being reasonably remunerated only for work actually undertaken giving regard to the good pay practices in the public sector.
- 6.5 **Energy Recovery Facility:** To be procured separately from the DEN because the Council has fundamentally different objectives and there are very different risks. There is a specific commercial and technical risk of filling the ERF capacity from third party waste, and specialist technical expertise required to manage the ERF. However the ERF is a well-understood technology and there are a number of potential bidders for a contract. Based on advice from the Council's Technical Advisers, the recommendation is to let a five year (with an extension of up to five years) operation and maintenance contract including the sale of electricity, and supply of heat to the DEN.
- 6.6 **District Energy Network:** There is the opportunity for the Council to strategically develop the DEN. This combined with the uncertainty over the condition and customer base of the DEN and the risk that this poses to a procurement, leads to a recommendation to let a short-term operating and maintenance contract for the day to day management of the DEN for two years

(with an extension of two years). The Council can then retain ownership and strategic control of the DEN as well as life-cycle development and maintenance costs. It may be necessary to establish a project within the Council to develop a business plan for the future growth and expansion of the DEN. This would include the opportunity to:

- invest to improve efficiency and performance of DEN, expand the customer base and introduce low-carbon heat sources.
- allow the Council to take a long-term investment view that is appropriate for DENs, and match that with low cost financing.
- use DEN expansion to tackle fuel poverty and reduce carbon footprint.
- generate heat sales income, and
- assess the true condition and commercial viability of the DEN.

6.7 **Call centre and communications service** – An insourced solution brings the opportunity to regain control of management information and influence the delivery and efficiency of the service, which is considered to be a key benefit and outcome of this project. There will however be a need to ensure the necessary interfaces with the various service providers so that service requests can be transferred to and from the relevant parties following customer contacts. Insourcing this element of the service will also enable the Council to provide an improved service to customers and residents.

6.8 **Disposals** – procure a number of disposal arrangements. The number of contracts will depend on which material streams can be aggregated together and the condition of the market when procurement is due to commence.