

Cabinet

Wednesday 17 March 2021 at 2.00 pm

To be held as an online video conference

The Press and Public are Welcome to Attend

Membership

Councillor Bob Johnson	(Leader of the Council)
Councillor Jackie Drayton	(Cabinet Member for Children & Families)
Councillor Terry Fox	(Cabinet Member for Finance, Resources and Governance)
Councillor Julie Grocutt	(Cabinet Member for Transport and Development)
Councillor Mazher Iqbal	(Cabinet Member for Business and Investment)
Councillor Mark Jones	(Cabinet Member for Environment, Streetscene and Climate Change)
Councillor Mary Lea	(Cabinet Member for Culture, Parks and Leisure)
Councillor George Lindars-Hammond	(Cabinet Member for Health and Social Care)
Councillor Abtisam Mohamed	(Cabinet Member for Education and Skills)
Councillor Paul Wood	(Cabinet Member for Neighbourhoods and Community Safety)

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 Bob Johnson.

A copy of the agenda and reports is available on the Council's website at www.sheffield.gov.uk. 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. Please see the Council's website for details of how to access the remote meeting.

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 Craig Rogerson on 0114 273 4014 or email craig.rogerson@sheffield.gov.uk.

**CABINET AGENDA
17 MARCH 2021**

Order of Business

- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of Public and Press**
To identify items where resolutions may be moved to exclude the press and public
- 4. Declarations of Interest** (Pages 5 - 8)
Members to declare any interests they have in the business to be considered at the meeting
- 5. Minutes of Previous Meeting** (Pages 9 - 30)
To approve the minutes of the meeting of the Cabinet held on 17th February 2021.
- 6. Public Questions and Petitions**
To receive any questions or petitions from members of the public.

(NOTE: In accordance with the arrangements published on the Council's website in relation to meetings of the Cabinet held remotely, questions/petitions are required to be submitted in writing, to committee@sheffield.gov.uk by 9.00 a.m. on Monday 15th March.)
- 7. Covid-19 Update**
Update by the Director of Public Health
- 8. Items Called-In For Scrutiny**
The Director of Legal and Governance will inform the Cabinet of any items called in for scrutiny since the last meeting of the Cabinet
- 9. Retirement of Staff** (Pages 31 - 34)
Report of the Executive Director, Resources
- 10. Month 10 Capital Approvals 2020/21** (Pages 35 - 72)
Report of the Executive Director, Resources
- 11. Empowering Communities: Shifting Power from the Town Hall to Communities in Every Part of Sheffield** (Pages 73 - 112)
Report of the Executive Director, People and the Director of Legal and Governance

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| 12. Maintaining a Stable Adult Social Care Market in Sheffield
Report of the Executive Director, People | (Pages 113 -
270) |
| 13. Shared Ownership Product
Report of the Interim Executive Director, Place | (Pages 271 -
306) |
| 14. Carers' Strategy Update and Commissioning Plan
Report of the Executive Director, People | (Pages 307 -
342) |
| 15. Sheffield Street Tree Partnership Strategy
Report of the Interim Executive Director, Place | (Pages 343 -
466) |
| 16. Future High Streets Fund - Fargate and High Street
Report of the Interim Executive Director, Place | (Pages 467 -
496) |
| 17. West Bar Square Update
Report of the Interim Executive Director, Place | (Pages 497 -
508) |
| 18. Contract to act as agent of Yorkshire Water to collect Water Rates along with Council Tenant Rent in tenanted properties
Report of the Interim Executive Director, Place | (Pages 509 -
516) |

**NOTE: The next meeting of Cabinet will be held on
Wednesday 21 April 2021 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 17 February 2021

PRESENT: Councillors Bob Johnson (Chairman), Jackie Drayton, Terry Fox, Julie Grocutt, Mazher Iqbal, Mark Jones, Mary Lea, George Lindars-Hammond, Abtisam Mohamed and Paul Wood

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1. APOLOGIES FOR ABSENCE

1.1 No apologies for absence were received. All members of the Cabinet were present at the meeting.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 It was reported that the appendices to the following reports were not available to the public and press because they contained 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. Accordingly, if the content of the appendix was to be discussed, the public and press would be excluded from the meeting:-

<u>Item No.</u>	<u>Title</u>	<u>Excluded Appendix</u>
13	Proposed Changes towards a Sustainable Streets Ahead Contract	B and C
15	Lease of Land at Hillsborough Park to Disability Sheffield	1
16	Lease Renewal on Forge Dam Café Fulwood	1 and 2
17	Lease of High Hazels Park Former Bowling Green to Yorkshire Dog Training	1 and 2
18	The City of Sheffield (104 Mill Road) Compulsory Purchase Order 2021	4
19	The City of Sheffield (1 Havelock Street) Compulsory Purchase Order 2021	4

3. DECLARATIONS OF INTEREST

3.1 Councillor Julie Grocott declared a personal interest in agenda item 10 (Revenue Budget and Capital Programme for 2021/22) as a Member of Stocksbridge Town Council.

3.2 Councillor Jackie Drayton declared a personal interest in Item 16 (Lease Renewal on Forge Dam Café Fulwood) as a J. G. Graves Trustee.

4. MINUTES OF PREVIOUS MEETING

- 4.1 The minutes of the meeting of Cabinet held on 20th January, 2021 were approved as a correct record.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Public Question Concerning Legal Action taken by the Council

- 5.1.1 Russell Johnson commented, on BBC Radio Sheffield on 15 October 2019, Councillor Mark Jones took part in the now notorious 'car crash' interview with Toby Foster.

(a) Will you now explain why in that interview Councillor Jones stated "we [Sheffield CC] didn't try to put anyone in prison" when this was patently untrue, and this was known at the time. For the avoidance of any doubt about this, below is an image of the Committal Notice. Furthermore, it should be noted that during the hearing the Judge was told that the Council Leader approved of the attempt to imprison citizens, one of whom was and is an Elected Councillor. This is on public record.

(b) Was informed political authorisation sought from the Leader of the council for this action or did the head of Legal and Governance authorise this legal action solely via 'delegated authority' without seeking informed political sign off?

(c) In that interview, Mr Foster suggested that you go away and find out who made the decision that led to the Rustlings Road debacle, and call him back when you had. You agreed to this. Have you made that call, and if so are you able to share what you told him with the public?

(d) Since there has been no repeat appearance on BBC Radio Sheffield it would appear that you have as yet been unable to unearth the truth. Therefore, will SCC initiate an Independent Inquiry into the whole SCC-AMEY PFI saga, as advocated in a recent Yorkshire Post article? This would be a step towards lancing this festering sore that debilitates our Governance. Would Councillor Jones please resist referring to the Street Tree Strategy – though that is very welcome – and the 'Archive' – most likely window-dressing – in making his response. These do not meet the need for a truth & reconciliation process.

- 5.1.2 Councillor Mark Jones commented with regard to question (a) this is a repetition of a statement that has previously been made and referred Mr. Johnson to the response given by the then Leader of the Council.

In respect of part (b), this question has also been addressed by the previous Leader and I refer you to these previous answers.

With regards to (c) I have yet to return the call to Mr Foster however I will repeat that I wholeheartedly believe that we are all the products of our environment and experiences and that our decisions are doubly so. I maintain that the breakdown

of communications and the subsequent environment that developed from that failure to hold a dialogue resulted in a series of decisions that were frankly wrong. We wouldn't seek to defend them and these were our responses to the recent ombudsman report. We will endeavour to make sure this doesn't happen again.

With regards to question (d) this is a good question because it clearly acknowledges the efforts we are putting in to rebuilding trust with our citizens of Sheffield. You are quite right that there is a difference between the past, and what has been done and future relationships that we are endeavouring to build. He stated that he was optimistic about that future and believe that the previous issues have to some extent been addressed and would hope that the vast majority of people in Sheffield are satisfied with how things are currently proceeding.

5.2 Public Question Concerning use of Civil Injunctions

5.2.1 Russell Johnson commented, A 2019 Appeal Court Hearing (Boyd & Anor v Ineos Upstream Ltd & Ors [2019] EWCA Civ 515) found that 'the blunt tool of Civil Injunctions should not be used in place of criminal proceedings'. As a result of this judgement, it is highly unlikely that SCC would now be successful in securing the draconian 'Persons Unknown' Injunction (which applied to everyone in the world), and thus the imposition of costs and suspended prison sentences may be considered illegitimate and are most certainly unjust.

(a) Will the Council today and on record express its regret that this 'blunt tool' was used to crush peaceful protest and arrange for some form of reparation for those who suffered both financially and emotionally.

(b) The Labour Party can boast a fine tradition of supporting protest against injustice. This is illustrated by the Kinder Mass Trespass commemorative plaque proudly displayed in the Town Hall entrance lobby. Will the Leader please take this opportunity to clarify the Council's position on peaceful protest, and set out the roadmap for a constructive truth, atonement and reparation process that is so clearly needed?

(c) Will the Leader please comment on the fact that FOIR released emails show communications within the Council which reveal planning to describe Cllr Alison Teal's acquittal on an alleged Injunction breach as a 'technicality', contrary to Justice Males' clear judgement? Does the current Leadership believe that seeking to deceive the public in this way is honest governance?

5.2.2 Councillor Mark Jones commented that these questions are a repetition of the questions previously asked to the former Leader and referred Mr Johnson to the responses made. In doing so, he stated that we indeed welcome all peaceful protest and indicated that we are happy to repeat that. He confirmed that we would not look to deceive the public in anyway.

5.3 Public Question Concerning Local Government Ombudsman Complaints

5.3.1 Russell Johnson commented, in 2019/20 89% of complaints about Sheffield CC

to the Local Government Ombudsman were upheld, compared to 67% in similar authorities in that year. Why?

- 5.3.2 Councillor Robert Johnson commented that if specific details could be provided a suitable answer will be provided.

(Note: Subsequent to the meeting a written response was provided to Mr Johnson and published on the Council's [website](#)).

5.4 Public Question Concerning People with Disabilities and Postal Voting

- 5.4.1 Adam Butcher commented, further to my question at full council on the 3rd of February about communications, how is the Council and the Cabinet making sure people with all disabilities can have a postal vote if they want one to make sure there can do their civic duty.

- 5.4.2 Councillor Fox commented that he would firstly like to apologise to Mr Butcher for the actions of some Councillors at the last Council meeting which was very disconcerting and very distracting for him. In reply to the question, he stated that the returning officer is finalising plans to send out postal vote applications with polling cards. This will give people some choices on how they wish to vote, by post or in a Covid secure environment and also by proxy as well. We will try to ensure that the election, forced on us by Government, is as safe as possible and as friendly as we possibly can for people with disabilities. He stated that he would welcome any suggestions on how we can do this.

5.5 Public Question Concerning the Council's Constitution

- 5.5.1 Nigel Slack commented, the last couple of Council Meetings and the history of the Council tinkering almost monthly with the City's constitution suggests there is a bigger issue than poor application of the rules within. We are sliding into an ever greater democratic deficit and the editing by an officer of public questions is another sign of disrespect for the public of the city.

With a new Leader and a new Chief Executive, perhaps now is the time for Council to commit to a wholesale review of the Constitution, root and branch.

Will the Leader and Cabinet, irrespective of the potential outcome of the May Elections, make that commitment now?

- 5.5.2 Councillor Bob Johnson commented that we should always look to make the Council more accountable, open and responsive to peoples' needs. We can all agree that the last 12 months however have been exceptional, and of course the Council has not been immune to any changes. This brought about change to public meetings that we would not have usually done. I want the council to be responsive to public questions and I was pleased that at last month's Council meeting, every public question that was submitted was given time for a proper answer. It should also be noted that Full Council is scheduled for three and a half hours and many other items were on that agenda. For instance last month we had updates from Greg Fell on the public health pandemic and responses to

that; and we also had the setting of the Housing Revenue Account.

It would have been fair to treat questions on a first come first served basis, at the exclusion of some questioners. I welcome that the Lord Mayor decided that council officers should be able to read out questions on behalf of the questioner. This ensured a more streamlined process, crucially allowing more time for answers to be given. I think most members of the public want to see public questions in Full Council being used for genuine questions. The process last month saw some statements within the questions abridged but all of the questions were asked and responded to accordingly.

Sheffield is far from an outlier in taking this approach and this is exactly how it is done in many other local authorities across the country. We should always look to make the Council and councillors as close to the people it serves and when the time is right, I will make a full review of the Council's constitution, however I don't think, in the midst of a pandemic, this is the right time to be doing that.

5.6 Public Question Concerning Opposition Motions

- 5.6.1 Isabel O'Leary commented, members of the Cabinet, including the previous Leader, have said that they are actively seeking to work with people who may have ideas and expertise from within and outside the Council.

I understand that no Opposition Motions have been allowed during the pandemic. In view of the previously expressed desire to work collaboratively with those outside the ruling Labour Group, please confirm what proportion of Motions that have been proposed by Opposition Party Councillors in each of the past 10 years have been passed. I am interested in any trends as to whether Opposition Motions are being considered more or less favourably by the ruling Labour Group over time.

- 5.6.2 Councillor Terry Fox commented that, as a result of the pandemic in October Council resolved that motions would not be taken at meetings of Full Council through this pandemic to allow for the consideration of regular important Covid-19 updates by the Director of Public Health and other issues that the public wanted to hear. With regards to motions and trends over the last 10 years, it was not possible to provide the numbers because Councillors will often vote on parts of resolutions, amendments and substantive motions. However, he confirmed that, at the last Council meeting, an opposition amendment on the Housing Revenue Account was passed. The reintroduction of motions back on to Full Council agendas is now subject to cross party discussions.

5.7 Public Question Concerning Streets Ahead Contract

- 5.7.1 Isabel O'Leary commented, in reply to many public questions to Council over the past few years about the setting up and subsequent management of the £2.2 billion Streets Ahead Contract, Cabinet Members and the Leader have repeatedly referred to the document "Review of Tree Investigations- Lessons learned & Actions", saying and I quote, the report " sets out how the council has learned lessons"

I have read the Review document and it is solely concerned with decisions around how street trees should be managed in future.

Whilst welcome, this certainly does not improve transparency in how decisions were made

- a) to include felling 17500 trees as a Contractual requirement
- b) to seek an Injunction against the citizens of Sheffield at great cost to the Public Purse
- c) to seek to imprison peaceful protestors for alleged breach of the Injunction

Would the new Leader agree that the best way to learn broader lessons about these decisions would be to establish a robust Inquiry, completely independent from Officers and Elected Members who may have been party to the setting up and subsequent management of the Streets Ahead Contract?

- 5.7.2 Councillor Mark Jones commented that the substance of this question had been broached previously in an earlier question from Mr Johnson so I'd like to refer you to my previous answer and reiterated that at this moment in time this would be an inappropriate way forward.

6. COVID-19 UPDATE

- 6.1 The Director of Public Health provided a Coronavirus (Covid-19) position statement. With regards to the Epidemiology, he stated that the rate of infection was in decline as a result of the impact of the lockdown. The seven-day rate of infection has been falling steadily and is in the order of about 150 per 100,000, trending towards 100 per 100,000. It is very unlikely that the rate will get to the levels that we saw last summer as a result of the impact of the new variant of the virus, but it is expected that the range will be a good way below 100 per 100,000 in the not too distant future. He confirmed that there had been a fall in both whole population rate and the over 60 rate.

He stated that the R rate for the region is thought to be below 1, but only just; 7% of people who have symptoms who then gets test are testing positive which is significantly less than a month ago when the rate was 15%; cases are spread pretty evenly across Sheffield; household transmission remains the main form of transmission; rates are coming down in all age groups, but are still higher in the working age population; hospital activity appears to be over the peak but still remained at a high level. This will decline really slowly so the health and social care system will be dealing with the consequences of the wave we've just seen probably for some time to come.

The B117 or the Kent variant is the dominant strain and in Sheffield is about 75% of all cases. It is definitively more transmissible and that will have an upward impact on the seven-day infection rate. There are two other significant variants of concern, the South Africa and Brazil variants, neither of which are in Sheffield at the moment but that is

probably a matter of time. Both of those are of significant concern. Neither are thought to be particularly more dangerous to individuals but the antibodies from either the vaccination or from prior infection with the previous virus may not protect us quite as well.

The vaccination rollout is clearly progressing well. In Sheffield over 150,000 people have been vaccinated which has been a huge effort on all fronts. The vaccination rates in the cohorts that we have offered the vaccine to are pretty high. There is some more work to do for us to ensure that we increase vaccination coverage in care home staff. We are now moving into the cohort 5 (65 to 70 year olds) and cohort 6 which is essentially those adults who would ordinarily get a flu jab, 16 to 64 year olds with underlying medical conditions plus carers. We are sticking with the joint committee on vaccination and immunisation criteria. The reason is that if we say yes to a particular group means that someone who is probably higher risk of serious consequences would have their vaccinations delayed. He reported that yesterday, another approximately 10,000 Sheffield residents were added to the shielded list as a result of the national policy change. Equality wise thus far, surprisingly, there has been few massive signs of unequal uptake, however the data may not be as robust as we want and this position may not last. As we get to vaccinate younger people I think we will start to see significant inequality in vaccination uptake. There is a lot of soft intelligence that the vaccination rates in Asian groups are lower than white groups and black African Caribbean groups are lower than Asian groups. There is no hard data on that but a lot of soft intelligence, so we need to be vigilant. There is further good news on vaccination as we are beginning now to see the signs that it is reducing death rate and hospitalisation rate in the very elderly. It is important for people who have been vaccinated not to see this as a pass out and we are asking people to still obey the rules. We want to avoid unmitigated spread in an unvaccinated population because that will still cause harm to people. Unmitigated spread risks further mutations.

Details of the easing of restrictions will be set out in the prime minister's announcement next week and it is likely to be a gradual reduction in restrictions over a long period of time. He referred to the talk in the media of zero Covid which he considered to be probably unachievable. Unfortunately we will be living with Covid for some time to come. There won't be a clean exit from the pandemic and my sense is that there are three criteria to be met: the R rate needs to be well below one; community transmission will need to be very much lower; and we will need to have a well vaccinated population.

He confirmed that the basic strategy set almost a year ago is largely intact as is the basic plan, although it is being reviewed at the moment. There is more as a city we can and will do on testing and we continue to push for those who have symptoms to go and have a test. On contact tracing, we have our own team now that supports the national team. We continue to push hard on additional financial and other support to those who are asked to isolate. We will also look at adapting the city to living with

Covid for the long term .

7. ITEMS CALLED-IN FOR SCRUTINY

7.1 Call-in of Decisions

7.1.1 It was noted that there had been no items called-in for scrutiny since the last meeting of the Cabinet.

7.2 Scrutiny of the 2021/22 Revenue Budget and Capital Programme Report

7.2.1 A report of the Overview and Scrutiny Management Committee was circulated prior to the meeting, outlining the outcome of the Committee's consideration, at its meeting held on 11th February 2021, of the 2021/22 Revenue Budget and Capital Programme report, which was to be considered at today's Cabinet meeting.

7.2.2 RESOLVED: That Cabinet notes the recommendation made by the Overview and Scrutiny Management Committee, in particular that Cabinet approves the recommendations in the report on the 2021/22 Revenue Budget and Capital Programme without amendment.

8. RETIREMENT OF STAFF

8.1 The Executive Director, Resources submitted a report on Council staff retirements.

8.2 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>
<u>People Portfolio</u>		
Diane Hetherington	Headteacher, Broomhall School	Nursery 34

(b) extends to her 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 those staff with over 20 years' service.

9. REVENUE BUDGET AND CAPITAL PROGRAMME FOR 2021/22

9.1 The Executive Director, Resources submitted a report containing proposals with regard to the Council's Revenue Budget for 2021-22 and the Capital Strategy 2021-2026.

The purpose of this Revenue Budget report is to:

- approve the City Council's revenue budget for 2021/22, including the position on reserves and balances;
- approve a 2021/22 Council Tax for the City Council; and
- note the levies and precepts made on the City Council by other authorities.

The purpose of the Capital Strategy is to:

- set out the Council's key priority areas for capital investment;
- provide an overview of specific projects included in the years 2021 to 2026;
- set out the overall shape of the current Capital Programme for the 5 years to 2026 (at Appendix 2);
- set out our principles for how we invest in non-cash assets; and
- provide background to our Corporate Investment Fund Policy (at Appendix 1).

9.2 **RESOLVED:** That Cabinet recommends to the meeting of the City Council on 3rd March 2021:-

(a) to approve a net Revenue Budget for 2021/22 amounting to £365.812m;

(b) to approve a Band D equivalent Council Tax of £1,702.31 for City Council services, i.e. an increase of 4.99% (1.99% City Council increase and 3% national arrangement for the social care precept);

(c) to approve the proposed amendments to the Long Term Empty premium which applies to Council Tax charges in respect of Long Term Empty Dwellings, as set out in paragraph 47, with effect from 1 April 2021;

(d) to note that the section 151 officer has reviewed the robustness of the estimates and the adequacy of the proposed financial reserves, in accordance with Section 25 of the Local Government Act 2003. Further details can be found in Appendix 4 and within the Section 25 Statutory Statement on Sustainability of Budget and Level of Reserves from paragraph 17;

(e) to approve the savings as set out in Appendix 2;

(f) to approve the revenue budget allocations for each of the services, as set out in Appendices 3a to 3d;

(g) to note that, based on the estimated expenditure level set out in Appendix 3 to this report, the amounts shown in part B of Appendix 6 would be calculated by the City Council for the year 2021/22, in accordance with sections 30 to 36 of the Local Government Finance Act 1992;

(h) to note the information on the precepts issued by the South Yorkshire Police & Crime Commissioner and of South Yorkshire Fire & Rescue Authority, together with the impact of these on the overall amount of Council Tax to be charged in the City Council's area;

(i) notes the precepts issued by local parish councils which add £637,944 to the calculation of the budget requirement in accordance with Sections 31 to 36 of the Local Government Finance Act 1992;

(j) to approve the Treasury Management and Annual Investment Strategies set out in Appendix 7 and the recommendations contained therein;

(k) to approve the Minimum Revenue Provision (MRP) Policy set out in Appendix 7; which takes into account the revisions proposed for 2021/22 onwards;

(l) to agree that authority be delegated to the Executive Director of Resources to undertake Treasury Management activity, to create and amend appropriate Treasury Management Practice Statements and to report on the operation of Treasury Management activity on the terms set out in these documents;

(m) to approve a Pay Policy for 2021/22 as set out in Appendix 8;

(n) to agree that the Members' Allowances Scheme for 2017/18 and onwards, approved on 3 March 2017, and implemented for 2018/19, 2019/20, and 2020/21 be also implemented for 2021/22.

(o) to approve the contents of the Capital Strategy and the specific projects included in the years 2021/22 to 2025/26; that block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate Member approval as part of the monthly monitoring procedures; and

(p) to approve the proposed Capital Programme for the 5 years to 2025/26 as per Appendix 2 of the capital report.

9.3 Reasons for Decision

9.3.1 The City Council on 3 March 2021 meets to consider the Revenue Budget for 2021/22 and to determine the Council Tax for that year. The report provides information to enable the Council to set a budget and determine the Council Tax. The proposals set out in this report provide for a balanced budget to be recommended to Council.

9.4 Alternatives Considered and Rejected

9.4.1 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.

10. REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2020/21 - AS AT 31/12/2020

10.1 The Executive Director, Resources, submitted a report providing the outturn

monitoring statement on the City Council's Revenue and Capital Budget as at the end of Month 9, 2020/21

10.2 **RESOLVED:** That Cabinet:-

(a) notes the updated information and management actions provided by this report on the 2020/21 Revenue Budget Outturn;

(b) in relation to the Capital Programme, notes the forecast Outturn position described in Appendix 2; and

(c) approves the additional expenditure on the Tech 2020 project as detailed in Appendix 3.

10.3 **Reasons for Decision**

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

10.4 **Alternatives Considered and Rejected**

10.4.1 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. **MONTH 9 CAPITAL APPROVALS 2020/21**

11.1 The Executive Director, Resources, submitted a report providing details of proposed changes to the Capital Programme as brought forward in Month 9 2020/21.

11.2 **RESOLVED:** That Cabinet:-

(a) approves the proposed additions and variations to the Capital Programme listed in Appendix 1, including the procurement strategies and delegate authority to the Director of Finance and Commercial Services or nominated Officer, as appropriate, to award the necessary contracts; and

(b) approves the acceptance of the DfE grant as detailed at Appendix 2

11.3 **Reasons for Decision**

11.3.1 The proposed changes to the Capital programme will improve the services to the people of Sheffield.

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

11.3.3 Obtain the relevant delegations to allow projects to proceed.

11.4 **Alternatives Considered and Rejected**

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

12. **PROPOSED CHANGES TOWARDS A SUSTAINABLE STREETS AHEAD CONTRACT**

12.1 The Interim Executive Director, Place, submitted a report seeking approval for proposals to assist the Streets Ahead Highways Maintenance Contract's long-term performance through changes to the payment mechanism and improving the quality and consistency of the service. The proposals include a significant annual saving to the Council for the remaining term of the Contract.

12.2 **RESOLVED:** That Cabinet:-

(a) approves the proposed changes to the Performance Requirements (Schedule 2) as set out in appendix one; and

(b) approves the proposed changes to the Payment Mechanism (Schedule 4) as set out in this report

12.3 **Reasons for Decision**

12.3.1 The recommendations to approve the proposals within the report, realise the benefits of a sustainable Streets Ahead contract without any material change to the service delivered but a significant annual financial saving to the Council.

12.4 **Alternatives Considered and Rejected**

12.4.1 The alternative to accepting this proposal is to do nothing. This would mean the existing Streets Ahead performance requirements would continue and the performance mechanism would not be amended to make the contract delivery more sustainable.

Moreover, the Council would not get the benefit of £1.7m reduction in the unitary charge. This saving to the Streets Ahead contract will enable the Council to invest in other front-line services as balancing the budget remains challenging.

13. **NEW MUSEUMS TRUST FOR SHEFFIELD**

13.1 The Interim Executive Director, Place submitted a report seeking approval for

Sheffield Industrial Museums Trust and Museums Sheffield to merge into one unified Sheffield Museums Trust from April 2021, as detailed in this report. While both Trusts are independent organisations (with Sheffield City Council representation on their Boards), Sheffield City Council has significant interests in the new Trust. Sheffield City Council also hold a number of agreements with the two trusts. Therefore, formal endorsement by Cabinet is sought for the creation of the new Sheffield Museums Trust.

13.2 RESOLVED: That Cabinet:-

- (a) endorses and welcomes the creation of Sheffield Museums Trust;
- (b) fulfils its duties as Trustees of the Weston Park Charitable Trust which includes agreeing to grant a licence to assign;
- (c) approves the licence to assign for all other properties as detailed in this report;
- (d) notes and agrees in principle the proposed novations of other contracts between the parties, the Tenancy at Will for Graves Gallery and the licence to occupy for Shepherd Wheel;
- (e) delegates authority to the Director of Culture and Environment, in consultation with the Director of Legal and Governance to enter into the novations, Tenancy at Will for Graves Gallery and the licence to occupy for Shepherd Wheel;
- (f) notes and agrees in principle the proposed arrangements for the transfer of the funding and services agreement;
- (g) delegates authority to the Director of Culture and Environment, in consultation with the Director of Legal and Governance approval to enter into the new contract for services;
- (h) agrees for the loan to be discharged which is secured against the Simplex Car and for an agreement to be entered in to in relation to the car as further detailed in this report;
- (i) notes the work being undertaken on Lifecycle Costs as further detailed in this report;
- (j) agrees to the assignment, transfer and grant of lease and other occupancy rights as further detailed in this report; and
- (k) to the extent not already delegated to them by the Leader's Scheme of Delegation, delegates authority to the Director of Culture and Environment, in consultation with the Director of Legal and Governance and the Director of Finance and Commercial Services, to take any other decisions necessary in order to meet the aims and objectives of the report.

13.3 Reasons for Decision

13.3.1 Sheffield Museums Trust will become one of the largest groups of museum sites in the country, with a unique opportunity to showcase and celebrate the history, development and diversity of the city, while allowing us to take our place on a national stage. It will become an even greater asset to Sheffield people and to our visitors. A merged museums trust opens up opportunities for additional external funding, and creates a more resilient, flexible and skilled organisation for the future. More of the Sheffield Collection will become accessible for Sheffield people to enjoy. Both Trust Boards see this as a strongly positive step for the future.

13.4 **Alternatives Considered and Rejected**

13.4.1 The alternative to the new Sheffield Museums Trust would be for the two existing museums trusts to continue separately. There are many advantages and opportunities presented by a single united Museums Trust, and warm enthusiasm from both organisations for this development. There seems little merit in continuing as two separate trusts.

14. **LEASE OF LAND AT HILLSBOROUGH PARK TO DISABILITY SHEFFIELD**

14.1 The Interim Executive Director, Place submitted a report seeking the approval of Cabinet, acting as the Charity Trustee of Hillsborough Park (Registered Charity Number 510841) ("the Charity"), to grant a lease of land to Disability Sheffield in connection with its Sheffield Cycling 4 All project.

14.2 **RESOLVED:** That Cabinet acting as the Charity Trustee of Hillsborough Park:-

(a) approves the lease of the subject properties to Disability Sheffield based on the terms set out in Appendix 1 of this report;

(b) agrees that the Trustees are satisfied that the proposed terms are the best that can be reasonably obtained in the circumstances based upon consideration of the commercial details in Appendix 1;

(c) approves the grant of a charge over the legal title of the Trust in relation to grant funding as set out in the report; and

(d) authorises the Chief Property Officer in consultation with the Director of Legal and Governance to negotiate the terms of the lease with the proposed lessee and the Director of Legal and Governance to prepare and complete all the necessary legal documentation in accordance with the agreed terms and in respect of a charge over title.

14.3 **Reasons for Decision**

14.3.1 The proposal to grant a lease to Disability Sheffield will achieve:

- Continued provision of all-ability cycling sessions in the safe surroundings of the city's Hillsborough Park.

- Inclusive for the benefit of new and existing users of the park.
- Increased community use of the park.
- Increased presence in the park which may reduce anti-social behaviour.
- Increased income stream for the Trust which can be reinvested in the Park.
- Enhancement of the quality and attractiveness of the park as a valuable asset for visitors.
- Occupation for the purposes of the charitable objects of the Trust.
- Compliance with the provisos contained within the power granted to the Trustee by the Scheme and with the statutory provisions contained within the Act and further with the requirements of the Charity Commission.

14.4 **Alternatives Considered and Rejected**

- 14.4.1 The inclusive cycling project in Sheffield was set in 2009 and when the funding for the project ran out it relaunched as Sheffield Cycling 4 All in 2014 thanks to funding from the Big Lottery and support from the CTC.

Disability Sheffield came on board to help with the running of the project and secured a grant from money raised through The Health Lottery. The funding has enabled Sheffield Cycling 4 All to run year-round sessions and reduce the cost for everyone who comes along. The project now employs a part-time development worker depends upon a team of volunteers.

There is no better option to deliver these services.

15. **LEASE RENEWAL ON FORGE DAM CAFÉ FULWOOD**

- 15.1 The Interim Executive Director, Place submitted a report seeking approval of Cabinet, acting as the Charity Trustee in connection with land and property at Forge Dam Park that is held as a charitable trust (“the Charity”), to the following:

1. to declare Forge Dam Cafe (“the Property”) surplus to the requirements of the Charity; and

2.to grant a new lease of the Property to the current tenant Nicholas Dunn for a period of 25 years on the terms set out in this report after consideration of the contents of the Qualified Surveyor’s Report and satisfying itself that the proposed terms are the best that can be reasonably obtained in the circumstances.

- 15.2 **RESOLVED:** That Cabinet acting as the Charity Trustee in connection with land and property at Forge Dam Park that is held as a charitable trust:-

(a) approves the lease of the subject property to Nicholas Dunn based on the terms set out in Appendix 1 of this report;

(b) agrees that the Trustees are satisfied that the proposed terms are the best that can be reasonably obtained in the circumstances based upon consideration of the commercial details in Appendix 1 and the Qualified Surveyor’s Report in Appendix 2;

(c) approves the grant of a charge over the legal title of the Trust in relation to grant funding, as set out in the report; and

(d) authorises the Chief Property Officer in consultation with the Director of Legal and Governance to negotiate the terms of the lease with the proposed lessee and the Director of Legal and Governance to prepare and complete all the necessary legal documentation in accordance with the agreed terms and in respect of a charge over title.

15.3 **Reasons for Decision**

15.3.1 The proposal to grant a new lease to Nicholas Dunn will achieve:

- Continued provision of a café and associated facilities within the park
- Removal of liability for the cost of internal maintenance and property insurance from the Charity.
- Increased rental income which will be retained by the Charity and used for the purposes of the objects of the Charity, as set out at paragraph 2.1 above.
- Contribution to costs of operating public WCs on site
- Contribute to enhancement of the quality and attractiveness of the park as a valuable asset for visitors
- occupation for the purposes of the charitable objects of the Trust
- compliance with the provisos contained within the power granted to the Trustee by the Scheme and with the statutory provisions contained within the Act and further with the requirements of the Charity Commission.

15.4 **Alternatives Considered and Rejected**

15.4.1 It is considered that renewing the café lease is the best option available to the Charity.

16. **LEASE OF HIGH HAZELS PARK FORMER BOWLING GREEN TO YORKSHIRE DOG TRAINING**

16.1 The Interim Executive Director, Place submitted a report seeking the approval of Cabinet acting as the Charity Trustee of High Hazels Park (Registered Charity Number 1183830) (“the Charity”) to grant a lease of property to Yorkshire Dog Training.

16.2 **RESOLVED:** That Cabinet acting as the Charity Trustee of High Hazels Park:-

(a) approves the lease of the subject properties to Yorkshire Dog Training based on the terms set out in Appendix 1 of this report;

(b) agrees that the Trustees are satisfied that the proposed terms are the best that can be reasonably obtained in the circumstances based upon consideration of the commercial details in Appendix 1 and the Qualified Surveyor’s Report in Appendix 2;

(c) approves the grant of a charge over the legal title of the Trust in relation to grant funding as set out in the report; and

(d) authorises the Chief Property Officer in consultation with the Director of Legal and Governance to negotiate the terms of the lease with the proposed lessee and the Director of Legal and Governance to prepare and complete all the necessary legal documentation in accordance with the agreed terms and in respect of a charge over title.

16.3 **Reasons for Decision**

16.3.1 The proposal to grant a lease to Yorkshire Dog Training will achieve:

- continued provision of dog training sessions in the safe surroundings of the city's High Hazels Park
- bring a currently disused area of the park back into use
- inclusive for the benefit of new and existing users of the park
- increased community use of the park
- increased presence in the park which may reduce anti social behaviour
- increased income stream for the Trust which can be reinvested in the Park
- enhancement of the quality and attractiveness of the park as a valuable asset for visitors
- occupation for the purposes of the charitable objects of the Trust
- compliance with the provisos contained within the power granted to the Trustee by the Scheme and with the statutory provisions contained within the Act and further with the requirements of the Charity Commission.

16.4 **Alternatives Considered and Rejected**

16.4.1 There is no better option to deliver these services.

17. **THE CITY OF SHEFFIELD (104 MILL ROAD) COMPULSORY PURCHASE ORDER 2021**

17.1 The Interim Executive Director, Place submitted a report seeking authority to make a Compulsory Purchase Order in respect of 104 Mill Road, Sheffield, S35 9XQ (the Property) to allow it to be renovated and occupied. There is demand for this type of property within the area. The Property is empty and has a particularly detrimental effect on the neighbourhood in this area. Compulsory Purchase is the most appropriate course of action.

17.2 **RESOLVED:** That:-

(a) authority be given to the Council to make a Compulsory Purchase Order ("CPO") under the powers conferred by Section 17 Housing Act 1985 to acquire all land interests in respect of the land coloured pink as shown on the Order Map, attached at Appendix 3, with title 'The City of Sheffield (104 Mill Road) Compulsory Purchase Order 2021' (the "Order Land");

(b) the Director of Legal and Governance be authorised to make the CPO for the Order Land, to take all necessary procedural steps prior to and after the making of the CPO, to enable the CPO to be submitted to the Secretary of State for confirmation including:

- i) Finalising the attached draft Statement of Reasons, at Appendix 1;
- ii) Serving notices of the making of the CPO on all persons entitled to such notice and placing all necessary notices in the press and on/around the Order Land;
- iii) To submit the CPO to the Secretary of State for confirmation as soon as possible following making of the CPO; and
- iv) To self-confirm the CPO if authorised to do by the Secretary of State.

(c) the Director of Legal and Governance be authorised to sign and serve any notices or documents necessary to give effect to these recommendations and to take all the other actions necessary to give effect to these recommendations.

(d) as soon as the CPO is confirmed by the Secretary of State or self -confirmed where authorised by the Secretary of State, the Director of Legal and Governance be authorised to advertise the confirmation of the CPO and serve all necessary notices of the confirmation and once the CPO becomes operative, the Director of Legal and Governance in consultation with the Executive Director of Resources be authorised to execute General Vesting Declarations under the Compulsory Purchase (Vesting Declarations) Act 1981, at the earliest opportunity and to thereafter serve all necessary documents and notices of the vesting of the Order Land in the Council;

(e) the Interim Executive Director Place, in consultation with the Director of Legal and Governance and the Executive Director of Resources be authorised to manage the compulsory purchase process in accordance with all statutory requirements and to otherwise promote or supporting the promotion of confirmation of the CPO including the preparation of and giving of evidence at any public inquiry;

(f) the Chief Property Officer be authorised to agree terms for the acquisition of Order Land and to instruct the Director of Legal and Governance to complete the necessary documents.; and

(g) upon the completion of the acquisition of Order Land, the Chief Property Officer be authorised to negotiate the disposal of the land and to instruct the Director of Legal and Governance to complete all the necessary legal documents for the completion of the disposal.

17.3 Reasons for Decision

- 17.3.1 The Property has been vacant since at least July 2015 and is in a poor state of repair and is having a negative impact on the local community. There is a demand for this type of property within Sheffield and the Council has, without success, attempted to engage with the property owner in an effort to get the property back into occupation, including an offer to purchase the property by

agreement. In addition, particularly in respect of recent enforcement action taken by the Council, the owner has failed to take reasonable steps to make the property safe. In those circumstances, as an option of last resort, the Council consider, to ensure to property is put back into occupation, that it is appropriate to seek a CPO in respect of the Property.

17.4 **Alternatives Considered and Rejected**

Demolition

The Property is in a state of disrepair empowering the Council to take various steps to remedy the problem, including renovation and demolition. As the Property is a mid-terrace house, the demolition option would not be practical. Demolition will not result in the provision of housing as it is believed that the owner would not rebuild should this option be taken.

Renovation

The Council's Private Housing Standards team first visited the Property in July 2015 and found it be vacant. From this date, the Council has not observed, or received any information, that the property has been occupied. The owner has taken no steps to prevent its deterioration despite the Council writing on several occasions to the owner to express their concern over the condition of the Property and asking for the owner to explain their intentions for renovation and bringing the property back into occupation. Additionally, in October 2017, an Improvement Notice was served on the owner in order to remove Category 1 hazards observed at the Property. No action has been taken in response to this notice as was noted during inspections of the Property in November 2018, September 2019, August 2020 and January 2021. It is therefore unlikely, should the Council do works in default, that this would result in the improvements to the Property being sustained. In those circumstances this option would be a poor use of limited resources and unlikely to achieve its purpose.

Empty Dwelling Management Orders

These orders enable the Council to effectively step into the shoes of the owner and manage the property. However, prior to occupation, the Council would have to refurbish the property. Given the poor condition of the property, the cost of bringing it up to a habitable condition is likely to be significant. Furthermore, it is doubtful that the rental income would cover the costs within the timescale of the EDMO, which is seven years. Therefore, it is highly likely that the Council would be unable to recover the significant costs of refurbishment, making this option inappropriate.

Purchase by Agreement

The Council have actively pursued this option which would have enabled it to sell the Property at auction so that it could be renovated and reoccupied. On 21 February 2018, the Council wrote the owner to offer to purchase the property by agreement. No response was received by the Council to this letter. On 5 August 2019 and again on 17 August 2020 and 26 January 2021, the Council repeated this offer. No response was received to these letters.

Compulsory Purchase

All attempts at working with the owner have failed, as detailed in the Statement of Reasons. Due to the owner's failure to take proper action, the property, for which there is a demand, has remained in a poor state of repair for a significant period and there is little prospect of it being brought back into occupation. For these reasons, Compulsory Purchase is the preferred option.

18. THE CITY OF SHEFFIELD (1 HAVELOCK STREET) COMPULSORY PURCHASE ORDER 2021

18.1 The Interim Executive Director, Place submitted a report seeking authority to make a Compulsory Purchase Order in respect of 1 Havelock Street, Sheffield, S10 2FP (the Property) to allow it to be renovated and occupied. There is demand for this type of property within the area. The Property is empty and has a particularly detrimental effect on the neighbourhood in this area. Compulsory Purchase is the most appropriate course of action.

18.2 **RESOLVED:** That:-

(a) authority be given to the Council to make a Compulsory Purchase Order ("CPO") under the powers conferred by Section 17 Housing Act 1985 to acquire all land interests in respect of the land coloured pink as shown on the Order Map, attached at Appendix 3, with title 'The City of Sheffield (1 Havelock Street) Compulsory Purchase Order 2021' (the "Order Land");

(b) the Director of Legal and Governance be authorised to make the CPO for the Order Land, to take all necessary procedural steps prior to and after the making of the CPO, to enable the CPO to be submitted to the Secretary of State for confirmation including:

- i) Finalising the attached draft Statement of Reasons, at Appendix 1;
- ii) Serving notices of the making of the CPO on all persons entitled to such notice and placing all necessary notices in the press and on/around the Order Land;
- iii) To submit the CPO to the Secretary of State for confirmation as soon as possible following making of the CPO; and
- iv) To self-confirm the CPO if authorised to do by the Secretary of State;

(c) the Director of Legal and Governance be authorised to sign and serve any notices or documents necessary to give effect to these recommendations and to take all the other actions necessary to give effect to these recommendations;

(d) as soon as the CPO is confirmed by the Secretary of State or self -confirmed where authorised by the Secretary of State, the Director of Legal and Governance be authorised to advertise the confirmation of the CPO and serve all necessary notices of the confirmation and once the CPO becomes operative, the Director of Legal and Governance in consultation with the Executive Director of Resources be authorised to execute General Vesting Declarations under the Compulsory Purchase (Vesting Declarations) Act 1981, at the earliest opportunity and to thereafter serve all necessary documents and notices of the vesting of the Order Land in the Council;

(e) the Interim Executive Director Place, in consultation with the Director of Legal and Governance and the Executive Director of Resources be authorised to manage the compulsory purchase process in accordance with all statutory requirements and to otherwise promote or supporting the promotion of confirmation of the CPO including the preparation of and giving of evidence at any public inquiry;

(f) the Chief Property Officer be authorised to agree terms for the acquisition of Order Land and to instruct the Director of Legal and Governance to complete the necessary documents.

(g) upon the completion of the acquisition of Order Land, the Chief Property Officer be authorised to negotiate the disposal of the land and to instruct the Director of Legal and Governance to complete all the necessary legal documents for the completion of the disposal.

18.3 Reasons for Decision

18.3.1 The Property has been vacant since at least 2005 and is in a poor state of repair, attracting anti-social behaviour and is having a negative impact on the local community. There is a demand for this type of property within Sheffield and the Council has, without success, attempted to engage with the Property owner, in an effort to get the Property back into occupation, including an offer to purchase the Property by agreement. In addition, particularly in respect of recent enforcement action taken by the Council, the owner has failed to take reasonable steps to make the Property safe. In those circumstances, as an option of last resort, the Council consider, to ensure the Property is put back into occupation, that it is appropriate to seek a CPO in respect of the Property.

18.4 Alternatives Considered and Rejected

18.4.1 Demolition

The Property is in a state of disrepair empowering the Council to take various steps to remedy the problem, including renovation and demolition. As the Property is an end terrace house, the demolition option would not be practical as support is required to the adjacent property. Demolition will not result in the provision of housing as it is believed that it is unlikely the owner would rebuild should this option be taken.

Renovation

The Council first visited the Property in 2016 and found it to be vacant. From this date, the Council has not observed or received any information that the property has been occupied. The owner has taken inadequate steps to prevent its deterioration despite the Council writing on several occasions to the owner to express their concern over the condition of the property and asking for the owner to explain his intentions for renovation and bringing the property back into occupation. It is therefore unlikely, should the Council do works in default, that this would result in the improvements to the Property being sustained. In those circumstances this option would be a poor use of limited resources and unlikely

to achieve its purpose.

Empty Dwelling Management Orders

These orders enable the Council to effectively step into the shoes of the owner and manage the property. However, prior to occupation, the Council would have to refurbish the property. Given the poor condition of the property, the cost of bringing it up to a habitable condition is likely to be significant. Furthermore, it is doubtful that the rental income would cover the costs within the timescale of the EDMO, which is seven years. Therefore, it is highly likely that the Council would be unable to recover the significant costs of refurbishment, making this option inappropriate.

Purchase by Agreement

The Council have actively pursued this option which would have enabled it to sell the Property at auction, so that it could be renovated and reoccupied. On 13 November 2018, the Council wrote to the owner to offer to purchase the property by agreement. No response was received by the Council to this letter. The Council repeated this offer to purchase the Property by agreement in a letter sent to the owner in August 2019. No response was received to this letter. A further offer to purchase the Property by agreement was made to the owner on 20 July 2020 and repeated on 25 January 2021. No response was received to these letters.

Compulsory Purchase

All attempts at working with the owner have failed, as detailed in the Statement of Reasons. Due to the owner's failure to take proper action, the property, for which there is a demand, has remained in a poor state of repair for a significant period and there is little prospect of it being brought back into occupation. Compulsorily purchasing the Property is currently the only feasible option to ensure its renovation and re-occupation. For these reasons, this is the preferred option.



Author/Lead Officer of Report:
Craig Rogerson/Principal Committee Secretary

Tel: 27 34014

Report of: *Executive Director, Resources*

Report to: *Cabinet*

Date of Decision: *17 March 2021*

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 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 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>Communities Portfolio</u>		
Gillian McCarthy	Library and Information Assistant	21
Tracy Morton	Care Manager Level 2	34
John Murphy	Service Development and Business Manager	32
Ruth Wadsworth	Neighbourhood Support Officer	29
<u>People Portfolio</u>		
Sharon Drinkwater	Residential Support Worker	35
Linda Goulding	Team Manager	38
Debbie Miles	Group Leader, Children and Families	26
Allan Robertson	Provider Service Worker	31
Rachel Wyatt	Teacher, Nether Green Infant School	29
<u>Place Portfolio</u>		
Paul Bangert	Delivery Manager, Design Management	39
John Hibbert	Facilities Manager	36
Glassford Josephs	Estate Officer	30
Peter Morton	Commercial Services Assistant	40
Kathryn Spurr	Senior Business Support Officer	42
Nigel Wildgoose	Income Specialist Officer	22
<u>Resources Portfolio</u>		
Gary Lund	HR Manager - Health, Safety and Wellbeing	37

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Author/Lead Officer of Report:
Damian Watkinson,
Finance Manager

Tel: 0114 273 6831

Report of: *Eugene Walker*
Report to: *Cabinet*
Date of Decision: *17th March 2021*
Subject: *Capital Approvals for Month 10 2020/21*

Is this a Key Decision? If Yes, reason Key Decision:-
Yes No
- Expenditure and/or savings over £500,000
- Affects 2 or more Wards

Which Cabinet Member Portfolio does this relate to? ***Finance and Resources***

Which Scrutiny and Policy Development Committee does this relate to?
Overview and Scrutiny Management Committee

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given? (*Insert reference number*)

Does the report contain confidential or exempt information? Yes No

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:

This report provides details of proposed changes to the Capital Programme as brought forward in Month 10 2020/21.

Recommendations:

- Approve the proposed additions and variations to the Capital Programme listed in Appendix 1, including the procurement strategies and delegate authority to the Director of Finance and Commercial Services or nominated Officer, as appropriate, to award the necessary contracts
- Approve the acceptance of grants as detailed at Appendix 2
- Approve the making of grants to 3rd parties as detailed at Appendix 2a

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>Tim Hardie</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>Terry Fox</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the 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>Damian Watkinson</i>	Job Title: <i>Finance Manager Business Partner Capital</i>
	Date: 24/02/21	

MONTH 10 2020/21 CAPITAL APPROVALS

1. SUMMARY

1.1 A number of schemes have been submitted for approval in line with the Council's capital approval process during the Month 10 reporting cycle. This report requests the relevant approvals and delegations to allow these schemes to progress.

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

- 9 additions of specific projects to the capital programme creating a net increase of £9.089m;
- 12 variations creating a net increase of £1.675m;

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

2. WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

2.1 The proposed changes to the Capital programme will improve the recreational leisure facilities, schools, roads and homes used by the people of Sheffield, and improve the infrastructure of the city council to deliver those services.

3. BACKGROUND

This report is part of the monthly reporting procedure to Members on proposed changes to the Council's capital programme.

4. OUTCOME AND SUSTAINABILITY

4.1 By delivering these schemes the Council seeks to improve the quality of life for the people of Sheffield.

5. OTHER IMPLICATIONS

5.1 Finance Implications

The primary purpose of this report is to provide Members with information on the proposed changes to the City Council's Capital Programme further details on each scheme are included in Appendix 1 in relation to schemes to be delivered, Appendix 2 in relation to grants to be accepted and Appendix 2a in relation to grants to be issued.

5.2 Procurement and Contract Award Implications

This report will commit the Council to a series of future contracts. The procurement strategy for each project is set out in Appendix 1. The award of the subsequent contracts will be delegated to the Director of Financial and Commercial Services.

5.3 Legal Implications

Any specific legal implications in this report are set out in Appendix 1, Appendix 2 in relation to grants to be accepted and Appendix 2a in relation to grants to be issued.

5.4 Human Resource Implications

There are no direct Human Resource implications for the Council.

5.5 Property Implications

Any specific property implications from the proposals in this report are set out at Appendix 1.

6. ALTERNATIVE OPTIONS CONSIDERED

- 6.1 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.

7. REASONS FOR RECOMMENDATIONS

- 7.1 The proposed changes to the Capital programme will improve the services to the people of Sheffield
- 7.2 To formally record changes to the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.
- 7.3 Obtain the relevant delegations to allow projects to proceed.

Scheme name/ summary description		Value £'000							
A	Economic growth								
	New additions								
Page 39	<p>Clough Dyke Remediation</p> <p>Why do we need the project?</p> <p>The project aligns with the city council’s long-term strategic objective of reducing flood risk to the city. Clough Dyke is an open watercourse that runs through woodland in Deepcar before entering a culverted section which has collapsed and become severely blocked. In periods of prolonged and/or intensive rainfall the water builds up behind the blockage, resulting in deep water in the woodland which presents a risk of drowning. When the build-up of water reaches a certain depth it over-tops it’s natural boundaries and spills out, causing flooding to nearby residential properties.</p> <p>The project is required to address the following issues:-</p> <ul style="list-style-type: none"> To reduce the risk of flooding to residential properties which currently suffer flooding during periods of prolonged/intensive rain. To reduce the risk of drowning following periods of prolonged/intensive rain. To eliminate ongoing monthly costs of temporary measures to address the above risks <p>How are we going to achieve it?</p> <p>A feasibility study will be undertaken to look at introducing measures to help alleviate the flood risk in this area by identifying the most appropriate solution to the cause of the flooding, estimate the cost of implementing the solution and produce a business case which can be submitted to the Environment Agency to request funding.</p> <p>Works will also be undertaken to replace temporary fencing with semi-permanent fencing.</p> <p>The cost of this initial stage of the project is £55k and funding has been transferred from the Dams and Water Course budget to enable the outlined works.</p> <p>What are the benefits?</p> <ul style="list-style-type: none"> To reduce the risk of flooding to 14 residential properties which currently suffer flooding during periods of prolonged/intensive rain. To reduce the risk of drowning following periods of prolonged/intensive rain. To eliminate ongoing monthly costs of temporary measures to address the above risks <p>When will the project be completed?</p> <p>[October 2021]</p>	+55							
	<table border="1"> <tr> <td>Funding</td> <td>Corporate</td> <td>Amount</td> <td>55k</td> <td>Status</td> <td></td> <td>Approved</td> <td></td> </tr> </table>	Funding	Corporate	Amount	55k	Status		Approved	
Funding	Corporate	Amount	55k	Status		Approved			

	Source	Resource Pool						
	Procurement	i. Project & Cost Management undertaken in-house by Capital Delivery Service. ii. Consultant for feasibility study via the CDS Delivery Partner. iii. Semi-permanent fencing by competitive quotes.						
Variations and reasons for change								
None								
B	Transport							
New additions								
Page 40	Heeley 20mph Zone Why do we need the project? Through the City's Transport Strategy, the Council has a corporate objective to increase participation in active modes of transport. 20mph area schemes contribute to the creation of a safer residential environment, which will allow easier access to local facilities for all. This in turn promotes healthier lifestyles whilst encouraging vibrancy in local areas and supports access to public transport. The Corporate Plan states that the aim is for all residential areas to have a 20mph speed limit by 2025. How are we going to achieve it? This scheme is to look at introducing a 20mph area in Heeley. A feasibility will be conducted which will include an initial desktop study of the scheme requirements and an assessment of the scheme location to identify any constraints. If any surveys are required these will be carried out. Feasibility design will also consider several different options for a scheme before deciding on the which option to take forward to preliminary design. This stage of the scheme will cost £10k and will be funded from Local CIL Gleadless Valley ward What are the benefits? <ul style="list-style-type: none"> • Implement of a 20mph scheme in Heeley will result in a reduction of speed • safer environment for all road users • reduction in number and severity of collisions When will the project be completed? [June 2021]							+10
	Funding	Local CIL	Amount	10k	Status		Approved	

	Source	Gleadless Valley ward										
	Procurement	i. Feasibility undertaken in-house by SCC Transport Planning and Design & Assurance teams.										
Variations and reasons for change												
Page 41	Transforming Cities Fund Tranche 1 Budget Variations								+16.8			
	<p>Scheme description</p> <p>Sheffield City Council has previously been awarded £2m through the Transforming Cities Fund tranche 1 (TCF) to invest in schemes that promote active travel (cycling and walking) to enable people to access jobs, education etc. through greener and healthier forms of travel.</p> <p>The funding received was divided into three individual projects, which are all currently near completion: -</p> <p>Portobello Cycle Route: -</p> <p>The Portobello cycle route links University of Sheffield and the western suburbs to the Heart of the City. One section of this was completed as part of the University of Sheffield Masterplan. This project is to provide two further sections of the route by delivering two new cycle crossings at the junctions of West Street / Holly street and Mappin Street.</p> <p>City Centre West Cycle Route: -</p> <p>The City Centre West Cycle Route links suburbs in the West and Hallam University campus to the Heart of the City. Two sections have been completed to date – the area around Charter Row and a section in Broomhall. This project is to form the link between the existing sections creating a complete link.</p> <p>E Bikes: -</p> <p>To purchase a selection of e bikes to enable the expansion of their use across the city. 210 e bikes have been purchased for a variety of uses -Social prescribing, Police, Civil enforcement, general Council use and road safety operations, inclusive cycling, and try before you buy e cargo bike loans.</p> <p>What has changed?</p> <p>The Sheffield City Region has made changes to the funding agreement to reflect the outturn costs of each of the individual projects and the funding end date has been extended to 31 March 2021.</p> <p>As a result of the changes, the budgets have been amended accordingly. In addition, the City Centre West budget has been allocated an additional £38k from the Local Transport Plan (LTP). The total cost of all three projects is now £2,038k (£2,000k TCF and £38k LTP).</p> <p>The budget changes in the individual projects are shown in the table below: -</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>2020-21 Variation</th> </tr> </thead> <tbody> <tr> <td>92944 Portobello Cycle Crossing</td> <td>23.6</td> </tr> </tbody> </table>									2020-21 Variation	92944 Portobello Cycle Crossing	23.6
	2020-21 Variation											
92944 Portobello Cycle Crossing	23.6											

	92950 CC West inc. Broomspring lane 51.2 93107 E Bikes <u>-58</u> 16.8	
	Variation type: - <ul style="list-style-type: none"> [budget increase] 	
	Funding Transforming Cities Fund & Local Transport Plan	
	Procurement N/A	
C	Quality of life	
Page 42	New additions	
	None	
	Variations and reasons for change	
	None	
D	Green and open spaces	
	New additions	
	Parkwood Springs Active Park FEASIBILITY Why do we need the project? The overall objective of the project is to deliver a range of improvement phases from the masterplan. This will help make Parkwood Springs a vibrant place to visit with a variety of new facilities and infrastructure which will create an 'Active Park' and destination site for the people from the local area, the city, and region. How are we going to achieve it? The initial activity and focus of the feasibility will be on the Phase 1 - MTB Trail, Kiosk & Toilet work package, and will include elements such as trail heads, waymarking, signage, access, paths, gateways, and other associated infrastructure and landscaping The feasibility work will involve:	+10

- Identify and undertake any necessary surveys and design work to be able to progress with the preferred design options costed to the available budget
- Identify and budget for necessary fees e.g. CDS/Commercial/UED/Consultants
- Identify and agree preferred procurement and delivery routes for all phased work packages

The feasibility will be 2 stages, a high-level phase to provide information to support a funding bid to British Cycling, then a second phase which will be the full detailed feasibility. This is the first stage.

What are the benefits?

Objectives

- Raise a greater proportion of the Existing Parkwood Springs green space to the Sheffield Standard
- Create an Active Country Park and activate associated Public Health and Better Parks benefits for communities it serves
- Create a Regional standard cycle facility as part of an Outdoor City Recreational Hub, within an Active Country Park

The British Cycling Places to Ride funding awarded (£500K) is a clear opportunity to help resource and deliver significant parts of this vision

Benefits

- Lifting the site to the Sheffield standard
- Deliver key parts of the site masterplan
- Extension and Expansion in Active Park provision

When will the project be completed?

Feasibility April21, whole project June22

Feasibility Costs

CDS/UED Fees	£4K
Site Surveys	£4K
Design Fees	£2K
Total	£10K

Budget

21/22 Budget £10K

Funding Source	S106 Agreement 938	Amount	£10K	Status	S106 funding approved as part of the S106 Parks Programme	Approved	Green & Open Space PG Feb21
Procurement	i. Spec development and design elements undertaken in-house by the Capital Delivery Service. ii. Macro site design undertaken in-house by Urban Environmental Design.						

	iii. Site Surveys by competitive quotes.															
Variations and reasons for change																
Page 44	<p>Hillsborough All Wheels Bike Park</p> <p>Scheme description Hillsborough Park lacked facilities which appeal to a diverse group of young people. A partnership project between the Parks and Countryside Service, Move More, Access Sport, and Sheffield Hallam University was set up to address the gap in provision for high quality youth recreational facilities at Hillsborough Park, raise the overall standard of the Park, contribute to the wider aim of establishing an Active Park, and secure investment in both a capital improvement project and community activation programme.</p> <p>What has changed? a) The benefits are still:</p> <ul style="list-style-type: none"> • Provision of a new recreational facility for Hillsborough Park (an all-wheels bike park) • Increase in the number of young people using the park for constructive physical activity • Contribute to the wider improvements in the park and raising of the overall quality score of the site <p>The ultimate outcome is now wider in that the project will; provide a facility supporting more children and young people to increase their physical activity, become a regular cyclist, and improve confidence to help create a long term cycling habit and support active travel in the city (and associated reduction from carbon emissions associated with a move to active travel).</p> <p>b) Only two contractors responded to the call for tenders, one was non-compliant and the other's price was significantly above the available budget. Following discussions with project partners and funders it was agreed that value-engineering of the scheme would allow for cost saving whilst ensuring quality and delivering the main scope of the project.</p> <p>Other funding was also investigated and a contribution from the Transport Access Fund was secured to cover the reduced increase in cost of £37.8K following value-engineering.</p> <p>Variation type: Budget increase</p> <p>Costs</p> <table> <tr> <td>CDS Fees</td> <td>£11.5K</td> </tr> <tr> <td>Consultants</td> <td>£6.0K</td> </tr> <tr> <td>Surveys</td> <td>£3.9K</td> </tr> <tr> <td>Internal SCC Fees</td> <td>£3.0K</td> </tr> <tr> <td>Works</td> <td>£253.7K</td> </tr> <tr> <td>Contingency</td> <td>£26.2K</td> </tr> <tr> <td>Total</td> <td>£304.3K</td> </tr> </table> <p>Budget</p>	CDS Fees	£11.5K	Consultants	£6.0K	Surveys	£3.9K	Internal SCC Fees	£3.0K	Works	£253.7K	Contingency	£26.2K	Total	£304.3K	+38
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Total	£304.3K															

	Current 20/21 Budget £266.5K - £258.8K = £7.7K Current 21/22 Budget £0.0K + £296.6K = £296.6K Total 20-22 Budget £266.5K + £37.8K = £304.3K		
	Funding Access Sport £50.0K British Cycling £150.0K Tramlines Contribution £13.6K Public Health £42.9K Local CIL £10.0K Transport Access Fund £37.8K Total £304.3K		
	Funding	See Funding section above	
	Procurement	N/A	
Page 45	S106 Parks Programme Block Allocation Scheme description Block allocation of S106 for specific Parks schemes. What has changed? With the start of the Parkwood Springs Active Park project, S106 needs drawing down to fund the feasibility. See entry above Variation type: Budget decrease Budget Current 20/21 Budget £296.7K - £0K = £296.7K Current 21/22 Budget £342.8K - £10K = £332.8K Total 20-22 Budget £639.5K - £10K = £629.5K		-10
	Funding	S106	
	Procurement	N/A	
E	Housing growth		

New additions																	
<p>Manor Cluster (Sheffield Housing Company)</p> <p>Why do we need the project? In October 2017, the council submitted an application to the Homes England (previously HCA) Housing Infrastructure Fund Marginal Viability (HIF MV) to support delivery of 361 new homes on 4 Sheffield Housing Company (SHC) sites in the Manor and Castle ward. The sites were part of the agreed SHC land package, but due to the additional infrastructure costs resulting from brownfield re-development and expected sales values for the area, the business case had a viability gap of £3.22m.</p> <p>Planning applications were submitted in December 2019 for 358 homes, with planning approval granted in September 2020. SHC are preparing the final business case for submission to the Council by December 2020, with an estimated start-on-site date of January 2021 and completion by December 2025.</p> <p>How are we going to achieve it? SHC will deliver all of the funded infrastructure works as part of the wider housing development programme for these sites. All the funding will therefore be passed directly to SHC under a back-to-back funding agreement between the Council and them, reflecting all the terms and conditions of the grant funding agreement between Homes England and the Council. This includes a claw-back clause that any profits exceeding the agreed amount may be retained by the Council subject to Homes England's written approval, and must be used for further housing delivery. The council proposes the first priority for any re-investment to be future SHC schemes were possible. The HIF MV funding must be spent on eligible infrastructure works to enable housing development on the identified sites. The majority of the work is expected to take place between January and June 2021, with some of the Sustainable Drainage work taking place later in the year. The funding must be fully spent by March 2022.</p> <table border="1"> <thead> <tr> <th>Infrastructure Item</th> <th>Funding Spend Profile</th> </tr> </thead> <tbody> <tr> <td>Off-site Sustainable Drainage Solution (SuDS)</td> <td>£839,229</td> </tr> <tr> <td>Utility Services (diversions, disconnections)</td> <td>£1,707,079</td> </tr> <tr> <td>On-site Roads and Drainage</td> <td>£672,964</td> </tr> <tr> <td>Total</td> <td>£3,219,272</td> </tr> </tbody> </table> <p>What are the benefits? Enabling works will support the delivery of 361 new homes across 4 sites in the Manor and Castle Ward.</p> <p>When will the project be completed? Grant to be spent by March 2022, properties will be completed by December 2025</p> <p>Budget/Costs 20/21 Total £3,219.3K</p>							Infrastructure Item	Funding Spend Profile	Off-site Sustainable Drainage Solution (SuDS)	£839,229	Utility Services (diversions, disconnections)	£1,707,079	On-site Roads and Drainage	£672,964	Total	£3,219,272	+3,219
Infrastructure Item	Funding Spend Profile																
Off-site Sustainable Drainage Solution (SuDS)	£839,229																
Utility Services (diversions, disconnections)	£1,707,079																
On-site Roads and Drainage	£672,964																
Total	£3,219,272																
Funding Source	HIF MV – Homes England	Amount	£3,219.3K	Status	Grant acceptance approved July19	Approved	Housing Growth PG 11.03.20 Updated 17.11.20										

Page 46

					Grant funding agreement sign off September19				
Procurement	i. SHC as per Back-to-Back Agreement (see Appendix 2a).								
Page 47	<p>New Build Phase 18 - Bole Hill View FEASIBILITY</p> <p>Why do we need the project? The Council’s New Homes Delivery Plan (agreed by Cabinet in November 2018) sets out a commitment to support the building of over 2,000 new homes over the next 5 years. To deliver the scale and types of homes the city needs, the New Homes Delivery Plan identifies a need to make greater use of Council owned land and assets and provide a range of quality homes to support mixed tenure neighbourhoods. The Council’s ambition to deliver 3,100 additions to its affordable stock, outlined in the individual Cabinet Member decision of October 2019 expanded a programme of new build Stock Increase projects. The programme consists of new build homes on existing HRA land, the acquisition of properties (existing or new build), and an assumption that land in would need to be acquired to help deliver a balanced programme. The appropriation of Council owned land, not currently in the HRA will help to meet the ambitious Stock Increase target, whilst also making best use of Council owned land to deliver new housing.</p> <p>To this end an opportunity was identified to consider the appropriation of the Bole Hill View site in Crookes for the development of new housing.</p> <p>How are we going to achieve it?</p> <ol style="list-style-type: none"> 1. Stage A: Initially progress work which will help determine if the Bole Hill View site is suitable for Stock Increase programme (SIP) purposes. 2. Stage B: Following on from the initial development further feasibility work is to be undertaken, if considered appropriate to do so involving: <ul style="list-style-type: none"> • Options appraisal including procurement of all necessary surveys • Development of a preferred option to RIBA 2 / Outline Business Case <p>Subject to the development appraisal and further feasibility work, the Housing Growth Delivery Service intends to:</p> <ul style="list-style-type: none"> • appropriate this site for SIP purposes bringing the site into the Housing Revenue Account. If as a result of further investigation the site is deemed unsuitable or unviable as a Council housing investment, the appropriation (and potential subsequent demolition) will not proceed. • A decision on when best to demolish the site if it is not considered suitable will be advised following initial feasibility work. <p>What are the benefits?</p> <p><i>Objectives</i></p> <ul style="list-style-type: none"> • Seeking to maximise the number of units on the site within the scope of the three options identified <ul style="list-style-type: none"> ○ Option 1- Predominantly flats/ apartments with some houses ○ Option 2- Some flats/ apartments but predominantly houses ○ Option 3- Houses only • Options/ advice on the number of units will be provided to enable viability testing, including payback period • Specifying accessibility standards which are beyond those currently required through existing/ emerging Planning Policy • Overall design/ development to be in line with the agreed SIP Performance Specification for general needs new build Council homes 								+60

Page 48	<p><i>Benefits</i> The proposed technical/ feasibility work will show what is 'best' for this site, however, based on an initial assessment of the size of the site, its location and the Planning Service's preference for housing (C3) or residential institutions (C2) make this site a potential redevelopment candidate to help Council meet its wider Council Housing Stock Increase Programme ambitions. The 2013 Surplus Declaration report sets out an assumption that the receipt generated by the sale of the Bole Hill View site (via appropriation under this option) will be reinvested in new Council service provision, which will be factored into the viability assessment of this proposal.</p> <p>When will the project be completed? Feasibility October21</p> <p>Costs Stage A CDS Fees £4.7K Stage B CDS Fees £40.0K Planning Fee £0.4K <u>Intrusive Surveys £15.0K</u> Total £60.1K</p> <p>Budget 20/21 Budget £5.1K <u>21/22 Budget £55.0K</u> Total Budget £60.1K</p>							
	Funding Source	HRA	Amount	£60.1K	Status	Funding available on the approved Stock Increase Programme	Approved	Housing Growth PG 15.02.21
	Procurement	i. Technical and design development undertaken in-house by the Capital Delivery Service. ii. Surveys by competitive quotations.						
<p>97579 New Build Phase 19 – Walkley School FEASIBILITY</p> <p>Why do we need the project? The Council's New Homes Delivery Plan (agreed by Cabinet in November 2018) sets out a commitment to support the building of over 2,000 new homes over the next 5 years. To deliver the scale and types of homes the city needs, the New Homes Delivery Plan identifies a need to make greater use of Council owned land and assets and provide a range of quality homes to support mixed tenure neighbourhoods. The Council's ambition to deliver 3,100 additions to its affordable stock, outlined in the individual Cabinet Member decision of October 2019 expanded a programme of new build Stock Increase projects. The programme consists of new build homes on existing HRA land, the acquisition of properties (existing or new build), and an assumption that land in would need to be acquired to help deliver a balanced programme. The appropriation of Council owned land, not currently in the HRA will help to meet the ambitious Stock Increase target, whilst also making best use of Council owned land to deliver new housing.</p>							+62	

To this end an opportunity was identified to appropriate the former Walkley School building.

How are we going to achieve it?

1. Stage A: A development appraisal to determine the suitability of the existing building for conversion to housing stock including:
 - A development appraisal to determine the suitability of existing building for conversion to housing stock
 - Sketch masterplan to determine capacity of the site and potential for redevelopment of existing building

2. Stage B: Following on from the initial development further feasibility work is to be undertaken enabling the Council to determine if this site has potential to support housing growth ambitions for the City. This would include options to contribute towards the Stock Increase Programme (SIP) target if a viability appraisal shows a SIP development is affordable. This information will inform a decision on whether to proceed with the appropriation of this site involving:
 - Options appraisal including procurement of all necessary surveys
 - Development of a preferred option to RIBA 2 / Outline Business Case

Subject to the development appraisal and further feasibility work, the Housing Growth Delivery Service intends to:

- appropriate this site for SIP purposes bringing the site into the Housing Revenue Account. If as a result of further investigation, the site is deemed unsuitable or unviable as a Council housing investment, the appropriation will not proceed.
- If development as 100% SIP is unviable, the site could still be sold to ensure that the People portfolio receive the capital receipt. Housing is keen to explore the possibility of purchasing some units from a developer as part of a deal to dispose of the land. However, there is a preference to ensure good quality housing is delivered and a deal to purchase units from a developer may not be attractive to the market at a price that is viable to the HRA

What are the benefits?

Objectives

- Seeking to maximise the number of units on the site. Initial designs suggest the building could accommodate 14no x flats. 8no x 1 beds, 1 no x 2 bed and 5no x 3 beds

- Number of bedrooms/ accessibility
 - All ground floor apartments to be designed to Building Standards Part M Category 3 (Wheelchair User Dwellings)
 - If possible, all remaining apartments to be designed to Building Standards Part M Category 2 (Accessible and Adaptable Dwellings)

- Options/ advice on the number of units will be provided to enable viability testing, including payback period
- Overall design/ development to be in line with the agreed SIP Performance Specification for general needs new build Council homes

Benefits

- Provide much needed affordable housing in the North through various options to be considered
- Contribute towards the housing growth targets in the New Homes Delivery Plan

When will the project be completed?

Page 50	Feasibility November21							
	Costs Stage A CDS Fees £4.6K Stage B CDS Fees £40.0K Consultant Fees £1.9K Planning Fee £0.4K Intrusive Surveys £15.0K Total £61.9K Budget 20/21 Budget £6.9K 21/22 Budget £55.0K Total Budget £61.9K							
	Funding Source	HRA	Amount	£61.9K	Status	Funding available on the approved Stock Increase Programme	Approved	Housing Growth PG 15.02.21
Procurement		i. Technical and design development undertaken in-house by the Capital Delivery Service. ii. Surveys by competitive quotations.						
Variations								
94030 Brownfield Sites Acquisitions Scheme description In January 2018 a cabinet decision was taken to establish a revolving fund to enable the acquisition of Brownfield Sites for the purpose of enabling Housing Growth and regeneration. What has changed? Slippage – An expected site purchase of approx. £4.3m will now take place in 2021/22 Budget Increase - A previous site purchased under this programme currently generates an annual revenue surplus of £162k p.a. This surplus to be used to replenish the revolving fund. Variation type: Budget increase / Reprofile Budget							20/21 -4,347 21/22 +4,509	

	Current 20/21 Budget £6,057.9K - £4,347.5K = £1,710.4K		
	Current 21/22 Budget £0.0K +£4,509.5K = £4,509.5K		
	Total 20-22 Budget £6,057.9K + £162.0K = £6,219.9K		
Funding	Capital Receipts £6,057.9K + Rental Income £162.0K		
Procurement	N/A		
Page 51	Porter Brook Site Clearance		-227
	Scheme description The demolition of the building at 1 Sidney Street is required to enable housing development on the site.		
	What has changed? Following the tender exercise, the costs have come in less than expected and therefore a decrease in budget is required.		
	Variation type: Budget decrease		
	Budget Current 20/21 Budget £350K - £339K = £11K Current 21/22 Budget £0K + £112K = £112K Total 20-22 Budget £350K - £227K = £123K		
Funding Brownfield Housing Fund Grant			
Funding	Brownfield Housing Fund to be awarded 4th March 2021		
Procurement	N/A		
	New Build Phase 6 – Newstead Older Persons Independent Living (OPIL)		+26,820
Scheme description Due to the loss of much housing stock through Right to Buy and other routes, there is a requirement for replenishment. Cabinet has approved strategies and approaches to forward this requirement and expand both the number and type of stock available. Part of this delivery approval is to increase the supported housing accommodation offer for Council tenants, enabling tenants to live in accommodation most suited to their needs and releasing general needs family homes within the existing stock.			
As the population ages there is a greater requirement for care. The OPIL supported living accommodation is designed to reduce the cost and time of care, give confidence to residents living in the accommodation and increase wellbeing with onsite facilities. Providing housing provision with a higher			

level of accessibility & adaptability reduces future need for adaption and keeps people at home longer rather than requiring a nursing care provision.

What has changed?

Feasibility, costings, and viability work has been completed. The preferred option incorporates the following:

- 141 apartments (both 1 and 2 bedrooms, including 1 Complex Needs block) over 6 blocks with integrated communal facilities
- Staff facilities, communal lounge and break out areas
- A community hall, with kitchen and toilet facilities that can be booked by either residents or outside users
- A café built as an integrated but separately accessed unit to provide food and drinks for both residents and the community

The benefits are:

- Replenishing of the Council's housing stock, which is essential to the health of the self-financing HRA Business Plan and to the provision of the affordable housing that the city needs
- Regeneration of a currently underutilised Council-owned HRA site
- The delivery of up to 141 quality new homes which are safe and secure, have on-site care and wellbeing facilities, and meet identified housing needs in the neighbourhood and wider City

Following completion of the feasibility an Outline Business Case has been completed and an indicative budget set.

Variation type: Budget increase

Costs

CDS Fees	£294.9K
Consultant Fees	£713.3K
Other Fees	£61.0K
Construction	£24,303.2K
<u>Contingency</u>	<u>£1,565.9K</u>
Total	£26,938.3K

Funding

HRA Borrowing	£18,893.8K
S106	£5,849.1K
<u>HRA Land Receipts</u>	<u>£2,195.4K</u>
Total	£26,938.3K

Budget

Previous Yrs Actuals	£24.7K		£24.7K
Current 20/21 Budget	£93.1K +	£5.7K =	£98.8K
Current 21/22 Budget	£0.0K +	£818.5K =	£818.5K
Current 22/23 Budget	£0.0K +	£10,710.0K =	£10,710.0K
Current 23/24 Budget	£0.0K +	£13,140.0K =	£13,140.0K

	<p>Current 24/25 Budget £0.0K + £2,146.3K = £2,146.3K Total £117.8K + £26,820.5K = £26,938.3K</p>		
	Funding	See breakdown in Funding section above	
	Procurement	<p>i. Principal Contractor by mini competition via the YORbuild2 framework in the first instance. Should levels commercial competitiveness be insufficient, procurement via an alternative framework or a restricted procedure may be pursued.</p> <p>ii. Project Management, Cost Management and Clerk of Works in-house by the Capital Delivery Service.</p> <p>iii. Professional Services – including technical design and fire expertise via the CDS Delivery Partner.</p> <p>iv. Surveys by competitive quotations.</p>	
Page 53	<p>Council Housing Stock Increase Programme</p> <p>Scheme description Block allocation of funds to be used on projects increasing the Council’s Housing stock.</p> <p>What has changed?</p> <ol style="list-style-type: none"> 1. Feasibility works for Bole Hill View have come forward for approval and therefore require a draw down from the allocation to create the budget of £60.1K. See separate entry above. 2. Feasibility works for the Walkley School Site have come forward for approval and therefore require a draw down from the allocation to create the budget of £61.9K See separate entry above 3. An Outline Business Case for Newstead OPIL New Build has come forward for approval and therefore requires a draw down Q from the allocation to create the budget of £26,938.3K, a drawdown of £26,820.5K See separate entry above. <p>Total draw down £26,942.5K</p> <p>Variation type: Budget decrease</p> <p>Budget</p> <p>Current 20/21 Budget £105.0K - £3.5K = £101.5K Current 21/22 Budget £5,492.3K - £1,472.3K = £4,020.0K Current 22/23 Budget £49,328.6K - £10,617.2K = £38,711.4K Current 23/24 Budget £88,956.9K - £14,127.4K = £74,829.5K Current 24/25 Budget £33,015.2K - £722.1K = £32,293.1K</p>		-26,942

	Current 25/26 Budget £12,261.0K - £0.0K = £12,261.0K Total 20-26 Budget £189,159.0K - £26,942.5K = £162,216.5K		
	Funding	Combination of HRA Borrowing, S106, and HRA Land Receipts	
	Procurement	N/A	
F	Housing investment		
	New additions		
	None		
	Variations and reasons for change		
Page 54	North East Lincs – Sub Region HAL (Homes and Loans)		+52
	Scheme description Sheffield City Council operates Homes & Loans schemes on behalf of other local authorities across the Yorkshire and Lincolnshire region. One of the local authorities using that service is North East Lincolnshire Council (NELC).		
	What has changed? Two additional loan applications have been submitted by NELC where properties have been identified with Category 1 Health & Safety issues. As the issues need addressing urgently the funding for the loans has already been submitted by NELC and received.		
	Variation type: Budget increase		
	Costs Budgeted Loans £94.4K Additional Loans £68.7K Total £163.1K		
	Budget Current 20/21 Budget £111.2K + £51.9K = £163.1K		
	Funding	North East Lincs Council	
	Procurement	N/A	

G	People – capital and growth	
	New additions	
Page 55	<p>Broomhall Nursery Basement Works: post-feasibility works</p> <p>Why do we need the project?</p> <p>The Council has a duty to ensure that its buildings provide a safe environment for workers and end users and are fit for purpose. Issues have been identified with elements of the basement at Broomhall Nursery. If left to deteriorate any further, they will have a serious effect on the structure and become a health and safety hazard for building users accessing the space and using the ground floor rooms above. Remedial works are required to address the issues of damp and associated timber rot, and to provide a long-term remedy to the ingress of water to the basement space. The proposed solution has been arrived at following an options appraisal and identifies a recommended option for the remedial works.</p> <p>How are we going to achieve it?</p> <p>Works to be undertaken by a specialist damp-proofing contractor for the installation of a new cavity drained waterproofing system. The preparatory works include temporary removal of all wall mounted services and gas meter, strip-out of existing concrete bench supports and provision of new electrical connections for ventilation and sump-pump units. This also includes works associated with preventing the existing well from flooding, timber decay remediation and debris removal.</p> <p>What are the benefits?</p> <ul style="list-style-type: none"> • Objectives: <ul style="list-style-type: none"> ○ To replace decayed and unsound timbers and replace the staircase ○ Eliminate the causes of the decay and infestation. ○ To convert the basement into a completely dry environment. • Outputs: <ul style="list-style-type: none"> ○ Installation of a cavity drained waterproofing system ○ Installation of new steel stairs and replacement of timber elements that have become decayed and infested ○ Installation of a ventilation system • Benefits: <ul style="list-style-type: none"> ○ Health and safety risks to staff and end users will be minimised and the building can continue to accommodate the nursery school. ○ Improved use of space throughout the building as the basement rooms will be available for dry storage. <p>When will the project be completed?</p>	+112.7

27/08/2021							
Funding Source	DfE Condition Allocation	Amount	Feasibility £9.4k Works +£112.7k Total £122.1k	Status		Approved	
Procurement		<ul style="list-style-type: none"> i. Project and Cost Management undertaken in-house via the Capital Delivery Service. ii. Design via the CDS Delivery Partner. iii. Principal Contractor by min-competition via the YORBuild2 framework. 					
Variations and reasons for change							
Page 56	Beighton Nursery & Infants Structural Works - Basement Repairs						+98.9
	<p>Scheme description</p> <ul style="list-style-type: none"> • The Council is responsible for the repairs and maintenance at Beighton Nursery & Infants School and has a legal duty to ensure that its buildings are safe for workers and end users. • During Fire Risk Assessment (FRA) work, structural issues were identified with the cellar beams at Beighton Nursery & Infants school. A structural inspection was carried out and a report produced. This identified numerous issues including: <ul style="list-style-type: none"> ○ The main steel beams are heavily corroded at their bearing ends ○ There is expansion corrosion of the secondary steel beams within the concrete slab and large areas of water damaged (spalling) concrete. ○ The area above the cellar is a car parking space for the school. Water ingress through the concrete is contributing to the corrosion and weakening of the beams. The cellar is a boiler room and so is already a high condensation environment. ○ The steel work and concrete ceiling will further deteriorate thereby increasing the health and safety risks for school staff and workers, who are required to attend to the heating boiler and read utility meters. ○ In addition, the area above the basement is in front of the main school entrance has had to be fenced off and consequently unavailable for parking or school deliveries. <p>What has changed?</p> <ul style="list-style-type: none"> • Detailed inspection work has resulted in additional required works, with associated higher costs to those originally envisaged in the initial business case, being identified as outlined above to include additional work of floor repairs and minor adaptations. <p>Variation type: -</p> <ul style="list-style-type: none"> • Budget increase and variation of scope: +£98.9k required from previously authorised budget of £49.6k, to include an element of design and costing to be done for the change in scope. The request is for additional scope to be added to the car park structural tender in two areas: (a) 						

	<p>minor adaptations to the early years play space and (b) replacement of damaged floor to part of the building.</p> <ul style="list-style-type: none"> Expected completion date: 31/08/2021 			
	<table border="1"> <tr> <td data-bbox="170 304 322 363">Funding</td> <td data-bbox="322 304 2000 363">DfE Condition Allocation</td> </tr> </table>	Funding	DfE Condition Allocation	
Funding	DfE Condition Allocation			
	<table border="1"> <tr> <td data-bbox="170 363 555 523">Procurement</td> <td data-bbox="555 363 2000 523"> <ul style="list-style-type: none"> i. Principal Contractor by closed competitive tender using Constructionline to shortlist local contractors. ii. Asbestos surveys via the existing corporate contract. iii. Technical expertise provided in-house by the Capital Delivery Service. </td> </tr> </table>	Procurement	<ul style="list-style-type: none"> i. Principal Contractor by closed competitive tender using Constructionline to shortlist local contractors. ii. Asbestos surveys via the existing corporate contract. iii. Technical expertise provided in-house by the Capital Delivery Service. 	
Procurement	<ul style="list-style-type: none"> i. Principal Contractor by closed competitive tender using Constructionline to shortlist local contractors. ii. Asbestos surveys via the existing corporate contract. iii. Technical expertise provided in-house by the Capital Delivery Service. 			
H	Essential compliance and maintenance			
	New additions			
Page 57	<p>Fire Risk Assessment works Corporate 7 sites: FEASIBILITY</p> <p>Sites: Abbeyfield Park, Chapeltown Library, Concord Park, Endcliffe Park, Lowedges Housing Office, Mount Pleasant Park & Shiregreen Cemetery</p> <p>Why do we need the project?</p> <p>Fire Risk Assessments have highlighted shortfalls in the provision of necessary Fire Precautions in a number of corporate buildings. These issues are being mitigated by short term management actions.</p> <p>In the medium to longer term, physical improvements to these buildings are required to make them compliant. The seven corporate buildings with the next highest priority for these works are for the sites listed above:</p> <p>How are we going to achieve it?</p> <ul style="list-style-type: none"> Carry out feasibility at the 7 identified highest priority sites, to Install Compartmentation and Fire Safety Systems, to determine how many are brought forward at OBC stage. Review Fire Strategy and ensure appropriate strategy is in place. Identification of necessary works to fire compartmentations and installation of appropriate fire safety systems Fire Plan in place within each site 3rd Party Certification to verify completed works <p>What are the benefits?</p> <ul style="list-style-type: none"> Objectives: <ul style="list-style-type: none"> A feasibility study into the design, tender and management of site works, to take place at seven corporate buildings to determine how many are brought forward. 	+60.4		

Page 58	<ul style="list-style-type: none"> Outputs: <ul style="list-style-type: none"> Specific required works at each site identified. Benefits: <ul style="list-style-type: none"> Identification and understanding of measures required to achieve compliant fire precautions at seven corporate buildings and indicative costs for delivery of the measures identified: <p>When will the project be completed? 2021-2022 – subject to outcomes of feasibility and subsequent tenders</p>							
	Funding Source	CIF	Amount	Feasibility £60.4k	Status		Approved	
	Procurement	i. Technical expertise provided in-house by the Capital Delivery Service. ii. Asbestos surveys via the existing corporate contract. iii. Ceiling Void Surveys via competitive quotations.						
Variations and reasons for change								
<p>Mechanical Replacement MTC TFM</p> <p>Scheme description</p> <ul style="list-style-type: none"> Measured Term Contract to deal with emergency heating and mechanical replacement requirements across the SCC estate. <p>What has changed?</p> <ul style="list-style-type: none"> Surplus funding is available on this Business Unit to be released to match fund the Public Sector Decarbonisation project which is the subject of a standalone report. <p>Variation type: -</p> <ul style="list-style-type: none"> Budget decrease: -£62.5k 								-62.5
Funding	Corporate Resource Pool - Capital Receipts							
Procurement	N/A							

Page 59	Dams and Watercourses Improvements Phases 5 & 6 Scheme description <ul style="list-style-type: none"> Restoration and refurbishment work to dams and watercourses structures in phase 5 of the project. What has changed? <ul style="list-style-type: none"> Surplus funding is available on this Business Unit to release funding to finance the Clough Dyke Remediation projec, outlined in more detail above in Section A – Economic Growth. Variation type: - <ul style="list-style-type: none"> Budget decrease: -£55k EMT variation for transfer of budget to fund the ‘Clough Dyke Remediation’ project identified above. 		-55
	Funding	Corporate Resource Pool - Capital Receipts	
	Procurement	N/A	
Heart of the City II			
New additions			
	Heart of the City [HoC II] Block G Pocket Park Why do we need the project? The transformation/renewal of Sheffield City Centre has been underpinned by high quality new public spaces and connectivity between them. This has driven demand for commercial and residential development, attracted new businesses and is a key element of Sheffield's distinctiveness. This project is to create a pocket park on the site of the existing Wellington Street car park and an improved Rockingham Street with mini-public transport interchange, these spaces will enrich the wellbeing of the people who use them, attract investment into the area, improve air quality, increase biodiversity and reduce flood risk. How are we going to achieve it? The projects aim is to create the following outputs: - <ul style="list-style-type: none"> Creation of new high quality public open space pocket park creating additional links for pedestrian and cycle routes Delivery of new road alignment and public transport mini interchange on Rockingham Street The creation of the new pocket park on HoC II Block G is part of a larger site that will be marketed by the Council for delivery by the private sector. In		+5,500

Page 60	<p>addition to creating a new green space for city centre residents, workers and visitors the works will provide an attractive setting for the future development as well as well as providing connectivity across the site and subdividing the plots.</p> <p>The Rockingham Street proposals will reduce private vehicle movements to improve capacity and reliability of public transport and provide safer routes to promote active travel. This project will make walking and cycling more attractive and help boost public transport use, in line with Sheffield Council, Sheffield City Region and national government priorities.</p> <p>The cost of the works is estimated to be £5.5m and will be funded from £2m Transforming Cities Fund (for the Rockingham Street works) and £3.5m Get Britain Building Fund (for the pocket park).</p> <p>What are the benefits?</p> <ul style="list-style-type: none"> • Enhance Sheffield’s reputation in addressing climate change (green space v carpark) • Contribute to a sustainable future for the HoC2 development • Existing and new businesses supported through increased footfall and dwell time in the city centre • City centre becomes increasingly attractive to a wide range of businesses and residents <p>When will the project be completed?</p> <p>[June 2022]</p>							
	Funding Source	Transforming Cities Fund Get Britain Building Fund	Amount	£2m £3.5m Total £5.5m	Status		Approved	
	Procurement	<p>i. Direct appointment of Principal Contractor via the PAGABO Medium Works Framework.</p> <p>ii. Project Management, Clerk of Works and concept landscape design undertaken in-house by the Capital Delivery Service and Urban Environmental Design respectively.</p> <p>iii. Cost Management via the CDS Delivery Partner.</p> <p>iv. Surveys by competitive quotes.</p>						
Variations and reasons for change								
<p>94061 E Telephone House, Retail & Car Park</p> <p>Scheme description</p> <p>Heart of the City 2 (formerly Sheffield Retail Quarter) seeks to transform Sheffield city centre with an improved retail, working, leisure and living</p>							+1,784	

Page 61	<p>environment. Cabinet Approval in March 2018 was for a phased delivery approach.</p> <p>Block E Telephone House, which comprises of the NCP car park, student accommodation within the former Telephone House, and vacant retail and entertainment units, sits within a prominent area of the Heart of the City which has undergone significant investment. The current appearance of the building is a barrier to the occupation of nearby units, the condition of the existing cladding is poor and without action will continue to deteriorate and pose a health and safety risk.</p> <p>The aim of this project is to improve the appearance of the NCP façade to better sit with the prominent position in the Heart of the City, to create spaces suitable for fit out for retail and or leisure use and to bring back into use current vacant units.</p> <p>What has changed?</p> <p>With the completion of the car park façade and strip out works SCC will complete the works to the ground floor units to enable it to enter into long leases with tenants of the leisure and retail units. In return the Council will make payments up to the contractually agreed value and in accordance with the terms of those leases.</p> <p>The tenants may carry out the direct works themselves, the Council through its appointed Development Manager Queensberry and delivery partner Turner & Townsend, will oversee and certify that the works are acceptable.</p> <p>Therefore, approval is now being sought to draw down budget to complete the building improvements and make the necessary capital contributions. The budget will be increase by £1,784k to a total all year's budget of £4,585k</p> <p>Variation type: -</p> <ul style="list-style-type: none"> • [budget increase] 	
	Funding	Prudential Borrowing
	Procurement	N/A

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	Scheme name / summary description of key terms	Funder	Value £'000
A	Economic growth		
	None		
B	Transport		
	None		
C	Quality of life		
	None		
D	Green and open spaces		
	None		
E	Housing growth		
	None		
F	Housing investment		
	None		
G	People – capital and growth		
	None		

H	Essential compliance and maintenance		
I	Heart of the City II		
	<p>HOCII Block G Pocket Park</p> <p>Background</p> <p>As described above Sheffield City Region have made up to £6m funding available to facilitate:</p> <ul style="list-style-type: none"> • Creation of new high quality public open space pocket park creating additional links for pedestrian and cycle routes • Delivery of new road alignment and public transport mini interchange on Rockingham Street <p>Financial Implications</p> <p>Key features (not exclusive) of the Funding Agreement are summarised as follows. The Grant Manager will need to read, understand and comply with all of the grant terms and conditions and ensure that there are no unfunded, ongoing costs when the project is complete.</p> <ul style="list-style-type: none"> • A grant of up to £4m for the Getting Building Fund (GBF). • A grant up to £2m made up of Transforming Cities Fund (TCF) <ul style="list-style-type: none"> • The Project must achieve the identified Project Outputs/ Outcomes and Targets in the required timescales. • Grant only for Eligible Costs as per terms/conditions and cannot be used for any other purpose without funder approval. • Only qualifying expenditure defrayed from the Commencement Date to the Completion Date is eligible to claim. <p>Match Funding</p>	Sheffield City Region	6,000

<ul style="list-style-type: none"> • SCC must notify the funder if applying for project match funding. <ul style="list-style-type: none"> • Grant is conditional upon match funding letters being provided to the funder in advance of submitting an approved claim form. • SCC must neither apply for nor accept: <ul style="list-style-type: none"> - Duplicate funding for any part of the Project that SCR is funding in full - Any funding for Eligible Costs which would result in a breach of any threshold for funding the Eligible Costs set out in the Subsidy Rules. <p>General</p> <ul style="list-style-type: none"> • SCC's own internal costs for project administration cannot be claimed • SCC to notify SCR if the Grant is not to be claimed by 31/12 in any Financial Year. • SCC shall not make significant project changes without SCR approval • Milestones to be monitored and if not met funding may be withdrawn • Submission of acceptable subsidy opinion is required. • SCC to procure commencement of works within 90 days of the date of the Agreement and procure Practical Completion of the same by the Completion Date. • Procure that all Project Outputs are achieved by the Completion Date • Procure that all the Project Outcomes are complete by the Clawback Review Date. • SCC to use/maintain operationally the Project Outputs for 10 years from the Completion Date. • SCC to provide independent audit confirming Project Outputs continue to be maintained. • Any grant allocation for a Financial Year is only available for that Financial Year and any unclaimed grant can only be carried over with funder approval. • Retention monies of up to 5% will be held until project completion • Maintain the required project records for at least ten years after the end of the financial Year in which the last payment is made (see Funding Agreement for details) • Each Financial Year a statement of grant expenditure must be completed/certified by the Chief Financial Officer as part of the quarterly claims and returns process. • The grant is subject to external audit • Comply with monitoring/reporting requirements and timetables. • SCC to ensure economy in all Qualifying Expenditure and excessive costs may not be funded. • Payment of funding for any Financial Year after the first is subject to the funder 		
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<p>being satisfied with the Project performance.</p> <ul style="list-style-type: none"> • Grant is for capital expenditure and to be treated as funded by a capital receipt to reflect section 25(1)(b) of The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. -The grant is outside the scope of VAT but if any VAT is due the Grant shall be deemed to be inclusive of all VAT <p>Grant Clawback</p> <p>Grant may be reduced, suspended or withheld in a number of circumstances (not exclusive):</p> <ul style="list-style-type: none"> • A Change to the Project without the prior written approval • Works not commenced within 3 months of this Agreement • Grant not used for the purpose given. • Not making satisfactory progress on Project delivery • Failure to keep /maintain the records specified • Obtaining duplicate funding for the Project <p>Subsidy Rules</p> <p>Grant is subject to/not prohibited by the Subsidy Rules and either:</p> <ul style="list-style-type: none"> • The Grant complies with the Principles; or • It has received less than 325,000 IMF Special drawing rights in subsidies (including the Grant) over a 3 year period preceding the date of the Funding Agreement. • SCC shall: comply with the Subsidy Rules; ensure all requirements of the Subsidy Rules /Principles are met for the Project; confirm that all requirements of the Subsidy Rules / Principles are met for the Project. • SCC shall not do anything that breaches the Subsidy Rules. • All Project records to be retained for six years after the Closure Date • Records to be kept as originals or certified true copies of the originals or as electronic versions. <p>Legal Implications</p> <p>The Council has a general power under Section 1 of the Localism Act 2011 to do anything that an individual may generally do, provided it is not prohibited by other</p>		
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<p>legislation and the power is exercised in accordance with the limitations specified in the Act. This provides the Council with the ability to accept the funding from the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (the “Authority”). If the decision is made to accept the funding, then the Council will be required to enter into a grant agreement with the Authority.</p> <p>The grant funding must only be used for the eligible costs detailed in the grant agreement and will be subject to special conditions. Examples of the special conditions are delivering against targets and milestones, submitting an acceptable subsidy opinion, submission of monitoring information and confirmation that planning permission has been granted. Some special conditions must be satisfied before contract execution, others must be satisfied before drawdown of funding.</p> <p>The grant funding must be used in accordance with the terms and conditions set out in the grant agreement. The grant funding shall not be used for any other purpose without the prior written agreement of the Authority.</p> <p>The payment of the grant funding is conditional upon match funding letters being provided to the Authority in advance of the submission of a claim form. The Authority is able to re-profile the grant if it appears that the Council will not use the maximum allocation. This will be in consultation with the Council.</p> <p>A 5% retention will be withheld from each grant claim. The 5% will be split into two 2.5% payments which specific conditions are attached to. These include the works being completed, a review meeting being conducted, audit issues being resolved. The Authority has the ability to reduce, suspend, withhold or require the grant to be repaid in the circumstances detailed in the grant agreement.</p> <p>The extent to which the Council must indemnify the Authority are detailed in the grant agreement, one clause includes economic loss or other loss of profits, business or goodwill or any consequential loss.</p> <p>Works must commence within 3 months of the grant agreement being executed. Certain clauses would need to be passed down to any subcontractors. Officers involved in the delivery of the project must ensure that they are aware of and comply with the Council’s obligations under the grant agreement, this includes for example monitoring and reporting requirements and publicity and branding.</p>		
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	<p>Key dates and delivery milestones are detailed within the schedules. All applicable legislation must be complied with including but not limited to UK GDPR, Data Protection Act 2018, Procurement Regulations 2015, Subsidy Control as well as the Council's Contracts Standing Orders and Constitution.</p>		
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	Scheme name / summary description of key terms	Recipient	Value £'000
A	Economic growth		
	None		
B	Transport		
	None		
C	Quality of life		
	None		
D	Green and open spaces		
	None		
E	Housing growth		
	<p>Manor Cluster (Sheffield Housing Company)</p> <p>The Council entered into a grant funding agreement with Homes England in September 2019 for HIF Funded Infrastructure Works at Manor Cluster following an Individual Cabinet Member decision. Approval is now being sought for the Council to enter in to a Back to Back Agreement with the Sheffield Housing Company (SHC).</p> <p>By the Council entering in to a Back to Back agreement with SHC, it allows the funding to be passed to SHC on the same terms and conditions as the Council has accepted with Homes England with some minor amendments or specific clauses which have not been passed on to them.</p>	Sheffield Housing Company	3,219

	<p>Some keys terms to be aware of are:</p> <ul style="list-style-type: none"> • No payment of funding will be made to SHC until funding has been received from Homes England. • If SHC draw down any funding prior to formal CIL relief determination and both Parties agreeing that the scheme is viable, then this will be entirely at SHC's risk. • All monies that are saved or recovered as detailed in the grant funding agreement may be retained by SHC, subject to Homes England and the Council's approval and subject to any conditions imposed by Homes England and/or the Council. Such monies must be used for further housing delivery. • Funding is able to be clawed back from SHC if funding is clawed back from Homes England due to the actions of SHC or if SHC breach the back to back agreement. • There are a number of project milestones that must be complied with. <p>There are a number of pre conditions to drawdown of funding, some of which have been passed on to SHC and others which the Council must satisfy. Examples of the pre conditions to drawdown of funding which SHC must comply with are as follows:</p> <ul style="list-style-type: none"> • SHC to provide evidence that full planning permissions have been secured. • SHC to provide the Council with an acceptable viable business case relating to the scheme. • SHC to provide the Council with satisfactory evidence of SHC Board approval for the scheme business case. <p>The Council is required to ensure that it is compliant with all procurement regulations and EU state aid requirements.</p> <p>Sheffield Housing Company have been provided with a copy of the current back to back agreement but have not yet formally confirmed their approval. Minor amendments have been made since the previous version which was approved by the Sheffield Housing Company board. This amendment was made following discussions between the two parties.</p>		
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	<p>Variations to the milestone dates are also being reviewed with Homes England.</p> <p>For any non-financial variations that are needed to the Back to Back agreement, it is recommended that Cabinet delegates authority to the Executive Director of Place, in consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance to agree to the Council entering in to a variation.</p>		
F	Housing investment		
	None		
G	People – capital and growth		
	None		
H	Essential compliance and maintenance		
	None		
I	Heart of the City II		
	None		

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	<p>Author/Lead Officer of Report: John Macilwraith Executive Director People. Gillian Duckworth, Director of Legal and Governance</p> <p>Tel: 0114 273 4018</p>
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Report of:	Director of Legal and Governance
Report to:	Cabinet
Date of Decision:	17 th March 2021
Subject:	Empowering communities: shifting power from the Town Hall to communities in every part of Sheffield

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 type="checkbox"/>		
- Affects 2 or more Wards	<input checked="" type="checkbox"/>		

Which Cabinet Member Portfolio does this relate to? Leader of the Council

Which Scrutiny and Policy Development Committee does this relate to?
Overview and Scrutiny Management Committee

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given? **916**

Does the report contain confidential or exempt information? Yes No

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:

Through the Big City Conversation before the pandemic, together with the work undertaken by the Overview and Scrutiny Management Committee on Sheffield City Council's governance in 2019/20, citizens told us that they want more control and influence over the decisions and issues that really matter to their local area.

The report sets out a proposal that 7 Local Area Committees are established by Sheffield City Council in May 2021.

The new Area Committees will engage, enable, and empower communities across the city with increasing control over decision making, marking a major shift in

power to communities with a rolling programme of devolution over the next 12 to 18 months.

The Committees will

- Be the principal means by which the Council engages, empowers, enables, and seeks the active participation of all residents and community organisations on any topic of local interest.
- Actively utilise all available communication methods, including social media, improved local websites and blogs and where possible the use of virtual meeting technology.
- Provide a geographical framework that, over time, will be used to prioritise and direct the local delivery of an increasing number of Council services
- Oversee the production of a co-produced annual Area Committee Plan, with strong commitment to delivery from Council services and partner organisations, the Community Plans will reflect resident priorities
- Ensure that plans have ambitious but achievable improvement targets that have been agreed with the community, feeding into, and influencing the strategic plans of the Council
- Work with local partners and stakeholders to ensure services are joined up and operating effectively in line with the needs of local communities.
- Work with local Voluntary, Community and Faith Sector organisations to ensure greater efficiency of resources, improved services, and a stronger local voice.
- Monitor and hold to account those who are responsible for delivering on the Area Committee Plans actions and performance targets both SCC and partner organisations
- Be empowered to set priorities and direct resources

The report sets out a work plan for the coming months, focusing on the immediate steps to establish the new Local Area Committees by May 2021 and an iterative programme of activity over the 12 - 18 months from May to increase the responsibilities of those Area Committees.

Recommendations:

That Cabinet:

1. Agrees the approach and issues identified within this report as providing the framework within which the detailed work on Local Area Committees to replace the current 7 Local Area Partnerships will be taken forward.
2. Agree the initial engagement of community groups and residents as part of the shaping of the Local Area Committees as defined by the big city conversation, and the continuing engagement of local communities as further powers are devolved over the implementation period.
3. Approves the arrangements set out in this report and recommends Council to establish 7 Local Area Committees and to approve the draft Area Committee Terms of Reference and Area Committee Procedure Rules attached to this report at Appendix 1 & 2 as changes to the Constitution, together with any minor consequential amendments, to take effect from Annual Council.
4. Subject to Full Council agreeing to establish area committees, agrees that the proposals for an enhanced Leader and Cabinet governance model and for a Committee system of governance, as approved by Cabinet on 19th February 2020, each be amended to include area committees as described in this report.
5. Requests the Director of Policy Performance and Communications, in consultation with the Director of Legal and Governance, to set out the main features of these proposals as amended in a notice to be published as required by the Referendum Regulations, and to undertake additional activity to ensure that they are communicated to people in the city as clearly as possible before the referendum.
6. Notes and support the Programme Governance described within the report.
7. Approves the use of reserves for 2021/22 as set out in the report
8. Requires Officers to ensure that progress with programme development and implementation is regularly reported to Elected Members.

Background Papers:

1. 'Principles for Governance at Sheffield City Council', *Overview and Scrutiny Management Committee*, Dec 2019, <http://democracy.sheffield.gov.uk/documents/s37769/Principles%20for%20Governance%20at%20SCC.pdf>
2. Local Area Committees Terms of Reference (Appendix 1)
3. Local Area Committees Procedure Rules (Appendix 2)
4. Local Area Committees Governance Structure (Appendix 3)
5. Big City Conversation Report (Appendix 4)
6. Governance Schematic - Cabinet and Committee (Appendix 5)

Lead Officer to complete:

1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Ryan Keyworth
		Legal: Andrea Simpson
		Equalities: Adele Robinson, Equalities and Engagement Manager
<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:	Kate Josephs, Chief Executive
3	Cabinet Member consulted:	Cllr. Bob Johnson, Leader of the Council
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>Gillian Duckworth</i>	Job Title: <i>Director of Legal and Governance</i>
	Date: 09 March 2021	

Empowering communities

Listening to our communities and delivering real change for every part of the city

Engage | Empower | Enable



Empowering communities - new Local Area Committees (LACs) with a LAC for every place in Sheffield
The seven new Local Area Committees will be created in May 2021 and will be led by locally elected councillors. Over the coming 18 months, the LACs will take on more responsibilities, shifting decision making from the town hall to communities, with more and more decisions made at the level at which they make most sense.



A new relationship: engaging, empowering and enabling communities
The LACs will be part of the Council's constitution and led by elected Councillors so that there is democratic accountability of the decisions and budgets that will be devolved. Yes, there will be meetings but LACs will be much more than that; they will be rooted and connected, working with communities and local groups to shape decisions, invest and agree solutions that work best for different areas in Sheffield.



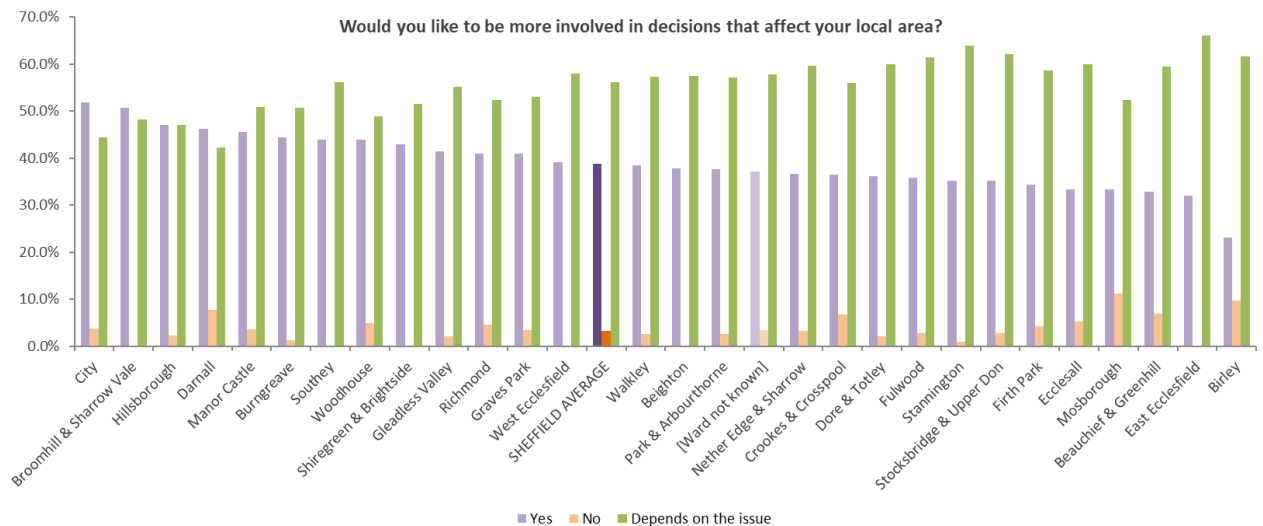
Real change at a level that makes sense
Every part of Sheffield has different assets, strengths and needs. LACs will talk and listen to citizens and create Plans for the local area to deliver the actions and change that communities want to see. Over time, the geographic areas covered by LACs will be used to organise the delivery of an increasing number of Council services, focusing on local needs, what works in specific parts of the city, and working with public services to deliver better for our places.



One community, working together for better wellbeing, better places and empowered people
Every community in Sheffield has huge strengths and vital organisations and networks. LACs will be the connecting point for everyone to work together for the good of the local area – communities, public services, community organisations and businesses connected for to get the best for the local area.

1. One of the best features of our city is the network of distinctive communities, neighbourhoods, districts, local centres, and high streets which are a fundamental part of what makes Sheffield a great place to live.
2. We want people and communities in every part of Sheffield to be in control and shape the decisions and issues which matter to them and their area. As a City Council, we recognise that we need to match the knowledge, passion, and insight that Sheffielders have for their local areas with the ability to take decisions at the local level which can deliver real change.
3. Sheffield's local communities are all distinct with unique networks, community groups, high streets and parks and open spaces which are vital to our lives and have become increasingly so during the Covid-19 pandemic. In 2019, we held a '[Big City Conversation](#)' with over 4,000 Sheffielders either talking with Councillors and officers in local centres across the city or responding to an online survey, telling us about their local area and if and how they would like to have more of a say over the issues that matter. Sheffielders told us:
 - **Everyone loves their park, but communities could be improved** – people in every part of Sheffield said they loved their parks, their local community and key local services (e.g. public transport, libraries). However, there's work to do to improve on congestion, crime and activities for young people.
 - **People do get involved in their communities** – over a third of Sheffielders said that they do get involved in local issues, particularly through online networks and local meetings. But time is precious, and people are sceptical about whether they could make a difference if they did get involved.
 - **People want to get involved through a range of channels** – where people said they'd be keen to get involved at local level, they mainly want to use online channels and social media but also go to local meetings and work with local Councillors and public services.

- **People don't feel they can influence decisions but are willing to get involved on the issues that matter** – only around a third of people said they feel they can influence decisions. However, nearly 40% said they would like to get more involved and 56% said they would get involved, depending on the issue.
- **People don't feel informed about local services** – in particular, about how decisions are made, how services are performing and about public services in their area overall.



4. In addition, the Overview and Scrutiny Management Committee (OSMC) undertook a short review to look at the governance of Sheffield City Council, using a call for evidence and hearings to understand best practice in local governance and community engagement. The OSMC identified a set of five ambitions for governance at SCC which included a clear message about the renewal of our relationship with communities in Sheffield:

“The issues people care about are often local in nature. Our decision-making structure needs to include channels through which people, communities and partners can work with local councillors about what is important to them. We need to strengthen locality arrangements based on the findings of the Big City Conversation and ensure that these arrangements work effectively alongside, and feed into, citywide decision-making processes.”¹

5. Whilst the Covid-19 pandemic stopped the Big City Conversation activity, Sheffielders and the work of the OSMC scrutiny committee gave a clear indication that people want to be more involved in the decisions that the city makes at a geography and on issues which are meaningful.
6. Throughout Covid-19, communities across the city have looked out for one another and stood alongside public services and voluntary, community, and faith (VCF) sector organisations to protect our most vulnerable residents and support local communities to get through the pandemic. There have been some incredible examples of community activism and people working together to support their local communities, which we can build upon, alongside the messages from the Big City Conversation to create a new

¹ OSMC (Dec 2019)
<http://democracy.sheffield.gov.uk/documents/s37769/Principles%20for%20Governance%20at%20OSCC.pdf>

relationship and way of working in the city, with communities having real control over key local issues.

7. Based on listening to what Sheffielders have told us and evidence from the OSMC governance review, we are going to increase the involvement and control that local communities have over decision making and solutions to local issues in Sheffield.
8. Our ambition is to empower communities, harnessing community assets to strengthen cohesion and connectedness and to improve health and wellbeing. Shifting influence to communities will ensure that the right decisions are made at the right level. We want to reinforce the trust we have in local communities with the power to decide what is right for their area
9. As a critical first step, we are proposing to create new Local Area Committees covering every part of Sheffield by May 2021. These will have far reaching influence and devolved decision-making over vital local issues.
10. The Local Area Committees will be led by local councillors with accountable structures supported by dedicated officer resources for each Committee, becoming the key platform for citizens to influence and shape decisions over the most important issues for their area. They will enable communities, public services, VCF organisations and Councillors to work together on the key issues for their area of the city. In the 12 – 18 months from May 2021 we will increasingly devolve responsibility for decision making and budgets to the new Area Committees, giving real control and influence to address the issues unique to their parts of the city.
11. Through the Big City Conversation, Sheffielders were clear that they want a step change in the relationship, trust and influence they have over local decisions. The new Area Committees represent a fundamental shift of power in Sheffield, putting local communities in charge of decisions and budgets for key local services. They will be the core foundations for local empowerment and will aim to achieve:
 - Communities that can influence the issues and services that directly affect them.
 - Councillors will be community leaders accountable to the people they represent.
 - Increased flexibility, influence, and direction of services at a local level.
 - Measurable improvements in service performance.
 - Stronger relationships with community partners.
 - Effective Communication and Engagement using multiple platforms to reach as many people as possible.
12. Local Area Committees will have devolved budgets and delegated decision-making authority, ensuring communities, alongside local councillors can take decisions which are best for the unique needs of Sheffield's communities. The intention is that Local Area Committees will transform the Council's approach to the delivery of services, with greater focus, responsiveness, and accountability to the different needs of communities across the city.
13. Local Area Committees will:
 - Be the principal means by which the Council engages, empowers, enables, and seeks the active participation of all residents on any topic of local interest.

- Actively utilise all available communication methods, including social media, improved local websites and blogs and the use of virtual meeting technology.
- Provide a geographical framework that, over time, will be used to prioritise and direct the local delivery of an increasing number of Council services
- Oversee the production of a co-produced annual Area Committee Plan. With strong commitment to delivery from Council services and partner organisations, the Community Plans will reflect resident priorities.
- Ensure that plans have ambitious but achievable improvement targets that have been agreed with the community, feeding into, and influencing the strategic plans of the Council.
- Work with local partners and stakeholders to ensure services are joined up and operating effectively in line with the needs of local communities.
- Work with local Voluntary, Community and Faith Sector organisations to ensure greater efficiency of resources, improved services, and a stronger local voice.
- Monitor and hold to account those who are responsible for delivering on the Area Committee Plans actions and performance targets.
- Be empowered to set priorities and direct resources.

14. The proposed Local Area Committees will replace the existing Local Area Partnerships (LAPs) which have been in place since 2013. The seven LAP areas are based on the city's 28 wards (four wards in each LAP) and they have been successful in supporting and developing community resilience in communities across the city. LAPs do not have devolved powers and responsibilities and thus are limited in their ability to directly respond to the needs of local communities.

15. Reflecting on the views expressed in the Big City Conversation, citizens clearly want to have a greater role and direct say on key locality issues and are keen to get more involved through digital and physical channels. Despite the LAP model being in place, most respondents did not feel that they could influence local decision making and therefore, we are keen to match this appetite by increasing decision making capabilities of local communities through Local Area Committees, building on good practice, networks and partnerships that have developed under the LAP approach.

16. The geography (Area Boundaries) that the new Local Area Committees cover will be discussed and agreed as part of the initial implementation.

Establishment of Local Area Committees and how they would work

17. The operation of Local Area Committees, in terms of their roles, powers and relationships with residents and other Council and external bodies (such as partner organisations and, in the north of the city, town and parish councils) will be further defined as part of this programme and will be the subject of future recommendations to Cabinet and Full Council.

18. The first step is that Full Council must establish the committees and agree their terms of reference and any consequential amendments to the Constitution. Article 10 at Part 2 of the Constitution currently makes provision for the establishment of area committees, comprising all Ward councillors from the Wards in the area, with Terms of Reference to be set out in Part 3 and Procedure Rules in Part 4. The relevant places in Parts 3 and 4 note that no Area Committees are currently established.
19. This report recommends that Cabinet make a recommendation to Full Council that Local Area Committees be established with effect from 19 May 2021 (the date of the Council AGM), with draft Terms of Reference and Area Committee Procedure Rules as attached to this report at Appendix 1 & 2.
20. Each committee will have a Chair and Vice-chair (to act in the Chair's absence), elected by the committee in accordance with Council Procedure Rules.
21. Once established, committees may exercise any executive functions that are delegated to them through the Leader's Scheme of Delegation of Executive Functions. It is envisaged that initially their role may chiefly be consultative and that they will act as conduits between local residents, and executive decision makers to ensure that their views are known and considered. They may also make decisions in respect of devolved budgets such as Ward Pots and the portion of Community Infrastructure Levy (neighbourhood CIL). The roles of residents and community organisations and the building of their relationships with area committees will be part of this programme.
22. Any other powers to be delegated will be considered during phase 2 of the programme, so the structure will be in place immediately but what the committees will do will still be a work in progress. In time they will have powers to make decisions in respect of their areas, but they must still be bound by city-wide policies and strategies.
23. Full Council may also delegate non-executive functions to Local Area Committees but at this stage it is considered unlikely that they will undertake non-executive functions. They will have the power to consult the community and make representations on planning and licencing applications but will not have any role in deciding those applications.
24. Alongside the iterative implementation of the Local Area Committees the EMT of SCC will initiate a workstream to ensure strategy, structures, roles, responsibilities, processes and culture are aligned to support the effective implementation of greater local engagement, empowerment and delivery.
25. Local Area Committees will have a relationship with the Council's Overview and Scrutiny Committees, which may scrutinise any executive function including those exercised by area committees. Also, Local Area Committees may draw matters to the attention of a Scrutiny Committee to be considered for inclusion in the Work Programme.
26. It is likely that Local Area Committees may wish to have a role in "holding to account" operations or actions in their areas. This will need to be carried out in a way that does not duplicate the work of a Scrutiny Committee, but it may feed into that work.
27. Each Local Area Committee will report its Community Plan and progress against it to the Full Council no more than once in every municipal year, commencing in the municipal year 2022/23 with the programme fixed at the Council AGM in May 2022. The Governance structure for Local Area Committees is as set out in Appendix 3.
28. Local Area Committees can operate within an executive or committee structure so the work to develop their role can continue whatever the outcome of the governance referendum. If the outcome is a move to a committee system, then what the Local Area

Committees do will be part of the wider constitutional arrangements as the Leader/executive will no longer have a role in delegation to them.

29. In February 2020 Cabinet, on the recommendation of Full Council, approved proposals for an enhanced Leader and Cabinet governance model and for a committee system of governance to be published before the referendum and for publication of a notice (as required by regulations) setting out the main features of these proposals. Because the referendum has been postponed for a year due to the coronavirus, the Council will need to issue a new notice of it no earlier than 55 and no later than 28 days before the new date (6th May). If the governance proposals described in the notice are to be revised to include Local Area Committees, Cabinet must make a decision to that effect.

The current enhanced Leader and Cabinet governance model and Committee system model are set out in Appendix 5. They will be revised to incorporate Local Area Committees in line with the governance structure shown at Appendix 3.

Timetable for delivery

30. The new Local Area Committees will be established by May 2021 which will then be followed by a 12 – 18 month rolling programme of devolution of responsibilities to the Committees. This will be agreed by the relevant Executive Director in consultation with the relevant Cabinet member after consultation with the ward councillors.
31. In order to deliver a change of this nature effectively, an iterative and open approach is necessary. We will seek to implement in stages, increasingly led and informed by the priorities and feedback of LACs, and creating the space for learning and reflection.
32. A number of other cities and local areas in the UK and beyond have implemented devolved models in recent years (such as Leeds and Nottingham) SCC will seek to learn from the experience and evidence of these programmes wherever possible and appropriate.
33. Programme Governance – the establishment of new Local Area Committees and the subsequent rolling programme of devolution will require professional programme management and as such an officer Programme Board, drawn from portfolios across SCC, has been established. A named ‘Senior Responsible Officer’ (SRO) will be identified and empowered to work across the Council to drive progress and ensure issues are addressed. Work-streams will be established and a phased approach taken. Current suggested workstreams and phases are as follows:

Workstreams

Governance work-stream	Local Area Committees must be established by Full Council, which will require a number of consequential amendments to the Constitution; delegation of executive functions to Local Area Committees will require the Leader to make changes to his Scheme of Delegation of Executive Functions.
Service Delivery and Operating Model work-stream	Work will be needed to change the operational model of the Council to support localised service delivery. Devolution of decision making and budgets to Local Area Committees will have implications for ways of working and for staff across the Council
Community Empowerment and	Work will be required to create the systems and processes for engaging, empowering and enabling communities in the work

Engagement work-stream	of Local Area Committees, setting out clearly what residents can expect
Planning and Performance Management work-stream	Local Area Committees and their functions will require forward planning and timetabling as well as robust performance indicators to evaluate their impact and performance
Communications work-stream	Work will be needed to ensure that all stakeholders, most importantly Councillors and local residents of Sheffield, are kept in touch with the programme as it reaches key milestones and that plans for the formal launch are developed and delivered.
Finance work-stream	Work is required to ensure that any changes needed to the Council's budget structure and financial management and control arrangements are made. This is in order to enable the Local Area Committees to operate effectively and within legal and local government financial best practice frameworks

Phase 1 – Establishing the Framework	Delivery Date
Establishment of programme governance	Feb 2021
Creation of Local Area Committee staffing teams	March/April 2021
Cabinet report in draft form	March 2021
Phase 2 – Devolution of Responsibilities	
Launch of Local Area Committees	May 2021
Arrangements in place for the devolvement of the first tranche of decisions and budgets.	May to July 2021
Production of the first set of Community Plans	Aug to Oct 2021
Processes and guidance on service commissioning and procurement agreed.	Aug to Oct 2021
Assessment and agreement of services where decision making and direction will be devolved from May 2021	Rolling programme from May 2021 to April 2022
Phase 3 – Embedding and Developing the Model	
Ongoing development of the Local Area Committee model	May 2021 to April 2022
Year 1 review of impact and performance	April/May 2022
Implement changes arising from Year 1 review	May 2022

The SRO and Programme Board will report to the Corporate Member Group on a quarterly basis

Risk analysis and implications of the decision

Equality of opportunity implications

34. The overall impact of this decision is likely to be highly positive from an equality, diversity and inclusion perspective. Local communities will have a far greater say in local decision making for services which impact their daily lives. The devolution of responsibilities will greatly improve inclusion for local people of all ethnicities, faiths, abilities, sexualities, genders, etc. The work of the Equality Hub Network (Sheffield Equality Partnership) will support the approach.

Financial and commercial implications

35. Programme management estimated costs are outlined below (which includes activity such as performance monitoring, governance, comms and engagement);

Phase 1 – Creating the LAC Framework/Structure – Feb 2021 to May 2021 – cost estimate = £65,439

Phase 2 – Devolution of Responsibilities to LACs – May 2021 to May 2022 =

- **Transformation Element – cost estimate = £536,285**
- **Administration and Running Costs – cost estimate = £618,000**

Additional costs (IT infrastructure, other supplies and services) to be identified as the Local Area Committees are established.

This cost exceeds the provision in the 2021/22 budget by approximately £650k, mostly relating to transformation costs. This will be funded from reserves for 2021/22 with any ongoing costs built into the 2022/23 budget process.

Local Area Committees are in the earliest stages of development. As the work progresses, it is intended that the scope and role of Local Area Committees will expand and change. The change in the remit of LACs over time will have implications for the Council's overall budget and the structure of the budget which we are currently unable to assess. The financial implications of these changes will need to be assessed on an ongoing basis as decisions are made.

36. The establishment of Area Committees may result in additional costs through changes to the Members Allowances Scheme. In accordance with the Council's Constitution and the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003 the Independent Remuneration Panel will consider which positions should receive a special responsibilities allowance and the level of that allowance and make recommendations to Full Council. These costs will be offset by the removal of the posts of Local Area Partnership Chair from the Scheme.

Legal implications

37. There are powers in section 9E of the Local Government Act 2000 for functions of the executive of a local authority to be discharged by area committees established by the local authority in accordance with its powers under section 102 of the Local Government Act 1972. Subject to necessary amendments to the Council's Constitution, to be the

subject of a further report when the proposals are fully developed, there is nothing in the proposals in this report which cannot be achieved within the legislation.

38. The political balance requirements of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990 do not apply to any formal Area Committees established under the Local Government Act 2000 or otherwise meeting the criteria set out in regulation 16A of the Regulations. Those criteria are briefly that the committee discharges functions of the authority or advises the authority (or a committee of it) only in respect of part of the area of the authority, and all the voting members of it who are council members have been elected to wards wholly or partly within that part.

39. Alternative Options

Retaining the existing Local Area Partnership Structure is an option however this would not allow for the significant shift in devolvement of powers to local decision-making committees. Retaining Local Area Partnerships would therefore not achieve the aims and ambitions of the City to further empower local communities.

40. Reasons for Recommendations

We want people and communities in every part of Sheffield to be in control and shape the decisions and issues which matter to them and their area. As a City Council, we recognise that we need to match the knowledge, passion and insight that Sheffielders have for their local areas with the ability to take decisions at the local level which can deliver real change.

The proposed establishment of Local Area Committees will ensure that this ambition is achieved. We will put in place a community led committee system with strong decision-making powers and accountability.

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AREA COMMITTEES

Terms of Reference

- (a) To promote the involvement of local people in the democratic process and to bring decision making closer to local people.
- (b) To agree a Community Plan setting priorities for the area of the committee, monitor delivery of that plan and keep it under review.
- (c) To agree a plan for engaging with local residents and voluntary and community sector organisations in improving the committee area.
- (d) To take decisions about local matters delegated by the Leader, the Executive and/or the Council after engagement with the community or public consultation carried out pursuant to a prior decision.
- (e) To make decisions relating to funding as delegated from time to time by the Leader and/or Executive to fit with the priorities set out in the Community Plan and following engagement with the community.
- (f) To act as a formal consultation mechanism on Council and partner strategies and policies.
- (g) To engage with local people and oversee an ongoing programme of events to enable local people to influence Council decisions.
- (h) To act as a focal point for the results of consultation and engagement exercises and respond appropriately.
- (i) Where a matter does not fall within the powers delegated to the Area Committee, to make recommendations to the appropriate decision-maker or body.
- (j) Where a matter under consideration impacts on another Area Committee's area, the Area Committee shall not take a decision without first consulting the other Area Committee.
- (k) To meet a minimum of four times in every year.
- (l) To provide a report to Full Council on its Community Plan and progress against objectives no more than once in a municipal year.

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AREA COMMITTEE PROCEDURE RULES

1. Arrangements for Area Committees

1.1 Composition

There shall be seven Area Committees as set out in the table below. They shall be constituted and operate in accordance with Article 10 of this Constitution and these Procedure Rules.

Name of Area Committee	Comprising these Wards

1.2 Delegation of functions

The Area Committees shall operate according to the Terms of Reference set out in Part 3 of this Constitution. They shall carry out such non-executive functions as are delegated by the Full Council and such executive functions as are delegated by the Executive in accordance with the Leader's Scheme of Delegations of Executive Functions from time to time in force.

1.3 Sub-delegation of Functions

- (a) Subject to any statutory provisions about the discharge of executive functions and unless the Leader specifies otherwise, where executive functions have been delegated to an Area Committee, they may be delegated further to an officer of the Council.
- (b) Where non-executive functions have been delegated to an Area Committee, they may be delegated further to an officer of the Council.
- (c) The further delegation of a function does not prevent it from being discharged by the Area Committee.

1.4 Conflicts of Interest

- (a) Where the Chair or any Member of an Area Committee has a conflict of interest this will be dealt with as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.
- (b) If the exercise of an executive function has been delegated to an Officer, and should a conflict of interest arise, then the function will be exercised in the first instance by the person or body by whom the delegation was made and otherwise as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.

2. The Operation of Area Committees

2.1 Frequency and location of meetings

Each Area Committee will meet at least 4 times each year at a publicly accessible location agreed by its Chair. Meetings shall be convened more regularly if the Chair decides it is necessary.

2.2 Public access to meetings and papers

Meetings, agenda and minutes of Area Committees will be open to the public and press, except as permitted under legislation and the Access to Information Rules in Part 4 of this Constitution.

2.3 Quorum

The quorum for a meeting of an Area Committee shall be half of its membership.

2.4 Meetings of and decisions taken by an Area Committee

- (a) Meetings of Area Committees will be convened and conducted in accordance with the Access to Information Rules in Part 4 of this Constitution.
- (b) Where executive decisions have been delegated to an Area Committee, the Rules applying to meetings of, papers of and decisions taken by the Committee shall be the same as those applying to those taken by the Executive.

2.5 The Chair of Meetings

Each Committee shall appoint a Chair and Deputy Chair for the year from its membership comprising the Ward Councillors of that Committee. Meetings will be chaired by the Chair if present and, in his or her absence, the Deputy Chair will chair. In the absence of both the Chair and the Deputy Chair, the Members present shall elect one of their number to chair.

2.6 The Business to be Conducted

At each meeting of an Area Committee, the following business will be conducted:

- (i) exclusion of the public and press;
- (ii) consideration of the minutes of the last meeting;
- (iii) declarations of interest, if any;
- (iv) public questions and petitions;
- (v) any matters referred to the Area Committee for consideration by the Full Council, a Council Committee, an Overview and Scrutiny and Policy Development Committee (in accordance with the Scrutiny Procedure Rules in Part 4 of this Constitution) or the Executive;
- (vi) matters set out in the agenda for the meeting, and which shall indicate which are Key Decisions and which are not in accordance with the Access to Information Procedure Rules set out in Part 4 of this Constitution.

2.7 Placing items on the Area Committee agenda

- (a) A Chief Officer may, in consultation with the Chair and subject to compliance with the Access to Information Rules in Part 4 of this Constitution, put on the agenda of an Area Committee meeting, any matter which he or she considers necessary or appropriate,
- (b) A matter referred to an Area Committee by Full Council, a Council Committee, an Overview and Scrutiny and Policy Development Committee or the Executive, shall be placed on the agenda for the next Area Committee meeting, subject to compliance with the Access to Information Rules. The

Leader or other Executive Member may address the Committee on an executive matter referred to them but shall not be entitled to participate in debate or to vote on the item unless he or she is a Member of the Area Committee.

- (c) The Chief Executive, the Monitoring Officer and the Chief Finance Officer may, subject to compliance with the Access to Information Rules in Part 4 of this Constitution, put on the agenda of any Area Committee meeting, any matter they consider necessary or appropriate. Any of those officers, where they consider it necessary to do so, may require a meeting of an Area Committee to be called to consider a particular matter.

2.8 Attendance by others

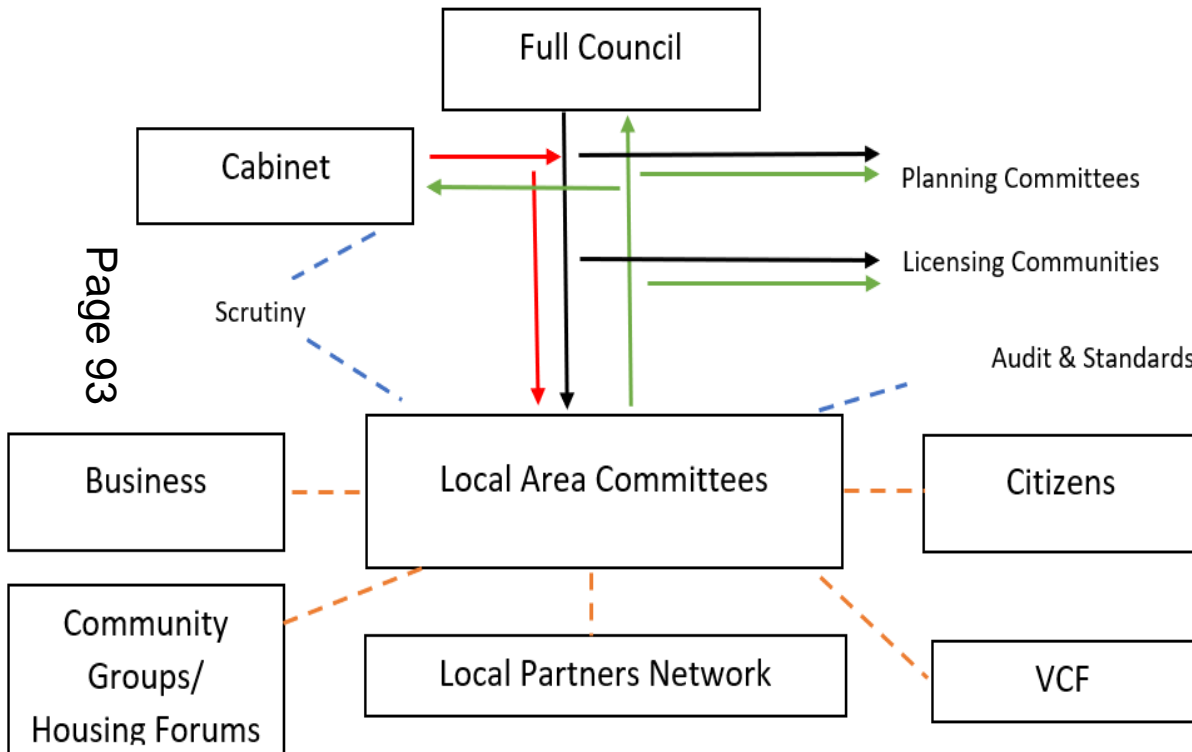
- (a) Area Committees may, through the Chair, invite representatives of other public, private and voluntary/community organisations with an interest in the issue and/or members of the general public to meetings to contribute to their discussions.
- (b) External experts and other persons identified as possible contributors may be invited to attend meetings to give evidence and advice and answer questions put to them by an Area Committee, but cannot be required to do so and therefore their participation will be on a voluntary basis.

2.9 Placing items on a Cabinet agenda

- (a) An Area Committee can request that an item discussed at one of its meetings is placed on the agenda of the next relevant meeting of Cabinet;
- (b) The request will be forwarded in writing by the Chair to the Cabinet member with the relevant portfolio or the Leader who will take one of the following actions:
 - (i) refer the matter to an Executive Director
 - (ii) refer the matter to another relevant officer
 - (iii) refer the matter to Cabinet by way of a report;
- (c) If the matter is referred to Cabinet the rules relating to items being placed on a Cabinet agenda set out in the Executive Procedure Rules shall apply.

Local Area Committee Governance

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Key

Red = Delegations from Cabinet/ Leader

Black = Delegations from Full Council

Green = Feedback loops from Local Area Committee (LAC)

Blue (Dotted) = Overview & Scrutiny

Orange (Dotted) = Engagement

NOTE: This diagram is designed to only show the relationships between LACs and other committees and the City, existing relationships between the Council and the City will continue to be maintained.

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the
Big City
Conversation

Engage | Empower | Enable
What you told us about
getting involved in local areas



Big City Conversation – a reminder!

In October 2019, we launched the Big City Conversation and spoke to Sheffields across the city about their priorities and how they wanted to get involved in decisions and issues in their local community.

We launched an online survey but also went out and about in district and local centres across Sheffield to talk to people about what mattered to them. The survey closed just as the Covid-19 pandemic was taking hold in the UK and the country went into the first lockdown in March 2020. We presented the initial findings to Scrutiny and to Full Council in January 2020 to inform discussions and proposals ahead of the referendum in May 2020 that was also postponed because of Covid-19.

We've learned a lot during the pandemic and communities, community organisations, businesses and public services have stood together to support and protect each other from Covid-19.

As we look to develop the Local Area Committees, this summary reflects on the key things that Sheffields told us during the Big City Conversation about influencing decision making in their area, in Sheffield and how people want to get more involved.

Big City Conversation – the headlines

Between October 2019 and February 2020, we engaged around 3,500 Sheffielders either through the online survey or through a variety of face-to-face events in the city centre and district centres.

Over 2,700 people completed the online survey providing a rich picture of what issues Sheffielders care about, what they value and how they want to have a say over those issues.

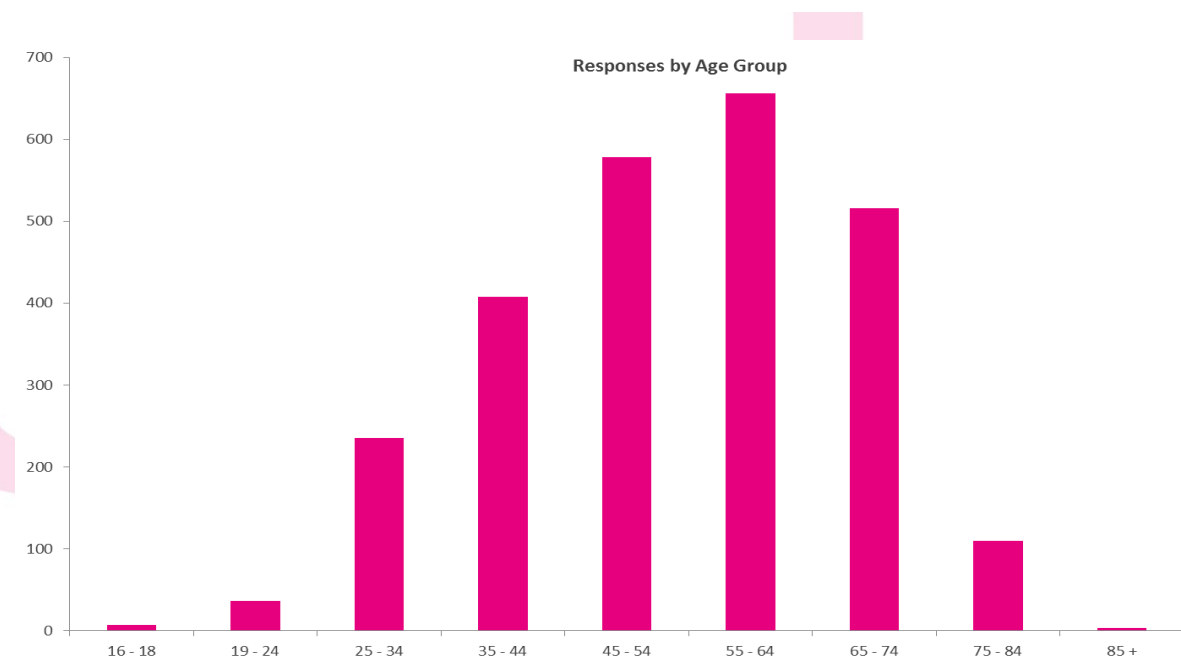
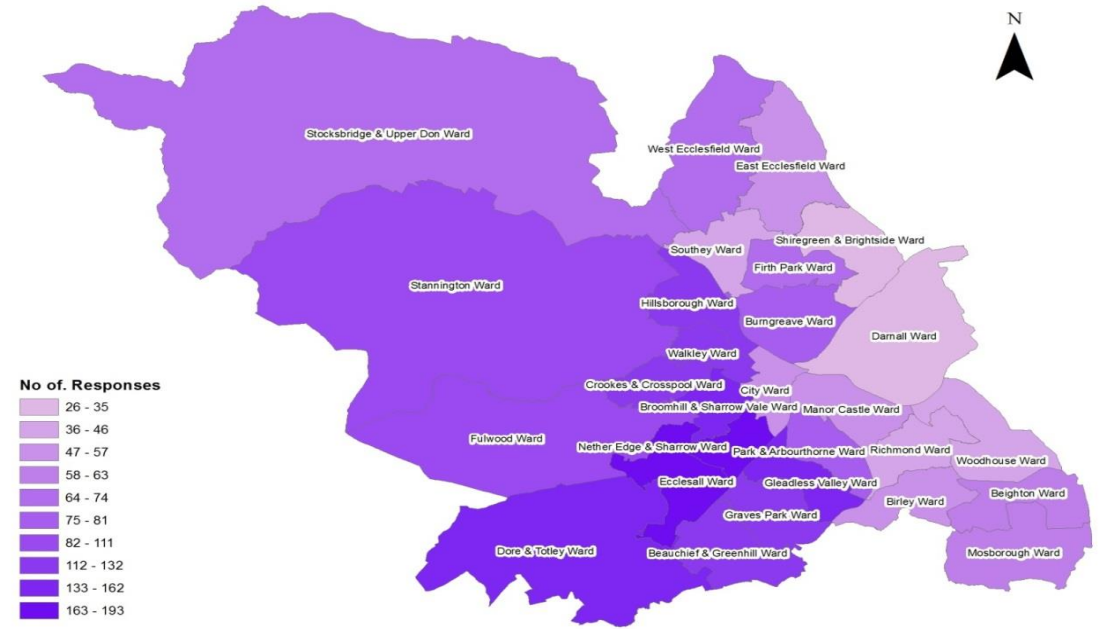
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We got responses from communities right across the city and across all age groups (but with younger age groups under represented in the survey).

55% of respondents were female; 36% male and 8% identifying as non-binary or other.

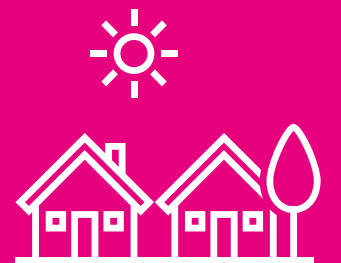
The majority of respondents were white (82%) with only 9% from a BAME background which is an underrepresentation of the city's BAME population.

Big City Conversation - Number of Responses by Ward



What
Sheffielders love
about their
area....

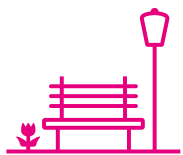
...and what
needs improving



Our communities – what we love and what needs to change

We asked respondents to the survey to say what three things they really loved about their area and what three things that they felt needed to improve.

What Sheffielders like best about their neighbourhood



People in Sheffield love their parks and open spaces. It was by far and away the thing that people liked most about their area in almost every part of the city



People really value their local community too and how well our communities get on together across the city.



Public transport matters to our communities but some places feel more connected (Darnall, Birley) than others (Dore and Totley, Stocksbridge)



Housing, libraries, local shopping facilities and local health services were also seen as things people in Sheffield like about their areas.

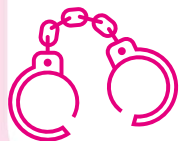
What Sheffielders want to see improve



Traffic congestion is the issue that most people said needed improving in their local area. This was consistent across wards but particularly in Broomhill and Graves Park.



People also said that public transport could be better and this was the second biggest priority, particularly in Stocksbridge, West Ecclesfield, Stannington, Walkley and Dore and Totley



Reducing the level of crime/ASB in neighbourhoods is also a key priority for residents – particularly in Manor, Woodhouse and Darnall.



Respondents want to see improvements in activities for young people across all areas of the city along with cleaner streets and reduced pollution.

Priorities for neighbourhoods – what’s great and what needs to improve

	The level of traffic congestion	Activities for teenagers & young people	The level of pollution	Clean streets	The level of crime	Road and pavement repairs	Public transport	Job prospects	Facilities for young children	Community activities	Sports and leisure facilities	Education provision	Health services	Availability of affordable fresh food	Cultural facilities (e.g. libraries, museums)	Schools	Good quality housing	Shopping facilities	Community cohesion (how well everyone gets on together)	Parks and open spaces
Beauchief & Greenhill	-0.3	-0.3	0.0	-0.1	-0.2	-0.1	-0.2	-0.1	-0.1	0.0	0.1	0.1	-0.2	0.0	0.1	0.1	0.2	0.3	0.2	0.6
Beighton	-0.5	-0.2	0.0	0.0	-0.2	-0.1	0.1	0.0	-0.2	-0.1	0.1	0.0	0.0	0.1	0.0	0.0	0.2	0.6	0.1	0.3
Birley	-0.2	-0.3	0.0	0.0	-0.3	-0.2	0.3	0.0	-0.1	-0.1	-0.1	0.1	0.1	0.1	0.0	0.1	0.2	0.3	0.2	0.3
Broomhill & Sharrow Vale	-0.6	-0.1	-0.5	-0.3	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.3	0.3	0.7
Burngreave	-0.1	-0.3	-0.2	-0.6	-0.4	0.0	0.2	-0.1	0.0	0.0	0.1	0.0	0.2	0.1	0.1	0.1	-0.1	0.1	0.2	0.4
City	-0.3	-0.1	-0.4	-0.4	-0.2	-0.1	0.3	0.1	0.0	0.1	0.2	0.0	0.0	0.1	0.4	0.0	-0.1	0.4	0.0	0.1
Crookes & Crosspool	-0.3	-0.2	-0.2	-0.1	-0.1	-0.2	-0.2	0.0	0.0	0.0	-0.1	0.1	0.1	0.1	0.0	0.1	0.2	0.2	0.3	0.6
Darnall	-0.1	-0.3	-0.1	-0.4	-0.5	0.0	0.3	0.0	0.0	-0.1	-0.1	0.1	0.0	0.1	0.2	0.0	0.0	0.2	-0.1	0.4
Dore & Totley	-0.3	-0.3	0.0	0.0	0.0	-0.1	-0.4	0.0	-0.1	0.0	0.0	0.1	-0.3	0.1	0.0	0.1	0.4	0.1	0.3	0.6
East Ecclesfield	-0.5	-0.3	-0.2	-0.2	-0.1	-0.3	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.1	0.0	0.1	0.2	0.2	0.1	0.5
Ecclesall	-0.5	-0.2	-0.4	0.0	-0.1	-0.2	-0.2	0.0	-0.1	0.0	0.0	0.1	0.1	0.0	0.1	0.2	0.3	0.0	0.2	0.7
Firth Park	-0.1	-0.3	0.0	-0.4	-0.3	-0.1	-0.1	-0.1	-0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.1	0.1	0.2	0.0	0.5
Fulwood	-0.4	-0.2	0.0	0.0	0.0	-0.3	-0.2	0.0	0.0	-0.1	-0.1	0.1	0.1	0.0	0.1	0.1	0.3	0.0	0.1	0.7
Gleadless Valley	-0.3	-0.2	-0.3	-0.3	-0.2	-0.1	-0.2	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.4	0.8
Graves Park	-0.6	-0.1	-0.3	-0.1	-0.2	-0.1	-0.1	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.1	0.1	0.2	0.3	0.2	0.8
Hillsborough	-0.5	-0.3	-0.2	-0.2	-0.1	-0.1	0.2	0.0	0.0	-0.1	0.2	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.1	0.7
Manor Castle	-0.4	-0.2	-0.1	-0.3	-0.5	0.0	0.2	0.0	-0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.2	-0.1	0.1	0.6
Mosborough	-0.3	-0.3	-0.1	-0.2	-0.1	-0.3	0.2	-0.1	0.0	0.0	0.1	0.0	0.0	0.1	0.0	0.1	0.3	0.3	0.0	0.3
Nether Edge & Sharrow	-0.4	-0.2	-0.4	-0.2	-0.1	-0.3	-0.2	0.0	0.0	0.1	0.1	0.0	0.1	0.2	0.1	0.0	0.1	0.2	0.3	0.5
Park & Arbourthorne	-0.2	-0.1	-0.1	-0.2	-0.3	-0.1	0.2	-0.1	0.0	0.0	0.1	0.0	0.1	0.1	0.0	0.0	0.1	0.0	0.2	0.4
Richmond	-0.3	-0.2	-0.2	-0.3	-0.3	-0.1	0.3	0.0	0.0	-0.1	0.0	0.0	0.0	0.1	0.0	0.2	0.2	0.2	0.1	0.3
Shiregreen & Brightside	-0.1	-0.2	-0.1	-0.3	-0.3	0.1	0.0	0.0	-0.1	0.0	0.1	0.1	0.1	-0.1	0.0	0.1	0.0	0.2	-0.1	0.5
Southey	-0.2	-0.2	0.0	-0.1	-0.2	-0.1	-0.1	0.0	-0.1	-0.1	0.0	0.0	0.1	0.2	0.0	0.0	0.0	0.4	0.0	0.5
Stannington	-0.3	-0.3	0.0	0.0	-0.1	-0.2	-0.4	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.1	0.2	0.0	0.1	0.7
Stocksbridge & Upper Don	-0.2	-0.3	0.0	0.0	0.1	-0.2	-0.5	-0.1	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.2	0.1	0.1	0.2	0.5
Walkley	-0.3	-0.2	-0.2	-0.2	-0.1	-0.1	-0.4	-0.1	0.0	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.0	0.1	0.3	0.6
West Ecclesfield	-0.2	-0.4	0.0	0.0	-0.1	-0.1	-0.4	0.0	0.0	0.0	0.2	0.1	0.0	0.0	-0.1	0.1	0.2	0.0	0.1	0.6
Woodhouse	-0.2	-0.2	-0.2	-0.1	-0.5	-0.1	0.2	-0.1	0.0	0.0	-0.1	0.1	-0.1	0.2	0.0	0.0	0.0	0.2	0.1	0.5
[Ward not known]	-0.3	-0.3	-0.2	-0.2	-0.1	-0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.0	0.1	0.2	0.2	0.5
Total	-0.35	-0.22	-0.18	-0.16	-0.15	-0.15	-0.10	-0.04	-0.04	0.01	0.04	0.04	0.05	0.06	0.06	0.09	0.15	0.18	0.19	0.56

How informed people feel about local services



Sheffielders do not feel informed about local services, particularly how they are performing and how decisions are made

Over 70% of respondents said that they do not feel informed about local services, how decisions are made about their local area or about how local services are performing

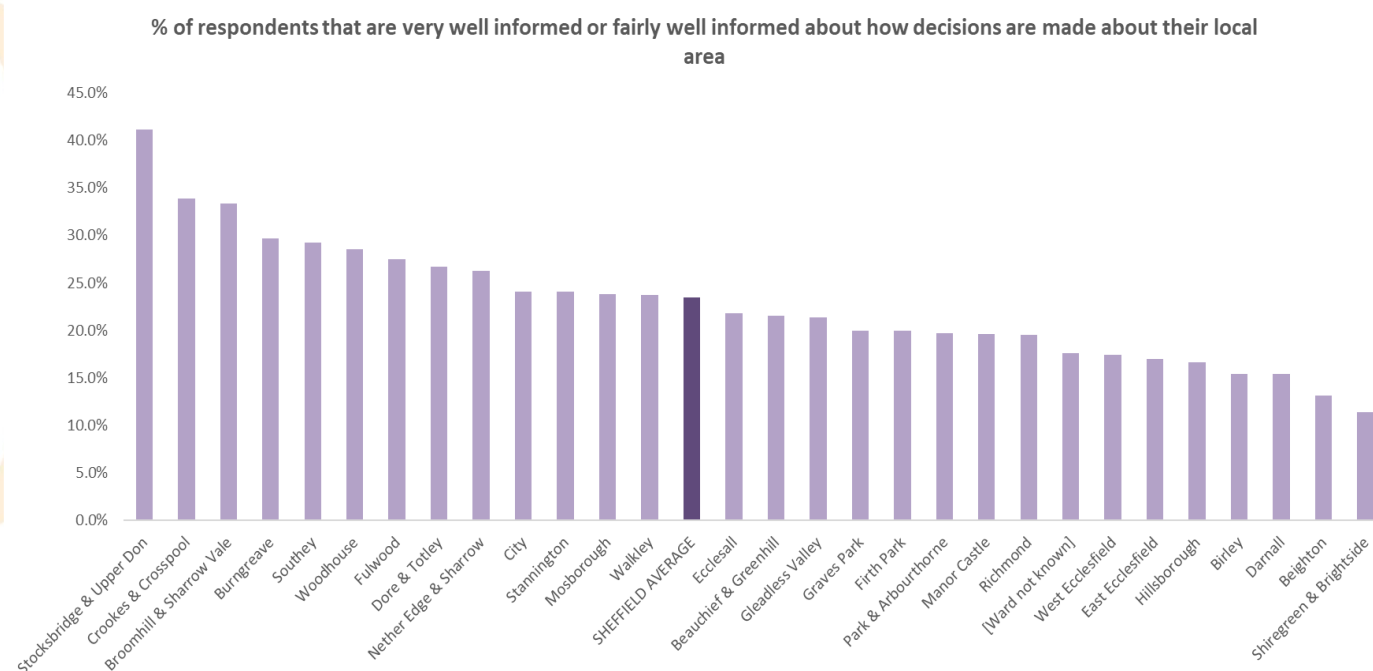
The Big City Conversation demonstrated that people care about their local area and know what needs improving but respondents clearly said that they do not feel adequately informed about local decisions or local services.

As with other areas of the BCC, there is significant variation across wards, with over 40% of respondents in Stocksbridge feeling informed about local decisions compared to 23% in Sheffield overall.

As part of the development of Local Area Committees, there is a significant opportunity to work with communities to talk about public services and involve people in shaping and holding services to account to best meet the needs of local areas.

Again, the experience of Covid and how communities have supported each other and collaborated with public services and VCF organisations to support their fellow residents may have impacted on awareness of local services. But, there remains a significant need for change by better engaging and empowering communities to have a stronger say over local services.

Sheffield overall	Informed	Not well informed
How decisions are made about your local area	23.5%	74.4%
What standard of service you should expect from local public services	36.1%	61.0
How well local public services are performing	22.0%	74.4
How to complain about local public services	38.3%	58.6
How well informed overall	25.8%	72.9



Getting involved in local issues



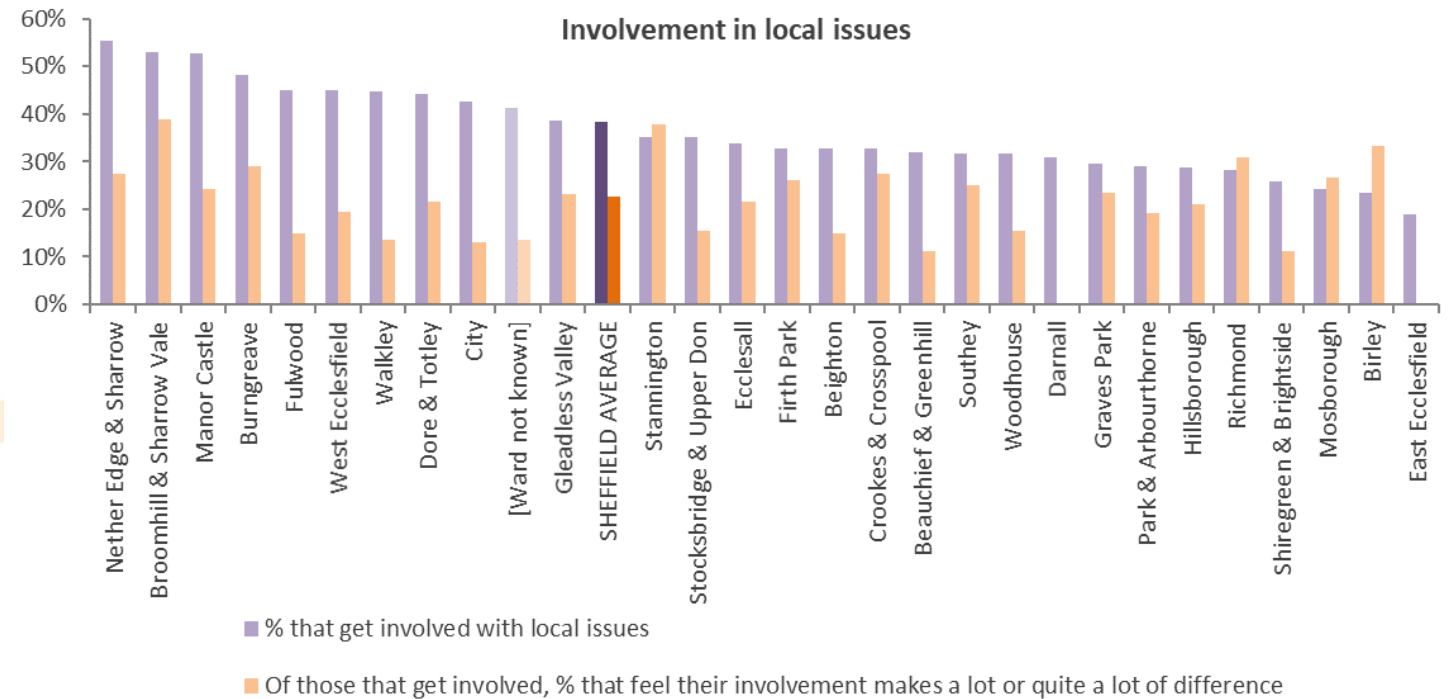
People do get involved in their local community but this ranges considerably across the city and where people do get involved, they aren't sure it really makes a difference

Almost 40% say they get involved in local issues

A good proportion of people across the city say that they get involved in local issues, particularly in Netheredge, Broomhill, Manor Castle and Burngreave. On average, almost 40% of respondents said that they do get involved in local issues which demonstrates Sheffielders across the city are dedicating their time to helping their local neighbourhood. There are good opportunities to learn from the most active areas to see what networks and approaches are most effective at getting people involved. Given the question, local activism could be very related to prominent issues at the time of the survey or a genuine indicator of good practice and strong networks within wards.

People don't always feel they can make an impact

Whilst 40% of Sheffielders say they get involved locally, only 23% felt that their time and effort resulted in any real impact. This was particularly true in Walkley, Beauchief, Darnall and City wards. But, people were much more likely in Stannington, Birley, Broomhill and Richmond to feel that if they got involved, they made a difference.



The range of local involvement and views on how much impact that involvement has indicates that there is a real opportunity to learn from the good practice in the city, perhaps doing some sharing sessions between Members, officers and local community representatives across the city. The above may also provide an indication of where communities may need more support or resource to find innovative ways to get more people involved in local issues.

How do Sheffielders currently get involved in local issues and if not, what stops them?

Online channels and networks matter

Of those that get involved at local level, people predominantly use online channels or engaged with local public services and Members.

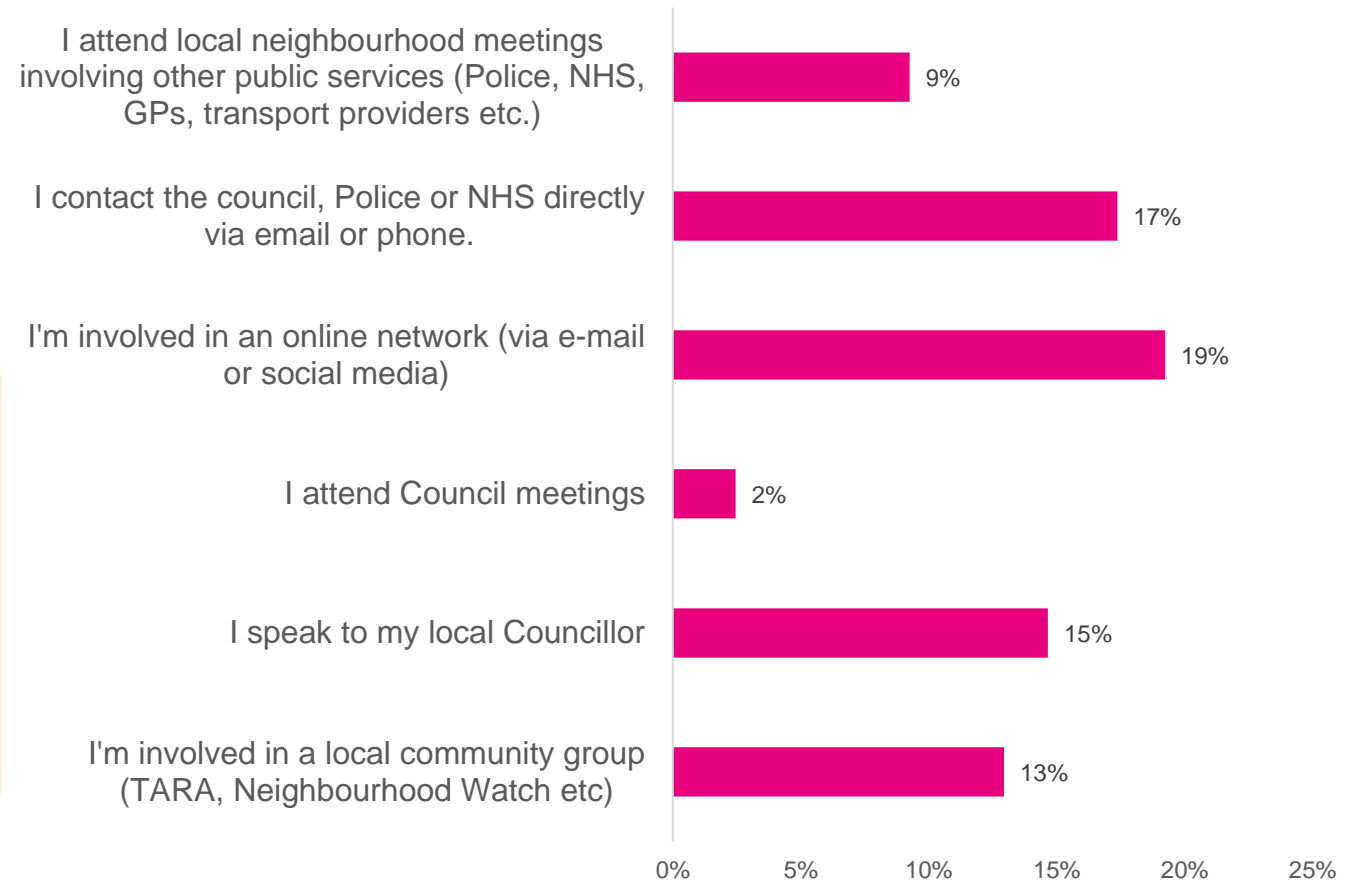
Attending 'Council meetings' were not a significant route to get involved but the absence of any regular local council meetings (like area committees) probably reduces the opportunities for people to attend.

Time is precious

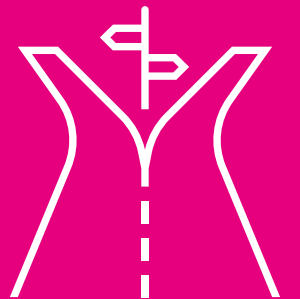
But, of those who said that they don't get involved locally, respondents said that they have busy lives and therefore struggle to find the time or they are sceptical that they could make any real difference.

But, people also said that they did get involved in other ways, such as national issues or campaigns, therefore indicating that people are motivated to engage and get involved in

How people currently get involved



Getting involved in local decision making



The majority of people don't currently feel that they can influence decisions in Sheffield but people are keen to get more involved, depending on the issue

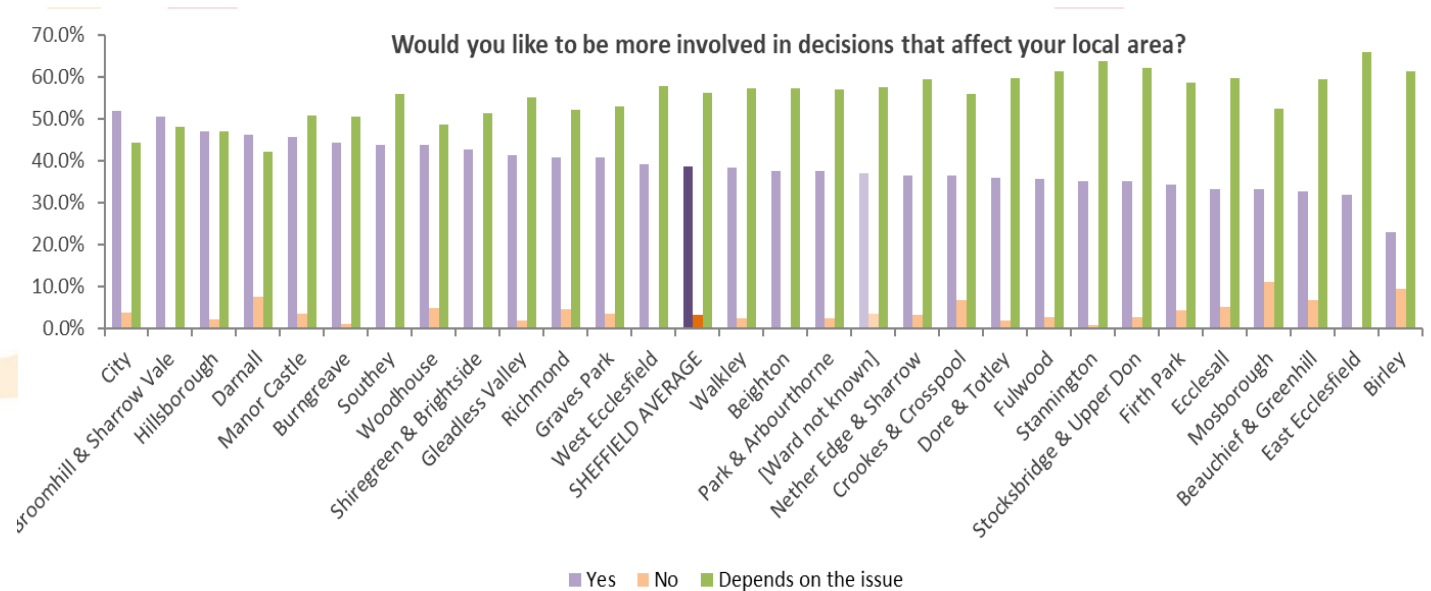
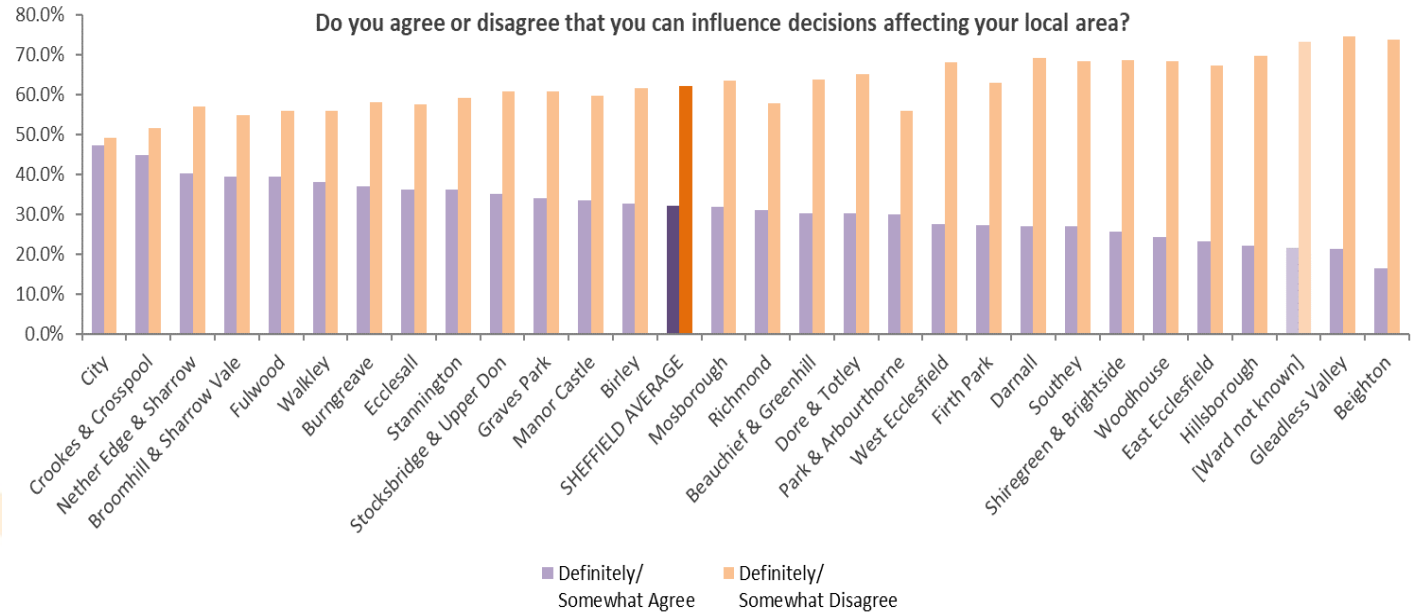
60% of respondents said they don't feel that they can influence decisions affecting their local area

Of the 2,700 respondents, only 32.2% said that they felt they could influence decisions affecting their local area in Sheffield. People did feel they had more influence in City, Crookes and Crosspool and Nether Edge and Sharrow wards but was less than 20% of respondents in Beighton. In free text responses, respondent asked for greater connectivity with citizens – better communications, being more open with citizens, listening, talking with and asking citizens their views and feeding back when we've asked.

But people are keen to get more involved if the issue matters to them

Very few respondents (just 3% across the city) said they wouldn't be willing to get more involved in local decision making, with 40% stating they'd like to be more involved and 56% saying they would depending on the issue. City, Broomhill and Hillsborough wards had the largest proportions of people who'd like to get involved.

This represents a significant opportunity for communities, public services and community organisations to collaborate on local issues and citizens having a much greater say and influence over key local issues.



Local neighbourhood meetings and online networks are key channels for people who want to get more involved in local decisions and services

Physical and virtual networks are critical channels to enable more people to get more involved in local decision making

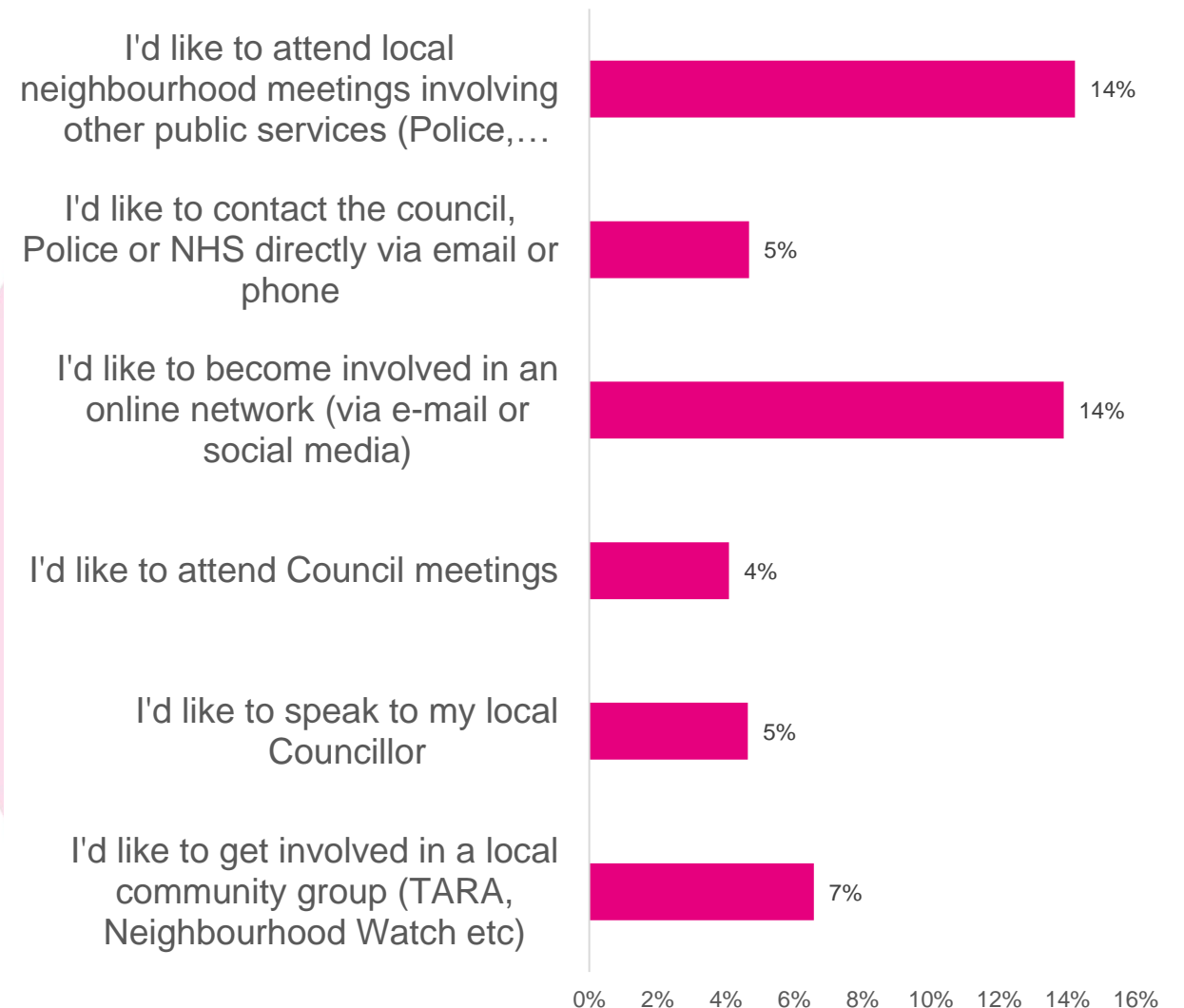
Of those that said that they'd be willing to get more involved locally, neighbourhood level meetings with public services and online networks were the most preferred routes.

Clearly, the Big City Conversation took place before the Covid-19 pandemic impacted on the UK. Over the last year, the restrictions needed to protect ourselves from Covid-19 have led to an increase in the use of virtual channels such as Zoom and MS Teams which have transformed how we connect to family and friends and how we work.

The learning and experience from the last year may have increased confidence, skills and knowledge of online channels potentially bringing new opportunities to empower communities and create more regular and convenient routes to engage and enable people in all parts of the city.

Clearly, digital exclusion remains a significant challenge and we will need to ensure that empowering communities with greater local decision making is accessible to all.

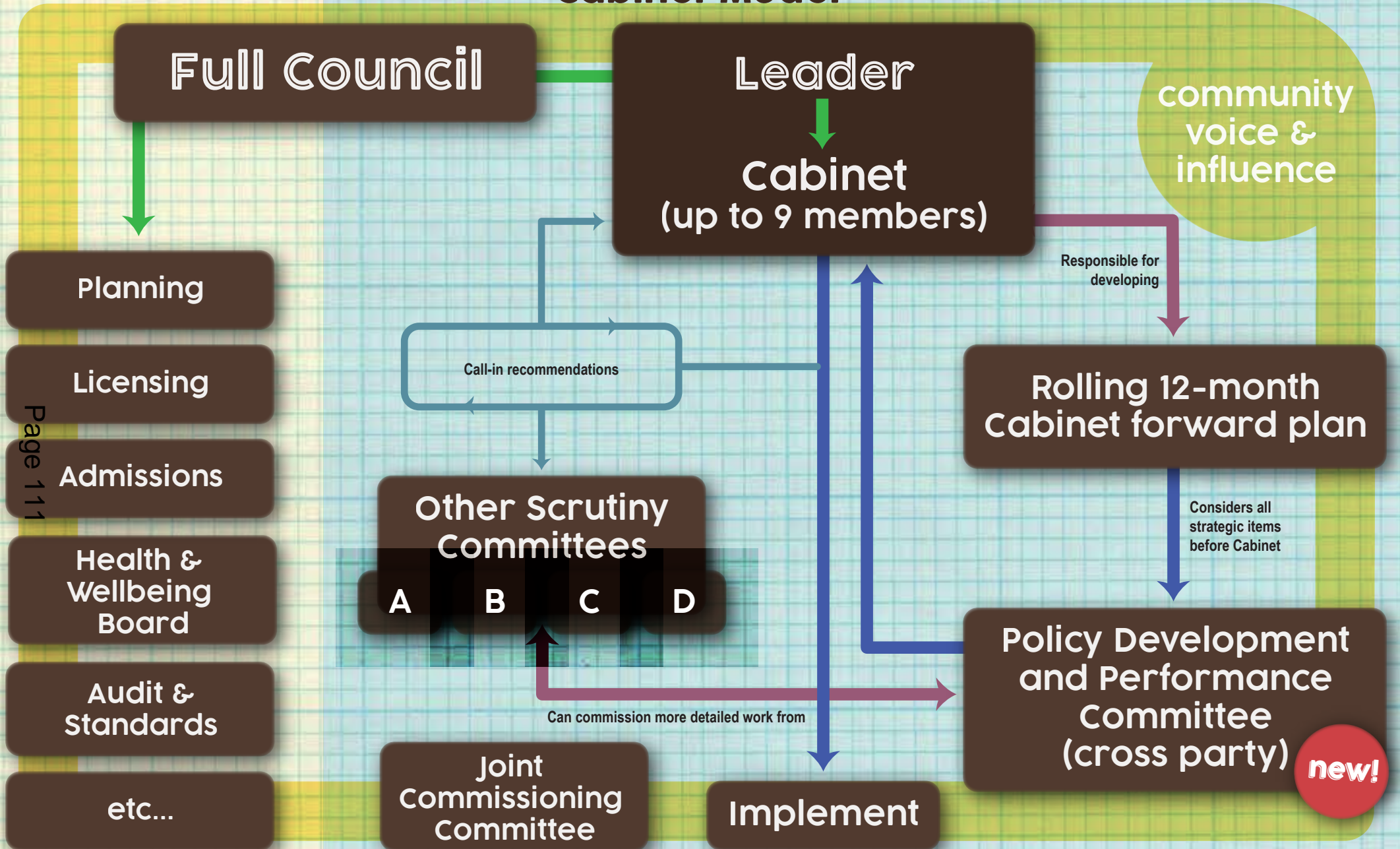
How people want to get more involved



Of those who want to get more involved, how they want to do it (by ward)

	I'd like to get involved in a local community group (TARA, Neighbourhood Watch etc)	I'd like to speak to my local Councillor	I'd like to attend Council meetings	I'd like to become involved in an online network (via e-mail or social media)	I'd like to contact the council, Police or NHS directly via email or phone	I'd like to attend local neighbourhood meetings involving other public services (Police, NHS, GPs, transport providers etc.)
Beauchief & Greenhill	10%	4%	3%	15%	6%	16%
Beighton	5%	3%	3%	11%	7%	7%
Birley	12%	8%	2%	10%	4%	8%
Broomhill & Sharrow Vale	6%	7%	5%	15%	2%	7%
Burngreave	2%	6%	5%	14%	6%	9%
City	7%	6%	13%	15%	6%	19%
Crookes & Crosspool	7%	1%	3%	11%	6%	17%
Darnall	4%	8%	8%	4%	0%	12%
Dore & Totley	5%	1%	1%	9%	2%	12%
East Ecclesfield	15%	11%	6%	26%	8%	19%
Ecclesall	8%	4%	3%	15%	5%	16%
Firth Park	6%	3%	1%	10%	7%	16%
Fulwood	5%	4%	4%	10%	4%	13%
Gleadless Valley	8%	5%	3%	14%	5%	12%
Graves Park	10%	6%	8%	18%	4%	23%
Hillsborough	10%	6%	5%	20%	6%	18%
Manor Castle	11%	4%	4%	19%	7%	12%
Mosborough	6%	2%	5%	19%	8%	25%
Nether Edge & Sharrow	2%	2%	2%	7%	1%	9%
Park & Arbourthorne	8%	9%	12%	26%	8%	12%
Richmond	2%	9%	9%	11%	9%	17%
Shiregreen & Brightside	9%	3%	9%	20%	6%	29%
Southey	12%	5%	2%	22%	10%	17%
Stannington	5%	4%	2%	11%	5%	19%
Stocksbridge & Upper Don	4%	1%	1%	19%	4%	19%
Walkley	8%	9%	4%	16%	7%	13%
West Ecclesfield	4%	1%	6%	10%	0%	13%
Woodhouse	5%	10%	2%	7%	0%	10%
[Ward not known]	5%	4%	4%	11%	5%	13%

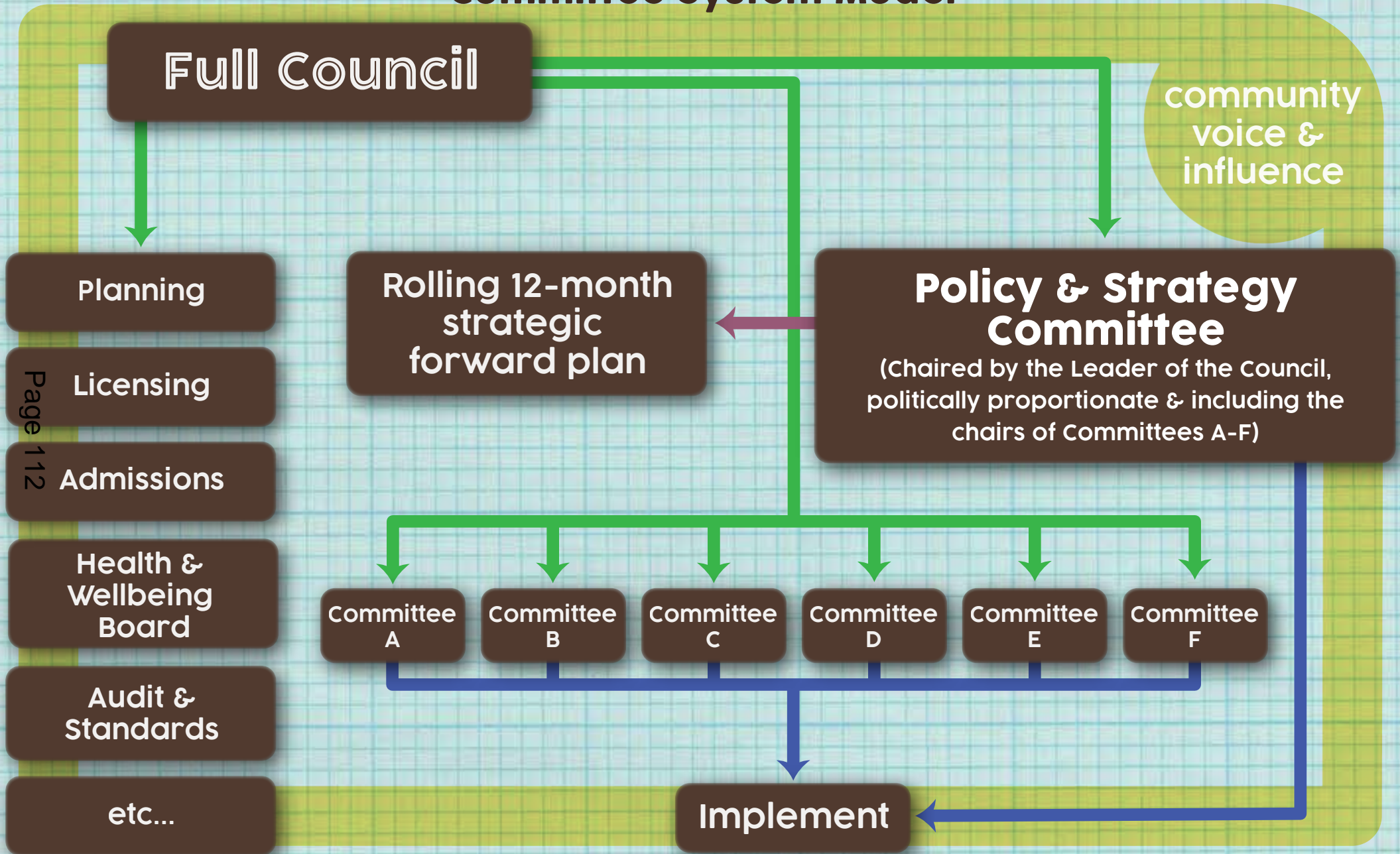
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Key

appoints → develops → decision → decision review (call-in) process

Committee System Model





Author/Lead Officer of Report: Joe Horobin –
Head of Commissioning

Tel: 0114 2735060

Report of: *John Macilwraith, Executive Director of People Services*
Report to: *Cabinet*
Date of Decision: *17th March 2021*
Subject: *Maintaining a stable adult social care market in Sheffield*

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>Health and Social Care and Children, Young People and Families</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee (Summary of Market Analysis and Fee Review Process presented on 10th February 2021)</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>883</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>N/A</i>		

Purpose of Report:

The purpose of this report is to seek approval for the recommended increases in fee rates for Council contracted and framework independent sector care homes, home care, extra care, supported living and day activity providers in Sheffield for the financial year 2021-22. The report also seeks approval for the recommended increase in Direct Payments for people who choose this means of arranging their own care and support. This report sets out the process that the Council has followed and the analysis that informs the recommended fee rates to ensure a sustainable, quality and diverse social care market.

Recommendations:

1. Approves the investment of an additional £4.2m for care providers delivering care on behalf of the Council to deliver enhanced pay terms for front line workers in 2021/22. This investment has been allocated equitably as a 5.66% increase to the staffing element of the fee rates (above the minimum wage increase of 2.18%) for each of the sectors as set out in the following recommendations:
2. Approves an increase to the fee rate for day activities and standard rate care homes of 4.89% including the additional investment in staffing as set out at recommendation 1 above.
3. Approves an increase to the fee rates for home care, extra care (care element only), and supported living on the Council's standard contracted and framework rate and to direct payment providers of 4.99% including the additional investment in staffing as set out at recommendation 1 above.
4. Approves an increase for non-standard residential care rates that are individually negotiated and for council arranged respite care of 1.9% subject to contractual compliance.
5. Approves an increase to the personal assistant rates used by people in receipt of a direct payment of 5.66% based on the additional investment in staffing as set out at recommendation 1 above.
6. Delegates authority to the Executive Director of People in consultation with the Director of Adult Health and Social Care and the Director of Strategy and Commissioning and the Cabinet Member for Children, Young People and Families and Cabinet member for Health and Social Care to agree any appropriate and proportionate fee increases requested by care homes outside Sheffield because cost pressures will vary from place to place.
7. Delegates authority to the Executive Director of People in consultation with the Director of Adult Health and Social Care and the Cabinet Member for Children, Young People and Families and Cabinet Member for Health and Social Care to take all other necessary steps not covered by existing delegations 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: <i>Liz Gough</i>
		Legal: <i>Steve Eccleston</i>
		Equalities: <i>Ed Sexton</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	EMT member who approved submission:	<i>John Macilwraith</i>

3	Cabinet Member consulted:	<i>Cllr George Lindars-Hammond Cllr Jackie Drayton</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: Joe Horobin		Job Title: Head of Commissioning
Date: 05/03/2021		

1.	PROPOSAL
1.1.	<p>It is proposed that the Council will:</p> <p>Provide a 4.89% increase in the fee rate for all standard rate placements in residential and nursing homes that reflects additional investment in staffing above the National Living Wage increase and additional investment above the Consumer Price Index for non-staffing costs. This increase reflects the market analysis and consultation with providers as described in this report and detailed in the appendices.</p>
1.2.	<p>Provide a 4.99% increase in the fee rate for home care, supported living, day activities, direct payment activity spend and extra care (care hours element) that reflects additional investment in staffing above the National Living Wage increase and in line with the Consumer Price Index for non-staffing costs.</p>
1.3.	<p>Provide a 5.6% increase in the rate for Personal Assistants paid for by a direct payment that reflects additional investment in staffing above the National Living Wage.</p>
1.4.	<p>Provide a 1.9% increase to non-standard residential care and council-arranged respite care that reflects National Living Wage and Consumer Price Index. This increase is to be applied to individually negotiated fee rates with providers of non-standard residential care and respite care subject to contractual compliance.</p>
1.5.	<p>It is proposed that these rates take effect from 12th April 2021</p>
1.6.	<p>The following report ensures that the proposals:</p>
1.6.1.	<p>Are informed by consultation with local social care providers.</p>
1.6.2.	<p>Are informed by analysis of local, regional and national evidence.</p>
1.6.3.	<p>Are informed, in the case of standard rate care homes, by the future demand analysis work commissioned by the Council.</p>
1.6.4.	<p>Are informed, in the case of standard rate care homes, by the Strategic Review of Older People's Care Homes led by the Council in partnership with the Sheffield Clinical Commissioning Group and supported by independent consultants, Cordisbright and LaingBuisson. The review has fully involved providers in the city in reviewing and shaping recommendations for the future of older people's care provision in the city.</p>
1.6.5.	<p>Meet the Council's legal responsibilities by being sufficient to support assessed care needs and to provide residents with the level of care services that they could reasonably expect to receive if the possibility of resident and third party contributions did not exist.</p>

2.	HOW DOES THIS DECISION CONTRIBUTE?
2.1.	<p><i>This decision seeks to ensure that funding arrangements for framework, and individually contracted rate fees and direct payments are aligned with inflationary cost increases to mitigate the risk of market failure and to maintain and improve the care and support experience of care home residents and people receiving extra care, day activities, home care, supported living, respite care and Direct Payments in Sheffield. The Council expects that ensuring the fee rates meet the cost of delivering care in Sheffield will enable providers to work with us to develop innovative and efficient ways to support people in the city.</i></p> <p><i>The Council expects that the additional investment of £4.2m (on top of the minimum wage and CPI based increase) of Council funds into the sector will directly increase the salaries of staff working on the front line of care delivery.</i></p> <p><i>The Council is committed to engaging and working with care providers to drive our shared ambition to raise pay and conditions. The Council will work with the care market to bring forward further support and changes to our commissioning and contracting that deliver on our strategic direction for adult social care and ensure a sustainable and quality market that delivers our ambitions for improved pay for the care workforce in Sheffield.</i></p>
2.2.	<p><i>The proposals have been developed in consultation with social care providers. It seeks to balance the need to support providers in maintaining good quality care for people and acceptable working conditions for staff, alongside affordability for the Council in light of other pressures in Adult Social Care. Chief among these is the increased demand the Council is experiencing in relation to the COVID-19 pandemic.</i></p>

3.	HAS THERE BEEN ANY CONSULTATION?
3.1.	<p>The Council has consulted with care homes and with framework home care and supported living providers on the standard rate for these sectors. Independent consultants have also conducted a review of the older people's care home market and a future demand analysis of this sector using publicly available data.</p> <p>Day activities provision has not previously been included in the annual market analysis and fees review however a number of providers have had fee rates amended via the Value for Money and</p>

	<p>Quality uplift request process in the last 18 months meaning that the current fee rates are deemed to reflect the cost of care delivery for each provider. The last year has seen the development of a proactive commissioning approach to this sector despite the huge impact on providers of the pandemic and ongoing lock down restrictions. Given the specific volatility of this market currently it is recommended that a fee increase be proposed this year with a view to carrying out detailed consultation with the market over the next year on a longer term procurement and funding strategy for the sector.</p> <p>Respite provision for people with learning disabilities has not previously been included in the annual market analysis and fees review. The current market is mixed, with 6 providers, 3 of whom provide a service within a residential setting, the other 3 using a Supported Living model. The arrangements for payments are also varied with 2 providers as Council Arranged Services and 4 providers paid via Direct Payments. All 6 providers are registered as non-standard short-term residential services.</p> <p>A review of respite services and consultation will be undertaken over the next 12 months to gain a greater understanding of this very varied provision.</p> <p>Direct Payments have also previously been outside the scope of the annual market analysis and fees review. The last year has seen the development of a coproduced programme of improvements to the Council's approach to direct payments and supporting people who wish to use this flexible approach to managing their own care and support. It is therefore recommended that an increase to the direct payment rate be proposed this year based on the work of this project, which has fully involved people who use Direct Payments, and the input of a range of people engaged in this as well as the feedback from providers from the consultations on homecare and supported living.</p>
3.2.	<p>Provider consultation on initial proposed fee rate: The Council wrote to care home, supported living and home care providers with an initial proposed fee rate increase. The letter was sent to providers on 1st December for them to consider and provide feedback on. Providers were able to provide feedback by several channels including by return email or letter, via an online Citizen Space survey or via Zoom consultation sessions. Consultation sessions were held during this formal consultation period with home care, supported living and care home providers in December and January to provide opportunities for providers to feedback directly to senior Council officers and the Cabinet Member for Health and Social Care.</p> <p>The Council's initial proposed fee rate for care homes, home care and supported living was calculated, in line with previous years,</p>

	<p>using the increase in the national minimum wage of 2.18% and September 2020 Consumer Price Index (CPI) increase of 1.2%. The minimum wage increase and the CPI increase are weighted by the ratio of staffing to non-staffing spend for each type of provision. For care homes this resulted in a proposed increase of 1.9% and for supported living and home care a proposed increase of 2.03%.</p> <p>The summarised consultation feedback and market analysis can be seen below and the more detailed consultation report and analysis is attached at Appendix 1.</p> <p>A report setting out the process and methodology for setting and increasing the fee rate and for the market analysis and consultation that informs the fee recommendations was also presented to the Scrutiny Board on 10th February (https://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=137&MId=7687&Ver=4). The feedback from Scrutiny is also outlined below.</p>
3.3.	<p>Independent Consultancy Reports: The future demand report from Kingsbury Hill Fox and the interim provider engagement report from Cordisbright & LaingBuisson have also informed the analysis behind the final fee recommendations. Reports are attached as Appendices 2 and 3.</p>
3.4.	<p>Evidence of Care Costs: Providers were also encouraged to provide any supporting information regarding costs and pressures during this first stage. This is also described more fully below and in the consultation report attached at Appendix 1.</p>

3.5.	<p>Strategic Review of Older People’s Care Homes: The Council committed (Cabinet 18th March 2020) to undertake a strategic review of the older people’s care home market in the city. Unfortunately, the pandemic meant that the start date for this work had to be put back to October 2020 (instead of April) while the Council and the care sector responded to the immediate impact of the pandemic in social care. External consultants, Cordisbright in partnership with LangBuisson, were commissioned in October to undertake the strategic review of the older peoples care home market on behalf of the Council and in consultation with other key stakeholders in the health and social care system.</p> <p>The strategic review is due to report in late March with medium to long term recommendations for the future shape of the care home market and support models for older people. An interim report based on the consultants’ interviews with a significant proportion of the care home market has informed the market analysis and the fee rates recommended in this paper. This is also described more fully in the consultation report attached at Appendix 2.</p>
3.6.	<p>Demand Analysis: Kingsbury Hill Fox were also commissioned by the Council to undertake data based analysis of future demand for older people’s care home beds in the city. Sheffield Care Association had input into the specification for this work. The report produced is described below and in the consultation report at Appendix 1. The report is attached at Appendix 3.</p>
3.7.	<p>Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee: The minutes of this public meeting on 10th February 2021 are included in the appendix. The key resolutions identified by the Scrutiny Committee were:</p> <ul style="list-style-type: none"> • Notes the proposal set out in the paper • Calls on government to urgently respond to the national funding crisis in adult social care • Recognises the difficulties that care providers in the city are facing • Will schedule a future look at the full strategic framework for Adult Social Care as soon as is appropriate • Would like to see a wider range of stakeholders involved in the consultation process in future years including trade unions and service users.
3.8.	<p>Overall summary of provider consultation feedback</p>
	<p>The key issue raised by providers across all types of care provision were the impacts and pressures caused by the ongoing effects of the pandemic. The pandemic continues to place significant pressure on providers in terms of additional costs relating to infection control measures, staff sickness and changes in demand for care. These impacts vary for each type of care and are set out in more detail in the appendix.</p>

	<p>Providers also told us about other challenges and pressures which impact on their costs and which aligned with the feedback received in previous consultations with the sectors</p> <ul style="list-style-type: none"> • Challenges they face of recruiting and retaining good quality care staff • Their ambition to move towards paying the foundation living wage • Some non-staffing costs increasing by more than the CPI rate of 1.2% used to model the fee rate e.g. energy, training, insurance and cleaning contracts. • A large number of respondents were keen to highlight their appreciation for the support they have received from Sheffield City Council during the pandemic.
3.9.	Older Adult and Standard Rate Care Homes Consultation Feedback Summary
3.9.1.	<p>22 providers completed the online survey in response to the fee proposal letter sent in December. 15 providers attended the online engagement sessions in January 2021.</p> <p>9 providers (representing 22 homes in the city) submitted financial and costings information. These represented 22.65% of the nursing and dual registration bed base in the city and 31.3% of the residential care home bed base. The issues raised in the consultation are provided at section 3.9.3</p>
3.9.2.	<p>The Sheffield Care Association (SCA). The SCA has submitted three letters since the start of the consultation period. The SCA was formed by a group of care homes in 2018 to represent the older adults care home sector in the city. The Council welcomes the opportunity to engage with a representative body and work in partnership with all providers in the city with regards to development of the sector and the Council's relationship with care homes. The themes and concerns raised by the SCA are set out more fully in the consultation report attached at Appendix 1 and the letters are attached in full.</p> <p>The key points raised within the letter that responds directly to the consultation are as follows:</p> <ul style="list-style-type: none"> • <i>The base fee model used by the Council does not address financial sustainability issues of providers in the current market. See response below.</i> • <i>Fee model used by the Council is based on 90% occupancy for providers. This is not happening in effect. Instead,</i>

	<p><i>providers are having to spread fixed costs across lower occupancy levels. See response below.</i></p> <ul style="list-style-type: none"> • <i>The current fee model does not allow for sufficient return on investment, currently 2% above base rate. See response below.</i> • <i>Longer term effects of Covid are likely to continue in the longer term. Any relief support should be based on an indemnity basis and occupancy levels should be considered as part of relief funding. See response below.</i> • <i>That Covid related support has been insufficient to meet care homes' needs. See response below.</i> • <i>Non-completion of the strategic review of older peoples care home market. The lack of a third party consultant to review costings and market stability. See response below.</i> • <i>Nursing care homes may be particularly disadvantaged as a result of the pandemic. See response below.</i> • <i>Smaller local providers are disproportionately affected by low fee rates. See response below.</i> • <i>There is reducing access to income from self funders and third party top up fees.</i> • <i>Residential clients are getting older and frailer at the point they are admitted to residential/nursing care and this increases their costs. See response below.</i> • <i>Sheffield does not offer a 'dementia supplement'. Some providers have raised this as an issue. See response below.</i> • <i>Claim a lack of time to fully review the proposed fee increase by the Council as part of the 21/22 fee consultation.</i> <p>In the response to the SCA request for an extension to the formal consultation period, the Council extended its deadline by 9 days to allow providers more time to consider the proposed fee uplift. This allowed 48 days in total to respond.</p>
3.9.3.	<p>Staffing related costs: <i>Providers fed back their view that the fee rate should be increased to enable providers to appropriately reward staff and pay above National Living Wage. There are challenges for providers in recruiting and retaining staff, particularly nurses, which mean that many seek to offer staff slightly above the minimum wage in order to remain competitive employers. Providers also told us that maintaining wage differentials between front line and management</i></p>

	<p><i>staff is key to retaining good managers and sustaining care quality through strong leadership.</i></p> <p><i>Some providers raised concerns about the need for higher staffing ratios as the acuity of residents has increased in recent years. They also described increased training and recruitment costs as well as the impact of employer pension contributions which have increased by 1% year on year for several years.</i></p> <p>The Council recognises and values the role that social care staff play in supporting some of the most vulnerable people in our city and understands the impact of the minimum wage increase for providers. The 1.9% initial proposed fee was based on applying the 2.18%% minimum wage increase on all staffing relating costs. The balance between staffing and non-staffing used to weight the increase reflects nationally recognised ratios and the information submitted by providers during consultation.</p> <p>Sheffield City Council have reflected upon feedback from consultation and are proposing to significantly increase the fee uplifts for 20/21 from the initial fee uplift used in the consultation. The proposed increase in fee uplift of 4.89% for Care Homes and 4.99% for Home Support and 5.6% for Personal Assistants is part of our ambition to support our third party suppliers to move towards the Foundation Living Wage over the next few years. Council Commissioning and Contracts teams will work closely in collaboration with all providers over the next 12 months to ensure progress by the sector towards Foundation Living Wage. The Council is committed to working with providers in each sector to enshrine improved terms and conditions for the care workforce in future contracting arrangements.</p> <p>This final proposed increases in the fee rates (above the originally proposed rate that we consulted on in December and January) reflects the Council’s commitment to taking on board the feedback of providers and ensuring a sustainable, quality and diverse adult social care market in the city.</p>
3.9.4.	<p>Original Cost Model and Rate: <i>Providers have questioned whether the costing model used by the Council accurately reflects the cost model of care within care homes.</i></p> <p>Sheffield City Council continues to support the methodology it uses to set the base rate for the cost of care. Evidence from open book exercises this year and in previous years suggests that the ratio of staffing to non-staffing is appropriate and that good care can be provided at current rates.</p> <p>The open book exercises completed by care homes this year showed significant variation. The mean average cost of care was £506 which suggests the current rate of £505 is extremely tight for</p>

	<p>most providers. However, there was significant variation in the costs submitted by different providers which illustrates the variety of business and financial structuring in the sector. If outliers are removed from the calculation then the costs are between £530-£560 per bed per week. This suggests that these providers are using third party contributions, have more complex income streams (e.g. health funded or enhanced support packages for some residents), a mixed economy, are sustaining ongoing losses or subsidising from homes elsewhere. The homes with the lowest costs are those that have low or no mortgage or rental costs and lowest corporate overheads.</p> <p>While some providers have questioned why Sheffield has a single flat rate, the cost of care exercise and subsequent open book exercises have not indicated differentiated costs. Feedback from providers also indicates that standard residential care faces levels of acuity now, including dementia and extreme frailty that has eroded the difference in costings between residential and nursing and dementia that used to be much more distinct.</p> <p>The question of the appropriateness of a single rate was raised by providers with the independent consultants who have suggested that the Council might revisit this as part of longer term implementation of the Strategic Review. The consultants pointed out that in authorities that do differentiate the fees, the proprietors often complain that the differentiation of £20 or £30 per week does not reflect the actual differential costs of providing care to people with complex needs.</p> <p>Providers indicated that they need to see an improved return on investment within the fee rate and for some, capital investment will be important to ensure that the physical infrastructure of their care homes remains fit for purpose longer term.</p> <p>As part of the consultation exercise providers have been asked to submit 'open book' costings to reflect spend which will be reflected in the final cabinet report.</p>
<p>3.9.5.</p>	<p><i>Non-Staffing Costs:</i> <i>Some providers described non-staffing costs rising by more than the CPI rate (1.2%) used to calculate inflation on these costs.</i></p> <p>The Council believes that the Consumer Price Index remains a reasonable index for adjusting non-staffing costs associated with running a care home as it covers (food, utilities etc.). However, the Council also takes on board the concerns of some providers that not all of their non-staffing costs are appropriately weighted within the CPI calculation.</p> <p>The Council also acknowledges the feedback from the independent consultants that some authorities use a basket of measures</p>

	<p>alongside the CPI in order to establish a more bespoke cost of inflation on non staffing costs. In recognition of this and the fact that 29% of the fee rate is assumed to be spent on non-staffing, a recommendation is set out in this report to increase the non-staffing element of the fee rate for care homes by 3% instead of 1.2% (the September CPI rate also used by the DWP to set pension). Commitment is also made to reviewing the CPI and considering a wider range of indices in future fee reviews as suggested by the consultants and some providers.</p>
3.9.6.	<p><i>Return on Investment:</i> <i>Some providers raised issues with the rate of return on investment.</i></p> <p>The Council acknowledges the importance of return on investment and capital as a component of the fee rate and these were modelled within the cost model in 2017 which has been subsequently increased each year. The return on investment was based on 2% above base rate. This has been increased annually by the September CPI in subsequent years. The current base rate is currently 0.1% and significantly lower than when the current fee model was established.</p> <p>The Council acknowledges that the return on investment that is built into the rate for care homes in the city is relatively low however this depends on the financial structuring of the home, exposure to debt etc and remains more stable than the base rate. Providers are still entering the market in the city with significant interest in acquisition. The Council acknowledges however that the return on investment will need to taken into account in the implementation of the Strategic Review of Care Homes in order to ensure the development of a sector fit for the future needs of the city.</p>
3.9.7.	<p><i>Impact of Covid19:</i> <i>Most providers had concerns about the ongoing impact of Covid19 in terms of higher costs and lower income resulting from lower occupancy.</i></p> <p>The increase in costs and reduction in income relating to the pandemic have been partly offset by a combination of government grants and Council investment and support but there is understandable anxiety about what support will continue beyond the current Government cut off date of 31st March 2021.</p> <p>The Council continues to lobby government regarding funding for social care as a critical area for increased funding and in relation to the need for ongoing pandemic specific support.</p> <p>The Council also continues to provide additional support to care homes to help with the effects of the pandemic. More information about the support provided can be found below (4).</p> <p>A large number of providers emphasised the support they had had</p>

	<p>from the Council over the course of the pandemic both financially and through positive communication, access to PPE from the start, emergency staffing, support with responding to outbreaks and with keeping up to date with rapidly changing guidance.</p> <p>Most providers accepted that it was appropriate to maintain a separation between pandemic related supplier relief and the fee rate given the volatility of the market in relation to the pandemic and the need for a clear distinction between fee rate, government grants and supplier relief from the Council.</p> <p>The Council will continue to monitor the impact of the pandemic over the next year and assess risks to continuity of care and compliance with the Care Act's duty regarding the care market. Where appropriate the Council will take proportionate action to mitigate risks and minimise the impact of market adjustment for residents.</p>
3.9.8.	<p>Support with lower occupancy – linking occupancy to the fee rate: <i>Some providers have said that the fee rate should be adjusted on the basis of Covid19 related lower occupancy. The pre-pandemic market was stable over many years with an occupancy of 92-95% occupancy. Current average occupancy is around 80%.</i></p> <p>The Council acknowledges the impact that such low occupancy has on care homes affected. This is also highlighted by the independent consultants who state that most care homes require occupancy of 90+% to 'break even'. However the Council, and most providers, do not expect the Council to subsidise empty beds indefinitely and acknowledge the need for a degree of market contraction.</p> <p>The average occupancy is in line with the impact on occupancy elsewhere both regionally and nationally and, as elsewhere, hides a huge variation in occupancy with some homes operating at less than 40% and others above 90%. Occupancy is however only one indicator of viability with other factors such as scale, reserves, group structures and debt exposure also being key determinants of viability and business decisions.</p> <p>The impact of Covid19 on occupancy has been felt across council funded and self funded providers in roughly equal measure. Adjusting the fee rate against occupancy would benefit providers with above average occupancy and remain insufficient for those operating with lower occupancy. The Council will continue with a targeted approach to support providers where necessary to support a managed contraction of the market over the next two years through the implementation of recommendations from the Strategic Review of Care Homes.</p> <p>The Strategic Review of Care Homes will conclude in March and provide recommendations for the reshaping of the market for older</p>

	<p>people’s residential care both in the short to medium term as some providers consider exiting the market due to the sharp dip in demand, and others consider longer term plans and potentially new models of providing care for those who need it.</p> <p>Support is available to care homes in financial distress who have provision that is in line with likely future demand and where they have a robust business case for short term support within the constraints of subsidy control. Support is also available for care homes who wish to exit the market to ensure that they are able to do this in a safe and planned way that enables the safe transfer of care for residents.</p> <p>Some providers have suggested nursing homes have been disproportionately affected. Where a particular type of provision is disproportionately affected and this threatens to impact on the continuity of care for residents needing this type of care, this will be taken into account in the allocation of support to providers in financial distress.</p> <p>At this time we do not believe small local providers are disproportionately at risk, in recent years home closures and sales and also care homes currently identified as at risk represent the full spectrum of local, regional and national providers of different sizes. We will however continue to monitor this.</p>
<p>3.9.9.</p>	<p>Comparison with other Authorities: <i>Providers have told us that they feel that Sheffield rates do not favourably compare when benchmarked with other Authorities in core cities or locally.</i></p> <p>The concern from providers regarding Sheffield fee rates is mainly from the care home sector. Sheffield is the only authority in the region that uses a single base rate for all older people’s residential care. ADASS figures show that out of 15 Local Authorities in the region our residential rate is the 9th most generous when compared to the minimum other local authorities pay but 14th when compared to the highest rate. For Nursing care Sheffield is 12th out of 15 when compared to the minimum rate but 15th when compared to the maximum rate.</p> <p>Comparisons can also be made against other core cities in the UK whose demographics most closely resemble Sheffield’s. The following has been produced by the consultants, Cordisbright, and is a comparison of average price paid rather than the base rate. Out of the 8 core cities Sheffield ranks 8th for Nursing Care and 7th for Residential care and 7th overall.</p> <p>It is noted that the fee rate paid by Sheffield does not compare favourably to that paid by other regional authorities and core cities. This can be explained in part by comparatively low rent, mortgage and land costs in the city and the historically higher and consistent</p>

	<p>levels of occupancy experienced in the city compared to other areas. The increase in the recommended uplift to support care home non-staffing costs and to support all types of contracted provision to move towards foundation living wage over the next few years is likely to enable Sheffield to compare more favourably in future years.</p>
3.9.10.	<p>Strategic Review of Older People’s Care Homes: Cordisbright & Laing Buisson have been commissioned to carry out a strategic review of the older peoples care home market on behalf of the Council as per the commitment made by the Council’s Cabinet in March 2020 just before the pandemic took hold in the city. The impacts of the pandemic on care homes and on Council resources resulted in this work being delayed. The consultants have interviewed over 30 providers to date. Proprietors were asked about their viability in terms of current fee levels and the proposed 1.9% increase as well as their general views on the increases. The interim report is provided at Appendix 2. Key points highlighted however are:</p> <p>The consultants identified four groupings of providers:</p> <ol style="list-style-type: none"> 1. <i>Proprietors representing 7 homes in the city were very negative in their feedback on fees and increases. These providers are generally medium-sized local and regional operators who are vocal in their frustrations with the Council. This group of providers feel that the methodology and ‘base rate’ used to calculate the increase is flawed and are negative overall about the engagement and communication from the Council. A number of these providers say that they have significant viability issues within 3 to 6 months. See responses above.</i> 2. <i>The views are less negative from not-for-profit operators with a larger national base (three homes). The current £505 fee rate has been manageable but they seek minimum £60 top ups, which is now proving very difficult. No immediate viability issue. See responses above regarding support to providers and market contraction and Strategic Review implementation.</i> 3. <i>The views are neutral to negative from operators with longstanding council relationships (10+ homes) but warn that loss-per-bed has increased from £12 pp/bed/week at 90% occupancy to £130 pp/bed/week at current 75% occupancy. See responses above regarding support to providers and market contraction and Strategic Review implementation.</i> 4. <i>Providers who mainly have self-funders are neutral on the fee levels and increases, as expected (3 providers, 4 homes). One provider is achieving £800 pw and has a waiting list and another has a similar level of fees and has a higher level of</i>

	<p><i>vacancies and a drop in referrals / enquiries.</i></p> <p>Further issues raised by providers with the consultants are covered in other sections of this report but are:</p> <ul style="list-style-type: none"> • Cost of Equipment • Single rate • Inflation / appropriateness of CPI • Occupancy
3.9.11.	<p>Independent Data Analysis of Future Demand:</p> <p>The Council commissioned Kingsbury Hill Fox to undertake future demand analysis to project expected demand for care home or 'equivalent' care by the year 2025. Full details are provided in Appendix 1 and the report is provided in full at Appendix 3.</p> <p>The key findings of the data analysis are that there was an oversupply of care home places in the city pre-covid of around 18% (even allowing for 90% as optimal occupancy). Anticipated future demand, based on the level of occupancy of care homes by people aged 65+ in the last three years and ONS demographic projections for Sheffield, suggested a growth in demand for care home or equivalent care of 8.3% over the next 5 years. This would take the oversupply, based on 90% occupancy, to 8% by 2025. This was based on pre-covid publicly available data from CQC reports however so does not take account of the significant drop in occupancy and low levels of referrals to homes following the pandemic.</p> <p>Another key finding of the report is that the distribution of care home supply is not aligned to demand. This confirms the understanding of commissioners that there are higher levels of supply in areas of the city where land has historically been cheaper e.g. the north.</p> <p>The other key finding of the report is that the quality of care homes, based on CQC ratings over the last 3 years shows some disparity between the north (highest ratings) and the south west of the city (poorer ratings).</p> <p>The analysis supports the Council's view and the anticipated recommendations of the Strategic Review of the older people's care home sector that a degree of market contraction and market reshaping will be required over the next few years to ensure that the city has sufficient and sustainable quality residential care for those who need it and a range of alternative types of care and support for those who would prefer to remain at home or in a non-residential setting.</p>
3.9.12.	<p>Cost of Equipment: <i>Providers told us that frailer residents require more specialist, expensive equipment that the provider needs to</i></p>

	<p><i>purchase and then store when not needed.</i></p> <p>The Care Home Equipment Loan Service Guidance has been in existence since August 2018 and was widely consulted on and agreed with Care Home managers. The guidance was recirculated to care home managers again in 2019 and 2020 and will be recirculated in response to this feedback.</p> <p>The guidance outlines the responsibilities of the Care Homes with regards to the provision of equipment and the circumstances in which the Integrated Community Equipment Loan Service (ICELS) will loan standard and special equipment as well as how to return it to the equipment provider. All equipment (including profiling beds for end of life care) loaned to Care Homes has to be prescribed by a health care professional and the ICELS considers all requests on an individual basis. The ICELS was retendered last year and the Council is working closely with the new provider to ensure that the loan service is working for providers and that equipment is tracked and returned when no longer required. This will reduce costs for homes, ensure appropriate use of prescribed equipment and avoid homes storing equipment that is no longer required.</p>
3.10.	Extra Care Consultation Feedback Summary
3.10.1.	<p>There is now one provider of Council funded extra care who also delivers homecare in the city. The provider gave feedback on the extra care contract regarding the impact of minimum wage increase which the Council acknowledges and proposes to address in the revised recommended rate. The service element of the contract is outside the scope of this fees consultation however the contract will be reviewed in preparation for re-procurement this year and in light of any changes regarding sleep in payments.</p>
3.11.	Home Care Consultation Feedback Summary
3.12.	<p>The responses received from home care providers largely reflected the issues raised by care homes (staffing related costs, higher than CPI costs) as described in section 3.6 above.</p> <p>The consultation process for home care comprised of two elements: 'in person' meetings with providers (conducted via Zoom) and an online survey.</p> <p>19 providers were present at the meetings and 8 submitted online feedback, representing 63% of the total market share in terms of weekly hours delivered.</p> <p>Most of the themes raised by home care providers were similar to those raised by care homes but without the issue of occupancy and with less pressure regarding the non-staffing element of the rate which comprises a lower ratio (15%) of the overall rate.</p>

Staffing, Recruitment and Retention: *Many providers told us that they would like to be able to pay their staff more and that this would improve morale, improve recruitment and support improved retention.* The turnover of staff is over 50% in Sheffield for homecare and this has huge cost implications for providers and impacts on the quality and consistency of care for people receiving home care. Most providers were keen that any additional investment that could be made in the fee rate would be passed on to improving staff wages and payment terms.

We appreciate the concern expressed in terms of the impact upon the labour market when the economy begins to recover from the pandemic. Given the current position, it is challenging to both make and prepare for forecasts of this nature.

Non-Staffing element of the fee rate: *Providers told us that the non-staffing element of the fee rate should be increased by higher than the CPI rate which they felt does not reflect some of the increases they face.* The Council believes that CPI is the most appropriate index against which to model an increase in non-staffing costs as set out at section 3.6.4 above however alternatives will be considered in collaboration with providers over the next six months and tracked against the current approach to assess suitability.

Increased costs relating to Covid19: Home care providers also raised concerns about the increased costs of delivering care as a result of the pandemic and finally providers also told us that it is more difficult to retain staff and costs of recruitment have increased. See above section for more detail on support for providers.

Provider payments: *Some providers fed back that the Council's current homecare payment model whereby providers are paid for the minutes of care delivered in someone's home (with a banding adjustment made) is not preferred.*

The Council has instigated a process, the Income & Payments Programme, to investigate and implement a new method of paying and charging for home care services, with payment for planned time the forerunner under consideration.

Performance: It should be noted that home care providers provided, and continue to provide, care services throughout the pandemic, while managing multiple challenges, including staff sickness and isolation, increased costs, and often high levels of demand. The market is currently in a relatively 'steady state,' monitored by weekly Situation Reports and regular dialogue between Sheffield City Council commissioners, contract managers and care providers. The sector provides a critical role in supporting people in need of care at home to be discharged in a timely way from hospital after a period of illness and has risen to this challenge with strong performance pick up times and responsiveness to a

	<p>health system under significant strain.</p> <p>The Council acknowledges the hard work and dedication of the social care sector especially their incredible commitment throughout the pandemic. The Council has reflected on the feedback from providers and has committed the investment of £4.2m in addition to the initial proposed fee rate. This increases the overall fee rate proposed in this paper to 4.99% with the expectation that this additionality above the minimum wage increase will be passed on by providers to their care workforce.</p>
3.13.	Supported Living Consultation Feedback Summary
3.13.1.	<p>The response rate to the formal consultation on the proposed fee rate was 79.3% of the 22 active supported living framework providers. 9 responses were received as part of the online survey. 3 providers reacted positively to the uplift fee proposal. 3 providers felt that the fee uplift proposal would partially reflect the costs of operation whilst 3 providers felt the proposal would not cover costs of operation.</p> <p>The feedback from supported living providers reflected that of other sectors e.g. Providers would be keen to move towards paying staff the Foundation Living Wage and remained concerned about ongoing impacts caused by the pandemic. These are described more fully in the care home and home care sections above and have informed the final recommended fee rate increase.</p> <p>The Council acknowledges the hard work and dedication of the social care sector especially their incredible commitment throughout the pandemic. The Council has reflected on the feedback from providers and has committed the investment of £4.2m in addition to the initial proposed fee rate. This increases the overall fee rate proposed in this paper to 4.99% with the expectation that this additionality above the minimum wage increase will be passed on by providers to their care workforce.</p>
3.14.	Non-standard rate residential care for people with complex needs consultation feedback summary:
3.14.1.	<p>Non standard rate residential care providers were contacted with the proposal to offer a 1.9% increase to the rate paid by the Council. This covers providers both in Sheffield and out of city. This did not include an increase to the CCG funded element of any joint packages or CCG fully funded packages of care with these providers.</p> <p>Over the last 24 months the Council's commissioning officers, with support from finance and commercial services, have worked with a number of non-standard rate residential providers through a Value for Money and Quality project to review the individually negotiated</p>

	<p>fees in this sector. Although this project has been heavily impacted by the pandemic. Where a provider believes that such a review is appropriate for placements with them, we will undertake this via this project over the next year and make adjustments as appropriate.</p> <p>Council and Sheffield Clinical Commissioning Group commissioners and contract managers work closely together on quality monitoring and on developing a robust approach to developing and ensuring value for money from the non-standard complex residential market. This includes jointly undertaking Value for Money and Quality reviews of providers supporting people with jointly funded packages of care and working together to try and ensure aligned fee increases each year.</p> <p>Mental Health provision is managed on a slightly different basis and fees reflect progress in the delivery of specified outcomes for residents. It is therefore proposed that Mental Health providers are excluded from the recommended uplifts as they are subject to a different approach.</p> <p>Respite provision for people with learning disabilities has not previously been included in the annual market analysis and fees review. The current market is mixed, with 6 providers, 3 of whom provide a service within a residential setting, the other 3 using a Supported Living model. The arrangements for payments are also varied with 2 providers as Council Arranged Services and 4 paid via a Direct Payment. All 6 providers are registered as non-standard short-term residential services.</p> <p>A review of respite services and consultation will be undertaken over the next 12 months to gain a greater understanding of this very varied provision. This year however it is proposed that the increase for Council Arranged Respite is based on the same increase calculated for non-standard residential care.</p> <p>The final proposal for the increase in these individually contracted fee rates is 1.9% based on the increase in national minimum wage of 2.18% applied to staffing costs (weighted at 71% of the rate) and 1.2% CPI applied to non staffing costs (weighted at 29% of the rate). Providers can request a joint Value for Money and Quality Review of their provision and fee rates by the Council and the Sheffield Clinical Commissioning Group.</p>
3.13	<p>Day Activities:</p> <p>Day activities provision has not previously been included in the annual market analysis and fees review. The last year has seen the development of a proactive commissioning approach to this sector despite the huge impact on providers of the pandemic and ongoing lock down restrictions. Given the specific volatility of this market currently it is recommended that a fee increase be proposed this</p>

	<p>year with a view to carrying out detailed consultation with the market over the next year on a longer term funding strategy for the sector.</p> <p>More work will be undertaken over the next 12 months with the day activities market to understand the cost base of this very varied provision. This year however it is proposed that the increase for this sector is based on the same increase calculated for home care.</p>
3.14	<p>Direct Payments: Provider Costs and PA Rates:</p> <p>Direct Payments have also previously been outside the scope of the annual market analysis and fees review. The last year has seen the development of a coproduced improvement project to improve the Council's approach to direct payments and supporting people who wish to use this flexible approach to managing their own care and support.</p> <p>It is therefore recommended that an increase to the direct payment rate be proposed this year based on the work of this project and the input of a range of people engaged in this as well as the feedback from providers from the consultations on homecare and supported living. The proposal is that the Direct Payment rate is considered in two separately costed elements: activity costs (based on care home fee rate model) and PA rates which must cover the total cost of someone's employment.</p> <p>The rate for Personal Assistants (part of someone's direct payment) must be sufficient to meet all their employment costs. The rate for other areas of direct payment spend is based on the same increase as home care and supported living. The Council has committed an additional £4.2m for investment in the care workforce. This means that the proposed uplift for Personal Assistants is 5.66% which is significantly above the minimum wage increase. The Direct Payments Programme will work with people who use direct payments to support them to utilise the increase to increase the pay of the Personal Assistants and other care providers.</p>
4.	<p>Support to care providers during the pandemic:</p>
	<p>The Council acknowledges the significant and varying impact of the pandemic upon providers over the last 12 months. The Council has provided a wide range of support for contracted and non-contracted providers summarised below and detailed further in the appendix by sector type (*denotes support offered to framework providers only):</p> <ul style="list-style-type: none"> • PPE support including a 7-day free supply of equipment where providers were unable to replenish their own supplies. This applies to all providers in the city (contracted and non-

	<p>contracted)</p> <ul style="list-style-type: none"> • Support through regular virtual forums and at least fortnightly telephony-based support from our commissioning and contract managers* • A dedicated 'providercovid19 inbox' and weekly updates via email to all providers or specific sectors as appropriate • A dedicated Web Page 'Coronavirus - Support for Adult Social Care providers' sharing information and sign posting to support services for providers.5% uplift - COVID supplement on fee rate* • Advance fortnightly payments for homecare* during the first four months of the pandemic • Flexible block payment for homecare* during the first four months of the pandemic • Demand focused financial support and incentives for homecare* which remain ongoing • Occupancy support for Council funded care homes experiencing high vacancy levels as a result of higher than expected deaths and covid outbreaks • Support for supported living and day activities providers to top up under delivery related to covid and to cover additional costs of supporting people differently • Support with additional and exceptional costs relating to covid • Administration of grants to support the care sector including Infection Control Fund (Rounds 1 & 2) and Lateral Flow Device Testing support for care homes • Support to access the national PPE supply chain introduced by the Department of Health and Social Care in the Autumn as well as the option to draw on Council funded PPE to top up their supplies if required. <p>More detailed feedback from providers of the positive impact of the support from the Council is provided in Appendix 1. ¹</p>
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¹ Appendix 1* – 'Home Care and Support Services COVID 19 Survey - Provider Feedback July 2020' provides feedback on the value of the above support received and helped inform the

5.	Final proposals based on market analysis and consultation feedback:
5.1.	Increase the original proposed fee rate for care homes, home care, extra care, day activities and supported living. The proposed increase in fee uplift is based on increasing the staffing element of the fee rate by 5.66% and is a fundamental part of our ambition to work with each sector to enshrine the Foundation Living Wage contractually over the next few years. Standard rate care homes will also have a higher than originally proposed increase in the non-staffing element of the rate of 3%.
5.2.	Increase PA rates for people in receipt of direct payments who use this to pay for a PA by 5.66% and the activity element of the direct payment by 4.99% in line with home support.
5.3.	The Council is committed to working in partnership with providers who are able to respond to changing demographics and customer expectations to deliver better outcomes and improved terms and conditions for the care workforce.
5.4.	The Council and the Sheffield Clinical Commissioning Group continue to work closely with Care Homes in the city to respond to and take forward the findings of the Strategic Review of Care Homes in the context of the wider review of Adult Social Care. The focus of this work is the contraction necessary to ensure a sustainable market in the medium to longer term and the proactive reshaping of the market and development of models of care that are fit for the future needs and aspirations of older people in the city. Key areas for collaborative development are sufficiency, quality and outcomes focused care, workforce development, capital investment and longer term funding strategy.
5.5.	The Council continue work to redesign the home care and supported living models for the city with engagement from people who use services, providers and other stakeholders, and drive improvements to the procurement and payment processes.
5.6.	The Council continue to drive the Direct Payment improvement programme working with people who use or would like to use a direct payment to have more choice and control over their support and how it is delivered.
5.7.	The Council continue to develop the approach to commissioning day activities for people to support a diverse and accessible range of quality, person-centred activities that meet people's needs and aspirations.
5.8.	Commissioning to lead on a workforce development workstream within the context of the wider Adult Social Care Strategic Review with providers, representatives of the workforce, trade unions, and

planning for the below support from July 2020 onwards.

Appendix 2* – 'Home Care and Support Services Feedback - COVID 19 Survey July 2020' provides feedback on providers perceptions of the support received during the first wave and their readiness for future waves.

	partners in the learning and skills sector to drive the shared ambition to enshrine the foundation living wage across the care workforce and supply chain.
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6.	RISK ANALYSIS AND IMPLICATIONS OF THE DECISION
6.1.	<u>Equality of Opportunity Implications</u>
6.1.1.	An Equality Impact Assessment has been completed for the proposed fee increase. A full list of the equality considerations, impacts and actions can be found in Equality Impact Assessment 883.
6.1.2.	The proposal is supportive of the Public Sector Equality Duty (noted in the Legal Implications section below), under which public authorities, in the exercise of their functions, must have due regard to the need to: <ul style="list-style-type: none"> • Eliminate discrimination, harassment, victimisation and any other conduct that is connected to protected characteristics and prohibited by or under this Act • Advance equality of opportunity between those who share a relevant protected characteristic and those who do not • Foster good relations between those who share a relevant protected characteristic and those who do not.
6.1.3.	The EIA notes that the proposed fee increases are (on the basis of consultation feedback) expected to enable providers to maintain or improve staffing levels, so to benefit the quality and consistency of care for individuals supported – this includes people who share the key protected characteristics of Age and/or Disability. The Council’s EIA template requires consideration of the impact on providers themselves where they are deemed to be VCF/not-for-profit. A further impact area considered is poverty and financial inclusion. While the cost of higher fees will be passed onto people who pay contributions to the cost of their care, it is noted that the financial assessment process takes account of cost of living and disability related expenses, which offers some mitigation.
6.2.	<u>Financial and Commercial Implications</u>
6.2.1.	The impact of the recommended fee increases is as follows:

	Type of Provision	Initial Proposed % Increase	Final Recommended % Increase	Impact on budget 000's £
	Standard Care Homes	1.9%	4.89%	£2,574
	Homecare Framework	2.03%	4.99%	£1,281
	Supported Living Framework	2.03%	4.99%	£1,366
	Non-Standard Residential & Respite	1.9%	1.9%	£322
	Day Activities	1.9%	4.89%	£326
	Direct Payments PA Rates		5.66%	£622
	Direct Payments Activity Rates	2.03%	4.99%	£1,493
	Total Cost			7,864
6.2.2.	<p>The financial risks will be mitigated as follows:</p> <ul style="list-style-type: none"> • Demand for care will be well-managed. As set out below, the vision for adult social care is to enable a shift into prevention which will mean proportionately fewer people need care. • The investment will create a more stable supply of care which will result in significant benefits for individuals and the wider health and social care system. Just as inconsistent adult social care creates the risk that more Sheffield people will wait longer in hospital beds before they can leave, so consistent care will mean fewer hospital beds are likely to be needed. • This shift into prevention that will be delivered in Sheffield will continue to take pressure off the usage of hospital beds and enable a shift of resources from acute care to community care to ensure future affordability. • The cost will be contained within the budget allocated to adult social care in the 2021/22 budget. 			
6.2.3.	<p>Effective and efficient use of resources across the whole of health and social care is absolutely key to a sustainable financial plan in future years. The national initiatives to develop an Accountable Care</p>			

	Partnership (ACP) for Sheffield and an Integrated Care System (ICS) for South Yorkshire and Bassetlaw will support a system-wide move from bed-based and institutional care towards sustainable preventative support for people living in Sheffield's communities.
6.3.	<u>Legal Implications</u>
6.3.1.	<p>The Care Act 2014 places a duty on the Council to promote the efficient and effective operation of a market in services for meeting care and support needs, and in performing that duty, the Council must have regard to the importance of ensuring the sustainability of the market, as well as to the requirement to facilitate and shape their market for adult care and support as a whole, so that it meets the needs of all people in their area who need care and support. There is an expectation on the Council to ensure that the fees for all types of care should take account of both the actual cost of good quality care and the need to ensure a diverse provider market.</p> <p>In meeting these requirements the Council has conducted a comprehensive consultation process as set out in section 3 of this report.</p> <p>The Council must also comply with the requirements of the Equality Act 2010 and in particular section 149 (the Public Sector Equality Duty), which provides that a public authority must, in the exercise of its functions, have due regard to the need to; Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Act. The due regard given to the PSED is evidenced in this report and the attached EIA reference number 883.</p> <p>Care must be taken to ensure that variations to existing contracts are not material in accordance with the Public Contracts Regulations 2015. In doing so regard must be had to previous variations as amendments have to be considered cumulatively.</p>
6.3.2.	Other implications – None
7.	ALTERNATIVE OPTIONS CONSIDERED
7.1.	The Council originally consulted in December 2020 on a proposed fee increase based on a lower increase in fee uplift. Following the feedback from providers and further market analysis, the Council has reflected on the feedback and the risk to the market of the initially proposed uplift and is recommending a higher increase to care home non-staffing costs and the investment of an additional £4.2m into salaries of front line staffing.
7.2.	The Council has considered whether to adjust the care home fee to reflect lower occupancy levels. This option has been discounted however on the basis that some market contraction is required and a more targeted intervention will ensure this is safely managed and

	<p>protects the balance and continuity of care for those who need it in the city. Adjusting care home fees to reflect average occupancy levels would have very different implications for homes depending on their occupancy with some gaining and others still struggling to achieve viability. A targeted approach enables the Council to intervene to ensure that the inevitable risks associated with the contraction needed to achieve a balanced and sustainable, diverse and quality market can be best mitigated during a period of unprecedented market volatility.</p>
8.	REASONS FOR RECOMMENDATIONS
8.1.	<p>In order to develop and maintain a stable adult social care market in Sheffield the Council need to ensure that the fees paid by the Council to providers for adult social care in the city of Sheffield are increased in line with the cost of delivering care in the city including inflationary pressures in 2021/22.</p> <p>The impact of the pandemic on the adult social care sector is ongoing and the Council will continue to monitor the costs and pressures facing each type of care provision to support a sustainable, quality and diverse market during a very challenging and volatile time for providers, for people who use services and for the Council and wider health and social care system as commissioners.</p>

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Appendix 1: Market and Provider Consultation Analysis Informing the Fee Proposal for 2020–2021

	Market and Provider Consultation Analysis Informing the Fee Proposal for 2021–2022
1.	<p>INTRODUCTION:</p> <p>The Council’s commissioning service has consulted with affected providers of older adults care homes, supported living and homecare providers as well as learning disabilities complex needs residential care homes about the Council’s fee rates for next financial year (2021-22). The following report sets out the approach to consultation with each sector, the feedback received and the Council’s consideration of the key themes and issues raised. This is summarised at Section 3 of the main Cabinet Report and informs the recommended increase in the fee rates. Each sector is analysed and considered against the following headings to inform a final proposal for fee rate increase for each sector as summarised in the Cabinet Report.</p> <ul style="list-style-type: none"> • Background • Market Analysis • Consultation Process • Consultation Response • Consultation Feedback • Analysis of Feedback • Fee Rate Model • Additional Support • Fee Rate Proposal
2.	Older Adult Nursing and Residential Care Homes
2.1.	<p>Background:</p> <p>2020/2021 has been an exceptionally challenging year for the Care Home Market in Sheffield and nationwide due to the Covid19 pandemic. Many homes have had outbreaks with some sadly losing significant numbers of residents as a result. All homes have had to adapt to new ways of working such as increased requirements for Infection Control and Personal Protective Equipment, changing guidance around visiting, testing for staff and vaccinations. Staff have been exposed to extremely stressful working conditions with many staff having to work additional shifts to cover staff sickness and isolation and avoid the use of agency staff. Providers report ongoing sickness and the impact of trauma and fatigue on staff resilience and morale. Care Home providers and their staff have risen to the challenges faced and continued to provide caring and compassionate care to their residents.</p> <p>It is clear that Covid19 will continue to have a significant impact on the care home market in 2021/2022 and that decisions about the fee rate and any additional</p>

	<p>support for care homes to cope with additional costs and high vacancies will have both a short and long term impact on the shape of the market in Sheffield.</p> <p>Sheffield currently pays for Standard Residential and Nursing Care at a flat rate of £505 per week, in addition Nursing placements receive a Funded Nursing Care (FNC) payment of £183.92 per week from the NHS. This method differs from many other local authorities who have different fee rates for different types of care such as High Dependency or Elderly Mentally Infirm (EMI).</p>
<p>2.2.</p>	<p>Market Overview:</p> <p>The care home providers range from small, long established operators with a single care home in a converted property, to large national organisations that run many purpose-built care homes – typically focused on areas of the city where land costs are lower.</p> <p>Approximately 36% of the current care homes in Sheffield are operated by large national or regional organisations; however there are also more local organisations who have multiple care home ownership. Such a diverse range of ownership brings with it different business models and cost structures: some providers operate with significant debts whereas others may have very little. National providers can cross-subsidise their homes to manage local variations in demand and profitability and are able to take advantage of economies of scale. There is increased competition for self-funders in recent years through new developments aimed specifically at this market. This has impacted, anecdotally, on providers who historically managed a ‘mixed economy’ of residents.</p> <p>The variation in business models, costs and business practices as well as the increased variation in occupancy levels experienced in the past year was highlighted in the wide variety of costings that were submitted by providers during the open book exercise that was completed as part of the consultation – this is described elsewhere in the report.</p> <p>Given that one size does not fit all in this provider market, the Council seeks, through ongoing market management, quality monitoring and engagement with business owners, to support the sector to respond to changing demand and ensure diversity of provision and stability across the market whilst acknowledging that there is wide variation of costs and practices encompassed within the ‘standard rate’ market. This has been a particular challenge in the context of the pandemic which has impacted on occupancy of some homes significantly thereby increasing the risk of instability in the market.</p> <p>In the past year one older people’s Nursing Home (60 beds), one older people’s Residential Home (25 Beds) and one Residential Home specialising in Mental Health (11 beds) have both closed and a small unit providing respite care for Adults with Learning Disabilities has relocated (loss of 1 bed). We are also aware of a number of other providers who are considering their longer term options in the context of such uncertain market conditions. Home closures over the past 3 years have been a mixture of local, regional and national providers with nursing beds the most heavily affected by closures.</p>

There does not appear to be much interest from providers in opening new care homes or investing in their existing stock in Sheffield at present but there does appear to be interest from providers in acquiring homes that are struggling. We are aware of one such takeover that is imminent and another provider has contacted the Commissioning Service requesting that their details be shared with any homes considering closure.

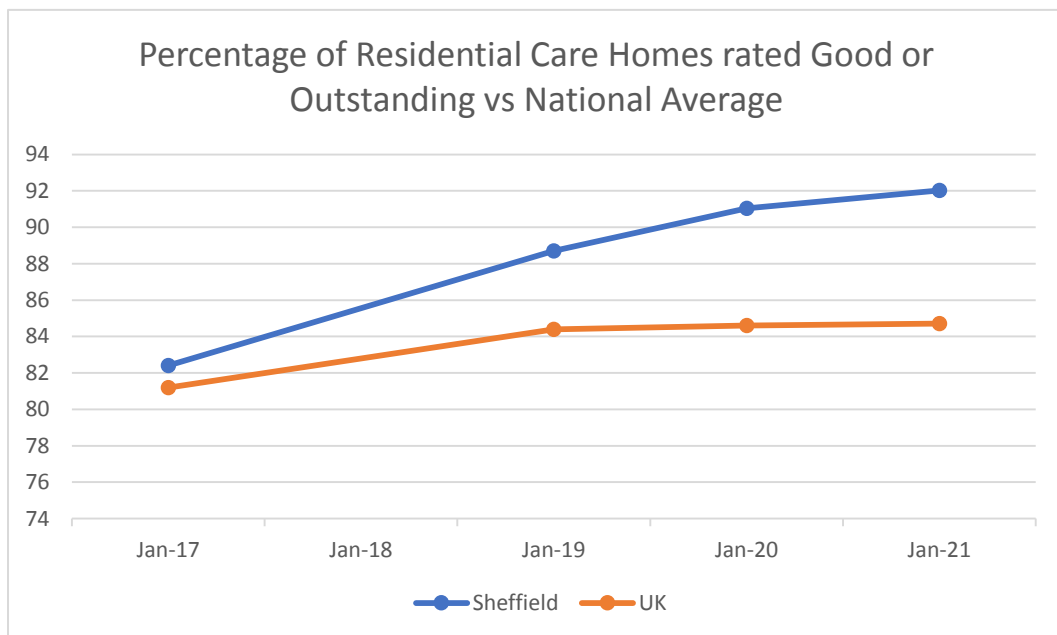
2.3. Quality:

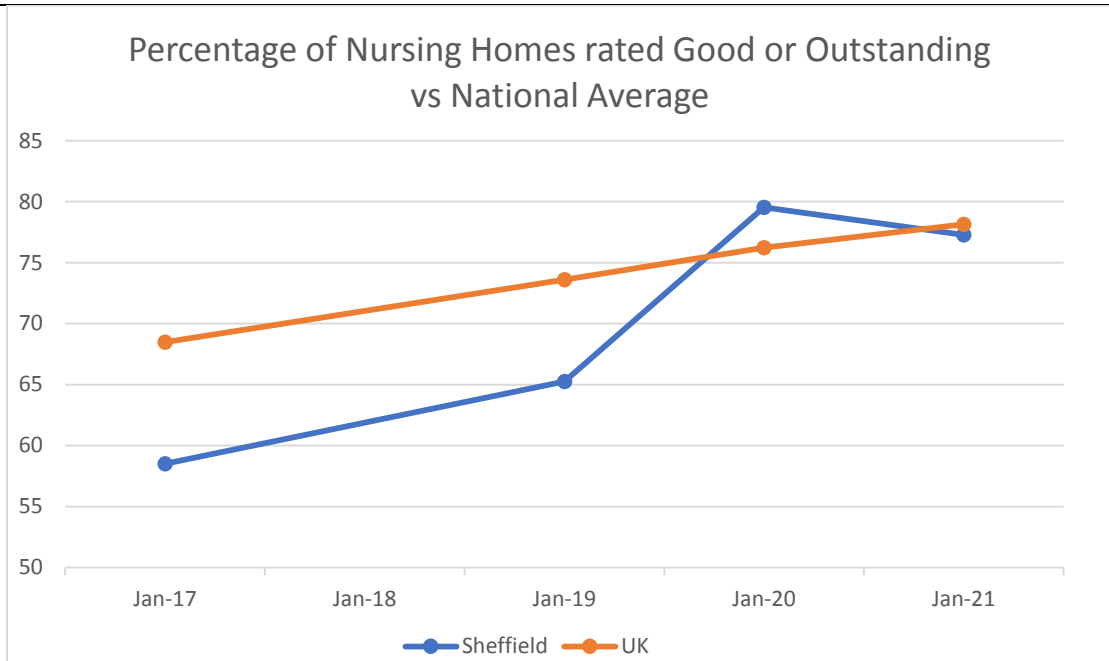
The pandemic has influenced how the sector is inspected and monitored for quality of care with Inspections by the regulator and physical Monitoring Visits by Council contracts officers not possible for most of the year due to restrictions on non-essential visiting in care homes.

The Care Quality Commission CQC have begun to inspect again but many of these inspections are focussed on whether homes are meeting Infection Control requirements and few new care home ratings have been published.

In normal circumstances the Council's quality and performance team would visit care homes twice per year. Unfortunately, this has not been possible, instead the team has been undertaking remote quality monitoring calls with care home managers and investigating concerns received by the public or professionals. Most homes are currently rated as standard risk (112 operating homes) with one rated as medium risk and no high risk with regards to quality and practice. 2 other homes have been rated as medium risk in the past year but have responded well to agreed action plans and demonstrated the improvements required to de-escalate them to standard risk.

The most recent data (Q3) on the quality of care homes in Sheffield is shown below.





This shows the quality of Residential Care homes is still above the national average and is continuing to rise at a rate exceeding the national average improvement.

There has been a slight fall in the ratings of nursing homes rated good or outstanding from 79.55% to 77.27%, this is due to one previously rated Good home receiving Requires Improvement rating. This is change against the upwards trend of previous years and puts nursing homes slightly below the national average 78.16%.

2.4. Market Analysis

2.4.1. Occupancy

Prior to 2020 average care home occupancy had remained relatively stable usually above the 90% mark. On 20/4/2020, early on in the pandemic, care home occupancy was at a relative high with 92.46% nursing beds occupied and 94.75% residential beds (76 confirmed or suspected Covid19 deaths had already been reported when this figure was produced so occupancy is likely to have been even higher at the end of March 2020). However, a combination of high deaths amongst care home residents as well as reduced demand for beds has led to a drastic fall in occupancy to 78.01% in Nursing Homes and 77.02% in Residential Homes.

	Nursing	Residential
Jan-21	78.01	77.02
Apr-20	92.46	94.75
Nov-19	90	92
2018/2019	83.5	91
2017/2018	93.6	90.6
2016/2017	92.5	93
2015/2016	92.5	92
2014/2015	87.53	88.57

2013/2014	83	86.7
2012/2013	90.1	88.3

It is not just the fall in average occupancy that is a concern for care home providers but an increase in the range and variation in different occupancy levels. The below table shows how the variation in different occupancy levels in older people's care homes has changed during the pandemic. At the start of the pandemic 87.18% of nursing homes and 94.74% of residential homes were above 80% occupancy with very few below 70%. Currently only half of both residential and nursing homes are above 80%, there has also been a significant increase in the number of homes below 70% occupancy.

Range of occupancy levels	% of Nursing Homes in this range of Occupancy		% of Residential Homes in this range of Occupancy	
	20/04/2020*	15/01/2021**	20/04/2020	15/01/2021
90.01-100%	64.10	28.95	76.32	26.32
80.01-90%	23.08	21.05	18.42	23.68
70.01-80%	10.26	18.42	2.63	18.42
60.01-70%	2.56	10.53	2.63	10.53
50.01-60%	0.00	18.42	0.00	13.16
50% and below	0.00	2.63	0.00	7.89

*20/04/2021 was the date that the first detailed occupancy per provider was collated via the NHS capacity tracker.

**15/1/2021 nursing home numbers reflect the fact that one older persons Nursing home has closed in this period. 20/4/2020 used as the first date as this is the earliest date we have complete detailed data for. On 20/4/2020, 76 confirmed or suspected Covid19 related deaths had already been reported in Sheffield Care Homes.

Low occupancy presents a challenge to providers as any fixed costs are spread over fewer placements and income is reduced, also some variable costs such as direct staffing might not be immediately variable, for example due to fixed hours contracts and carer hours only reduced on an incremental basis (some homes utilise staffing ratios e.g. 1:5). This means that the increased variation in occupancy rates will in turn lead to an increased variation in average cost and efficiency. This volatility makes it particularly challenging to establish a reasonable cost of care, especially in the context of oversupply of beds in the city.

2.4.2. Benchmarking

All Local Authorities will have different factors in relation to their local economy, so a one-size-fits-all approach cannot be assumed. However, Sheffield's approach to fee

rates for 2021/22 must be appropriately mindful of the approach taken by neighbours and other authorities in the region and other core cities.

Sheffield is the only authority in the region that uses a single base rate for all older people's residential care. ADASS figures show that out of 15 Local Authorities in the region our residential rate is the 9th most generous when compared to the minimum other local authorities pay but 14th when compared to the highest rate.

Residential Care

Local Authority		2020/21 rate	
		Minimum	Maximum
1	Barnsley	503.40	548.81
2	Bradford	494.83	545.09
3	Calderdale	489.26	514.00
	Calderdale EMI	564.72	589.84
4	Doncaster	535.52	535.52
5	East Ridings of Yorkshire	524.02	569.38
6	Hull	474.80	508.30
7	Kirklees -res	533.82	562.56
	Kirklees - res with dementia	553.82	582.56
8	Leeds	559.00	623.00
9	North East Lincolnshire	517.37	517.37
10	North Lincolnshire	496.48	526.9
11	North Yorks	579.04	579.04
12	Rotherham	479.00	500.00
13	Sheffield	505.00	505.00
14	Wakefield	554.50	648.50
15	York – res	534.80	534.80
	York - res with dementia	575.39	575.39

For Nursing care we are 12th out of 15 when compared to the minimum rate but 15th when compared to the maximum rate.

Nursing Care (excluding FNC)

Local Authority	2020/21 rate
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		Minimum	Maximum
1	Barnsley	503.40	548.81
2	Bradford	580.09	580.09
3	Calderdale	561.98	589.28
	Calderdale EMI	589.28	614.38
4	Doncaster	587.79	587.79
5	East Ridings of Yorkshire	524.02	569.38
6	Hull	474.80	508.30
7	Kirklees	545.71	574.45
	Kirklees - with dementia	565.71	594.45
8	Leeds	590.00	640.00
9	North East Lincolnshire	517.37	517.37
10	North Lincolnshire		
11	North Yorks	572.39	572.39
12	Rotherham	493.00	547.00
13	Sheffield	505.00	505.00
14	Wakefield	554.50	648.50
15	York	567.22	567.22
	York - with dementia	615.95	615.95

Comparisons can also be made against other core cities in the UK whose demographics most closely resemble Sheffield's. The following has been produced by the consultants, Cordisbright, and is a comparison of average price paid rather than the base rate. Out of the 8 core cities Sheffield ranks 8th for Nursing Care and 7th for Residential care and 7th overall.

	Nursing	Residential	Combined
Bristol, City Of	£871	£893	£881
Newcastle upon Tyne	£772	£694	£771
Leeds	£643	£693	£674
Nottingham	£685	£660	£666
Birmingham	£640	£681	£664
Manchester	£639	£587	£604
Sheffield	£630	£560	£586
Liverpool	£680	£470	£518

2.4.3. **Factors which affect viability of market:**

	From the consultation and other engagement with the sector it is clear there are other factors that affect the viability of the market other than fee rate and occupancy.
2.4.4.	<p>Staff recruitment:</p> <p>Many providers have stated that it is becoming increasingly difficult to recruit suitable staffing. This is particularly the case for nurses for which nationwide shortages have been reported. Many providers report having to backfill with expensive agency nurses for extended periods or offer significant financial incentives to fill nurse vacancies.</p>
2.4.5.	<p>Insurance:</p> <p>Some providers have reported difficulty in obtaining insurance since the start of the pandemic, particularly insurance that offers indemnity against Covid19 related claims, others have stated that they are still able to obtain this but their renewal premium has significantly increased by upwards of 20%.</p>
2.4.6.	<p>Brexit:</p> <p>At present it is still unclear what affect, if any, Brexit will have on the Care Home Market. Some speculation has been made that it may be even harder to recruit qualified workers some of whom are recruited from the EU particularly Eastern Europe. Others have speculated that food and utility prices may increase. It is currently too early to confirm this speculation or to put a monetary value on this.</p>
2.4.7.	<p>Covid19 costs:</p> <p>Some providers have expressed concern that some of the costs associated with Covid19 may continue past the 'end of the pandemic' and the additional government grants that contribute to meeting these costs. Many providers have indicated that the government grants such as Infection Control Fund grant are insufficient to cover the increased costs facing providers and are not confirmed at the point of consultation to continue beyond March 2021. While vaccination will reduce incidences of infection, it is not expected to result in reduce infection control measures such as testing, PPE, risk assessments for visiting etc. which all have a financial impact on providers.</p>
2.5.	<p>Older Adult Care Home Consultation Process:</p> <p>As part of the review of care fees for 2021/22 we conducted the following consultation on the challenges facing care home providers in our area:</p> <ul style="list-style-type: none"> • Formal consultation letter with proposed initial fee increase and request for feedback, 1st December. Further reminders were sent throughout December and January 2021 and providers were encouraged to submit returns when the consultation was discussed at the Care Home Owners' Forums in December and January. • Care home providers were also offered the opportunity to complete a template describing their costs as evidence to support their feedback. • Care home engagement sessions (x2) 6 & 7th January – At these sessions we were able to take feedback on the initial proposed fee rate. These

	<p>sessions were attended by senior officers including the Director of Health and Social Care and the Director of Strategy and Commissioning, as well as the Cabinet Member for Health and Social Care.</p> <ul style="list-style-type: none"> • Senior officers also continued regular meetings with representatives from the Sheffield Care Association (SCA) during the consultation period where feedback from the sector was provided. The SCA promoted the consultation to their members and also provided three letters detailing their views and concerns about the fee rates during the course of the consultation and subsequently in response to the scrutiny report. The SCA formal response to the consultation is attached below. <p>A request was received from the Sheffield Care Association for an extension to the consultation process. This was agreed, extending the consultation period to seven weeks.</p>
<p>2.6.</p>	<p>Older Adult Care Homes Consultation Response Rate and Background:</p> <p>The consultation process with older adult care homes has generated a lower level of responses than in previous years. We anticipate that this may be partly due to the continuing effects of the pandemic and the other pressures that this puts on care home administration and management time.</p> <p>This report sets out the responses, anonymised, in full detail and where possible (with regard to commercial sensitivity) verbatim as they were received from providers or recorded during workshops and forum meetings. The themes and issues are summarised in the body of the main cabinet report and have informed the recommended fee rate increase.</p> <p>The themes are explored further in this section and the original and/or verbatim submissions and comments are at Appendix A at the end of this report. During the consultation period care home providers have told us about the factors/pressures that impact on their ability to remain in the market and continue to provide good quality services.</p> <p>10 care home providers in total (representing 23 homes in the city) submitted financial and costings information, however we could not use the returns of 3 non-standard homes as costs were amalgamated with other services such as day activities and could not be separated. Usable returns represented 15.83% of the nursing and dual registration bed base in the city and 31.99% of the residential care home bed base. The financial information provided illustrated the wide variation in business and cost models among providers.</p> <p>22 providers sent feedback via email or letter in response to the fee proposal sent out in December 2020 and 15 providers attended the January 2021 consultation sessions.</p> <p>The feedback below has been taken into account in putting forward the recommended fee rate to the Council’s Cabinet</p>
<p>2.7.</p>	<p>Older Adult Care Homes Fee Rate Consultation Feedback Summary:</p>

	<p>Providers described a range of challenges over the course of the consultation that are summarised and analysed in the following section:</p> <ul style="list-style-type: none"> • Original Cost Model and Rate • Inflation above CPI • Occupancy Levels • Staffing Costs • Differentials between staffing rates • Impacts of Covid19 • Keeping Covid19 relief funding separate from fee uplift: • Appreciation for the support of Sheffield City Council during the pandemic • Benchmark with other authorities • Return on Investment • Capital investment • Costs of specialist equipment • No enhanced rate for dementia or high dependency • Reliance on self funders and third party top up fees. • New residents are being admitted older and frailer than previously. • Nursing homes and local providers most at risk
<p>2.8.</p>	<p>Analysis of Fee Rate Consultation Feedback from Older Adult Care Homes:</p> <p>Original Cost Model and Rate: Care Home providers have questioned whether the cost model used by the Council to assess the value of care accurately reflects the market. As part of the consultation exercise providers were invited to submit ‘open book’ costings to reflect current spend and pressures. The output from this is provided below and has informed the market analysis and final fee recommendation.</p> <p>Inflation above CPI: Care Home providers have claimed that CPI uplift does not cover inflation within care homes including increasing costs of insurance, general medical supplies, food etc.</p> <p>Occupancy Levels: Providers have told us about issues with occupancy levels in homes which may be partly due to Covid19. Providers usually model based on 90-95% occupancy. Providers are now seeing significantly reduced levels. Providers are unable to spread fixed costs across residents at lower occupancy. While many providers acknowledge that the fee rate cannot subsidise beds that are not required long term, others feel that the occupancy reduction should be reflected in the fee rate.</p> <p>Staffing Costs: Providers told us that the Council’s standard rate for care homes means they are not able to pay much above the minimum wage and it is hard to recruit and retain staff. They say that considering the work that care staff have carried out during the pandemic that they deserve to be paid above National Living Wage. Providers have indicated that they would prefer to pay staff higher wages and move towards the Foundation Living Wage.</p> <p>Differentials between staffing rates: Some providers felt that any fee uplift should contain differentials between staffing rates to allow for pay increases for management roles as well as front line lower wage staff.</p> <p>Impacts of Covid19: The impact of Covid19 has been significant for all types of provision but in particular care homes where there are now unprecedented levels of vacancies due to high deaths and low admissions and ongoing higher costs of meeting enhanced infection control and staffing measures. Increased costs have</p>

	<p>been supported by government grants and the Council's own funds however many providers feel this is either not sufficient still to cover their costs and/or are concerned about whether support will continue after the current government grant ends in March.</p> <p>Keeping Covid19 relief funding separate from fee uplift: Providers have been clear that the base rate fee uplift should be considered separately from Covid19 funding. Base rate fee uplift should not include Covid19 relief funding.</p> <p>Appreciation for the support of Sheffield City Council during the pandemic: Providers have broadly lauded the approach from Sheffield City Council during the pandemic. They wanted to share thanks to the organisation for their supportive approach during this challenging time. The Sheffield Care Association stated in their consultation response that they did not feel that the financial support had been sufficient.</p> <p>Comparison with other authorities: Many providers said that the Sheffield base rate continues to be lower than comparator authorities.</p> <p>Return on Investment: Some providers told us that due to low fee rates there was very little margin for return on investment.</p> <p>Capital investment: Providers described the need for more investment into building new homes and improving old care home stock. They feel that they are unable to invest due to historically low fee rates.</p> <p>New residents are being admitted older and frailer than previously: Providers told us as new residents are being admitted with a higher level of acuity which increases costs and decreases length of stay.</p> <p>Costs of specialist equipment: Some providers told us that frailer residents require more specialist, expensive equipment that the provider needs to purchase and then store when not needed.</p> <p>No enhanced rate for dementia or high dependency: Many providers felt there should be enhanced rates for dementia and high dependency.</p> <p>Reliance on self funders and third party top up fees: Some providers felt there was a reliance of self funded residents and third party top ups and there is reduced access to these.</p> <p>Nursing homes and local providers most at risk: We received a response stating they felt Nursing Homes and local providers were particularly at risk</p>
2.9.	<p>Analysis of Financial and Costings Information from Older Adult Care Home Providers:</p> <p>The Council did not undertake a full scale formal cost of care exercise as part of this year's fees review, however in common with previous years, providers were invited to submit financial information in support of their feedback and to help evidence the costs and pressure experienced by the sector. This information helped to support information received from formal consultation sessions and has informed the decision on 2021/22 fees.</p> <p>The financial information was reviewed by finance, commercial services and commissioning officers and considered against the current cost model described in the Cabinet Report (that was developed during the 2017 cost of care exercise) in order to challenge the model's assumptions about cost profile and increases.</p>

	<p>The open book exercises completed by care homes this year showed significant variation. The mean average cost of care was £506 which suggests the current rate of £505 is extremely tight for most providers. However, there was significant variation in the costs submitted by different providers which illustrates the variety of business and financial structuring in the sector. If outliers are removed from the calculation then the costs are between £530-£560 per bed per week. This suggests that these providers are using third party contributions, have more complex income streams (e.g. health funded or enhanced support packages for some residents), a mixed economy, are sustaining ongoing losses or subsidising from homes elsewhere. The homes with the lowest costs are those that have low or no mortgage or rental costs and lowest corporate overheads.</p> <p>While some providers have questioned why Sheffield has a single flat rate, the cost of care exercise and subsequent open book exercises have not indicated differentiated costs. Feedback from providers also indicates that standard residential care faces levels of acuity now, including dementia and extreme frailty that has eroded the difference in costings between residential and nursing and dementia that used to be much more distinct.</p>
<p>2.10.</p>	<p>Interim findings from Strategic Review of Care Homes by Cordisbright and LaingBuisson:</p> <p>The consultants have provided a summary of the initial feedback gathered from care home proprietors during the interviews with them that have included specific questions relating to the fee rate and the approach to reviewing and increasing the rate. The feedback is summarised here and aligns with the feedback collected via the fee rate consultation and the themes raised by providers over the course of previous consultation exercises:</p> <p>Overall, 41 proprietors and stakeholders have scheduled interviews, of which around 30 have been conducted so far. Interviews are conducted on the basis that specific comments will not be attributable to individual proprietors and the comments below are linked to specific proprietor types, rather than names of proprietors.</p> <p>Proprietors were asked about their viability in terms of current fee levels and the proposed 1.9% increase as well as their general views on the increases.</p> <p>The consultants identified four loose groupings of providers:</p> <ol style="list-style-type: none"> 1. Proprietors representing 7 homes in the city were very negative in their feedback on fees and increases. These providers are generally medium-sized local and regional operators who are vocal in their frustrations with the Council. This group of providers feel that the methodology and 'base rate' used to calculate the increase is flawed and are negative overall about the engagement and communication from the Council. A number of these providers say that they have significant viability issues within 3 to 6 months. 2. The views are less negative from not-for-profit operators with a larger national base (three homes). The current £505 fee rate has been manageable but they

	<p>seek minimum £60 top ups, which is now proving very difficult. No immediate viability issue.</p> <ol style="list-style-type: none"> 3. The views are neutral to negative from operators with longstanding council relationships (10+ homes) but warn that loss-per-bed has increased from £12 pp/bed/week at 90% occupancy to £130 pp/bed/week at current 75% occupancy. 4. Providers who mainly have self-funders are neutral on the fee levels and increases, as expected (3 providers, 4 homes). One provider is achieving £800 pw and has a waiting list and another has a similar level of fees and has a higher level of vacancies and a drop in referrals / enquiries. <p>A majority of proprietors have questioned the rationale for having a flat £505 rate, when many other local authorities differentiate between residential, residential EMI, nursing and nursing EMI. On the other hand, in authorities that do differentiate the fees, the proprietors often complain that the differentiation of £20 or £30 per week does not reflect the actual differential costs of providing care to people with complex needs.</p> <p>One complaint was having to fund specialist equipment, such as profile beds, which used to be lent by SCC. This same issue has been identified by other proprietors too, particularly those providing specialist services.</p> <p>Operators also cited fact that 'real inflation' -- such as food, insurance and IT -- is greater than 1.2% and therefore CPI element of 1.2% does not reflect reality. This point was again picked up by a range of other providers who felt that using the basic CPI rate did not reflect the true increases in non-staff costs faced by care homes. Other Councils use a basket of care home related costs to calculate annual inflation. Looking at reported operating costs of Care Homes (LaingBuisson Care of Older People Market Report) shows that after staffing costs the biggest expenditure areas for care homes are:</p> <ul style="list-style-type: none"> - Repairs, maintenance and equipment servicing. - Food. - Utilities (fuel, water, telephone) <p>Short/medium term viability issues are also often attributable to financing structures / leverage / breaching bank covenants. This is obviously partly bound up with fees, but also driven by fact that the homes break-even only at 90%+ which means that they are unsustainable except in good times (3 homes in Sheffield, one in administration). A slow return of self-funders to the market could have a significant impact on these providers.</p>
<p>2.11.</p>	<p>Future demand analysis for older people's care home or equivalent care and support:</p> <p>The Council commissioned Kingsbury Hill Fox (Sheffield Care Association had input into the specification for the work) to undertake an independent analysis of the likely future demand (2025) for care home beds or equivalent support in the city.</p>

	<p>The consultants worked with publicly available data on supply and occupancy gathered from CQC inspection reports over the last three years. This meant that the data was ‘pre-Covid19’ and therefore ‘Covid19 blind’. This has benefits in respect of providing a view on the supply and demand for older people’s care in the city that is not skewed by recent fluctuations resulting from the impact of Covid19 on care homes. At the same time, the findings should be treated with care given that the current level of demand has changed so much from that used in this analysis.</p> <p>The key findings of the data analysis are that there was an oversupply of care home places in the city pre-Covid19 of around 18% (even allowing for 90% as optimal occupancy). Anticipated future demand, based on the level of occupancy of care homes by people aged 65+ in the last three years and ONS demographic projections for Sheffield, suggested a growth in demand for care home or equivalent care of 8.3% over the next 5 years. This would take the oversupply, based on 90% occupancy, to 8% by 2025.</p> <p>Another key finding of the report is that the distribution of care home supply is not aligned to demand. This confirms the understanding of commissioners that there is higher levels of supply in areas of the city where land has historically been cheaper e.g. the north.</p> <p>The other key finding of the report is that the quality of care homes, based on CQC ratings over the last 3 years shows some disparity between the north (highest ratings) and the south west of the city (poorer ratings).</p>
2.12.	<p>Commissioning analysis of consultation feedback, market analysis and consultancy:</p> <p>Original Cost Model and Rate, Inflation above CPI Sheffield City Council continues to support the methodology it used in 2017 to set the base rate for the cost of care in 2018 and to uplift it in the subsequent years. Whilst the open book exercises completed this year predict a need for rate increases, these appear to be overwhelmingly as a result of reduced occupancy (lower income) and Covid19 related costs (see below). However, it is acknowledged that some non-staffing costs have increased by more than CPI for some providers, in particular for care homes where non-staffing costs are a larger proportion of the cost base.</p> <p>Occupancy Levels, Impacts of Covid19, Keeping COVID relief funding separate from fee uplift It is acknowledged that reduced occupancy levels have had a significant impact on many providers and increased their average cost of care and that some providers wanted an adjustment in the base rate as a result of this. However, it is felt by providers that in many ways it is not a fall the average occupancy rate but the increased variation in occupancy rates across the city that is the greatest challenge. For example, if the base rate was adjusted to reflect 80% average occupancy then half of the care homes in this city would still be below this level. This means that supporting care homes through adjusting the fee rate would still be insufficient to</p>

support half the care homes who need it the most but will actually provide the most benefit to the care homes above 80% who need the support least.

There is currently a significant oversupply of care homes in the city and it is the view of commissioners that a degree of contraction and remodelling of the traditional market will be required. An increase in the fee rate that effectively subsidises empty beds that are not required does not incentivise the market to adapt to changing demand and is not a sustainable option for the Council and tax payer.

In addition, it is believed by some providers that the rollout of vaccines will lead to a recovery in demand. It is also expected that some providers may leave the market or remodel their offer which will lead to a reduction in the current over supply. As such these reduced occupancy levels are not thought to be long term. As there was a broad consensus to keep Covid relief funding separate from the fee uplift we propose we continue to engage with care homes with reduced occupancy to establish the best way we can support them to recover or repurpose some or all of their business and, in some cases, support them to manage a safe and planned exit from the market.

Staffing costs, Differentials between staffing rates

The Council acknowledges the hard work and dedication of the care home sector not just during the pandemic but in preceding years too. We also acknowledge that the workforce is often poorly paid in comparison to other sectors and we have an ambition to support providers we commission to move towards the foundation living wage. Because of this we are recommending an increase to the fee uplift of 4.89% (above the original minimum wage and CPI based increase consulted on of 1.9%) with the expectation that providers will use this additionality to invest in staffing terms and conditions and work with us towards building a resilient sector and workforce over the next few years. Fundamental to this will be engaging with the Council collaboratively to progress towards foundation living wage for all front line staff and building this into our approach to commissioning and contracting with the sector.

Comparison with other Authorities:

It is noted that the fee rate paid by Sheffield does not compare favourably to that paid by other regional authorities and core cities. This can be explained in part by comparatively low rent, mortgage and land costs in the city and also to the fact that the city has seen historically high occupancy levels compared to levels in other areas in the regional. It is hoped the increase in the proposed uplift and an ambition to move towards a foundation living wage will enable Sheffield to compare more favourably in future years.

Return on investment, capital investment:

The 2017 cost of care exercise allowed for a return on investment of 2% above base rate. We appreciate that many providers feel this is insufficient and is lower than what can be achieved in other sectors. The Council acknowledges that operating break even is not sufficient for the sector over the longer term and is committed to working with providers to develop a transparent and collaborative commissioning model that provides for reasonable return on capital and economic profit in return for high quality care and improved outcomes for people in the city. We wish to work

with providers to establish how we can work with them to promote and secure capital investment and the best way to improve return on investment in the future.

Costs of specialist equipment:

In 2020 Sheffield City Council jointly reprocured the Integrated Community Equipment Loans service. The new provider, Medequip, is committed to working in partnership with health and social care stakeholders to improve the service offered to the city and promote equipment as a key part of preventing, reducing and delaying increased care needs.

Quality of Care Homes in Sheffield:

Quality in Residential Care Homes compare favourably with the national average with more care homes rated good or outstanding and Nursing Homes rated only slightly below the national average. Whilst there has been a small decrease in the number of Nursing Homes rated good or outstanding in the past year, this is one home moving from Good to Requires Improvement and as there have been far fewer CQC inspections in the past year due to the pandemic it is not possible to identify this as a trend at this time. There are currently no care homes in Sheffield that are rated Inadequate overall. Out of the 14 homes that are currently rated as requires improvement 8 are homes that accept the Council's standard rate or the standard rate and a small top up (less than £50 per week), 4 are high cost specialist homes who receive a non-standard fee, 2 are homes targeting the self-funder market with fees well in excess of the council's standard rate. This suggests that a quality rating below Good is not necessarily linked to the basic fee rate.

New residents are being admitted older and frailer than previously: There is local and national evidence to suggest this is the case, the financial analysis completed suggests the recommended fee rate increase and enhanced staffing element will be sufficient to meet the cost of care for people with more complex needs.

No enhanced rate for dementia or high dependency: It is unusual for a local authority not to pay a higher rate for dementia or high dependency care, the 2017 cost of care exercise suggested the overall increase in acuity amongst care home admissions reduced the cost differentials for these types of care, in addition Cordisbright/LaingBuisson identified that providers often felt the extra £20-30 per week paid by other local authorities was not sufficient. We anticipate that the implementation of the strategic review of the older people's care home market will include an assessment of models of care and their cost.

Reliance on self funders and third party top up fees: From April 2021 Sheffield City Council will be responsible for collecting Care Contributions and Third Party Contributions on behalf of care homes, this will reduce their administrative burden and exposure to bad debt and will enable a more comprehensive assessment of the reliance on these. To facilitate this there has been a recruitment of a new account management in the Social Care Accounts Service (SCAS) which has been well received by providers.

Nursing homes and local providers most at risk: In recent years there has been a greater shrinkage in the number of Nursing home beds compared to Residential

	<p>home beds. However, care home closures and care home sales appear to be a mixture of local, regional and national providers of different sizes. As such we do not believe at this time local providers are most at risk. We believe there should be a targeted approach in support given to homes to restructure and in the implementation of the strategic review with a focus on getting the right balance of care including nursing.</p>
<p>2.13.</p>	<p>Older Adult Care Homes Fee Rate Model:</p> <p>The standard, older adult care home fee rate is based on the cost of care exercise undertaken in 2017 and used to set the rates for 2018 onwards. This exercise illustrated the wide range of costs, business models, financial structuring and operational models in the care home sector. The outcome of the exercise was the creation of a single rate because the costings submitted suggested that this was appropriate. The details of the model are set out in the March 2018 Cabinet Report and Appendices.</p> <p>The exercise showed a split between staffing and non staffing costs of 71% and 29% and this has been reaffirmed over subsequent years by open book exercises during fee consultations. The initial proposed fee rate that was consulted on this year was based on using the minimum wage uplift applied to the whole of the staffing element of the rate and CPI from September 2020 (the month that the DWP historically use to set pension rates) applied to the non-staffing element. The final proposed fee rate however reflects the feedback provided by care homes regarding the need for greater investment in the workforce and a higher than CPI increase in non staffing costs.</p>
<p>2.14.</p>	<p>Additional Support Offered to Providers:</p> <p>Throughout the pandemic Sheffield City Council has provided a range of support measures to aid care homes. This support has included:</p> <ul style="list-style-type: none"> • Exceptional costs – Providers have been asked to supply details of their exceptional costs related to Covid19 for example additional PPE and Staffing, and the Council has made re-imburements against these. • Occupancy support – Where providers incurred vacancies against the number of residents that were previously funded by the Council, the Council have continued to pay for these initially at full fee rate and then on a taper over several months. • Infection Control Fund – Two government grants have been administered to help care homes managed the additional costs of infection control, for example to pay full staff wages to those self-isolating or to pay staff to attend testing or vaccinations. This has been based on the number of beds a home has regardless of who funds these. • Two further short term government grants are also now being administered for the sector to support the cost of care home testing and the ongoing additional workforce costs facing adult social care. • 5% temporary fee uplift – All care homes were given a temporary fee uplift of 5% on Council funded placements for the first half of 2020/21.

	<ul style="list-style-type: none"> • Staffing – The Council has recruited additional care staff in order to support care homes and other care providers facing staff shortages due to staff sickness and outbreaks. • Personal Protective Equipment – PPE has been supplied to care homes on a regular basis and on an emergency basis if the homes usual supply has been disrupted. • Other – other smaller schemes have been run to support care homes such as providing free tablets to aid communication with friends and family during lockdowns and signposting providers to free counselling and bereavement services.
2.15.	Older Adult Care Homes Fee Rate Proposal:
2.16.	<p>Summary of market and consultation analysis and final fee increase proposal:</p> <p>The market and consultation analysis suggests that there are continuing pressures on the older adult care home market, in particular relating to staffing costs and investment in the workforce but also non-staffing costs and the maintenance and investment in the physical accommodation. The Council has a duty to ensure that the fee rate is sufficient to maintain a market that is sufficient to support assessed care needs and to provide residents with the level of care services that they could reasonably expect to receive if the possibility of resident and third party contributions did not exist.</p> <p>The original fee increase that was consulted on proposed an increase in the standard rate for care homes based on an expected increase in the minimum wage of 2.18% and CPI on non-staffing costs of 1.2%. However, providers have told us that this would not be sufficient to meet the cost of delivering care and sustain the market.</p> <p>Sheffield City Council have reflected upon feedback from consultation and are proposing to increase the fee uplifts for 20/21 from the initial fee uplift used in the consultation to a 4.89% increase. The proposed increase in fee uplift is part of our ambition to work with the sector to move towards the Foundation Living Wage. Sheffield City Council strongly encourages providers to apply the uplift to increase wages for social care workers above minimum wage towards Foundation Living Wage. The increase also incorporates a higher than CPI increase in non staffing costs. The CPI was 1.2% but following feedback from providers and the Council's own analysis, this has been increased to 3% increase on the non staffing element of the rate which is 29%</p> <p>Sheffield City Council are proposing an overall fee uplift of 4.89% for 21/22 for both Residential and Nursing care. The nursing care fee rate excludes the additional Funded Nursing Care (FNC) payment.</p> <p>The Council believes that this is sufficient for the care home market to meet operating costs and provide continuity of care for people who need a care home over the next year. It is expected that market contraction and a remodelling of care will be required over the next year too in order to adjust to the changed shape of demand and ensure longer term sustainability and stability in the sector.</p>

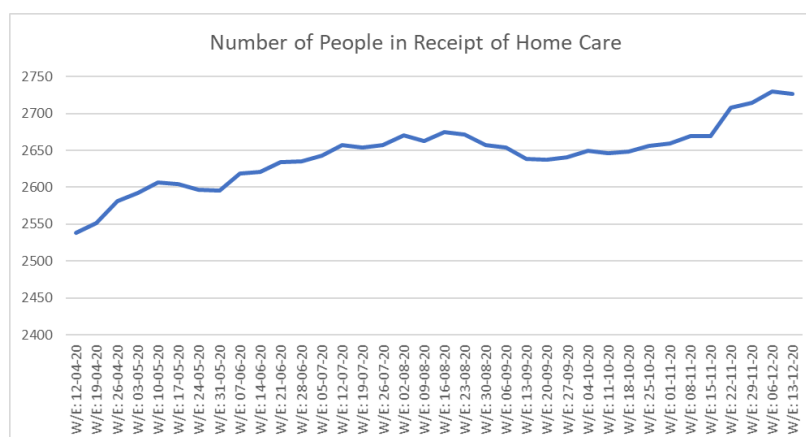
	<table border="1"> <tr> <th>Category</th> <th>2020-21 rate</th> <th>2021-21 rate</th> <th>% increase</th> </tr> <tr> <td>Residential - standard</td> <td>£505</td> <td>£530</td> <td>4.89</td> </tr> <tr> <td>Residential – high dependency</td> <td>£505</td> <td>£530</td> <td>4.89</td> </tr> <tr> <td>Residential – EMI</td> <td>£505</td> <td>£530</td> <td>4.89</td> </tr> <tr> <td>Nursing - standard excluding FNC</td> <td>£505</td> <td>£530</td> <td>4.89</td> </tr> <tr> <td>Nursing enhanced excluding FNC</td> <td>£505</td> <td>£530</td> <td>4.89</td> </tr> </table>	Category	2020-21 rate	2021-21 rate	% increase	Residential - standard	£505	£530	4.89	Residential – high dependency	£505	£530	4.89	Residential – EMI	£505	£530	4.89	Nursing - standard excluding FNC	£505	£530	4.89	Nursing enhanced excluding FNC	£505	£530	4.89
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Nursing enhanced excluding FNC	£505	£530	4.89																						
3.	Home Care in Sheffield																								
3.1.	<p>Background</p> <p>There are two overarching contracts in place for home care services delivered on behalf of the Council: a framework agreement and a separate contract for people requiring visits during the night. The following table summarises the current position of the respective contracts:</p> <table border="1"> <thead> <tr> <th></th> <th>Framework Agreement</th> <th>Care at Night</th> </tr> </thead> <tbody> <tr> <td>Provider(s)</td> <td>37 active providers</td> <td>2 providers</td> </tr> <tr> <td>Duration</td> <td>3 + 1 October 2017 - October 2020; 1-year extension invoked.</td> <td>3 + 2 May 2019 – May 2022; option for extension of up to 2 years.</td> </tr> <tr> <td>Contract Type</td> <td>The city is divided into 21 contract areas, and there is a primary provider in 15 of the 21 areas. There is no formal guarantee of business, however work is allocated to primary providers (where available) in the first instance. Areas without a primary are brokered among the non-primary framework providers. Primary providers have an 'upper limit' of weekly hours that</td> <td>Block contract for 6 'rounds' i.e. six pairs of care workers who cover all required visits each night, citywide.</td> </tr> </tbody> </table>		Framework Agreement	Care at Night	Provider(s)	37 active providers	2 providers	Duration	3 + 1 October 2017 - October 2020; 1-year extension invoked.	3 + 2 May 2019 – May 2022; option for extension of up to 2 years.	Contract Type	The city is divided into 21 contract areas, and there is a primary provider in 15 of the 21 areas. There is no formal guarantee of business, however work is allocated to primary providers (where available) in the first instance. Areas without a primary are brokered among the non-primary framework providers. Primary providers have an 'upper limit' of weekly hours that	Block contract for 6 'rounds' i.e. six pairs of care workers who cover all required visits each night, citywide.												
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	they are contractually obliged to deliver; if they are at or above the limit, they may refuse to take new work.	
Operating Hours	07.00 – 23.00	23.00 – 06.00
Service Description	<p>Support with ‘activities of daily living’: personal care, mobility, medication, eating and drinking, food shopping and household tasks.</p> <p>Services are predominately provided to older people, although available to meet the assessed needs of people over the age of 18, in need of support due to physical or sensory impairment, ill health, frailty, learning disability or mental health condition, including dementia or other cognitive impairment.</p>	<p>Support at end of life (known as ‘fast-track’ referrals, which commence within 24 hours), and on a long-term basis.</p> <p>Visits are typically short for specific tasks such as personal care and turning to reduce risk of pressure damage.</p> <p>People in receipt of Care of Night will usually also have a large care package during the day and tend to have high levels of needs.</p>
Jointly Commissioned	No, however jointly commissioned packages (JPOC) are commissioned through the framework.	Yes (pooled budget; SCC lead for brokerage and contract management).
Service Users	Around 2,800 people in receipt of care.	Approximately 100.
Staffing	Around 1,200 people providing direct care (in addition to managerial and office staff)	Approximately 30 care workers, supported by a coordinator and the registered manager (who also has oversight of daytime operations).
Volume	Around 30,000 hours per week.	Due to nature of service / block contract, hours are

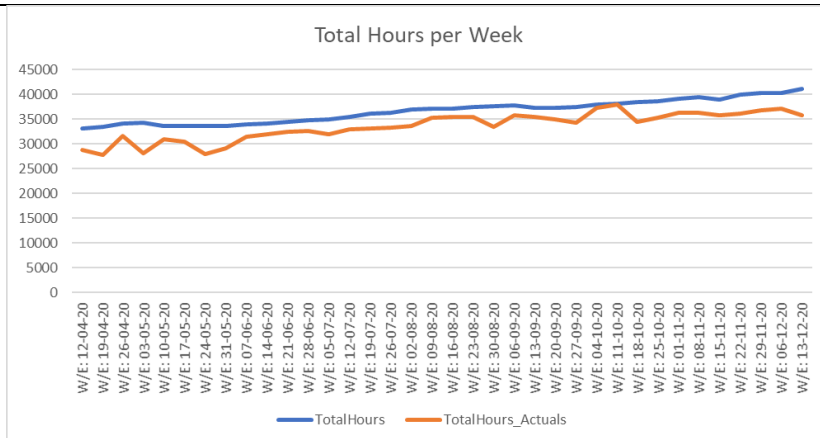
		not measured in the same way. There are typically around 15 service users per round.
Hourly Rate	Average £17.60; range £16.90 - £18.75	£17.60 (linked to citywide average).
Annual Spend	£28m	£450k (total); SCC = £270k

3.2. Market Analysis

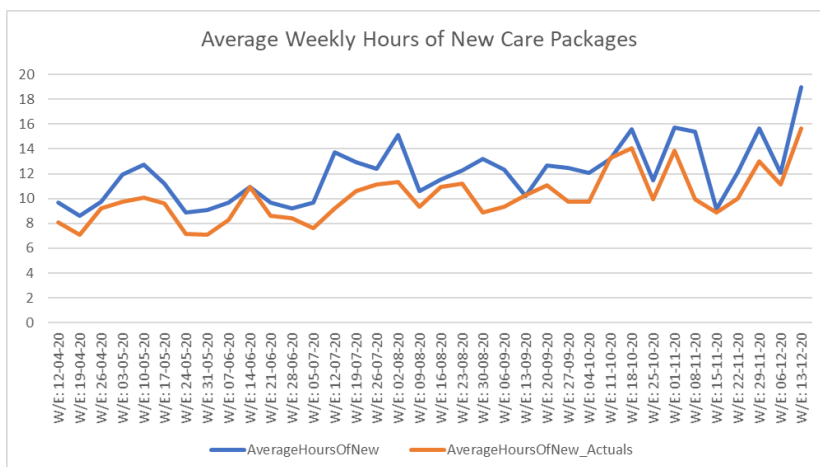
There are currently 97 CQC-registered home care providers in Sheffield, of whom 37 are on the Council's framework and actively delivering services to around 2,800 people each week. The contracted home care market is a mixed economy, including both large regional and national providers and local SME's. The largest five providers deliver around a quarter of the total weekly hours.



Despite the significant pressures relating to Covid19, the home care market has remained resilient and no contracted providers have exited the market in the past 12 months. For comparison, two framework providers decided to stop providing services during 2019/20 on the grounds of financial unsustainability.



Demand for Council-arranged home care has increased significantly in recent years from around 20,000 hours per week in 2016 to 35,000 in 2021. This increase is partially due to demographic pressures and reduced in-house provision; a person in receipt of care from a provider on the Council’s framework receives on average 15 hours of care per week. Increasingly large care packages are an indicator of the higher levels of need home care workers are required to meet, with the size of *new* care packages increasing from an average of 8 to 19 hours per week.



While this continues the trend of recent years, more people remaining at home, rather than moving to care homes as an outcome of Covid19, may also have had an impact. It remains to be seen how far this upward trajectory will continue and how long more intensive home care is able to support people at home who would previously have gone into a care home. The length of stay in intensive home care is yet to be clear, as is the impact of this delayed admission to a care home on length of stay in a residential setting.

While we have been successful in developing the capacity of the market in Sheffield over the past 5 years, and do not currently experience some of the issues that other authorities report in terms of waiting lists, instability and reliance on spot purchasing (off-contract), people in receipt of services and their carers tell us home care doesn’t work well for them. For example, Healthwatch Sheffield’s 2019 home care report¹

¹ https://www.healthwatch.co.uk/sites/healthwatch.co.uk/files/reports-library/20190219_Sheffield_Home%20Care%20Report%20January%202019.pdf

found ‘key concerns which contrast with NICE guideline recommendations on planning and delivering person-centred home care’.

The response of home care providers and their workers to Covid19 has been remarkable, however it is not, in some respects, a robust sector, either locally or nationally. Staff turnover is often very high, significantly impacting upon quality of care and driving up systemic costs (recruitment, training, retention), and care workers are usually paid at, or only slightly more than, the legal minimum wage. Anecdotally providers tell us that staff will move between providers to secure as little as 10 pence increase on their hourly rate.

The latest data produced by Skills for Care shows that Sheffield has the highest staff turnover of care workers in the independent non-residential sector in the Yorkshire & Humber Region²:

Region	Local authority	Turnover rate
Yorkshire and the Humber	Sheffield	57%
	Wakefield	54%
	Leeds	45%
	York	40%
	Kingston upon Hull	38%
	North Yorkshire	38%
	East Riding of York..	37%
	Kirklees	35%
	North East Lincoln..	34%
	Calderdale	34%
	North Lincolnshire	34%
	Barnsley	32%
	Bradford	24%
	Doncaster	22%
Rotherham	21%	

3.3. Benchmarking

As with other elements of social care, home care does not receive generous funding, either locally or nationally, and Covid19 has increased cost pressures. Payment to care providers by SCC, and usually in turn to care staff, is linked to actual minutes of care delivered with banding applied, as opposed to outcomes achieved for people or commissioned hours.

While the average rate paid by the Council is nearly £3 per hour below the minimum price advocated by the UKHCA to enable providers to pay staff a living wage³, information supplied by neighbouring authorities does indicate that Sheffield’s hourly rates are comparatively competitive:

Authority	Average	Maximum	Minimum	Comment
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² <https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/local-information/Local-authority-comparison.aspx>

³

https://www.ukhca.co.uk/memberdocs/getDownloads.aspx?id=vfKsH/9yNqcNlvYuX7EWLSaRbpRN SzsoHKas5cQYtuM3/W5t5HFPGtO+zGbO8UvpGv47OCthOWAuYYvqJ2gmaQ==&f=minimum_price_for_homecare_v6_0.pdf

	Rotherham	£16.76	£17.37	£16.04	
	Sheffield	£17.60	£18.75	£16.90	
	Wakefield	£16.43, plus travel payment of £1.37 per visit.			Payment on actuals.
	<p>As stated above, staff working for contracted providers are typically paid at or slightly above the minimum wage⁴. No providers on the Council's framework are an accredited Living Wage employer. Aside from the Council, Home Instead Senior Care are the only home care provider in Sheffield who is currently accredited⁵.</p> <p>Retail is often cited as a comparable competitor with social care in the employment market. Ikea are also an accredited Living Wage employer, while Aldi⁶ and most recently Morrisons⁷ have committed to paying staff above the Living Wage.</p>				
3.4.	Consultation Process & Response				
	<p>The consultation process for home care comprised of two elements: 'in person' meetings with providers (conducted via Zoom) and an online survey. Providers were also invited to submit a breakdown of their costs on an open book basis in order to illustrate their narrative feedback and inform the market analysis underpinning the final fee rate recommendation.</p> <p>19 providers were present at the meetings and 8 submitted online feedback, representing 63% of the total market share in terms of weekly hours delivered.</p>				
3.5.	Consultation Feedback & Analysis				
	<p>As part of the consultation providers told us about the following issues and challenges facing their sector:</p> <p>Providers told us <i>'The current benchmark for care worker pay is very low (around national minimum wage level when travel time is considered). As providers and a Local Authority, we should be aiming to do much better and strive for at least the rate recommended by the Living Wage Foundation. I would respectfully propose that SCC does everything in its power to allocate more money on the proviso that providers undertake to pass it on to staff'</i></p>				

⁴ <https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/local-information/Local-authority-comparison.aspx>

⁵ <https://www.livingwage.org.uk/accredited-living-wage-employers>

⁶ <https://www.aldi.co.uk/living-wage#:~:text=That%20means%20that%20since%201,for%20over%204%2C150%20IRL%20colleagues.>

⁷ <https://www.bbc.co.uk/news/business-55644631#:~:text=Morrisons%20will%20become%20the%20first,voluntary%20Living%20Wage%20Foundation%20rate.>

The Council aspires to ensure all workers employed organisations within its supply chain pay their staff at or above the Foundation Living Wage and acknowledges this is not the case for commissioned care services at the present time. The final proposed fee rate has taken account of the feedback from all providers and is an indication of the Council's commitment to investing in the care workforce in the city. This commitment is illustrated by the additional investment of £4.2m into fee rates for providers and the expectation that this additionality is used to enhance the wages of front line staffing in preparation for working with the Council to enshrine improved terms and conditions in future commissioning and contracting approaches.

Providers told us they *'feel that the gap between Sheffield City Council, NHS and social care staff wages is unfair'*.

The Council acknowledges the disparity in the city and nationally between independent care workforce wages and Local Authority and NHS wages. The final proposed fee rate has taken account of the feedback from all providers and is an indication of the Council's commitment to investing in the care workforce in the city. This commitment is illustrated by the additional investment of £4.2m into fee rates for providers and the expectation that this additionality is used to enhance the wages of front line staffing.

Providers told us *'We feel that this (initial 2.03%) proposed increase is not enough to cover the increase in costs of both the increase in wages and additional costs through inflation and the long-term additional costs from the on-going pandemic'*

The final proposed increase is significantly higher than the initial rate consulted on. The difference between the initial 2.03% and the final proposed rate of 4.99% is based on the feedback received from care providers regarding the cost of delivering care. Please refer to Section 6 to see details of the additional support provided to providers in relation to Covid19. Where additional costs continue to apply but government grants are not extended, the Council will work with the sector to identify appropriate support to ensure a stable sector.

Providers told us that *'Additional costs caused by the pandemic are having an impact on businesses'*. Most frequently raised areas are:

- Insurance rates and legal costs
- Personal Protective Equipment
- Transport
- IT equipment to facilitate home working
- Increased staff time to support risk assessments

The Council acknowledges the significant and varying impact of the pandemic upon providers. Please refer to Section 6 to see details of the additional support provided to providers in relation to Covid19.

Providers told us that *'Recruitment, vetting, training and induction costs have increased dramatically, and we are concerned regarding the changes that may incur once the economy starts to return to normality and the opportunities that may arise tempting staff outside of the care profession'*

We appreciate the concern expressed in terms of the impact upon the labour market when the economy begins to recover from the pandemic. Given the current position, it is challenging to forecast the impact upon a specific sector such as home care provision. The final proposed fee rate has taken account of the feedback from all providers and is an indication of the Council's commitment to investing in the care workforce in the city. This commitment is illustrated by the additional investment of £4.2m into fee rates for providers and the expectation that this additionality is used to enhance the wages of front line staffing in preparation for working with the Council to enshrine improved terms and conditions in future commissioning and contracting approaches.

One **provider told us** that '*We would prefer if the council would move away from ECM banded minutes and pay planned times*'

The Council has instigated a process, the Income & Payments Programme, to investigate and implement a new method of paying and charging for home care services, with payment for planned time the forerunner under consideration.

The **provider also told us** they feel that '*paying staff per minute is unreasonable*'

As stated above, a move to payment for planned time is under consideration and the Council is committed to bringing forward new approaches to the way that home care is commissioned and contracted for over the next few years that will enshrine improved terms and conditions for workers as well as outcomes for people who need care and support.

Providers told us that '*We are still not clear on the full impact of Brexit on the care sector and any additional costs that may be incurred*'

This is a reasonable point of concern but not something it is possible to take into account within the process of setting fees for 2021/22. The impact will be monitored in collaboration with providers over the next year and any risks and associated mitigations considered.

Providers told us that '*support from Sheffield City Council has been fantastic during the pandemic*'.

We are pleased to note that positive feedback about support offered during the pandemic has been a consistent theme from home care providers.

In addition to the overarching feedback that fees must be increased to enable providers pay staff the Living Wage and meet essential costs, the following specific suggestions were made by providers:

- *Increase in staff pay including travel allowance will help in staff retainment*

The increased investment in the staffing element of the fee rate should enable providers to increase wages and improve retention of staff.

	<ul style="list-style-type: none"> • <i>We believe the rate of this year’s uplift should be 3% to help with associated costs</i> <p>The final proposed increase in the rate is 4.99% which is significantly higher than the suggested 3%.</p> <ul style="list-style-type: none"> • <i>We would prefer if the council would move away from ECM banded minutes and pay planned times.</i> <p>See above.</p> <ul style="list-style-type: none"> • <i>There needs to be differing rates of unit price (and staff pay) for the varying complexities of services</i> <p>As stated in section 2, it is acknowledged that there is a trend toward increased weekly care hours, and this is an indicator of increased levels of need. The Council is investigating potential additional / complementary options where people have high levels of need, for instance due to advanced dementia, and / or ongoing reablement may be of benefit.</p> <ul style="list-style-type: none"> • <i>Block payments [during early months of the pandemic] were huge in managing effectively – we liked it and it would be good for us to have block payments.</i> <p>While there was positive feedback about the temporary use of a block payment, it was not viewed favourably by all providers. Use of a block payment while other key elements remain unchanged also creates some significant governance and administrative challenges. It is not an option likely to be re-introduced in the near future, however the relative merits and practicality will be considered as we transition to a new model of care over the coming years.</p>
<p>3.6.</p>	<p>Fee Rate Model</p> <p>During 2016 an extensive consultation exercise was undertaken, with commissioners meeting all contracted providers individually to discuss their pricing structure and cost pressures. Following the consultation exercise, a standardised ‘cost of care’ model was developed. Analysis of travel time between visits in different parts of the city enabled distance between service users and typical traffic conditions to be incorporated into a range of hourly rates, with higher rates paid for suburban and rural parts of the city.</p> <p>In each year from April 2018 to April 2020 the hourly rates were uplifted in line with a weighted combination of the increase to the minimum wage and the Consumer Price Index. In contrast to the previous two years, in 2020 the minimum wage increase was applied to all staffing costs (85% of costs), as opposed to solely front-line workers (75% of costs).</p>

The assumptions underpinning the ratios between staff and other costs came out of the cost of care exercise undertaken in conjunction with providers in 2016 and are as follows:

Front line staff: 75% total costs

Management and admin staff: 10% total costs

Non staff costs: 15%

From April to July 2020 fees were increased by an additional 5%, as part of the Covid19 response.

The hourly rates paid per area for the past three years are as follows:

Area	Apr 18 uplift: 3.95%	Apr 19 uplift: 4.24%	Apr 20 uplift: 5.54%	Covid19 5% uplift
	2018/19	2019/20	2020/21	Apr– Jul 20
A1	£15.61	£16.27	£17.17	£18.03
A2	£15.91	£16.58	£17.50	£18.38
A3	£16.16	£16.85	£17.78	£18.67
B1	£15.74	£16.41	£17.32	£18.19
B2	£15.80	£16.47	£17.38	£18.25
C1	£16.10	£16.78	£17.71	£18.60
C2	£15.80	£16.47	£17.38	£18.25
C3	£15.68	£16.34	£17.25	£18.12
D1	£15.36	£16.01	£16.90	£17.75
D2	£16.04	£16.72	£17.65	£18.54
D3	£15.36	£16.01	£16.90	£17.75
E1	£15.68	£16.34	£17.25	£18.12
E2	£15.74	£16.41	£17.32	£18.19
E3	£15.49	£16.15	£17.04	£17.90
F1	£16.48	£17.18	£18.13	£19.04
F2	£16.99	£17.71	£18.69	£19.63
F3	£17.05	£17.77	£18.75	£19.69
F4	£16.60	£17.30	£18.26	£19.18
G1	£16.66	£17.37	£18.33	£19.25
G2	£15.80	£16.47	£17.38	£18.25
G3	£15.74	£16.41	£17.32	£18.19
Care at Night	£14.69	£16.68	£17.60	£18.48
Average	£15.99	£16.68	£17.60	£18.48

3.7. Additional Support

The unprecedented challenges faced by the home care sector because of Covid19 required a collaborative multi-agency response.

To support the first wave (March onwards) the below support activities were

introduced by Sheffield City Council for home care providers⁸ (*denotes support offered to framework providers only):

- 5% uplift – Covid19 supplement*
- Advance fortnightly payments*
- Flexible block payment*
- Demand focused financial support and incentives*
- PPE support including a 7-day supply of equipment where providers have been unable to replenish their own supplies. This applies to all providers in the city (contracted and non-contracted)
- Support through regular virtual forums and at least fortnightly telephony-based support from our commissioning and contract managers*
- A dedicated 'providercovid19 inbox' and weekly updates via email
- A dedicated Web Page 'Coronavirus - Support for Adult Social Care providers' sharing information and sign posting to support services for providers.

The support from July 2020 onwards:

- PPE support, including a 7-day supply of equipment where providers have been unable to replenish their own supplies.
- Support through regular virtual forums, with frequent telephony-based support from our commissioning and contract managers. *
- The dedicated 'providercovid19 inbox' and weekly updates via email
- The dedicated Web Page 'Coronavirus - Support for Adult Social Care providers' sharing information and sign posting to support services.

The home care sector currently has the additional financial support from Central Governments Infection Control Fund, (ICF) and is able to benefit from the introduction of a national supply chain providing free PPE, introduced by the Department of Health and Social Care in the Autumn as well as the option to draw on Council funded PPE to top up their supplies if required. In addition to the ICF grant, home care providers are also able to access the short term government grant for Workforce Capacity.

It should be noted that home care providers have, and continue to provide compassionate care services during the Pandemic, with the market currently in a

⁸ Appendix 1* – 'Home Care and Support Services COVID 19 Survey - Provider Feedback July 2020' provides feedback on the value of the above support received and helped inform the planning for the below support from July 2020 onwards.

Appendix 2* – 'Home Care and Support Services Feedback - COVID 19 Survey July 2020' provides feedback on providers perceptions of the support received during the first wave and their readiness for future waves.

	<p>'steady state,' monitored by weekly Situation Reports and regular dialogue between Sheffield City Council commissioners, contract managers and care providers. The sector provides a critical role in supporting people in need of care at home to be discharged in a timely way from hospital after a period of illness and has risen to this challenge with strong performance pick up times and responsiveness to a health system under significant strain.</p>												
3.8.	<p>Fee Rate Proposal</p> <p>The initial fee rate proposal was based on national minimum wage increase applied to all staffing costs (85% of fee rate) and September CPI inflation rate for the non-staffing costs (15% of the fee rate).</p> <p>For staff costs this means the increase in the national minimum wage (NLW) of 2.18% weighted is 1.85%. And for non-staff costs this means the increase in the consumer price index (CPI) of 1.2% weighted is 0.18%. This resulted in an initial fee increase of 2.03%.</p> <p>Following the feedback from providers and the Council's commitment to improving wages for front line care workers, additional investment has been made into fee rates of £4.2m. When applied proportionately across the sectors this results in a final fee rate increase of 4.99%.</p>												
4.	<p>Extra Care</p>												
4.1.	<p>Background</p> <p>There are 4 Extra Care contracts in place for services delivered on behalf of the Council. The following table summarises the current position of the contracts:</p> <table border="1"> <thead> <tr> <th></th> <th>Extra Care</th> <th></th> </tr> </thead> <tbody> <tr> <td>Provider(s)</td> <td>1 provider operates all 4 contracts</td> <td></td> </tr> <tr> <td>Contract Duration</td> <td> <p>3 + 2</p> <p>2015 – 2020 October 2020 using all extension agreements. Further extended by Waiver until 24th October 2021.</p> <p>The procurement process is on course for re-provision on 25th October 2021.</p> </td> <td></td> </tr> <tr> <td>Contract Type</td> <td> <p>Four individual contracts with identical terms and conditions and service specification.</p> <p>Packages of care are allocated to meet the identified unmet needs of individuals living the 4 extra care schemes. The extra care contracts do not cover care packages for people who live outside these schemes.</p> </td> <td></td> </tr> </tbody> </table>		Extra Care		Provider(s)	1 provider operates all 4 contracts		Contract Duration	<p>3 + 2</p> <p>2015 – 2020 October 2020 using all extension agreements. Further extended by Waiver until 24th October 2021.</p> <p>The procurement process is on course for re-provision on 25th October 2021.</p>		Contract Type	<p>Four individual contracts with identical terms and conditions and service specification.</p> <p>Packages of care are allocated to meet the identified unmet needs of individuals living the 4 extra care schemes. The extra care contracts do not cover care packages for people who live outside these schemes.</p>	
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		<p>The volume of business is primarily dependant on the assessed needs of individuals who live in the schemes with a minimum guarantee based on the size of the scheme.</p> <p>Providers are expected to ensure staffing structures allow them to provide the contracted service to all individuals who are assessed as having an unmet eligible need.</p>	
	Operating Hours	<p>24 hours, commonly defined as: 07.00 – 22.00 – the ‘waking day, actively delivering planned care 22.00 – 07.00 – overnight support. unplanned care as if and when required.</p>	
	Service Description	<p>Support with ‘activities of daily living’: personal care, mobility, medication, eating and drinking, food shopping and household tasks.</p> <p>Extra Care in Sheffield is a designated housing option for adults over 55 years of age. Contract services are predominately provided to older adults. However a smaller number of younger adults, in need of support due to physical or sensory impairment, ill health, frailty, learning disability or mental health condition, including dementia or other cognitive impairment, also successfully live in extra care.</p>	
	Jointly Commissioned	No, however jointly commissioned packages (JPOC) are commissioned through the contracts	
	Service Users	Around 115 people in receipt of care.	
	Staffing	Around 60 people providing direct care (in addition to managerial and office staff)	
	Volume	1308 hours per week, based on guaranteed minimums.	
	Hourly Rate	£16.58 per hour	
	Annual Spend	£931,132.80	
4.2.	Market Analysis		
	<p>There is currently one CQC-registered provider delivering extra care in Sheffield.</p> <p>Other local, regional and national CQC registered home care providers are capable and interested in delivering against the extra care contracts and this is demonstrated in the level of interest on YOR tender when extra care contracts are re-procured.</p>		

	<p>Despite the significant pressures relating to Covid19, the extra care sector has remained resilient with no contracted market exits in the past 12 months due to Covid19 pressures.</p> <p>Two extra care providers did exit the Sheffield extra care market however, one in 2019 and the other in 2020, on the grounds of financial unsustainability. These contracts were taken over by the remaining provider.</p> <p>Demand for extra care remains stable in Sheffield. Extra care is designed to meet housing as well as social care needs however and contracted extra care services are provided solely to people who live in the schemes. There is a waiting list of people who would like to move into extra care and a clear nomination process used across all four extra care schemes. No other waiting lists are kept as individuals who live in extra care have a clear pathway to receipt of care and support according to the assessed eligible needs.</p> <p>The increasing size of care packages is an indicator of the higher levels of needs, with a key requirement to balance the care complexity to support community cohesion. This continues the trend of recent years with more people able to be supported in their own home in extra care, rather than moving to care homes.</p> <p>The response of the extra care provider, and their workers, to Covid19 has been remarkable.</p> <p>Some similar cost pressures to those experienced in home care apply however with systemic costs, e.g. recruitment, training, retention, impacting on the viability of extra care as sustainable business. Extra care workers are usually paid at, or only slightly more than, the legal minimum wage. This is often mitigated however due to the way they are paid, which is on a full shift basis and not an hourly rate, paid only for the time they spend with the individual service user.</p> <p>A robust care sector locally and nationally, staff turnover in extra care is low, especially in comparison to other employment in the care industry. Whilst there are no local or national statistics for extra care, anecdotally extra care providers report that it is easier to recruit into posts in extra care and that staff stay in employment longer. This is due to the nature of the work, in a contained environment, without the pressure of travelling time and inclement weather, and with the additional benefit of a stable client group and a regular team of work-mates to contribute to job-satisfaction.</p>
<p>4.3.</p>	<p>Benchmarking</p> <p>As with other elements of social care, extra care does not receive generous funding, either locally or nationally, and Covid19 has increased cost pressures. Payment to care providers by SCC, and usually in turn to care staff, is linked to actual minutes of care delivered with banding applied, as opposed to outcomes achieved for people or commissioned hours.</p> <p>While the average rate paid by the Council is nearly £3 per hour below the minimum home care rate advocated by the UKHCA to enable providers to pay staff a living</p>

wage, information supplied by neighbouring authorities does indicate that Sheffield's extra care hourly rates are competitive:

Authority	Average	Maximum	Minimum	Comment
Rotherham	£14.70	£15.26	£14.14	
Sheffield	£16.58	£16.58	£16.58	Payment on actuals
Wakefield	£14.22	£15.62	£12.82	

As stated above, staff working for contracted providers are typically paid at or slightly above the minimum wage. The current extra care provider is not an accredited Living Wage employer.

Retail is often cited as a comparable competitor with social care in the employment market. Ikea are also an accredited Living Wage employer, while Aldi and most recently Morrison's have committed to paying staff above the Living Wage.

4.4. Consultation Process & Response

The consultation process for home care and extra care comprised of two elements: 'in person' meetings with providers (conducted via Zoom) and an online survey.

19 providers were present at the meetings (one from extra care) and 8 submitted online feedback (including the representative from extra care), representing 63% of the total market share in terms of weekly hours delivered.

4.5. Consultation Feedback & Analysis

As part of the consultation providers told us about the same issues as described above under the homecare consultation feedback and analysis section. The current extra care provider is also a home care provider. Please see above for the feedback and analysis.

4.6. Fee Rate Model

The assumptions underpinning the ratios between staff and other costs are the same as those used for home care and came out of the cost of care exercise undertaken in conjunction with providers in 2016. There are two elements to the extra care model - the 'service contract' and the hourly rate. The service contract is not within the scope of this process and the current contract was extended with procurement planned for the forthcoming year.

From April to July 2020 fees were increased by an additional 5%, as part of the Covid19 response.

The hourly rates paid in extra care for the past three years are as follows:

	Apr 18	Apr 19 uplift: 4.24%	Apr 20 uplift: 5.54%	Covid19 5% uplift
	2018/19	2019/20	2020/21	Apr– Jul 20
	£15.07	£15.71	£16.58	£17.41
4.7.	Additional Support			
	<p>The unprecedented challenges faced by the extra care sector because of Covid19 required a collaborative multi-agency response. Please see the Additional Support section above for home care as the same approach was taken to supporting this sector.</p> <p>It should be noted that extra care providers have, and continue to provide exceptional care services during the pandemic. The sector provides a critical role in supporting people in need of care at home to be discharged in a timely way from hospital after a period of illness and has recently responded quickly to develop step down flats for people being discharged from hospital.</p>			
4.8.	Fee Rate Proposal			
	<p>The initial fee rate proposal was based on national minimum wage increase applied to all staffing costs (85% of fee rate) and September CPI inflation rate for the non-staffing costs (15% of the fee rate).</p> <p>For staff costs this means the increase in the national minimum wage (NLW) of 2.18% weighted is 1.85%. And for non-staff costs this means the increase in the consumer price index (CPI) of 1.2% weighted is 0.18%. This resulted in an initial fee increase of 2.03%.</p> <p>Following the feedback from providers and the Council’s commitment to improving wages for front line care workers, additional investment has been made into fee rates of £4.2m. When applied proportionately across the sectors this results in a final fee rate increase of 4.99%.</p>			
5.	Supported Living			
5.1.	Background			
	<p>Supported living is now the single largest service area for local people with a learning disability in Sheffield. Approximately 750 people have support from supported living providers – either in their own tenancies or in their family homes. The majority of support is arranged by the Council, with a smaller number of people funding their support through Direct Payments.</p> <p>The Supported Living Framework has been in place since October 2017 and expires in October 2021. In addition to providers who deliver services under the Framework contract, there are 9 non-contracted providers supporting 15% of the people in Supported Living. One of the strengths of the framework is the diversity of providers, a mix of large and small companies - local, regional and national, with the majority</p>			

	<p>being 'not for profit' organisations. The hourly rates are aligned with the geographical rates for home care services. There is also a discounted rate for supported living services that provide over 56 hours in any one property location, and an hourly rate for night time support. We are confident that our sleep in rate is an hourly rate that is sufficient for providers to ensure that minimum wage is covered for sleep ins we commission. We are planning however to consult with providers over the next year to establish how much of the hourly rate we pay is paid directly to workers. The local framework prices provide a 'guide price' for non-framework providers, helping ensure financial transparency and value for money for people accessing them through their Direct Payments.</p> <p>A number of the Framework providers work across the region. Since 2019, there has also been an Enhanced Regional Framework in place to support the provision of services for people moving out of long stay hospitals as part of the Transforming Care agenda. There are 5 Sheffield Supported Living Framework providers who are also on the Enhanced Regional Framework. To date, there have been two call offs from this Framework for new Supported Living at Dover Street and Wordsworth View, and it has been helpful to use the enhanced hourly rates (between £18-£23) to reflect the additional and specialist support to meet the tenants' assessed needs.</p>																				
<p>5.2.</p>	<p>Market Analysis</p> <p>There are 32 providers on the Supported Living Framework, 22 are actively engaged with Commissioners. The total number of people in Supported Living is 582 with contracted providers under the Supported Living Framework plus approximately 160 people supported by non-contracted providers. No providers have exited the market in 2020.</p>																				
<p>5.3.</p>	<p>Sheffield Comparator Rates</p> <p>The table below summarises the rates across the neighbouring local authorities:</p> <table border="1" data-bbox="300 1335 1522 1868"> <thead> <tr> <th data-bbox="300 1335 627 1442">LA</th> <th data-bbox="627 1335 941 1442">Day time hourly rate</th> <th data-bbox="941 1335 1254 1442">Night time rate (sleeping night)</th> <th data-bbox="1254 1335 1522 1442">Other</th> </tr> </thead> <tbody> <tr> <td data-bbox="300 1442 627 1550">Sheffield</td> <td data-bbox="627 1442 941 1550">£16.58</td> <td data-bbox="941 1442 1254 1550">£11.05</td> <td data-bbox="1254 1442 1522 1550">Geographical rates</td> </tr> <tr> <td data-bbox="300 1550 627 1657">Rotherham</td> <td data-bbox="627 1550 941 1657">£16.22 (average)</td> <td data-bbox="941 1550 1254 1657">£10.49</td> <td data-bbox="1254 1550 1522 1657">Range from £13.81 -£17.84</td> </tr> <tr> <td data-bbox="300 1657 627 1765">Barnsley</td> <td data-bbox="627 1657 941 1765">£14.97 (average)</td> <td data-bbox="941 1657 1254 1765"></td> <td data-bbox="1254 1657 1522 1765">Range from £13.91 - £16.91</td> </tr> <tr> <td data-bbox="300 1765 627 1868">Doncaster</td> <td data-bbox="627 1765 941 1868">£15.86 (average)</td> <td data-bbox="941 1765 1254 1868">£10.38</td> <td data-bbox="1254 1765 1522 1868">Range from £14.90 - £18.11</td> </tr> </tbody> </table>	LA	Day time hourly rate	Night time rate (sleeping night)	Other	Sheffield	£16.58	£11.05	Geographical rates	Rotherham	£16.22 (average)	£10.49	Range from £13.81 -£17.84	Barnsley	£14.97 (average)		Range from £13.91 - £16.91	Doncaster	£15.86 (average)	£10.38	Range from £14.90 - £18.11
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<p>5.4.</p>	<p>Quality monitoring</p> <p>The Quality and Performance team schedule 2 visits to Supported Living providers every 6 months with both the contracted and non-contracted providers, as well as ad</p>																				

	<p>hoc monitoring in response to intelligence from colleagues in Assessment & Care Management and Health. Since March 2020 due to Covid19 restrictions, quality monitoring has been completed ‘virtually’ via zoom calls with the registered manager, telephone calls and paper-based assessments. The Learning Disability Commissioning team have also piloted a feedback survey, engaging with the Voices group and tenants in one supported living development. This is a qualitative survey, focusing on people’s experience during the pandemic and it will be rolled out over the coming months. The quality of all the providers has remained stable over the past year with the position unchanged from January 2020.</p>
<p>5.5.</p>	<p>Costs and Pressures</p> <p>The main cost pressure for providers is around maintaining staff wage levels to meet the statutory minimum wage requirements, remain competitive and are commensurate with the additional commitment shown by workers during the pandemic. There is also a continued need to maintain a differential in pay between support workers, senior workers and managers. During the consultation, providers also raised concerns in relation to the ongoing increased level of expenditure around infection control and PPE, and uncertainty following Brexit potentially leading to an increase in costs of goods and services.</p> <p>Additional concerns were that the new age limit for the minimum wage will be 23 and above from April 2021, rather than 25 and above as it is currently and that this did not appear to be part of the fee rate calculation. A small number of providers also fed back that their staff are already paid a higher rate than the minimum wage – so increasing fees in line with this would not meet their costs.</p>
<p>5.6.</p>	<p>Cost Model</p> <p>There is an increasing focus on reducing the complexity of the costing model, both from Commissioners and Providers. During the consultation, providers fed back that the elimination of the geographical rate would ‘reduce administration and confusion’ (for Commissioners, social workers, Direct Payment recipients and providers), but that ‘any potential loss would need to outweigh administrative gains and that the average rate would have to be investigated properly’.</p>
<p>5.7.</p>	<p>Supported Living Consultation Process and Response</p> <p>The consultation process for Supported Living comprised of two elements: ‘in person’ meetings with providers (conducted via Zoom) and an online survey. 9 providers were represented at the meeting and 9 providers submitted online feedback</p>
<p>5.8.</p>	<p>Supported Living Consultation Feedback</p> <p>Nine of the 32 supported living providers on the Supported Living Framework responded to the formal consultation letter (December 2020) that set out the proposed fee and requested feedback from providers. The providers who responded to the consultation letter represent 79.3% of the market share although one of the providers who responded was a non-contracted provider. However, as only 22 of the</p>

providers on the Supported Living framework are active at this time, and as all responses were from active providers, the response rate is approx. 41% of the active providers.

Three providers accepted the initial proposed uplift of 2.03%.

One provider responded by letter and requested an uplift of 7.07% for supported living services. Although they have included Covid19 related costs which they have worked out at an additional 2.43%. This provider is requesting a base rate uplift of 4.64% when costs of Covid19 are removed.

Three of the nine providers claimed that the proposed uplift of 2.03% would not meet operating costs. However, they did not claim that they would not be able to continue operating with this fee uplift.

One provider said that it would be difficult to meet the minimum wage increase & this would impact on staffing levels. & quality of service.

Some of the feedback from the Supported Living providers overlaps with that from care homes, extra care housing and home care: they wish to pay all social care staff more to reward them for the work carried out during the pandemic. Providers would be keen to move towards paying staff the Real/Foundation Living Wage.

Providers raise the need to maintain a differential in pay between support workers, senior workers and managers.

Providers raise the challenges faced by Covid19. This includes additional increases in business costs including the following:

- Insurance
- Personal Protective Equipment
- Additional staff time to carry out risk assessments and testing

Providers were clear that the annual fee uplift proposal should be separated from additional relief funding relating to Covid19.

Some providers suggested they would be open to exploring the costing model. They were keen to reduce complexity and admin time so long as this did not have an adverse impact on the profitability of the rate.

Providers have said that they are paying staff above national minimum wage, therefore uplifts in line with National Minimum Wage will not cover all costs of staffing.

One provider also suggested that the Council should review its use of day services for those individuals who live in supported living accommodation.

One provider claimed that the proposed increase does not cover the increase in pension contribution.

One provider also claimed that the use of Personal Assistants should be reviewed in Supported Living Settings.

<p>5.9.</p>	<p>Analysis of Feedback from Supported Living and Market Analysis:</p> <p>The market and consultation analysis suggests that there are continuing pressures on supported living market, in particular relating to staff recruitment and retention. The original fee increase that was consulted on proposed an increase based on national minimum wage increase applied to all staffing costs (85% of fee rate) and September CPI inflation rate for the non-staffing costs (15% of the fee rate). For staff costs this means the increase in the national minimum wage (NLW) of 2.18% weighted is 1.85%. And for non-staff costs this means the increase in the consumer price index (CPI) of 1.2% weighted is 0.18%. This proposal would result in a fee increase of 2.03%.</p> <p>Sheffield City Council have reflected upon feedback from consultation and are proposing to increase the fee uplifts for 20/21 from the initial fee uplift used in the consultation. The proposed increase in fee uplift is part of our ambition to move towards the Foundation Living Wage. Sheffield City Council strongly recommends that providers apply the uplift to increase wages for social care workers above minimum wage towards Foundation Living Wage.</p> <p>Sheffield City Council are proposing an overall fee uplift for supported living of 4.99% for 21/22.</p> <p>This will mean an increase from the current rates as set out in the proposal section below:</p>
<p>5.10.</p>	<p>Fee Rate Model:</p> <p>During 2016 an extensive consultation exercise was undertaken with home care providers to understand their pricing structure and cost pressures. Following the consultation exercise, a standardised 'cost of care' model was developed. Analysis of travel time between visits in different parts of the city enabled distance between service users and typical traffic conditions to be incorporated into a range of hourly rates, with higher rates paid for suburban and rural parts of the city. This standardised 'cost of care' model was used for home support and supported living.</p> <p>In April 2018, 2019 and 2020 the hourly rates were uplifted in line with a weighted combination of the increase to the minimum wage and the Consumer Price Index.</p>
<p>5.11.</p>	<p>Additional Support</p> <p>During the past 10 months, all social care providers have faced and met unprecedented challenges due to Covid19. Supported Living providers have had to contend with the additional anxieties relating to the disproportionate death rate amongst the learning disability population, changes to government guidance on shielding, supporting family carers in decision making and providing additional support when day services have been closed or people have chosen not to attend.</p> <p>The Commissioning team have maintained regular communications with all providers via the dedicated providercovid19 in box as well as being available by</p>

telephone or zoom for individual queries and support. We now have additional resource in the Learning Disability team and this has enabled us to focus on financial support offered to providers during the pandemic, and improved invoice verification processes to ensure more efficient and timely payments.

We have an active provider network that meets quarterly. These meetings are preceded by a Registered Managers meeting which is hosted by *Skills for Care* and feeds back to the main meeting. The providers suggest agenda items and use the meetings as an opportunity to share best practice. We also send information to local supported living providers who are not on our framework but are funded through Direct Payments

5.12. Fee Rate Proposal:

Based on the feedback from providers via Citizenspace, the fees consultation and ongoing conversations, a fee increase of 4.99% is recommended.

During 21/22 it is also recommended that:

- There is further consultation and consideration to amend the rates so that there is one rate for community outreach to replace the current geographical system
- There is further analysis of larger support packages for people with more complex support needs to ensure that the enhanced hourly rate that has been agreed historically is not falling behind the new standard Framework rates. These enhanced rates need to reflect the higher hourly rate paid to the support workers as well as to the additional training & management time

A full break down of the increased rates per framework contract area is provided below:

Area	Apr 18 uplift: 3.95%	Apr 19 uplift: 4.24%	Apr 20 uplift: 5.54%	Apr 21 uplift: 4.99%
	2018/19	2019/20	2020/21	2021/22
A1	£15.61	£16.27	£17.17	£18.03
A2	£15.91	£16.58	£17.50	£18.37
A3	£16.16	£16.85	£17.78	£18.67
B1	£15.74	£16.41	£17.32	£18.18
B2	£15.80	£16.47	£17.38	£18.25
C1	£16.10	£16.78	£17.71	£18.59
C2	£15.80	£16.47	£17.38	£18.25
C3	£15.68	£16.34	£17.25	£18.11

	D1	£15.36	£16.01	£16.90	£17.74
	D2	£16.04	£16.72	£17.65	£18.53
	D3	£15.36	£16.01	£16.90	£17.74
	E1	£15.68	£16.34	£17.25	£18.11
	E2	£15.74	£16.41	£17.32	£18.18
	E3	£15.49	£16.15	£17.04	£17.89
	F1	£16.48	£17.18	£18.13	£19.04
	F2	£16.99	£17.71	£18.69	£19.62
	F3	£17.05	£17.77	£18.75	£19.69
	F4	£16.60	£17.30	£18.26	£19.17
	G1	£16.66	£17.37	£18.33	£19.24
	G2	£15.80	£16.47	£17.38	£18.25
	G3	£15.74	£16.41	£17.32	£18.18
	Care at Night	£14.69	£16.68	£17.60	£18.48
	Average	£15.99	£16.68	£17.60	£18.48
6.	Complex Needs, Learning Disabilities and Non-Standard Residential Care Homes				
6.1	The local care home market includes a number of residential and nursing care services where placement costs exceed Sheffield's standard rates – 'non-standard' fees. The majority of care homes at 'non-standard' fee rates support working age adults with learning disabilities, physical disabilities or mental health problems. Some support adults from two or more of these customer groups.				
6.2	<p>There are 33 care homes for adults with learning disabilities, physical disabilities or mental health problems in Sheffield. Most provide continuing care with a small number specialising in residential respite/short breaks services.</p> <p>There are a number of high cost residential placements for people with a Learning Disability. A high cost placement is deemed as being costed in excess of £950 per week and includes residential placements within Sheffield and out of the city. In total there are 324 placements within this cohort, which is spread across a total number of 79 providers; 18 of these providers are based within Sheffield and 61 of these providers operate outside of Sheffield. A total of 169 individual placements are based within Sheffield and 155 individual placements are based out of City.</p>				

	<p>The market in 'non-standard' fee care homes has been relatively stable this year. There have been two exits from this market in Sheffield in the last year, both on quality and safeguarding grounds. This capacity has been more than compensated for by new supported living schemes offering high quality accommodation with support from providers on our supported living framework.</p> <p>In addition to funding the above placements in residential and nursing care homes with non- standard fees in Sheffield, the also Council funds placements in a range of out of city care homes. The approach set out below covers our proposals for 2020/21 fees for both in city and out of city care homes.</p> <p>In 2019, we set up a Value for Money and Quality (VFMQ) project team and have begun working with non-standard providers. The aim of the project is for us to better understand the complexity of factors that contribute to the variation in costs and establish a fair cost of care that will underpin our approach to uplifts and to new placements in the future. Our objectives are:</p> <ul style="list-style-type: none"> • to understand costs in the context of the type of care and support that is delivered • to consider the outcomes for residents that are achieved, and • to evaluate the experience of residents and their families <p>Unfortunately, Covid19 has impacted on the capacity of the commissioning and contracts team to progress this project as far as we hoped. However, the work is ongoing and increasingly jointly undertaken with commissioners and contracts colleagues at Sheffield Clinical Commissioning Group given that many of the people living in these care homes may have health needs as well as social care needs.</p>
<p>6.3</p>	<p>Learning Disability Non Standard Rate Care Homes Consultation Process</p> <p>The fee review process for non-standard fees is different from the arrangements for standard fees. This is because these placements are contractually different in a number of ways:</p> <ul style="list-style-type: none"> • Fees were set individually by the provider or negotiated on an individual basis, and not on the basis of a standard fee level fixed by the Council. • The range of fees charged varies significantly from less than £500 per week to over £2,000 per week. • Different care homes have different cost structures and specific budget pressures can impact on them in ways specific to their business.
<p>6.4</p>	<p>Consultation Response</p> <p>Non standard rate residential care providers (65 providers outside Sheffield and 28 in Sheffield) were contacted with the proposal to offer 1.9% uplift to the individual rate paid by the Council. This did not include an uplift to the CCG funded element of any joint packages or CCG fully funded packages of care with these providers.</p>

<p>6.5</p>	<p>Analysis of Feedback</p> <p>The Council has reviewed the response from providers in this market and the findings from the Value for Money and Quality project. Each fee is individually negotiated at the point of placement and adjusted where there is a change in need or via the Value for Money and Quality project. The bespoke nature of fees in this sector makes it challenging to apply a blanket increase. The recommendation to proceed with an 1.9% increase for this sector based on the minimum wage increase applied to 71% of the rate and CPI being applied to the non staffing 29% of the rate.</p> <p>Where providers request a more in depth review of their fees, the Value for Money and Quality team will work with them in collaboration with the CCG and Assessment and Care Management to review their individually negotiated rates.</p> <p>The Council reserves the discretion, with commissioners in Health, to withhold this uplift and negotiate with individual providers where contractual requirements are outstanding or poor health and social care outcomes are evident.</p>
<p>6.6</p>	<p>Fee Rate Model</p> <p>The cost model of care in this sector is highly variable and often bespoke to the needs of the individual resident or the specialism of the residential care provider. The fee rates are individually negotiated at the point of placement and have not historically been subject to % uplifts via this review and consultation process. However Council commissioners are increasingly working in partnership with the Sheffield CCG to develop a stronger market management approach and fee review process.</p> <p>The Value for Money and Quality project will re-establish work with the sector with a focus on a small number of providers who have requested an in depth review of their cost model and fee rates over the next 12 months.</p>
<p>6.7</p>	<p>Complex Needs, Learning Disability and Non-Standard Residential Care Home Fee Rate Proposal</p> <p>The VFMQ project uncovered fee rate discrepancies that have arisen over time and need to be addressed systematically. Unfortunately progress has been slower than hoped on this work due to Covid19. However, work continues with a number of providers to review their historical fee levels. It is therefore recommended that an increase of 1.9% is approved for nonstandard rate provider fees for 2021-22 while we continue with more detailed analysis via the Value For Money and Quality project, working in partnership with the Sheffield Clinical Commissioning Group.</p> <p>We feel that the new approach will increase our capacity to embed the Value for Money principles and result in a more consistent outcome that focuses on the quality of provision as well as ensuring that fees are sufficient to meet residents' needs and lead to a sustainable market in circumstances where an individual cannot be supported in standard residential or nursing care.</p>

6.1.	Direct Payments
6.1.1.	<p>Background:</p> <p>Direct Payments are available to people of any age and have been in use in social care since the mid-1990s. They remain the preferred mechanism for true personalised care and support. They provide independence, choice and control by enabling people to arrange and manage their own support.</p> <p>Direct Payments are monetary payments made to individuals who request them to meet some or all of their eligible care and support needs. It is made in lieu of services. The legislative context for Direct Payments is set out in the Care Act, Section 117(2C) of the Mental Health Act 1983 (the 1983 Act) and the Care and Support (Direct Payments) Regulations 2014. Statutory guidance states:</p> <p><i>‘a Direct Payment is designed to be used flexibly and innovatively and there should be no unreasonable restriction placed on the use of the payment, as long as it is being used to meet eligible care and support needs’</i></p>
6.1.2.	<p>Our Vision for Direct Payments</p> <p>The Council is working with people who use or would like to use direct payments to meet their care and support needs on a programme of improvements to the way direct payments are supported by the Council. This Direct Payments improvement programme has identified its ambitions for Direct Payments in Sheffield. This are:</p> <ul style="list-style-type: none"> • Individuals have the choice and control to use their budgets flexibly to meet their needs, prevent any escalation or crisis and to avoid unnecessary social care support • Individuals have access to a thriving marketplace from which to purchase the right support for them at the right time • People have access to specialist support to set up the Direct Payment budgets, to purchase their care or support in the right way and to respond to issues early • Increased numbers of people confidently using Direct Payments in innovative ways that create value for money • Calculations for budgets are appropriate to meet needs and don't require high levels of recovery • Individuals understand their responsibilities in relation to Direct Payments and the Council has checks and balances in place to ensure money is being spent appropriately • Budgets are recorded on the system in a way that allows for planning, financial forecasting and good market management
6.1.3.	<p>Current Position</p> <p>The number of Direct Payment recipients in Sheffield remains consistent and has uptake in all service areas across all ages.</p>

Table 1 below shows the number of Direct Payment recipients against the budget and the annual cost of support.

Budget	No. of People	Annual Cost
0-25 Purchasing	145	£3,073,019
Adults - Future Options	10	£57,435
Learning Disability	739	£16,772,127
Mental Health Purchasing	257	£3,355,892
Older People	463	£7,609,123
Physical Disability	491	£9,728,892
Reablement Frontline	1	£790
Totals	2106	£40,597,277

Table 2 below shows the number of types of use of Direct Payments and the spend against each. One person can have several different types of Direct Payment, e.g. they may employ a Personal Assistant to support them with daily activities including personal care, purchase daytime activities and have financial support such as payroll or a money management company.

Service Type	No. of People	Annual Cost
Adults Direct Payment - Activities	626	£5,227,277
Adults Direct Payment - Financial Support	1184	£901,553
Adults Direct Payment - Home Support	455	£10,702,528
Adults Direct Payment - Other	270	£1,844,761
Adults Direct Payment – Personal Assistant	676	£10,914,933
Adults Direct Payment - Respite	122	£1,352,540
Adults Direct Payment - Supported Living	135	£5,241,860
Adults Direct Payment - Transport	100	£355,728
Carer Direct Payment - Financial Support	1	£550
Carer Direct Payment - Home Support	4	£11,945

	Carer Direct Payment - Other	10	£18,988
	Carer Direct Payment - PA	4	£8,798
	Direct Payment - Migrated	278	£4,015,817
	Totals	3865	£40,597,277

6.1.4. Improvement Programme

Since the improvement programme commenced in 2020, significant progress has been made, including:

- A detailed review of existing Direct Payments systems and processes is completed
- Involvement and co-production – all aspects of the improvement work have been co-designed. Contract awarded to Disability Sheffield to support the facilitation of all engagement work
- A dedicated specialist commissioning service manager taking the lead for Direct Payments and linking together specialists into a virtual improvement team
- Improving client management systems to gain richer intelligence of the support offer and costs
- Reconfiguring the system to release social workers to do social work and drive up quality through specialist Direct Payments team and provide an independent support service for Direct Payment recipients
- A proactive response to the Covid19 pandemic for Direct Payment recipients – in partnership with Disability Sheffield: production of FAQs and guidance, emergency payments, agreement of flexible support, emergency PA register, PPE availability, risk tools

The review comprised of an examination of all processes and systems and series of interviews and surveys with people receiving Direct Payments, staff from all areas and levels and community or provider groups supporting Direct Payments. From this evaluation a detailed three-year work plan has been developed to manage the improvement work. The programme is governed by a steering group who oversee the progress of five workstreams. The workstreams are:

- **Policy** – aligning the Sheffield approach to legislation
- **Process** – ensuring transparent straightforward process and practices are in place
- **Direct Payment Support** – appropriate support is available for both people using Direct Payments and staff arranging them
- **Money Management** – there is high quality person-centred support available to only those who really need it
- **Market Shaping** – there is a range of thriving vibrant support opportunities from which to purchase the right support, at the right time

Several projects were identified as priorities and are now either well underway or are due to commence. All projects and areas of work have a focus on improving quality and enhancing the experience of all those involved in Direct Payments. The

	<p>emphasis is to ensure that Direct Payments are set up and costed accurately from the outset with clear parameters of use and flexibility in approach. It is vital the appropriate support is in place for recipients to fulfil their obligations and that as a local authority we reduce the burden and bureaucracy currently in place. Focussing efforts on improving the front end of the process should reduce errors and minimise risk of failure. It will also enable more accurate management of budget outlay rather than an emphasis on budget recovery.</p>
6.1.5.	<p>Annual review of Direct Payments:</p> <p>As Direct Payments are in lieu of services, many are for long-term support for individuals. Fundamental to Direct Payments is autonomy and choice and an expectation that people can arrange and manage their support and live their life independent of social care.</p> <p>Integral to this independence is ensuring that the Direct Payment is sustainable for the individual year on year (or however long the support is required). This means creating systems that cause minimal disruption to the management of the Direct Payment. The two key elements to this are ensuring annual increases to manage inflation and ensuring adequate funding is in place to purchase appropriate support. An accepted practice in the care market, and any other business sector, is the annual fee increase. It is recognised that costs rise and therefore increases to manage market forces are required. The Council accepts necessary increase awards for its contracted and Framework providers. In the same way, people arranging their support through Direct Payments have the same challenge with fee increases.</p> <p>For many years the Council have not provided automatic uplifts or increases for Direct Payments. The onus has been on Direct Payment recipients to request and justify increases to their social care costs. This practice is not only an unfair expectation on Direct Payment recipients but also means that is difficult to forecast and manage social care budgets as there is limited regulation for consistency on increase requests. It also means unnecessary demands on social worker resources to respond to requests on an individual basis rather than taking a commissioning led approach to the Direct Payment market place. Building in a systematic review that is equitable across the care sector addresses these issues.</p> <p>Although Direct Payments as a whole should be subject to annual review and appropriate increases, there are two specific areas of consideration for cost increases, ensuring the Council's statutory duty of ensuring Direct Payments are sufficient to meet the individual's needs are met. These are provider and Personal Assistant rates.</p>
6.1.6.	<p>Covid19 Response</p> <p>Supporting people on Direct Payments to be able to maintain and manage their Direct Payments through the Covid19 pandemic has been a priority throughout the year. Steps to support people were put in place at a very early stage and has meant that a significant number of people have been able to flex their support to stay safe and remain as independent as possible.</p>

	<p>A suite of information was created to give people advice on how they could manage employment of Personal Assistants (PAs) and access support from Providers. Frequently Asked Questions, Risk tools for PAs returning to work were all coproduced and made available to all Direct Payment recipients.</p> <p>In partnership with Disability Sheffield a web page was developed as a hub of all Direct Payment related Covid19 information. We supported them to resource an emergency PA register for people who needed extra PA cover and make PPE available. Disability Sheffield are continuing to offer these services. Emergency payment arrangements were put in place to ensure people had sufficient money to buy alternative support, if it was needed, and meet extended employee duties such as sick pay. Currently, we are ensuring PA vaccines are made as part of the government roll out programme.</p>
6.1.7.	<p>Provider Rate</p> <p>Many people using Direct Payments choose to purchase support from a care or support provider. When this is done through Direct Payments it is a private contractual arrangement between the individual and the provider. This is often a preferred way rather than choosing Council arranged services, as often the individual can negotiate additional or alternative conditions with the provider, such as, more personalised support, flexible hours, etc.</p> <p>It is essential that people can chose to arrange their support this way and therefore that it is reviewed annually and increases awarded to the Direct Payment where appropriate and in line with other contracted provision to ensure this arrangement remains tenable.</p> <p>Providers' annual increases for Direct Payments will be subject to the same criteria as Council arranged services. The principles applied are:</p> <ul style="list-style-type: none"> • Uplifts are in line with the agreed framework % increase rates and do not exceed the current contracted fee price or framework guide prices • Increase requests above these must: <ul style="list-style-type: none"> • demonstrate the specific specialisms required to meet the individual's needs. • be done in conjunction with the social care team and direct payment recipient • involve the expertise of a contracts officer, where the provider is supporting a group of people • All should demonstrate value for money principles
6.1.8.	<p>Personal Assistant Rate</p> <p>A Personal Assistant (PA) works directly with an individual, to support them with various aspects of their daily life so that the person can live their life in the way they choose. PAs are usually employed directly by the person who needs care and support. This person is their employer (and are often referred to as an 'individual employer'). They can also be employed by a family member or representative when the person they are supporting does not have the physical or mental capacity to be the employer. Some PAs work with more than one individual.</p>

People who employ PAs often cite better outcomes and talk about an enhanced experience to their support, despite having to deal with becoming an employer. *“My PAs know me and my support needs very well. Having dedicated workers means that I do not need to describe the help I need each time. It is so demoralising when I used to tell someone new each day – soul destroying reminding me what I can’t do. Now we do things together and I can rely on my PAs completely.”* - anon, Individual Employer, Sheffield.

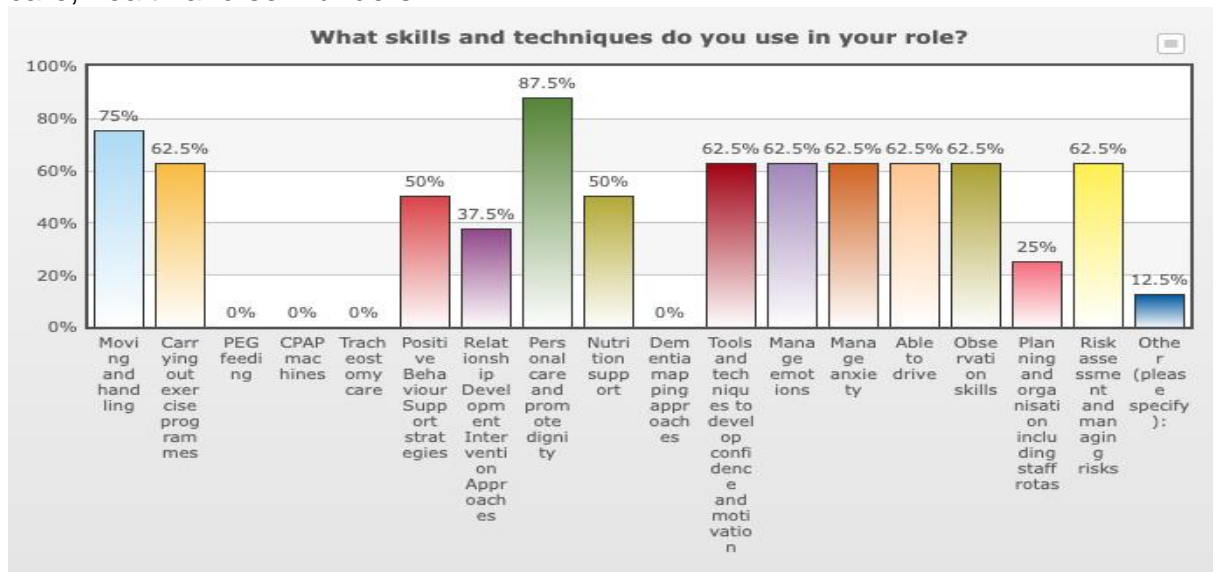
Skills for Care research on the PA workforce found that each individual employer employs on average 1.93 PAs each, creating approximately 135,000 jobs. Turnover rates amongst PA’s is 16.7% compared to 38.1% for care workers. PAs also take less sick leave, 1.7 days compared to 5.3 days for care workers (2020) and 8.8 days for local authority staff (17/18).

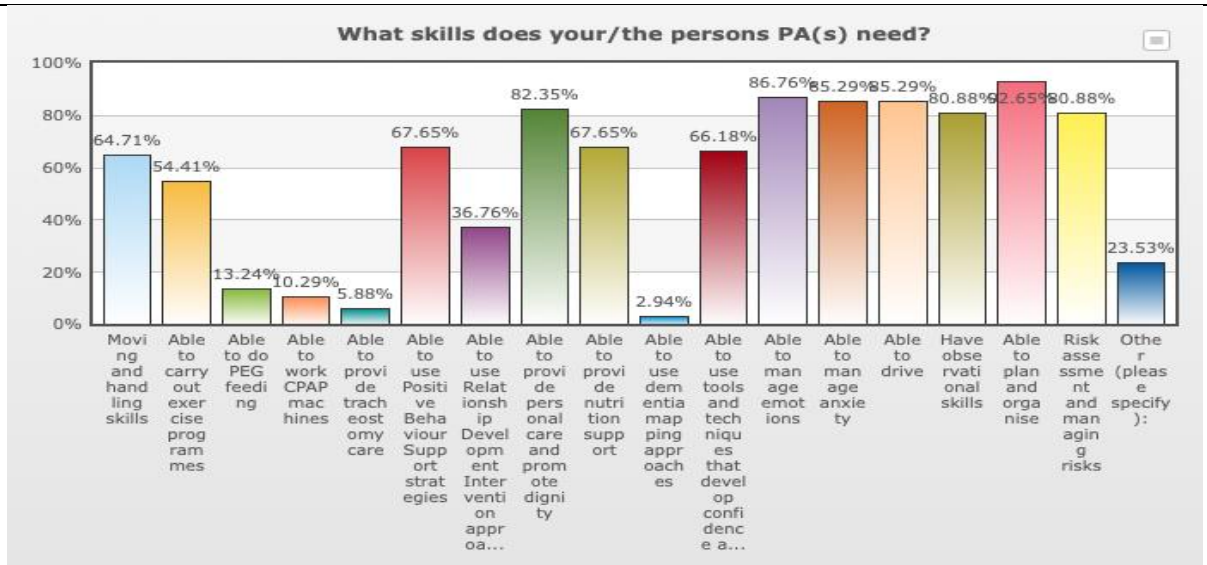
Skills and Knowledge: Many PAs enjoy their role supporting people to be more independent and included within their communities as can be seen from the quotes below

“I enjoy my time at work it is not only a job it is a responsibility”.

“The job is highly rewarding and very enjoyable seeing the care and assistance that I had given to this individual making their life a lot more stress free and giving them a better quality of life”.

A recent survey for Individual Employers and PAs by JuST Works, identified the skills and knowledge required. These reflect roles taken on by PAs funded by social care, health and self-funders.





Analysis of job roles demonstrates a wide variation in responsibilities and work is currently underway, coproduced with people who use direct payments, to develop the Council's approach to assessing the appropriate rate for a PA.

6.1.9. Final Proposal for Direct Payment Increases:

The final proposal is based on recognising that PA rates should be increased in line with the enhanced staffing investment in the staffing elements of other sectors in this report to ensure a proportionate investment of the additional £4.2m into PA rates. The Council proposes increasing the proportion of each Direct Payment recipient's payment by 5.66%. The remainder of each person's Direct Payment will be increased in line with the increase in home support e.g. 4.99%.

The Council will write to all Direct Payment recipients to highlight the ambition for the increase in PA rates to be used to cover employment costs and enhance wages. The Council will also highlight that the additional funds for non-PA related spend is also intended to support providers the person contracts with to improve staff wages.

6.2. Day Activities

6.2.1. Background

The local market for community and day opportunities for adults with dementia and learning disabilities in Sheffield is diverse, ranging from mainstream community organisations to high cost provision for people with specific or complex support needs.

The size and offer from providers varies widely from large services with turnover exceeding £1m per year to small organisations employing only one part time member of staff. Most organisations provide building-based activities as well as some delivering support in the community and outreach.

	<p>In total, there are currently approximately 750 individuals accessing independent sector day activities from around 40 local providers.</p>
<p>6.2.2.</p>	<p>Additional Support</p> <p>During the first lockdown, all building based services were closed. The majority of providers were proactive and innovative in the alternative services they delivered, running music and other activities via zoom or by delivering activity packs. Providers continued to receive payments (either Council Arranged or Direct Payment) based on February 2020 levels. This process continued until October when payments to providers reverted to actuals with top up payments for occupancy gaps; this has now been agreed until March 31st 2021.</p> <p>All discussions regarding how services are delivered during the pandemic have needed to balance the risk of carer breakdown, impact on physical and mental health for people being supported with the risk of a possible transmission of Covid19.</p> <p>The Commissioning team have worked closely with all the providers and with Public Health locally and nationally throughout the pandemic, and offered the following:</p> <ul style="list-style-type: none"> • regular communications with all providers via the dedicated providercovid19 in box as well as being available by telephone or zoom for individual queries and support. • Regular provider meetings and Q&A sessions with Public Health and Assessment and Care Management • Support to meet additional costs e.g. PPE • Infection control training • Volunteers to enable people to be supported in smaller groups or where a provider has temporary staffing issues i.e. people in self- isolation. • Support for providers in planning for re-opening of building –based services in line with emerging new guidance
<p>6.2.3.</p>	<p>Quality monitoring</p> <p>Five dementia day service providers are on a block contract and submit monthly or quarterly monitoring returns and receive 6 monthly quality visits. 10 day service providers are currently on the Recognised Provider List (RPL) and are monitored via an annual self-assessment and risk assessed to determine whether a quality visit is undertaken. In the absence of a Framework and dedicated quality monitoring resource, the Commissioning team will investigate and act upon any intelligence where quality issues are raised and support individual providers on a case by case basis to improve their quality and performance.</p>
<p>6.2.4.</p>	<p>Pressures</p> <p>Day service providers raise the same issues as their counterparts in other social care sectors i.e. the pressure of the minimum wage increase, competing in the labour market, increased non-staffing costs including additional expenses incurred</p>

	during the pandemic. The sector also currently faces huge challenges in responding to the ongoing restrictions for many of their customers.
6.2.5.	<p>Cost Model</p> <p>There are 5 separate routes into ‘day services’ – spot purchase, self-funders/self-referrals, block contracts, and direct payments.</p> <p>There is also currently a wide variation in the daily rates for day service providers, ranging from £40 to £340. The last year has seen huge progress in commissioning in establishing the scope and ambitions of the sector as well as the demand that continues to shift and develop in response to the pandemic. Plans are in place to build on these foundations, working with people who use services and with the market, to develop a procurement approach that supports the market, encourages diversity and enables commissioners to continue development of the sector for people with council arranged services and those using a direct payment to purchase their own care.</p>
6.2.6.	<p>Proposal</p> <p>It is recommended that:</p> <ul style="list-style-type: none"> • A fee increase of 4.89% is applied to current day activity rates for 2021/22 • Further consultation is planned to discuss a daytime activities framework with all stakeholders • The procurement of a day time activities framework is prioritised in 2020/21

Appendix A Provider Feedback

This section contains the anonymised responses from providers throughout the engagement and consultation process.

Feedback from Care Home Providers

Care Home Engagement Session 1 – 6th Jan 2021 – 6 Attendees

The Council ran two engagement sessions with care home providers during the formal consultation stage in January. Providers had received a letter outlining the proposed increase in fees of 1.9% and were asked to provide feedback on the proposal in writing and via the engagement sessions. The feedback from these sessions is set out below including verbatim comments:

Providers told us that....

- Some of us also have very old buildings
- Staff wages are around 80% of income
- We really do need a decent uplift, or we are at risk of closure.
- Other care providers can pay more than we can, and would like to pay staff the same, but just cannot afford to do so
- The cost of care is far higher than what the CPI are allowing for.
- Feel that the cost of care exercise was not broad enough.
- Feel that we can only provide the basic care at present, and want to be able to do more than this, but just don't feel we are in a position to do so at present.
- Would like to be able to give staff a decent living wage
- national minimum wage is not enough for staff and the job that they do
- Do not feel that we should use the minimum wage to agree the fee rate
- We are not going to be able to invest in buildings for at least a few years
- In a few councils already money has been given as long as it's passed on to staff – we would be very much in favour of this.
- Would much prefer an increase for all staff overall. Recognise the contribution of all staff, all are valued.
- Concern over the level of occupancy and referrals

Care Home Engagement Session 2 – 7th Jan 2021 – 9 Attendees Fee proposals – Key points – verbatim from providers:

- The costs and extra staff and time from the lateral flow testing is huge
- The cost of being able to offer visits safely is taking up a lot of staff time
- Staff are really, really struggling and particularly financially
- The minimum wage is not going up as much as it could have done
- SCC are not covering the cost of care.
- 20% gap in funding not considering the effects of the pandemic
- Concern is that if we apply an increase it will cover the gap in minimum wage, but by next year many operators may not be able to operate.

- We have only survived because we have high occupancy levels – what Covid has done is wiped out beds, once this is gone they will never come back.
- We cannot operate under capacity
- Talked for many years about care homes being in crisis but feel we really are there now, we need to do something different with our buildings
- The cost of care exercise and the fee increase are crucial to us
- What model/tool is being used to assess the cost of care by the Council?
- We need to pay these trained people that are proving important care a proper rate.
- It is massively important to recognise that those operating nursing homes have had to pay 30-40% more to keep staff
- We need to consider some costs that have hit us is a lot higher than just inflationary increases.
- We are trying to keep the sector going in the short term, but longer term there needs to be a plan to improve the wages in this sector
- No real changes from the Council, leadership comes in listens, but leaves before any real change can take place
- Worries about Brexit impacts and costs
- We really do need you to look at the other costs that have increased
- Not seeing investment in the future
- At present there is such a gap between the actual cost of care and what is being paid that this needs to be reconciled

Care Home Providers – Online Survey Responses to Consultation December 2020

Of the respondents 6 providers claimed that the fee uplift would partially cover their operating costs. However, 15 providers said that this would not cover costs.

Respondent 1

Increased costs, reduced bed numbers, cap ex works, wages, covid and referrals have pushed the sector to breaking with the base line fee calculator in Sheffield being the main problem. Sheffield have underfunded the care homes for over 20 years in comparison with other councils and the reality is that homes will close in the next 12 months.

There's no way homes can operate at 80% occupancy and break even with a weekly bed fee of £514.60.

We will not be able to sustain the business beyond March unless the bed fees are increased - during the covid pandemic the IPC & Covid support has raised our average bed fee to approx £587 per resident - this is still not enough to sustain the business at 80% occupancy - bed fees need to be increased beyond £600 per week to allow providers to staff sufficiently and pay wages, cover mortgage payments - maintain and repair aging buildings and cover all other expenditures.

Wages - Minimum wage is not enough for trained and experienced staff
VAT - we can't claim VAT back!! - probably £40k per year at our home
Staff need parity with SCC - suggest £10.50 be used for wages!
Insurances - Policy renewals have doubled - 15k in 2019 to 30k in 2020.
Repairs & Maintenance - Aging buildings
Refurbishment of two homes needed - no available funding!
Specialists support & consultancy - Fire RA's & Legionella
Lift service and testing contracts
Hoist & Scales service and testing
Waste collections - Skips Bins - Cleaning
Much higher dependency of residents than in previous years
Increasing salaries for managers
CQC - requesting additional staff & equipment
Agency cost - hourly rate and finders fees
Staff training & Development
SCC policy - "Stay at Home"
Utilities - increased prices from suppliers

To review all spending and make savings where appropriate, provide better working conditions and increase wages for staff - improve the environment for residents and maintain a stable profitable business.

Respondent 2

Unfortunately we do not feel this will meet our cost at all.

I'm sure you'll agree that this year's review of fees is one of the most critical in recent times given the ongoing effects of the pandemic on care home operating models, occupancy levels, workforce wellbeing and increased overheads.

We will be shortly sending out our cost of care report, however we can underline the gap between current fee levels and the sectors view of what the real cost of providing care is. We estimate this to be in the region of 9.4%. This is the increase across all standard fee levels for both existing residents and new admissions that we need to simply stand still. Roughly 5.5% of this is pre COVID19 pressures associated with workforce (projected on increase to the NLW) and general sector wide inflation. The additional 3.9% relates to new costs associated with Infection Control measures – the new operating model which involves cohorting, supporting residents in isolation, weekly testing and the safe facilitation of visiting.

We would have to seriously look at the sustainability of all of our local care homes.

We need to ensure that all Infection Control measures continue – the new operating model which involves cohorting, supporting residents in isolation, weekly testing and the safe facilitation of visiting.

Although we are grateful for the support received during the pandemic services will go into the new normal and this obviously has significant further costs.

We are already as a large national operator ensuring we are maximising economies of scale in terms of the additional purchasing and procurement that has been needed to ensure our colleagues and home had the right kit and tools to continue to provide care.

The infection control funding from central government has again been welcome although not sufficient to sustain the new operating model that has become a reality for any provider who wishes to remain open and safe.

As aforementioned and again stated below:-

We estimate the shortfall to be in the region of 9.4%. This is the increase across all standard fee levels for both existing residents and new admissions that we need to simply stand still.

Roughly 5.5% of this is pre COVID19 pressures associated with workforce (projected on increase to the NLW) and general sector wide inflation. The additional 3.9% relates to new costs associated with Infection Control measures – the new operating model which involves cohorting, supporting residents in isolation, weekly testing and the safe facilitation of visiting. Apart from already stated items above before safety and infection control became our priority we were starting to roll out our new technology such as emar making medicine application more controlled and safer.

To continue using these innovative approaches the minimum cost of care needs to be sustainable.

Respondent 3

Fee is not meeting the cost of care and is putting homes at risk of closure.

I will not be able to meet obligatory payment ie bank security, this will impact on standards as staffing/other services will need to be reduced.

The base fee has been too low for many years so the starting position is detrimental to providers.

Use a formal model that has been proven for calculating the cost of care. This is the only way you will have a sustainable market.

Due to the pandemic occupancy has taken a hit, coupled with a low fee rate this is not sustainable. The fee levels should be reviewed to reflect current occupancy rates and that applied on top of the proposed fee also.

Respondent 4

due to the dependency on residents, the amount of extra tasks that are having to be under taken for example covid testing, track and trace upcoming vaccinations CQC.fire officer i feel that this is not the true representative of the true cost of care

serious concerns for the viability of the business and for other providers in the area

dependency of residents is increasing

building and maintainance

refurbs

staff training and development

governence

management time

covid 19

utilities and supplies

occupancy levels

we would like staff to be paid a proper living wage and not just the minimum wage in line with SCC

Respondent 5

Since our entry into the Sheffield Care Home market, the environment has become continually more challenging; as costs to provide care continue to rise, with the increases in funding from the Local Authority not correlating to mitigate this pressure. I have deliberately chosen to include the additional cost pressures that Covid-19 has added to our Homes as I hope, as I'm sure you do, this will not continue forever.

As you will be aware, Sheffield does not compare well to its neighbouring authorities in respect of fees; on average, a difference of 14% compared to Lincolnshire County Council for example. The rate for Nursing demonstrates a similar picture, where LCC's rate is 11% greater than the one proposed by SCC.

Furthermore there have been increased costs of registration fees, utilities and medical supply/equipment hire costs, which have been passed onto Care Home Providers by SCC and the NHS.

There can be no surprise that homes are facing closure under this the current pressures faced as quality providers, like ourselves, endeavour to continue to provide high standards of care, maintain full compliance with CQC, when the fees being paid are fundamentally inadequate. You will have noted the number of homes in the area that are closing due to their inability to sustain the financial pressures of the market today s and yet, no replacement beds are being commissioned. Furthermore, it is the standard of the remaining beds which I am most concerned about, some of which would not even meet the current standards of homes today and are continually being found to 'Require Improvement' or be 'Inadequate' in the views of the Care Quality Commission.

As a group, we model our care staffing structures at all of our Homes as follows:

- A ratio of anywhere between 20-25 hours per resident per day;
- All staff are paid above NLW to ensure we can attract a suitable standard of staff, with Senior Carers earning close to £9 per hour;

- The span of salaries for managers is between £40,000 and £60,000 per annum, dependent on the size of the Home and local competition; National Living Wage (previously National Minimum Wage) alone has increased by 25% during this period.

The fee increase proposed, does not even meet this additional cost and adds hundreds of thousands of pounds to our wage bill. I am more than happy to share with you our financial accounts for these homes, which will support my point. The above, in addition to the ancillary and administrative staff required to operate a Home, equate to over 75% of our income being used to pay wages before indirect costs, such as, head office costs, finance costs, return on capital and a modest amount of profit are considered. Furthermore, as a group we spend in excess of £500,000 per year in training and development ensuring our staff are not only compliant in their training knowledge, but also to provide excellent levels of care to the elderly residents they serve.

It is unclear, from your report, as to how you have calculated the fees that are being proposed this year. I would be grateful if you could provide further insight into what model you have used to calculate this so, as a provider, we can better understand the expectations that the local authority has and potentially model and adapt our services accordingly. This will help us to staff our Homes in accordance with the fees you set. If we can see a copy of this model it will help us to assess what average occupancy, staffing levels and ROI we can expect to provide/receive.

As you will be well aware, the Care Act 2014 issued by the Department of Health, issues statutory Guidance which should underpin the Authority's statutory objectives in market shaping and commissioning activities; namely:

- 1) Focussing on outcomes and wellbeing;
- 2) Promoting quality services through workforce development and remuneration, whilst ensuring appropriately resourced care and support;
- 3) Ensuring choice;
- 4) Co-production with partners.

To achieve these principles, the Authority as you know, must follow various steps when determining remuneration for providers, for example:

- 1) Designing strategies that meet local needs;
 - 2) Engaging with providers and local communities;
 - 3) Understanding the Market;
 - 4) Facilitating the development of the market;
 - 5) Integrating their approach with local partners;
 - 6) Securing supply in the market and ensuring quality through contracting
- Paragraph 4.3(1) of the Care & Support statutory Guidance, for example, provides that:

“When commissioning services, local authorities should ensure themselves and have evidence that contract terms, conditions and fee levels for care and support services are appropriate to provide the delivery of the agreed care packages with the agreed quality of care. This should support and promote the wellbeing of

people who receive care and support and allow for the service provider ability to meet statutory obligations to pay at least the national living wage and provide effective training and development of staff. It should allow attention of staff commensurate with delivering services to the agreed quality, and encourage innovation and improvement. Local Authorities, should have regard to guidance on minimum fee levels necessary to provide this assurance, taking account of the local economic environment.”

I am concerned that in calculating the fees for the coming year, the LA has failed to have proper regard to its statutory obligations and the guidance in reaching its funding decision. To that end, please would you provide me with the following at your earliest please:

- 1) Information as to how your fee has been calculated for the coming year;
- 2) What agreed ‘care package’ has been assumed in this calculation;
- 3) How this supports providers in meeting statutory obligations of paying National Living Wage;
- 4) How the fee encourages ‘innovation and improvement’

I am extremely concerned that the rates being proposed by the Local Authority are a limiting factor in many Homes being able to provide the high quality care we aspire to offer and fear for the long term future of elderly residents in Sheffield Care Home if these fees are not re-considered.

If we can see a copy of this model that has been used to calculate the base fee as well as the calculations for the increase it will help us to assess what average occupancy, staffing levels and ROI we can expect to provide/receive.

Respondent 6

We do not believe this will help us continue operating as the increase does not deal with a number of important issues.

The figure used as a base cost has been eroded by 10 years of underfunding. This has only been sustainable due to higher occupancy rates, 95% and above, until 2020 whereby we have been hit severely with Covid and in some cases are operating at 50% occupancy.

Any future rates need to recognise that any business's sensitivity would be more in line with an 80% occupancy as a bare minimum. This will allow the sector in Sheffield to reinvest and improve services as we feel services are currently stagnating.

The sector has seen much higher increases in wages for Qualified nursing staff where we have been subject to 30% increase to keep up with competition to recruit nurses.

The cost of supplies and energy has increased by 30% for energy and 70% for other supplies.

These costs have been compounded with new factors of the purchase of PPE, increased infection control measures, increased admin for testing which have all had an impact of increasing base line costs.

At current low occupancy levels we expect to see homes unviable and unsustainable.

The commissioners needs to recognise the individual cost per week to look after a vulnerable adult within a quality setting, as this cost is far higher than the current baseline fee which is being used to apply an inflationary increase.

There needs to be a recognition of the hard work that care workers daily provide. This is not reflected in the Minimum wages that staff are paid due to the current funding arrangements from the council. It is widely mentioned that a supermarket worker stacking shelves will be paid 20% higher than a quality trained carer. It is noted than the council support and have signed up to the Living Wage but their commissioning does not reflect this in any way.

Yes , as an operator we would like to understand what capacity is actually required in Sheffield and confirmation as to the over supply in the market and where this might lie in geographic area in the city and what categories of care are required I.e nursing, emi nursing or residential.

Respondent 7

I will outline my income vs expenditure for you to see:

Income = £44044.00

+PPE =

Expenditure

Wages = 32000

Tax + National Insurance = 4400

Pension= 800

Water = 450

GAS = 800

Electric = 800

PPE/Cleaning= 300

Banking= 1200

Council tax =125

Laundry + dishwasher = 678

CQC / Professional costs = 300

Maintenance = 200

= 42053

44044-42503 = £1541

Not even breaking even.

If you were to increase the fee to £595. please see difference below

£49364-42503 = £6861

This be able to give care homes more to invest into our residents. All we seem to be doing is paying bills and professional fees.

More training is coming our way
With Covid we need extra man hours to manage the crisis
Cost of living is rising
Recruitment and retention of staff
Wage increase
Utility bills are always increasing

We need financial support to see us through the impact of covid

we need to have residency in the home to fill. We need to fill beds to maximum to be able to cope with future demands

Social workers need to be educated and informed for rapid assessment and referrals for filling beds as we have been depleted by Covid

Respondent 8

National Living Wage plus the added pressures of Sleep costs (possibly ongoing into 2021), expectations of the real living wage being paid in cities such as Sheffield and the constraints of low fee uplifts all mean its a challenge to recruit and sustain high quality staff.

I dont envisage any immediate changes to our current provision but it does add further pressures.

NLW, RLW, sector pressures as a whole, the year on year increase of NLW, sleep costs and contributions.

Respondent 9

Increase in genral costs such as insurance
trying to recruti staff requires paying at a higher rate then basic minimum wage

Respondent 10

The problem with the methodology for the fee increase is that the base fee is too low. As a home in an inner city area we are unable to attract private fee payers to subsidise the council funded residents.

COVID has placed further challenges in our way. One of which is capacity challenges.

The combination of low occupancy and low base SS fees mean that SS funded

nursing beds lose money.

This results in breaches of funding covenants.

Unfortunately it is envisaged that costs following the effects of COVID will increase ahead of inflation. We are already seeing this in staff wage expectations, cleaning, domestic staff levels, insurance, energy costs. We are yet to see the costs that may emanate from Brexit. But I envisage this will impact areas such as lift maintenance, consumables, food.

It is highly unlikely that this year will see a usual inflationary cost increase.

But the main issue is the base cost from which you are starting.

This question is very difficult to answer.

If it was possible we would not take any SS funded residents. As each resident loses money.

It is possible we might have to close the home and look to redevelop for alternate use.

Brexit

Covid

New protocols for bringing in overseas nurses.

You must overhaul your methodology and look at the true cost of care, start with a clean slate rather than using an uneconomic base cost.

Factor in capacity issues in the city or your public funded capacity will collapse.

Respondent 11

In reality, the staffing costs come out at 2.2%. Therefore the proposed increase falls short, and again leaves us having to bear additional costs, along with the increased cost of food, energy and all services that we need to run our home efficiently.

There is a potential that the quality of food, cleaning materials, bedding, detergents etc. may have to be reviewed in order that we can keep within our budget. This in turn will have a direct effect on the residents.

The true cost of a bed is rising beyond the proposed increase. All services that we employ are increasing their costs, i.e. food suppliers, energy suppliers, trades, utilities, stationery, repairs, bedding, cleaning, mandatory servicing of equipment, cost of buying new equipment.

It is extremely difficult to keep within budgets currently and with our exit from the EU costs may increase.

It is of great concern to us as to how we will continue to run an efficient reliable service with the proposed increase.

I feel it is really important that you review this again as my main fear is that there are many care homes that may not survive in the current climate and with the increase you are proposing. There will also be increased staffing costs.

Respondent 12

Our services are nursing provision for people with complex needs, will 1.9% be applied to on standard care rates?

Has the effects of Brexit on the supply chain and potential cost implication be reviewed and thought about for the annual uplift?

As mentioned above we do not take people on standard fee rate.

The cost of staffing is on the rise all the time, we require highly skilled staff which of course has to be reflected in pay

The % seems much lower on previous years

Brexit and the effect it has on the supply chain
Capital spend on the services and investment in staffing compliment

Respondent 13

Any increase will obviously help but the calculation is clearly just a continuation of the pricing strategy in previous years. What we would like to see is a long term strategy towards pricing.

It is a well known fact that the funding in Sheffield is below the market average for the UK and this issue needs to be addressed over the next few years. We believe it would make a huge difference to the local care sector if SCC, could agree with Government, increases for the next 5 years to help align the area with other parts of the country. A year, in the life of a business, is a very short period of time and having visibility over a substantial part of one's pricing would make a positive impact on staffing, rationalisation, and investment decisions. It would certainly help to build a stronger care sector within the city.

Additionally, while we understand the basis of the fee calculation, it does not take into account unavoidable substantial increases in insurance, IT, food and utility costs. We are having to compensate these via cut-backs elsewhere.

After a number of years of continued investment, and growth, 2021-22 will be a year of consolidation, for X, with a lower annual turnover, and a trading deficit

If the proposed increase is implemented we will aim to continue to minimise our losses by not recruiting replacement non-care staff when somebody leaves, providing no budget for capital investment and renovation projects, undertaking

essential spends only on overheads, and possibly closing corridors in individual homes if occupation numbers do not start to improve.

Improving occupation levels (current 2021-22 budget = 73% compared to 93% last year) will obviously soften the blow but we believe that it will probably take two years to recover once the pandemic is in decline.

Acknowledgement that continued capital investment and renovation programmes are a key part of our strategic thinking and that funding for these types of activity can only come from increased fees. Historically, these have been funded by our private full fee payers.

During the last 10 months SCC have been very financially supportive of us with the additional costs we have incurred during the pandemic; continuing to honour income provision for our contracts for day care and block booked beds; and providing financial support in recognition of the massive decline in occupation levels. We would hope that these support measures continue until occupations levels recover to such a point that we are back in surplus and we are generating cash for investment again.

We will supply our open book costings, with year on year comparisons, by email.

Respondent 14

The proposed increase does not cover the basic hourly cost increase for employees at the home to cover their contracted hours to provide a safe service. Once additional costs (tax, NI, holiday etc.) are included the proposed increase only covers approx. 60% of NLW increase, and does not contribute to any non-staff costs.

The underlying viability of the service is at risk without an enhanced offer to meet basic cost of service provision.

An independent review by CQC clearly highlights the disparity between funding from Sheffield CC and geographically close comparator in terms of the weekly rate paid for both residential and nursing care.

Residential rate is circa £55 per week below the rate paid by the wider region, and nursing care closer to £90 per week different.

Recognition that nursing care placements involve a greater level of input from care assistants and the contribution towards nurse costs via FNC is not sufficient. A high proportion of councils recognise this different in care input required and offer a higher base rate for nursing care placements before FNC is taken into account.

Respondent 15

the cost of providing care in both homes is more than the current rates being paid, we have managed to keep the homes sustainable due to a larger proportion of self-funders in [our home] and charging additional 3rd party top-ups but also by

maintaining high occupancy for both homes. This is currently not sustainable as occupancy has drastically fallen and the private self-funder market has dropped off significantly.

Long term sustainability is questionable for definitely 1 of our homes. it is currently make a net loss on the year to date accounts so if occupancy does not improve next year, this will impact the home greatly.

the actual costs involved, including actual staffing costs, how many RGN's required to provide nursing beds, and similarly carers. the cost calculator currently is a pointless key indicator as just recognises inflationary increases on but the basis underlying these costs are not accurately reflective.

Costs for managers are also very high and central/financing costs need to be considered.

Homes do need to make a profit and this needs to be factored in.

Quality of care - I think all Providers are keen and proactive in their approach at delivering the highest possible quality of care we can, limiting the fee rates just limits the number of staff the homes can employ and this ultimately has a knock on effect on the quality delivered. this needs to be recognised as a significant factor is the price paid for quality of care delivered to the people of Sheffield.

occupancy is a clear driver for the homes so we need to establish the market position for Sheffield and the future demands.

also if there are considerations for discharge to assess and Intermediate Care Beds but we would expect these to be appropriately costed.

Respondent 16

The national minimum wage is rising by 2.2% from April 2021, therefore the fee increase proposed will not even cover this.

It will be minor help towards the increase of the NMW, however there will be no real impact from this.

NMW increase

Additional cost of PPE

Additional cost for staffing hours, to enable all the testing for Covid

Increase in energy bills

Increase in maintenance costs, Council tax etc.

As a small care home, for people with mental health, we have the same outgoings and currently have 30% of our beds vacant.

We are currently struggling, mainly due to the bed vacancies, and I am anxious about the rising costs and additional NMW rates, that come into force from April

Respondent 17

From our calculation without any ongoing Covid costs included we have calculated based on our information we have to date that we would need a 2.06% increase if the revised fee we submitted to meet the actual running of [the home] is accepted. We are however still waiting on this.

In addition to other costs we also try and pay our staff above the NLW and this has the benefits of staff retention and reduction in agency costs. We feel the RPIX is a more accurate reflection of costs than CPI.

Unfortunately in addition to this, the current fee doesn't meet the cost of running the home.

Covid costs should be separated out from the inflationary increase. The proposed rate would definitely not cover any ongoing covid related costs.

Respondent 18

We use a similar formula to increase our fees annually but use 70% of the increase in nmw and 30% CPIH rate so will be increasing our fees from 1 April by 1.9%.

We will be applying a greater increase to our wage rates than the 2.18% increase in nmw after the fantastic performance of our staff over the past year and to compete with other employers in other businesses such as retail etc.

It means that the top up paid by residents/relatives will increase accordingly.

Currently we only have 1 bed that is partly funded by Sheffield City Council and at the present time think we have an advantage being such a small provider (17 rooms, registered for 19 residents). Nevertheless we don't need many empty rooms before we reach break even point. For the past two and half years since we took over the business we have managed to achieve an occupancy rate of 97% pre pandemic.

Having listened to other providers on the recent zoom meetings there would seem to be a need to conduct an analysis of the cost of care provision to rectify previous underfunding.

Respondent 19

We need 5% increase

We will have to look at alternative savings

Pressures of costs non staff

We need a 5% increase for all residents to meet cost pressures

Respondent 20

- 1) Formula fails to recognise that the actual rate of inflation on general costs is materially more than the rate of CPI in September eg insurance, general medical supplies, food etc.
- 2) Formula fails to take account of the fact that the cost base of providers has risen, but occupancy is less due to covid/less referrals. Costs per resident are higher, and the fee increase should reflect this.
- 3) I am not aware of what the rate of assumed occupancy was for Sheffield when setting fees in 2020-21. There can be no doubt that actual occupancy for 2021-22 will be less, and the modelling needs to take account of the lower rate of occupancy which will cause fees to rise accordingly. This appears to have been totally ignored within the the formula proposed.
- 4) If the Council wants a long term sustainable care market, then at some point it has to start increasing fees at a faster rate than NLW/CPI.

Our like for like trading performance will worsen since the rate of increase in costs will exceed the rate of increase in revenue.

The vast majority of home costs (and also central indirect costs) are fixed. In the absence of a more substantive fee increase then steps may need to be taken to address and mitigate these costs. This would give a potential adverse outcome for current/future service users (plus the Council and CCG) since we risk not retaining skills and expertise for the future.

As above.

Plus, the Council should be ensuring that it complies with its obligations under the Care Act in regards to the market.

Respondent 21

The fee increase should also be viewed in the context of reduced occupancy. This fee increase is spread over fewer residents and therefore the total amount received will be a lot lower than one would normally expect where as static costs are the same regardless of the number of residents e.g. cost of financing, insurance, utility costs, CQC fees, equipment hire and lease, routine maintenance and H&S checks, council tax and bank charges to name but a few.

There will be no funding available at all to make capital equipment improvements, for example new chairs, carpets, beds, furniture etc. This will in turn have a detrimental effect on the mental health wellbeing and dignity of our residents.

Urgent spend will need to be completed for example new boilers, lift repairs but this will be at the expense of other needs of the home.

Finally for us the expectation of the council to expect providers to continue to pay staff at minimum wage after what they have been through this year is deplorable to us.

Through not funding effectively the council must accept that high standards and quality of care will suffer, it is not an acceptable position to be putting providers in.

We feel very strongly that, like other councils, Sheffield should be supporting a fee increase that allows providers to pay above minimum wage. Our staff have proved their value to the country in this pandemic and offering them minimum wage following this is insulting and degrading and exhibits a lack of value or appreciation of the incredible work they carry out for society. Even in these times of high unemployment recruitment is difficult. People are not applying for high risk, hard Care Home jobs for minimum wage. This will only result in a more fragmented and volatile staff group with negative quality of care issues for our residents.

Our main priority is to survive 2021-22. followed by our need to maintain a recognised good level of care delivery for the vulnerable people we look after. We need to invest heavily in our staff and our physical environments. We need to be in a position to adapt to the changing needs of the local market. The low rate offered on top of a significantly low rate to start with and compounded by low occupancy is not going to allow anyone to achieve these desired goals

Letters from Care Home Providers

Letter dated 8th January from Sheffield Care Association

Our client is already known to the Council and is an association representing the interest of care home providers operating within Sheffield. It should be noted that our client has sufficient public law interest in the matters referred to within this letter.

On 1 December 2020, the Council wrote to care home providers operating care homes in Sheffield. Within that letter the Council set out what it termed to be “an initial proposal” for its fee rates for the year 2021/22 (‘the Proposal’).

At present, the Council pays £505 per week to care homes for each bed it commissions. This is the same rate paid, irrespective of the category of care and so it applies equally across the following care categories:

• Residential standard care • Residential high dependency care • Residential EMI • Nursing

The Proposal is to increase the flat rate of £505 per week by 1.9%, thus taking it to 514.60 per week.

The Council has invited responses to the Proposal by 5pm on 8 January 2021. We wrote to the Council on 18 December 2020 to request an extension of time for the submission of this response. The Council refused. We will return to this later in this letter.

This letter sets out our client’s response to the Proposal. We have been instructed to assist our client in the preparation of this response due to the serious concerns held by our client regarding the Council’s formulation of the Proposal and were it to be ratified by the Council in a final decision.

While this response is being submitted by our client on behalf of its members, it does not stand to the exclusion of any further responses its members may wish to make directly themselves to the Council.

BACKGROUND

1. The Council last undertook a review of the fee rates it pays care home providers in 2019, prior to the setting of its fee rates for the financial year 2020/21. That consultation and fee setting was undertaken before the onset of the Covid-19 pandemic.

2. Following the 2020/21 consultation, but before the Council set the 2020/21 fee rates, the Council produced a report entitled 'Market and Provider Consultation Analysis Informing the Fee Proposal for 2020-2021' ('the 2020/21 Report'). The 2020/21 Report was relied upon by the Council in its decision to set fee rates for 2020/21.

3. The 2020/21 Report made numerous materially important conclusions, including but not limited to the following:

3.1. Each year the Council engages in consultation with care home providers in respect of the Council's fee rates prior to setting those rates. (p.1)

3.2. That the Council is committed to ensuring the availability of diverse and sustainable care provision in Sheffield and that care homes are a key part of this. (p.1)

3.3. There is are a range of care home providers operating in Sheffield, "from small long established operators with a single care home in a converted property, to large national organisations that run many purpose-built care homes"; some of whom "operate with significant debts". (p.2)

3.4. The costing information submitted by providers as part of the 2020/21 consultation "suggested that for the providers who submitted their costs there is little capacity within the rate to accommodate significant changes in capacity, increase in costs above inflation or any other 'business shocks'". (p.18)

3.5. In response to providers informing the Council of the key importance of a reasonable return of over 2-3%, the Council stated that it "acknowledges that it is reasonable that there should be a return on investment within the model" which at present only makes provision for "base rate plus 2% and calculated on business activity and capital expenditure".

3.6. It was "reasonable to suggest" that while the Council's fee rates may be covering operating costs and "achieving a degree of operating profitability" in some cases (depending on business model, financial structuring and business practices), these rates were "likely to be generating overall revenues at below total costs". This indicated that for those "providers with the lowest proportion of self-funders [while they] will generate sufficient revenue to cover operating costs [they were] least likely to generate economic profit that enables them to invest in the business in the medium to long term". There was therefore an "urgent need" for the Council to put in place a plan to address investment and capital return, thereby "ensuring the infrastructure is fit for purpose whether providers are funded by the Council or self-funder market or both" (p.18).

3.7. Although the Council did undertake a survey into the amount of third party charges (commonly known as Third Party Top-Ups), it did not know nor undertake any enquiry

into the level of income generated by providers from other income sources, such as from self-funding residents, CHC and third party contributions. The Council therefore was not in a position to know whether those income sources themselves were sufficient to cover a care home's costs of providing the services being commissioned under these other income sources, nor therefore, the extent of any surplus (if any) after the payment of these costs. (p.18). Equally, therefore, nor did

the Council have any information as to the reliability of these other income sources, in respect of which care home providers have no control: - for example, they cannot control when a resident's finances become depleted such that they convert to the Council's fee rates; they have no control on a resident's conversion to or from CHC funding; they have no control on a third party's ability to continue to pay top-ups or the amount they can afford to pay.

3.8. Underscoring the Council's aforementioned acknowledgment that its fees in many cases fall short of a provider's actual costs of providing the services, it accepted that: - "not all care homes in Sheffield have self-funded residents"; that it has been informed by some providers that they are having to cross subsidise their care homes in Sheffield from care homes operating outside of the Council's locality; and that income derived from those care homes with private funding residents was having to "prop up" the funding shortfall arising in the case of Council funded residents. (p.15) There was no evidence or determination within the Report to the extent that in those cases where there was cross-subsidisation, it was sufficient to cover this funding shortfall, let alone provide for the care home to operate sustainably in the medium to long-term.

3.9. In terms of cross-subsidisation, the Council further:

- Made an assumption that "national providers can cross-subsidise their homes" operating in Sheffield (p.2). This appears to have been an assumption made in the absence of empirical data and without any knowledge as to the amount of any cross-subsidy, nor its continued availability into the future, nor national providers' willingness to continue to operate care services within Sheffield on this basis.
- That insofar as there was a self-funding market in Sheffield from which providers were (in some cases) able to obtain some cross-subsidisation, that market was becoming more challenging for providers to compete in, due to "new developments aimed specifically at this market". The clear inference here being, that to the extent that there was any access to self-funders for those providers who provide Council funded care home services, the pool of self-funders was fast depleting.
- People who are entering care homes are "older and frailer"; a fortiori there is an upwards pressure on the cost of meeting their care needs, whether within residential or nursing care homes services. (p.2)
- There is an underlying decreasing trend in the provision of nursing care services. (p.3)

3.10. Third Party Top-Ups were being used by providers "seeking to subsidise the standard fee rate". (p.5) While this was acknowledged by the Council, it did not know whether the amounts being charged by way of the top-ups was sufficiently crosssubsidising the funding gap, nor whether those providers who were able to obtain the payments were able to generate a sufficient amount to provide for the sustainable operation of the care home in question on a medium to long-term basis. They did however conclude that the income generated from these Top-ups was not "significantly subsidising" the Council's rate. (p.6) It must rationally be assumed that in light of the absence of further enquiry by the Council (the need for which the Council acknowledged on p.6), what is meant by this is that it did not believe that Top-Ups were capable of producing sufficient income to provide a significant source of crosssubsidisation.

3.11. In terms of occupancy levels:

3.11.1. In the cases where providers had more than 10% of their beds empty, it led “to some significant viability issues” for them. This in turn had “led a number of providers to review their business planning” which the Council acknowledged would further lead to a reduction in nursing beds. (p.6)

3.11.2. The Council’s fee rates for 2020/21 were based upon an occupancy level 90% in the case of nursing bed provision and 92% in the case of residential care provision. (p.6 and 7). Notably, both of these occupancy levels were below the respective occupancy levels in 2017/18, at the time when the Council completed its base cost model. The Council has subsequently limited its increases on those base fees to CPI and NLW cost pressures only.

3.12. In acknowledgement of the above matters, the Council response was to propose a comprehensive strategic review in the first 4 months of 2020/21 and in the meantime, to increase the 2019/20 fees by 4.9% (a decision which the Cabinet endorsed on 18 March 2020); notwithstanding which the Council acknowledged that “some providers may not be achieving levels of economic profitability that would enable them to invest longer term in their care homes”. (p.20)

4. It is pertinent to remind the Council of its acknowledgement within its ‘Care Home Market and Fees Analysis 2016/17’ report produced by Joe Fowler (Director of Commissioning), of the risk that low fee rises can have, in that they “could destabilise the market and lead to unplanned closures” which “would reduce choice for people in Sheffield needing to move into a care or nursing home”.

5. As we have noted above, the 2020/21 Report was prepared prior to the onset of the Covid19 pandemic. It is beyond doubt to state that the pandemic is the manifestation of the very sort of ‘business shock’ that the Council warns within the 2020/21 Report, that providers would not be able to withstand; see paragraph 3.4 above. To this end, in or around May 2020, the Council’s Heads of Commissioning produced a report entitled ‘Care Homes for Older People and Adult social Care Strategic Review’ (‘the May 2020 Report’) to the Council’s Healthier Communities and Adult Social Care Scrutiny & Policy Development Committee; the committee being charged with enquiring into the impact the Covid-19 pandemic was having upon care homes.

6. The May 2020 Report made numerous materially important conclusions, including but not limited to the following:

6.1. The 2020/21 Report “highlighted particular challenges facing the care home market” – these we have referred to above.

6.2. The 2020/21 Report states that “Older people’s care homes (residential and nursing) are the highest area of risk currently in terms of the conditions in the market”.

6.3. As a consequence of the Covid-19 pandemic, care home vacancies “are at an all time high and this challenges the assumptions used in the financial modelling done by providers and the Council during the fee setting process”. As we have stated above, those assumptions include an assumption that care home occupancy levels in Sheffield are at or above 90%. The May 2020 Report acknowledges that as at May 2020, occupancy levels had fallen on average from 90-95% to 80%, with the worst affect homes dropping to an occupancy level of 50%.

6.4. The decrease in occupancy levels has been due not only to the number of deaths in care homes due to Covid-19, but also due to “a much reduced rate of admissions into care”.

6.5. The concerns and effects of the pandemic were acknowledged within the context that the position would further deteriorate in the likely event of a second wave and any intersection with winter pressures. The second wave is most certainly now upon us as feared within the 2020/21 Report, but to a magnitude we suspect even its authors did not anticipate.

6.6. The Covid-19 pandemic has had a “heavy toll on older people’s care homes in Sheffield”, which includes “the financial effect of the pandemic”.

6.7. The recognition of the need, as part of the 2021/22 fee review, for a market analysis and analysis of Covid-19 driven changes.

6.8. The recognition that “the care home market has been disrupted” and the need for the Council “to stabilise this”.

RESPONSE TO THE PROPOSAL

7. The below response is split into 5 parts collectively addressing the clear inadequacies of the Proposal in terms of its sufficiency; its irrationality, the adverse effect it will have upon the market and choice; breaches of equality law; and failings within the consultation process.

Part I

8. The Proposal has been formulated by reference only to increases in the national living wage (which has been applied to staffing costs taken as 71% of the fee rate) and CPI inflation (which has been applied to non-staffing costs on the remaining 29% of the fee rate). The formulation of such a proposal by the Council fails to (or in the alternative fails to adequately) address the very clear and urgent financial sustainability issues facing providers. This is deeply concerning and serves only to cause providers further distress and alarm regarding the sustainability of their services during this period of national crisis; at a time when the Government has recognised the critically important front line role that is provided by care homes.

9. For the reasons set out below, the Proposal is patently insufficient to allow care home providers to operate on a sustainable short, medium or long term basis.

Occupancy:

10. The present fee rates, as too is the Proposal, are predicated upon a fee model and understanding by the Council since 2017, that care home occupancy levels are running at or above 90%. This means that the fee levels since this period and including the current fee rates, are based on the assumptions that providers’ are able to spread their costs over 90% of their bed capacities.

11. A drop in occupancy means that a provider has fewer beds in respect of which they are able to spread their costs, the vast majority of which are fixed costs and cannot therefore be reduced in parallel with reducing occupancy numbers. The consequential effect is that providers’ costs increase as they are having to be spread over fewer income generating occupied beds.

12. As recognised within the May 2020 Report (as we have highlighted above), the Covid-19 pandemic has had a significant impact upon care home occupancy levels in Sheffield. In the circumstances, were the Council to adopt the Proposal, it would be deciding upon fee rates that are predicated upon an assumed bed occupancy level that is not presently reflected in the market.

13. As we have highlighted above, the May 2020 Report itself recognises that the Covid-19 pandemic has challenged the basis of the assumptions contained within the Council's fee

model. Further still, the 2020/21 Report itself recognised (as we have also highlighted above) that where there is a reduction in bed occupancy of 10% or more, this leads to "significant viability issues". When taking this statement by the Council into consideration, it is important to bear in mind that it was made at a time of 'normal' pre-Covid operating conditions and therefore did not take into account the wider 'business shock' caused by the pandemic and whether this reduces the 10% tolerance in occupancy levels. It is our client's position that the cumulative effects of the current operating and business environment particularly in the absence of direct reducing occupancy support and the fact that the support which has been provided is not calculated on an indemnity basis, means that this 10% tolerance is significantly reduced.

14. As noted within the May 2020 Report, Covid-19 has and also continues to have a significant financial impact upon the care home market. This impact will continue to endure through 2021/22. It is important that the Council takes stock of its statutory duties to the care home arising under section 5(2)(d) of the Care Act 2014, which instils upon the Council the mandatory obligation in the performance of its duties under section 5, to have regard to "the importance of ensuring the sustainability of the market (in circumstances where it is operating effectively as well as in circumstances where it is not)". It is not therefore permissible for the Council to treat the effects of the financial impact of Covid-19 (both narrow and broad) upon providers as a short to medium term matter which does not need to be taken into account in the setting of fee rates for 2021/22. This is particularly so, when the Covid-19 support that has and continues to be provided is not provided on an indemnity basis and is reducing significantly in real terms, at a time when the pandemic is continuing to escalate.

15. The Council is already aware of these matters and is at present, therefore, paying fee rates which it knows or ought to know are (due to the fall in occupancy levels and increased costs), in real terms, below the fee rates it set on 18 March 2020 and which were at that time considered by the Council necessary to maintain a sustainable fee market in the short-term. Such action and/or inaction by the Council to step in sooner to address this real term fee reduction, is itself a breach of the Council's continuing market obligations under section 5 of the Care Act 2014. Any decision by the Council to adopt the Proposal would be to compound this already present breach of its obligations.

Sustainability:

16. As we have referred above, the 2020/21 Report recognised serious and pressing concerns regarding the sustainability of the care home market in Sheffield due to:

- Inadequate provision within the formulation of the fee rates for providers' return, the need for which is critical to the sustainability of the market.
- In many cases, the fees paid by the Council were below providers' costs of care, thus leading to overall provider revenues at below total costs.

- In the case of many care homes, there was no ability or very little ability to obtain cross subsidisation from other income sources.

- In the case of those providers who were able to obtain some form of cross subsidisation support, there was a shrinking pool of resources due to the channelling of self-funding residents to those purpose built homes aimed at the self-funding market.

17. Patently, the Council's present fee rates and those provided for within the Proposal, are not sustainable in the short, medium and/or long term.

18. As we have set out above, in its recognition of these matters, the Council determined the need to urgently implement the necessary infrastructure to address investment and capital return and to undertake a comprehensive strategic review within the first 4 months of

2020/21. This review has not been completed, nor has the said infrastructure been put in place.

19. In light of the Council's recognition in March 2020 of the urgency for it to address these matters and in full knowledge of the unprecedented impact of Covid-19 (representing the most severe of 'business shocks' which the Council recognised the market was not capable of withstanding), it would be a gross dereliction of the Council's duties under section 5 of the Care Act 2020, for it not to make some real provision to address these matters pending the completion of a properly conducted and comprehensive review. The Proposal fails to pay any and or any adequate regard to these urgent pressing factors and if adopted, would amount to action and/or inaction that undermines or risks undermining the sustainability of the care home market in Sheffield; such action being a breach of the Council's duties under section 5 of the Care Act 2020 and the supporting Statutory Guidance (see paragraph 4.35 of the guidance). In addition to amounting to a breach of its statutory duties, any decision by the Council to adopt the Proposal (which merely reflects a continuation of the very limited and inadequate approach to fee reviews), would be an entirely irrational decision.

20. It is important that we should also make clear that the Council's clear reliance on cross subsidisation of its funding inadequacies is unlawful. While it may be permissible for the Council to have regard to other available income sources (to such extent as they are available), it is not permissible for the Council to rely on these sources to actually meet the funding of its own statutory duties to fund eligible care; which the Council is patently doing. Further, it is clear even on the Council's very limited enquiries to date, that ability to access funds from which to cross-subsidise is not equally available to providers and in the case of those providers where it has (at least to some extent) been available, it is fast depleting resource pool. In all the circumstances, cross subsidisation is not a factor which the Council is permitted to rely upon when considering and setting fees for 2021/22.

21. As to sustainability more broadly, the Council is aware that there have been further home closures in Sheffield during 2020.

22. As we have referred to above, by our reference to the 'Care Home Market and Fees Analysis 2016/17' report produced by Joe Fowler (Director of Commissioning), the Council is fully aware of the risk posed by paying an amount which reflects a low fee rise, in that such action "could de-stabilise the market and lead to [further]

unplanned closures” which “would reduce choice for people in Sheffield needing to move into a care or nursing home”.

23. While the Council’s own financial position is a relevant consideration, it cannot be used as a reason to avoid taking the necessary and clearly urgent actions to ensure the adequate funding, stability and sustainability of the care home market in Sheffield.

Part II

24. It is incumbent upon the Council to undertake sufficient and adequate enquiries in order to appraise itself of all relevant facts and considerations prior to making a decision setting the fee rates for 2021/21.

25. As we have stated, the Council has failed to complete the comprehensive fee review, the undertaking of which it relied upon completing within the first 4 months of 2020/21, at the time it made its decision setting the 2020/21 fee rates. It is not the function of this letter to engage with whether this failure is reasonable. The fact is, the review has not been completed. Accordingly, as a matter of fact, the Council has not undertaken any or any adequate enquiry into those matters identified within the 2020/21 Report or May 2020 Report. Enquiries into those matters and how they should be addressed have not therefore formed part of the formulation of the Proposal, nor have providers been given an opportunity to take the outcome of any such enquiry into account in responding to the Proposal.

26. The Council is already aware from the 2020/21 Report and the May 2020 Report, and or should in any event be aware of the following matters:

- In many cases its fees do not meet providers’ costs and are insufficient to provide for a sustainable income source.
- The Covid-19 pandemic has had a significant adverse effect upon the care home market and its financial viability.
- The care home market in Sheffield was under intense pressure and financial strain prior to Covid-19 and urgent steps were required to address this.
- Such Covid-19 financial support that has been made available has not been provided on an indemnity basis. Therefore it has not met, nor has it been capable of meeting the full cost impact the pandemic has and continues to have upon providers. Accordingly, the pandemic has made the previously precarious financial position of providers even worse.
- The Covid-19 financial support has not extended to addressing the reduction in occupancy levels and the effect this has on the sufficiency of the fee rates presently being paid to care providers.
- The effects of the pandemic are national and have therefore impacted upon those other more sustainable homes operated by national providers in other localities outside of Sheffield. This naturally has impacted upon any funding surplus that may have existed from those other areas from which national providers were willing and/or able to draw upon in their attempts to meet the funding gap and inadequacies arising in Sheffield.

- Smaller providers and those more reliant on income from the Council's funded residents will be disproportionately affected by the inadequacies in the Council's fee rates and the impacts of the Covid 1.

- The provision of care home nursing services will be more adversely affected than residential care services and that any further such strains are likely to lead to further and accelerated reductions in nursing services within Sheffield.

27. In absence of the Council having undertaken a properly conducted comprehensive review of these matters and their financial impacts, the Council must in the knowledge of their existence, proceed with extreme caution and in the knowledge that its present fee structure and modelling is seriously stale and unsafe to apply.

Part III

28. The Council has an obligation under section 5(1) of the Care Act 2014 (reflected within the statutory guidance) to promote the efficient and effective operation of a market specifically with a view to ensuring that people have a variety of providers and services to choose from.

29. As we have referred above, within the 2020/21 Report, the Council affirmed that it is committed to ensuring the availability of diverse and sustainable care provision in Sheffield and that care homes are a key part of this. Further, that within the currently available diverse care home provision, there are small long established operators with a single care home in a converted property, as well as those with services limited to the Sheffield area. Many of these providers are reliant on Council funded residents, without access to other resources, and fall heavily within the bracket of those providers least able to have the capacity to weather the present 'business shock' of the Covid-19 pandemic and the Council's underfunding.

30. We have already drawn attention to the Council's recognition of the risks posed by its underfunding upon the stability of the market. These smaller and local providers within Sheffield are at particular risk; risks which are increased and accelerated by the current pandemic.

31. Were the Council to adopt the Proposal – thereby failing to take into account and/or adequately address the aforementioned and recognised urgent financial viability issue in Sheffield – the effect will be (in breach of the section 5(1) of the Care Act 2014) to undermine real choice and variety of care provision within the area. This position is likely to be exacerbated in the case of nursing provision, which as is already recognised by the Council, is under particular strain and was following a reducing trend prior to the onset of the pandemic.

Part IV

32. As noted within the 2020/21 Report, the Council does not provide a separate dementia rate. The rationale for this asserted within that report is that this because almost all care homes have a significant number of residents with dementia or high levels of complex needs, it is therefore more sensible to invest in all homes rather than have a higher rate for a smaller number.

33. We are deeply concerned about this approach by the Council, particularly in the face of the clear underfunding by the Council and lack of investment to which we have referred in this letter. There is no evidence (at least of which our client is aware) to suggest that the Council has identified the costs of care in the case of those residents with dementia and/or higher level complex needs. There is

therefore no evidence that those costs form the benchmark against which the Council is measuring the present underfunding issues and infrastructure. If this is the case (which it appears to be), as the cost of care provision is greater in the case of those residents who have dementia and/or complex needs, there is discrimination and or associative discrimination in the funding of their care, which also has the effect of putting the sustainability of their care services at greater risk. In addition to amounting to a dereliction of the Council's duties under the Care Act 2014, such actions/inactions by the Council amount to a breach of the Equality Act 2010. The Proposal does not or does not adequately address and or make provision for this.

Part V

34. Within the 2020/21 Report, the Council expressly speaks to the fact that it engages with care home providers each year prior to the setting of its fee rates. Within its letter of 1 December 2020, the Council further speaks to the importance of this consultation.

35. It is trite law that any consultation process must be conducted properly; the requirements of which include the need to put the consultees in a position where they are able to respond intelligently to the matter upon which they are being consulted. Further, they must be given sufficient time within which to do so.

36. On 18 December 2020, acting on behalf of our client, we wrote to the Council to raise a number of enquiries pertinent to this consultation and arising from lack of information and/or clarity within the Council's letter of 1 December 2020. We sought some flexibility within the current consultation timeframe to allow for the provision and consideration of this information. The Council's response to us contained within its letter of 22 December 2020 was to deny this flexibility and to deny the provision of the information sought prior to the deadline of 8 December 2020. This is remarkable. While this has caused prejudice to our client, its full extent is not yet fully known. Accordingly, we reserve our client's rights regarding the prejudice caused by the Council's failure to provide the information, time to consider it and/or allow further time to prepare this consultation response.

37. It is of equal importance to note that as part of the comprehensive review the Council said it would undertake during 2020, the Council led our client to believe that it would be materially involved in the instruction of an independent third party engaged to conduct enquiries into costings and market stability. Our client relied upon this and accordingly has not sought its own independent evidence.

38. Our client has only recently discovered that the Council has itself and without any or any adequate engagement and transparency with our client, instructed third party experts and excluded our client from those instructions, thus putting obstacles in the way of our client's involvement and opportunity to direct the experts to areas considered by our client to be important in terms of fee rates and market sustainability. Our client has been prejudiced in terms of its response to this consultation by the Council's actions in this regard.

Conclusion

39. In conclusion and for the reasons set out herein, the Proposal is remarkable in its failure to address and or adequately address the patent and recognised financial strains facing the care home market in Sheffield. The Proposal will not lead to a stabilising of the market, which is currently in financial crisis.

40. It is insufficient for the Council to look to ongoing parallel consultation/enquiries as a means to address the shortcomings in the Proposal or

the current consultation on the fee rates for 2021/22. If the matters raised within this letter are not addressed and/or the Proposal is adopted in its current form, the Council will be acting in breach of its statutory obligations to the care home market arising under the Care Act 2014 and supporting statutory guidance. The Council will also be acting in breach of the Equality Act 2010 and conducting an irrational decision, as well as an unlawful consultation process.

41. All rights are reserved, including the seeking of judicial scrutiny of these matters

Letters from Care Home Providers

Good Afternoon

The last 12 months has been an exceptionally challenging period for all of us.

I believe the council have in the main recognised the challenges that Residential Homes have been facing and made huge steps in addressing many of these, both financially and in an advisory capacity.

With this in mind I feel it is essential that Residential Homes who support individuals with Mental Health issues are highlighted as having their own specific challenges and requirements. The quality of care residents require cannot be compared to that of an Elderly Care Home.

Currently the residents at X are aged between 36 – 70 years old, but age is not the overall determining factor in the care our residents receive. We have 3 residents who fall into the over 65 years category but these service users in no way receive or require any less care and support than those under this age bracket. The fees we receive for the over 65's is £505.00 and we receive £777.38 for the under 65's. This is a significant difference and one that I believe is not justifiable. I have raised this as an issue for 2years and to date I have had no explanation as to why these fees are different. In my opinion there does not seem any common sense approach behind this decision.

Our Service Users have complex, severe and enduring mental health issues that will persist across their life course. These issues could not be supported in a typical residential home. Promoting independence is key to the support provided by X care workers, it is very different from ongoing care and support. The degree of independence varies for each service user but the principles behind what we are working towards are the same for each service user. Support workers encourage service users to achieve their own specific goals, by focussing on their strengths and help them to develop these. Service Users will in time build new confidence to enable them to manage their lives more dependently.

With the Covid outbreak ravaging though all care homes it is essential that all residents are protected. Our care staff are not only passionate about the support they give but very aware of the service users physical care needs. They are working tirelessly to minimise Covid 19 infection rates within the home. They are working harder than ever to ensure service users remain at X and do not require

any form of hospital treatment. We have categorised our 3 over 65's, they are all mobile but frail and suffer with at least one of the following Diabetes or COPD. Despite this they are all keen to have as independent a life as they can and with our newly recruited promoting independence worker these boundaries are being positively challenged.

In summary I'm unable to accept that the over 65 age group should receive any less monies for their care. Their health and quality of care they receive should not be deemed as having less of a value attached to it. Their requirements for care and support and their quality of life are certainly no less than the younger residents. My view as has always been, is that, there should be no differentiation in the fee amounts for residents. I feel it is nothing short of discrimination against the older service users who quite simply deserve the same level of fees, to ensure the same level of care and support.

I do hope you are able to address this financial issue I am certain the impact of doing so will have a huge benefit to the service users we are all working to support

Letters from Care Home Providers

Dear Mr Doyle,

Response to your letter regarding proposed Fee Increases

Many thanks for your letter dated 1st December 2020 regarding the council's market review of care home rates for 2020/21. X certainly welcome the opportunity to provide you with feedback regarding the fees. We would also like to thank the council for their support (both financial and other), during what has been an extremely challenging year brought about by this terrible pandemic.

You may be aware that we operate a total of almost 300 beds across 4 care homes in the city and are currently providing care for 260 residents. In addition, we also operate another 24 homes outside of your local authority, most of which are located in the North of England. These homes are not dissimilar to the 4 in Sheffield, i.e. they are located in central areas and mainly care for local authority funded residents. We therefore thought a comparison of fees across our Northern based councils would provide a reasonable narrative with regards to how the fees compare.

Residential Fees

Host Authority	General Residential
SUNDERLAND	£644.82
DURHAM	£622.02
NORTH TYNESIDE	£616.44
SOUTH TYNESIDE	£595.14
DERBYSHIRE	£586.39
NORTHUMBERLAND	£571.47
WAKEFIELD	£554.50
LANCASHIRE	£553.83
EAST RIDING	£524.02
SHEFFIELD	£505.00
Average	£577.36
Median	£578.93
Highest	£644.82
Lowest	£505.00

Host Authority	Dementia Residential
SUNDERLAND	£666.79
DURHAM	£644.98
NORTH TYNESIDE	£638.33
SOUTH TYNESIDE	£616.56
NORTHUMBERLAND	£615.87
LANCASHIRE	£595.07
DERBYSHIRE	£586.39
EAST RIDING	£568.19
SHEFFIELD	£505.00
Average	£604.13
Median	£615.87
Highest	£666.79
Lowest	£505.00

Nursing Fees

Host Authority	General Nursing *
SUNDERLAND	£644.82
NORTH TYNESIDE	£616.44
SOUTH TYNESIDE	£595.14
NORTHUMBERLAND	£582.76
YORK	£578.19
SHEFFIELD	£505.00
Average	£587.06
Median	£588.95
Highest	£644.82
Lowest	£505.00

Host Authority	Dementia Nursing *
SUNDERLAND	£666.79
NORTH TYNESIDE	£638.33
YORK	£627.40
SOUTH TYNESIDE	£616.56
NORTHUMBERLAND	£615.87
SHEFFIELD	£505.00
Average	£611.66
Median	£621.98
Highest	£666.79
Lowest	£505.00

* nursing rates exclude FNC, being £183.92 per week

As you can see in the above illustrations, the fees currently being paid by Sheffield fall considerably below those being paid by other councils and are the lowest in every category of care. The median fee we received for general residential care is £578.93 per week, which is £73.93 more than Sheffield (being £505), a difference

of almost 15%. The difference is greater when comparing residential dementia, £615.87 versus £505, almost a 22% difference.

The contrast continues when comparing residents requiring nursing care. General nursing fees being paid by Sheffield are almost 17% behind the median fee being paid by other councils and nursing dementia fees are almost 19% behind.

I therefore hope you can understand our disappointment when we see that a 1.9% increase is being considered, given how far behind the fee of £505 is compared to the other local authorities we contract with.

If we may, we would also like to highlight that there is no differential with Sheffield's fees regarding residents living with dementia. In our experience, caring for residents with dementia is far more challenging and typically increased staffing and associated costs are required to meet these needs. As illustrated in the tables above, all but one other council recognise this in their fee structure.

Pressure on costs and financial performance

Our largest home in Sheffield is X which operates with 120 beds. The table below details its financial performance from 2017 (November year-to-date), up to 2020 (November year-to-date).

XXX - Profit & Loss Account Summary 2017 to 2020

	Nov-17	Nov-18	Nov-19	Nov-20	2017 v 2020	
	YTD	YTD	YTD	YTD		
	Actual	Actual	Actual	Actual	Variance	
<u>KPI Summary</u>						
Beds Available	120	120	120	120		
Average Occupancy	113.3	111.7	111.0	108.5	-4.8	-4%
Occupancy %	94.4%	93.1%	92.5%	90.4%		-4%
AWF £	£568	£588	£597	£614	£46	8%
Rent Cover	1.4	1.4	1.1	0.9	-0.5	-37%
Payroll %	65.7%	65.3%	67.9%	69.5%		-4%
Home Running Costs %	13.8%	14.5%	16.4%	17.7%		-4%
EBITDAR %	20.5%	20.2%	15.7%	12.8%		-8%
<u>Earnings Summary</u>						
	£	£	£	£	£	%
Fee Income	3,073,770	3,133,868	3,162,853	3,440,474	366,704	12%
Staffing Costs	-2,020,773	-2,047,699	-2,146,524	-2,390,953	-370,180	-18%
Direct Costs	-148,756	-154,058	-164,374	-217,661	-68,906	-46%
Indirect Costs	-274,520	-300,490	-355,876	-391,746	-117,226	-43%
Total Home Running Costs	-423,276	-454,548	-520,250	-609,407	-186,132	-44%
EBITDAR	629,722	631,621	496,080	440,114	-189,608	-30%
Property Rent	-436,028	-450,883	-466,214	-480,937	-44,909	-10%
Corporate Costs	-169,591	-128,312	-134,100	-196,776		
Depreciation	-18,744	-27,500	-37,583	-59,587		
Profit / -Loss before tax	5,359	24,926	-141,817	-297,186	-302,545	-5646%

As illustrated, over the last 4 years the average weekly fee has increased by £46 from £568 in 2017 to the current average fee of £614, this represents an increase of just over 8%. In the same period staffing costs have increased by 18% and home running costs have increased by 44%. Therefore unfortunately the increases in fees have not kept pace with increased costs, resulting in the home now facing significant losses.

The pressure on costs has been considerable and is probably unique to our sector, we therefore consider that it's too simplistic to compare our costs with RPI or CPI which we acknowledge are low. For example the recruitment and retention of nurses, costs associated with meeting the ever increasing needs required in meeting regulation, meeting complex nutrition needs, specialist equipment, additional clinical costs, meeting changing and increasing requirements of health and safety. These costs are all unique to our sector and have increased considerably and far greater than CPI.

Thank you for giving us the opportunity to provide feedback. If you would like to discuss further or require any additional information regarding the detail in this letter, please don't hesitate to contact us.

Feedback from Home Care Providers

This section contains the anonymised responses from providers throughout the engagement and consultation process.

Home Care Engagement Session 1 – 1st December 2020 – 18 Attendees

The Council ran two engagement sessions with home care providers during the formal consultation stage in January. Providers had received a letter outlining the proposed increase in fees and were asked to provide feedback on the proposal in writing and via the engagement sessions. The feedback from this session is set out below including verbatim comments:

- You're uplifting from benchmark that was set 5 years ago
- We should be able to pay the foundation living wage.
- We have a low bench mark + national minimum wage = this is never going to raise people above this level
- What is the comparison to care workers in SCC, NHS and us? It's the wrong way round.
- We need to relook at the model. What's the real living wage?
- Cost and usage of PPE has increased dramatically
- We can't compare with NHS care workers when the increase is only 18-20pence on the average salary and doesn't consider the NMW and FLW.
- Only supported with a small amount of PPE, we need to buy our own to supplement
- Recruitment and retention... advertising job vacancies can cost up to £20K
- we have lost lots of good workers to the council: you have better T&Cs, can get a company car, etc. Our workers compare themselves to council workers which is distressing and understandable.
- There is a concern around capacity – how are we going to keep our workers when the retail sector picks up with higher salaries when they're currently on a low wage?
- Insurance and legal costs are through the roof – we are expecting a large increase due to Covid-19 and due to claims. This far outweighs the uplift.
- Health and safety is also costing more with needing to do more risk assessments.
- Increase in recruitment and job advertising is another additional cost.
- Turnover of 35% since April 1st. This quantifies the additional costs and we do a lot of work to help retention.

- Insurance, recruitment (needed more than ever due to retention, which was previously good but now a major problem), cost of recruitment and the recruitment process...
- Support from SCC has been positive, especially the initial 5% uplift. The extra funding did make a difference.
- The block payments were huge in managing effectively – we liked it and it would be good for us to have block payments.
- We need a plan to reward our staff. They deserve an increase this year for all their work but it's still same uplift with Covid-19. Some people are applying for home care as there is no other work now. When it goes back to normal this will all change.
- If there were more money, I would like to pass the whole percentage onto all the care workers – I want them to be fairly rewarded.

Home Care Engagement Session 2 – 7th January 2021 – 6 Attendees

The feedback from this session is set out below including verbatim comments:

- The playing field is not fair for care staff, compared to Council and NHS staff – not only the pay but also the terms and conditions
- It needs to be recognised locally and nationally that what we are being given is insufficient to pay staff what they deserve
- Staff urgently need a living wage and wage parity with SCC
- It is sad that after all the work in the past year, we are not able to pay staff what they deserve
- Insurance are also projecting a 20-30% increase, but are also taking away cover for Covid – so this will be a huge problem for providers – we will be left wide open with no cover
- Extra costs are around health and safety and regulations and checks – we have had to put an extra position in post to deal with all this. there are a lot of additional costs linked to Covid that are not just staffing costs.
- The lack of Covid cover is causing issues for providers. Any court costs or court award will be coming out of our income if someone gets Covid. We could potentially get some massive claims down the line. This could put home out of business.
- Would like to add that we work across many authorities, and we have found Sheffield to be very engaged and supportive as a local authority, and the support over the last ten months is better than other local authorities.
- The help and support has made a real difference to the team, the partnership working and cooperation.
- The issues about the living wage – really we need to be looking into this seriously, these carers are really working very hard and doing a good job.

Home Care Providers – Online Survey Responses to Consultation December 2020

Of the respondents 1 provider claimed the proposed fee uplift would cover operating costs. 6 providers claimed that the fee uplift would partially cover their operating costs. However, 4 providers said the uplift would not cover costs.

Respondent 1

We feel that this proposed increase is not enough to cover the increase in costs of both the increase in wages and additional costs through inflation and the long term additional costs from the on-going pandemic.

Our unqualified staff are currently paid slightly above NMW at 8.75 and qualified staff at 9:00 per hour, including TT and mileage.

This would represent a change to 8.95 at the basic rate, including an increase in TT, which would represent an increase of 2.28% on staffing costs alone, which the company is not able to adsorb without support. Especially with increased costs during the continued pandemic such as PPE, staff isolation costs and continued costs through infection control measures which will need to continue to be put into place.

The effects of this implementation would potentially be a decrease in the quality and quantity of care provided. This may also cause questions over the financial viability of the business and the long term business plan, if this was to happen over consecutive years, when the increase in costs are not covered, then X will definitely not be in a position to offer our services to SCC.

The full increase should be covered, as it will be in a price increase for our private paying clients.

We are still businesses and we need to run as one, our margins are squeezed as it is currently due to the social care industry being so poorly funded already and to have to absorb further costs will be very difficult.

Respondent 2

The fee increase will simply maintain the status quo i.e. wage rates will be increased in line with the NMW increase, meaning that care workers remain at the bottom of the wages league, and providers will struggle to recruit and retain quality staff.

We need to rethink the fee calculation, the bulk of which is care worker pay., and decide if it is fair for care workers in the independent sector to receive remuneration and terms and conditions which are considerably inferior to a care worker for SCC or a Healthcare Assistant in the NHS.

By simply lifting wages by circa 2% providers will continue to be faced with high levels of staff turnover, affecting consistency, continuity and the general quality of care provision.

The current benchmark for care worker pay is very low (around national minimum wage level when travel time taken into account). As providers and a local authority we should be aiming to do much better and strive for at least the rate recommended by the Living Wage Foundation.

After everything that care workers have done this year during the pandemic, going out to work and putting themselves and their families at risk, particularly during the first 3 months when full PPE wasn't available (whilst the majority of the country were safely at home receiving at least 80% pay), it would be an insult to give them a pay rise of around 20p per hour.

I would respectfully propose that SCC does everything in its power to allocate more money on the proviso that providers undertake to pass it on to staff.

It should also be noted that care workers in Wales and Scotland have benefitted from a £500 payment awarded by their devolved Governments. Such a shame that we haven't done the same in England.

Public sector essential workers: NHS, police, teachers also received a pay award earlier this year which recognised their efforts during the pandemic.

Whilst some costs have risen (business insurance, postage, mobile phones) the amounts are not significant in the great scheme of things.

Respondent 3

I does not cover the Living wage for carers.
also does not fully cover the cost of care as we have to pay carers travel time and there is a focused increase in commodities such as fuel, gloves etc.

Travel time for carers. Care wage increase

Travel time

Inflation

Living wage

Higher cost of Living

Increase in PPEs is continuous so far.

Respondent 4

The cost of care will continue to rise with the pandemic and staff shortages, hence a 0.18% is low. Our organization for example have been spending a lot to keep staff going and if we have to continue to do same in 2021, a 2.18% will not do that.

The impact of this is that business will have to source for loans and grants to provide quality service.

If the care staff wage increases by 0.18% have we considered the percentage increase in other sectors that are less of risk. This will lead to shortage of workforce.

We must understand that we the current changes in the sector, all providers seeks well rounded staff to provide quality care. To do that, we all source staff from the same market, hence the cost of recruitment and maintaining staff is expected in our organization to rise by increase by 15% alone compared to previous year. such cost also include, sourcing qualified emergency cover, increase in agency rate, increase of uniforms for infection control, increase training as we live through Covid-19. Support for staff child's day care so they could go to work e.t.c

I think for the 2021-2022, we should consider the impact of the pandemic and the resultant change in care. Let's remember, so staff have left the sector because of fear to get jobs elsewhere and if they are able to find one that pays them well, they may not return. We are then left with raising a new breed of support workers: to get a good one cost a lot.

Respondent 5

To be able to recruit staff to meet the needs of our Service Users (Complex care) we have to pay more than the minimum wage. We also pay a premium hourly rate after 7 p.m. and at weekends. During the last year we have lost staff to Council Services. These Services run by the Council can offer much better rates of pay and conditions for staff.

Our staff have to be paid on the contract minute by minute plus Travel time.

The ex members of staff speak to some of our long service staff teams. This brings understandable feelings of unfairness.

Whilst acknowledging the Council is in a difficult budget position we ask for the Council to look into the short, medium and long term plans for a fair rate for Support Staff. None of us will be able to keep up with the cost of continual recruitment and retention and pay a fair enough wage to attract people into the industry if this position continues.

If the fee proposed is implemented X will be able to continue to provide a quality service during 2021 if we can retain and recruit staff.

We are a family owned, Sheffield based Care Company with strong connections in the Community employing local people. Being "Local" we can respond to the needs of our customers and staff bringing in extra value from Community resources. Using local knowledge and support.

We believe this approach results in our being supported by the Community at times of emergencies such as Covid19.

If the fee increase is not implemented we may not be able to carry on our model of service.

Increase in insurance costs.

Increase in Management cost due to Covid 19.

Trying to achieve the Living Wage for staff

X is a local small Care Company who believes we can grow to help support our local communities. This as a result of our model of working does result in a very small profit margin and the results of our model does not appear in balance sheets.

Our priority is for staff to have a living wage and fair working conditions.

Respondent 6

We believe that this uplift is not enough to cover the increasing recruitment and PPE costs. Our office based staff costs have increased drastically, due to the competitive nature of the jobs, we have had to increase remuneration for a coordinator from circa £21,000-£23,000 to £24,000-£26,000.

This is the same for management and supervisors.

The escalating costs for recruitment, mean we have doubled our normal budgets to £2000 per month for Indeed alone, which is complimented by Total Jobs, Reed and Facebook taking the total costs to around £3500 per month, which is double what we were spending 12 months ago.

This will result in us being able to operate, however we will likely struggle to remain competitive and ultimately, will affect capacity.

PPE costs. Although at present you can access PPE through local authorities, this will not be indefinite.

The average box of gloves used to cost us £1.99+VAT - the cheapest we can now access is £4.90+VAT. Monthly spend has increased from circa £800 per month for this branch to over £2000 for gloves alone.

We would prefer if the council would move away from ECM banded minutes and pay planned times.

We believe the rate of this years uplift should be 3% to help with associated costs.

Respondent 7

As a local SME, the SCC annual uplift to unit costs over the past two years (above Statutory increases) have critically helped us to survive - and only just survive ... I cannot emphasize this enough.

Nevertheless, whilst giving more stability to business survival, it has not been adequate for front line staff to be paid a reasonable and a fair hourly rate. The SCC should work to uplift the unit cost accordingly (meaning an uplift above the minimum wage increase of 2.18%). The SCC should then consider requiring 'Service Providers' to pay front line staff a 'Real Living Wage' (currently at £9.50) at the very least. This will give strength (through monetary acknowledgement of individual worth) to the sector that has at present a severe shortage of experienced staff. This, we believe, is the key component to giving stability to the sector in Sheffield.

We have severely struggled to survive over the past 7 years due to the sector being underfunded at the basic level of unit cost. This has created a sector that has been in collapse, with numerous companies going under and a staff exodus to different industries.

Covid lockdown has somewhat masked the shortages in staff (both front line and management) in recent months. Again I must emphasize, that there needs to be adequate increases to staff wages to firstly keep experienced staff, and secondly attract new acceptable candidates. I am incredibly concerned about not having

adequate numbers of staff to cover our Service Users – this is despite running disproportionate and expensive recruitment campaigns on a more or less permanent basis.

1) A major issue has to be parity in pay and working conditions with comparable SCC care workers – we understand that SCC support workers (STIT team) are paid £12.50 per hour with much more favourable conditions of work that includes block hours and enhanced rates for weekends, bank hols etc. We have no way of coming close to matching this pay and these working conditions on the unit price we are paid (and will be paid in 2021). We have lost a number of our employees (of which were sourced, trained and invested in by ourselves) to the SCC - this completely undermines our working relationship – of which there needs to be a critical trust and interdependence.

2) Also in connection with the above issue and in line with SCC time monitoring - we are compelled to pay our staff on a minute by minute basis. I have always found this unacceptable and this should be changed immediately (hopefully within a larger change in strategy toward block hours for staff) – and should be understood to be a violation of dignity for both front line workers and service users alike. The caring sector, by its very nature, is about a humane interaction with Service Users and requires a certain emotional intelligence from staff that does not bode well for outcomes under such severe time scales. Moreover, there are too many variables and diverse circumstances in our everyday interactions to warrant such monitoring. It also could be argued that it is against basic human rights.

The SCC needs to recognize the diversity in the complexity of differing individual Care services. The reality is not one of uniformity – but of differing complexities of support, so that some packages take much more time to set up, much more time to manage and much more experience in general to give a viable service (both managerially and on the front line) than others that are more basic and so more time and task driven. From this understanding, there needs to be differing rates of unit price (and staff pay) for the varying complexities of services.

Respondent 8

National Living Wage increases by 2.18%, our staffing costs represent more than the 85% assumed for your calculation and therefore the 2.03% uplift assumption will not be sufficient to cover all costs.

An uplift of 2.18% would enable us to meet all NLW commitments within the contracted rate.

If an uplift of 2.03% is applied this will not be sufficient for us to meet NLW commitments within our contracted rate and will create financial pressures for the services.

For the purpose of this process we have assumed the any covid related costs will continue to be dealt via separate covid arrangements.

We are still not clear on the full impact of Brexit on the care sector and any additional costs that may be incurred.

Respondent 9

The fee rate will help partially in meeting some of the business costs, such as increased insurance, to a degree staff pay increase.

*increase in staff pay including travel allowance will help in staff retainment

* help to some degree towards the never ending demand for PPE stock

* Covering costs for agency staff when current staff shield, isolate or make excuses or other for not turning up to work.

Cost of last minute agency cover.

cost of transport if staff are using taxi's to avoid contact with members of the public

cost of additional PPE (gels, gloves, bags, aprons, cleaning products)

cost of increase in insurance

cost of purchasing additional uniforms

cost of additional equipment for people working from home

to reward staff with good pay and travel cost so that we can retain them and they are willing to cover for their colleagues who are not able to attend. Some have indicated to cover more if they could be paid more for additional work.

Respondent 10

Under the proposed rate increase our business will be put under extra pressure at a time that the focus should be on recovery. See below an overview of the additional pressures we are expecting:

- Operating costs are increasing substantially more than in any previous years, for example our insurance renewal due this month is 35% higher than last year.

Additionally our Insurers are now excluding COVID from the Public Liability insurance, this translates in a large substantial risk that now resides with home care providers should claim arise.

- The Health & Safety and Legal & Litigations related costs are also substantially higher then they were pre-pandemic.

- Although PPE is currently provided for free the quantity is not sufficient to cover the additional needs arising from COVID. Additionally when the supply stops feedback from our clients and staff indicates that PPE usage is unlikely to decrease to pre-pandemic levels; face masks in particular are not a cost budgeted.

- Recruitment, vetting, training and induction costs have increased dramatically and we are concerned regarding the changes that may incur once the economy starts to return to normality and the opportunities that may arise tempting staff outside of the care profession. We are also concerned about morale for care workers after all they have been through supporting communities during the pandemic. We therefore feel that in 2021 in particular the pay rates must sufficiently increase to mitigate the staffing risks above.

Home care business operate on a very low profit margin and with costs outside of wages rising by large amounts.

- Service stability due to recruitment challenges related to pay, see above.
- Service viability, this not only depends on environmental factors and the factors listed above, but also on volumes of work. The larger of volumes offered to provider the more efficiencies can be found to better absorb financial pressures.
- Negatively impact the ability to innovate, for example we have been investing into training and technologies to further develop the carer workers to identify early warning signs of deterioration to prevent hospital admissions or reducing length of stay.

With inflation rates forecast at 1.2% for 2021 and some specific industry costs rising at a much higher rate the 0.18% for other costs will not cover these and will create financial pressure on the service. Ultimately this is equivalent of asking providers to accept a pay cut.

Our existing insurance broker has advised of an increase of 35% for our annual premium, with COVID cover also removed from Public Liability. Given the very low margin of domiciliary care this puts immense pressure on care providers.

The increase does not take any of these additional factors into accounts, the increase assumes that business is continuing as normal when these economic factors need considering.

The NLW risk (relating to the employment tribunal case with Haringey Council) , could have a substantial impact on the care industry if not mitigated by the rate increases from the Local Authorities.

Respondent 11

since the Pandemic, most commodities have gone up more than 100% and the situation seem to be continuing indefinitely.

the carers need to be paid the Living Wage and this is too far near meeting the fair wages.

Our business is most likely to run at a loss due to more out going expenses that we never experienced before the Coronavirus and this will put clients at risk.

we have a lot more unexpected expenses now such as;

Fuel

Taxis

everyday running of cars

PPES

extra PPEs such as masks, hand sanitisers, extra uniforms

Travel time for carers for in-between their calls and breaks between AM. LUNCH, TEA and BEDS.

we wish to maximise on transporting staff safely to avoid the use of public transport. this will include the use of taxis and company cars to minimise infection spreading.

Letters from Home Care Providers dated 8th January 2021

Required Care Fee Increases 2021/22

Firstly, I would like to thank you for your continued support and for working alongside us during 2020/21 and aiding to cover cost increases imposed on us by central government.

I am writing to you to ensure that you understand: - the increases in our costs that will be imposed on us in 2021/22 in relation to the services we provide to you; and - the fee increases required in 2021/22 to meet those costs on a fair and sustainable basis in accordance with your duties under the Care Act in good time for you to take that information into account in setting your budget for care fees in 2021/22.

The cost increases we are facing are as follows:

National Living Wage (“NLW”)

As you will be aware, it was announced during the spending review on 25th November 2020 that NLW will rise by a further 2.18% from £8.72 to £8.91 per hour from 1st April 2021.

General Inflation

In line with the Office of Budget Responsibility (OBR) forecast, general inflation is expected to be 2.7% in 2021/22. This has been applied to non-payroll costs.

Ongoing increased costs due to the COVID-19 pandemic

As you will understand, our costs over the last 9 months have increased significantly due to the COVID19 pandemic. We expect some of these costs to continue into 21/22 and that we will not be able to recover them through other funding sources. As a result, we have analysed our additional costs and calculate that these make up 2.43% of the funding we receive from you. Therefore, this percentage has been included in our request below.

Required Increase

We have calculated the impact of the increase in our costs driven by the factors set out above. We have reviewed the services we provide to each commissioner individually to reflect the position in these services, rather than take an average view across all placements we provide nationally.

We have calculated the required fee increases as follows:

Supported Living, Outreach and Day Care The fee increase percentage is equal to the percentage increase for ongoing COVID-19 related costs and the percentage increase in pay costs (including employer’s National Insurance contributions) as we provide care services at an hourly rate with no associated hotel costs.

Residential Services As we provide care services at an hourly rate (70% of our costs) with associated hotel costs (30% of our costs) the fee increase percentage is equal to: - The percentage increase in pay costs (including employer’s National Insurance contributions) x 70% (as pay costs are 70% of total costs); plus - General Inflation percentage increase x 30% (as non-pay costs are 30% of total costs); plus - 2.43% for ongoing COVID-19 related costs.

Our calculations show that the following fee increases will be required from you for our services from 1 April 2021:

Residential Care Services 4.79%

Supported Living Services 7.07%

Day Care Services %

Outreach Services %

Sleep-ins

As you will be aware, on 13th July 2018 the Court of Appeal overturned the decision of the Employment Appeal Tribunal in the case of Royal Mencap Society v Tomlinson-Blake. The Court of Appeal held that workers doing sleep-ins were to be characterised for the purpose of the National Minimum Wage (NMW) Regulations as available for work rather than actually working, and so fall within the exception provided by regulation 32(2) of the NMW Regulations. Therefore, only time when the worker is required to be awake for the purposes of working would count for the NMW.

In November 2018 the Department for Business, Energy and Industrial Strategy (BEIS) published updated guidance on calculating the NMW for sleep-in shifts. This takes account of the Court of Appeal ruling that providers do not have to pay the national minimum wage for sleep-in shifts.

On 13 February 2019, the Supreme Court granted Unison leave to appeal the Court of Appeal judgment on sleep-ins. The case was heard by the Supreme Court on 12 and 13 February 2020 but a ruling has yet to be made. Voyage Care currently pays staff a flat rate for sleep-in time which is compliant with the NMW regulations stated above in light of the Court of Appeal decision. However, should the Supreme Court

reverse the Court of Appeal's decision on sleep-in time and the law recognises sleep-in time as working time for NMW purposes, then Voyage Care reserves the right to require additional fee increases from you in respect of sleep-in shifts. If this is the case, we will further write to you following the decision.

Action You Need to Take

Please ensure that you: - budget for 2021/22 fee increases for our services accordingly; - provide a date as soon as possible if you wish to arrange a meeting to discuss your proposals for 2021/22 increases; and - confirm by return any additional information that you will require in order to process 2021/22 fee increases.

Extra Care - Online Survey Responses to Consultation December 2020

Respondent 1

The fee increase will simply maintain the status quo i.e. wage rates will be increased in line with the NMW increase, meaning that care workers remain at the bottom of the wages league, and providers will struggle to recruit and retain quality staff.

We need to rethink the fee calculation, the bulk of which is care worker pay., and decide if it is fair for care workers in the independent sector to receive remuneration and terms and conditions which are considerably inferior to a care worker for SCC or a Healthcare Assistant in the NHS.

By simply lifting wages by circa 2% providers will continue to be faced with high levels of staff turnover, affecting consistency, continuity and the general quality of care provision.

The current benchmark for care worker pay is very low (around national minimum wage level when travel time taken into account). As providers and a local authority we should be aiming to do much better and strive for at least the rate recommended by the Living Wage Foundation.

After everything that care workers have done this year during the pandemic, going out to work and putting themselves and their families at risk, particularly during the first 3 months when full PPE wasn't available (whilst the majority of the country were safely at home receiving at least 80% pay), it would be an insult to give them a pay rise of around 20p per hour.

I would respectfully propose that SCC does everything in its power to allocate more money on the proviso that providers undertake to pass it on to staff.

It should also be noted that care workers in Wales and Scotland have benefitted from a £500 payment awarded by their devolved Governments. Such a shame that we haven't done the same in England.

Public sector essential workers: NHS, police, teachers also received a pay award earlier this year which recognised their efforts during the pandemic.

Whilst some costs have risen (business insurance, postage, mobile phones) the amounts are not significant in the great scheme of things.

Feedback from Supported Living Providers

This section contains the anonymised responses from providers throughout the engagement and consultation process.

The Council ran two engagement sessions with Supported Living providers during the formal consultation stage in January. Providers had received a letter outlining the proposed increase in fees and were asked to provide feedback on the proposal in writing and via the engagement sessions. The feedback from this session is set out below including verbatim comments.

Supported Living Engagement Session 1 – 6th January 2021 – 4 Attendees

Differentials in staff pay:

- Support differentials in pay for staff. It is a positive for managers to have their uplift too to attract employees to a higher responsibility role.

Foundation Living Wage:

- Supports the idea of moving towards Real Living Wage/Foundation Living Wage for staff

Support from the Council:

- To add, we have felt well supported by SCC with the C-19 pandemic.

Price Model:

- Would welcome a discussion on reducing the complexity of the Sheffield geographical rate. Likely to be in favour of this so long as there was no knock-on effect on average rates.
- Price model can add margins of error due to complexity.
- If we did look at simplifying, we would have to look at the whole cost to the market and how it would impact individual providers also. It would need to be done on a case by case basis before making a decision

Supported Living Engagement Session 2 – 7th January 2021 – 6 Attendees

COVID 19 -

Concern about the ongoing cost of PPE is support from Government is taken away

- General cost of living increase – only concern is the additional bits that may not have been accounted for e.g. pensions costs etc. some things will increase that have not been accounted for in the fees cost.

Ongoing costs associated with COVID-19 – training etc. Not sure if additional grants will cover

- There is a difficulty in trying to predict what will still be in place from central Govt.
- Testing is taking a huge amount of managers' time at present
- Trying to take lots of things into account like this, as well as pensions increase and National Living Wage increases.
- Some costs are hard to quantify, recruitments costs, and maybe having to use agency staff due to so many people isolating or off sick. If we had a better idea of when the vaccine will be rolled out, then we could plan a bit better

Separating out costs of COVID from fee uplift:

- Happy that there is a separation as it helps providers to see what the additional costs are due to Covid. The only concern would be that we get stuck with those additional costs – extra on call, extra hours for managers, more risk assessments to keep people safe etc. all on top of the business as usual.

Foundation Living Wage:

- The worry for many providers is that they do pay minimum wage, some pay enhancements on top pf that e.g. unsociable hours or overtime. When we

look at foundation living wage it is significantly higher, some local authorities insist on providers paying this, but then the local authority needs to pay the providers a higher rate to make this sustainable.

- Agency usage has increased and being able to pay a little bit more helps to get staff who provide a better quality – so that is a benefit to patients. Important to note that often the hourly rate paid doesn't cover the cost of agency. Having that bit more money helps create better stability in the workforce.

Other issues:

- **Having to use agency staff due to shortages caused by sickness**

Supported Living Providers – Online Survey Responses to Consultation December 2020

Of the respondents 3 provider claimed the proposed fee uplift would cover operating costs. 3 providers claimed that the fee uplift would partially cover their operating costs. However, 3 providers said the uplift would not cover costs.

Respondent 1

I think that the proposed fee partially covers the issue with the current fee rate is the block discounted rate.

We would propose the block discount rate is increased at a higher percentage rate than the other rates.

What of the big issues facing providers are set overheads have increased over the last few years - Insurance , it costs, ect and I believe that this should be factored in possibly as a one of block payment which would support providers but reduce the cost per hour of care.

The proposed fee would not allow us to achieve our goals of paying the Real living wage to our employees.

we would also have to consider what service we are financially able to deliver

I think that the full workforce should be considered when looking at a proposed uplift and not just a proportion of the workforce.

I believe providers should be issued a block payment to take in to account increased overheads.

I think Sheffield should look at putting in a rate which then has to be passed on to staff who have to be paid the Real living wage. This would help the local authority stand out and it could be a minimum standard for providers who the local authority.

Respondent 2

As the increase is in line with NLW increase and we feel that you currently pay us a fair rate for our services, then we feel that this is a reasonable uplift proposal.

The uplift assumes a 'Covid free' situation from a funding point of view. However, due to the support we have received from Sheffield to date we would be confident

of your continued financial support in terms of any additional costs we might experience, outside of the base hourly funding rate.

Nothing detrimental, but obviously the fee uplift is key to us being able to fund the required increase in the National Living Wage. Without this, our ability to operate the services becomes jeopardised due to a reducing financial envelope.

We are seeing an increasing number of Local Authorities paying a significantly higher uplift, contingent on us paying the Real Living Wage to our Support Workers. Where this is being implemented, we are also advocating for a sufficient uplift to allow us to maintain pay differentials within our management structures. We would obviously advocate for this to be considered to reflect the significant and valuable contribution that our Support Workers make to the lives of people with a learning disability.

Respondent 3

Unfortunately, the proposed uplift by Sheffield of 2.03% does not meet requirements. The proposals would not meet the increased staffing and non-staffing costs such as the increase to the NLW.

The proposals also do not cover any additional costs due to Covid 19 which is highly likely to result in additional costs during 2021/ 2022.

Covid 19 additional costs

***Sheffield City Council has urged providers to exclude COVID-19 costs from this exercise as additional funding is available for COVID-19 related costs.**

Respondent 4

The increase will help in meeting the current cost of support, however as an organisation we aspire to pay real living wage to our front line staff. The proposed uplift would not allow for this to be achieved.

Ability to pay front line staff a minimum of Real Living Wage.

Respondent 5

1. All health and social care workers and Sheffield CC workers must adhere to the DUTY OF CANDOUR. Tell the truth to organisations, clients, families that there is a need to reduce costs of care. People are more likely to accept reductions if you are truthful about the reasons why.
2. DO NOT lower the rate that you pay to service providers. All year people have been "clapping for" or saying "thank you to all your front line workers" and so if you now reduce the possibility of them having a wage that is better than National Living Wage, you will lose every bit credibility. The rate for awake supported living should be aimed to reach a minimum of £20 per hour over the next few years, so that agencies can pay staff a minimum of £10 per hour. Supported Living care staff are not even paid the equivalent of NHS band 1. We don't get bank holiday rates, we

don't get shift allowance, we don't get anti social hours pay or weekend rates, we don't get 25% off in every other shop, we can't work flexi-time, we don't have term time contracts. In a world that is screaming out for equality then please be honest about the inequalities of pay for care workers and NHS nurses.

3. Costs of care need to be cut, we all know and accept and agree with that - Duty of Candour. Don't cut the rate of pay, for reasons stated. Use supported living managers to look at their support grids and ask for their input. Under my duty of candour I am telling you that in my experience Sheffield CC care managers and/or social workers DO NOT understand support grids and spreadsheets. THEY GET IT WRONG. Ask for help from the managers of supported living services. I use a support grid and spreadsheet every day to work out the cost of care. I have a Maths degree, this is one of my skills. Use inter agency communication and let me help you. If you are honest about how much you are looking to save per week per client, then I will be able to have a good go at doing that. If you are honest about the reasons why, then I can explain this to the clients and their families.

4. Do not assume that day services are the least costly form of support. Example:
Average cost of day service attendance = £50 plus
Average cost of travel to day service = £20 (part funded by DLA or PIP = £10 cost to tax payer) These are estimates based on my experience of costs.
Therefore 3 clients going to a day service on the same day from the same supported living property = 3 x £60 cost to tax payer = £180.
Same three clients supported at their home on a 1:3 basis (Day service is often 1:4 support) = 6 hours support at £17 per hour = £108 cost to tax payer. Saving per day of £72.

5. DUTY OF CANDOUR : Day services are only important for clients who live at home with parents or family carers. Clients who live in supported living can get cheaper and better support from their primary care providers. WE ARE DOING THIS RIGHT NOW.

We ensure that our clients have links with their family, friends and the local community.

Day Services are often simply somewhere for people with learning disabilities to be during the day.

6. The reason I use 6 hours of support as an alternative to day services is this: Day service is generally a seven hour day, however 30 minutes of travel during rush hour in the morning and 30 minutes travel during rush hour in the afternoon means that the clients only tend to have approximately 6 hours per day at day service and a lot of that time is sat around doing very little.

Day services need to evolve and be used to help support those who are cared for at home.

7. Personal Assistants should not be used in a supported living environment, but only for clients who are supported by parents or family carers at their family home. PA's in a supported living environment are simply a duplication of costs. Also, and I am employing my DUTY OF CANDOUR and speaking from experience, it is very confusing for a client and demoralising for supported living care staff to see a PA get paid more money and yet they do not have to have any training whatsoever, including mandatory fire, safeguarding etc, they never have any appraisals or supervisions, they have no accountability. PA's do not work in supported living. They are not accountable to anyone. Sheffield CC is not checking that they do their job adequately and nor are family members in many cases.

8. Speak to supported living managers and we can work together to cut care costs

whilst maintaining or even increasing the quality of care that we provide. Some of us are actually reasonably intelligent and may be of use to the local authority. BE HONEST about what you are trying to do.

Respondent 6

We do not generally feel that this increase meets the wider implications of an increase in the National Minimum Wage. The National Minimum Wage has a more profound affect on costings and wider the economy, National Minimum Wage does not exist in a vacuum and thus we believe that simply isolating this specific percentage increase does not do justice to costings.

Any increase in fee rate increase is likely to help us meet costs particularly in the short term but as the wider implications catch on will no doubt become an unsuitable measurement before any review would be due.

It might also be noted that when specifically reviewing in regard to National Minimum Wage the new age limit will be 23 and above from April 2021, rather than 25 and above as it is currently - this does not appear to be part of any fee rate calculation.

Most importantly, we will not be able to give proper credence to our staff members, their outstanding commitment, increased workload and responsibility. We will not be able to give them monetary credence beyond a percentile increase in the National Minimum Wage. If the pandemic has shown us anything, it is that these people are undervalued when it comes to pay, and local authorities seem to be double-down on this by pegging any increase to that undervaluing. We believe providers as a whole are undervalued with this, and the crucial social good they deliver.

We do believe that the suggested approach lacks a suitable amount nuance.

We would like to see the extra-ordinary work done by carers and social care in general to be recognized, particularly with the national momentum behind it. In hence "money where mouth is", it should be no argument that carers paid above the National Minimum Wage is both a social and national good and is more represensative of the work they do, particularly over the past year. As such, we do believe that pegging any increases to National Minimum Wage directly contradicts this.

Consumer price index is also a highly variable figure month-in-month-out and would see a more sustainable approach, if it is to be pegged to fee rate, to be the highest rate recorded over a certain period of time - such as the previous year, rather than arbitrarily to a certain month. This would be more indicative of the transitional nature of economic struggles of both care companies and their staff members, and hence a more resilient approach going forward.

Also, at the time of writing this we are not sure on what is the mathematical approach to establishing 85% to 15% staffing to non-staffing on the fee rate, and whether it is another arbitrary assessment of the situation.

Respondent 7

We currently pay our staff the Foundation living wage which in April will increase by 2% so the proposed 1.85% for staffing costs does not cover the proposed costs.

The proposed increase does not cover the increase in pension contribution . We have had incurred significant increased costs around the purchase of PPE . As a non CQC Provider we have not qualified for support to obtain free PPE. AS a organisation with a small staff team based in Sheffield, therefore staff have to travel to where support is provided & can & does incur additional staff costs. It would be helpful to understand why there are variable different rates in different geographical areas as this requires much more financial administration for those on a Direct payment/Self funders, it is also confusing for referrers (Social Workers) as they are not clear what the hourly rates are for each area.

It would be difficult to meet the minimum wage increase & this would impact on staffing levels. & quality of service. Although the organisation has reserves in place these have been designated for other purposes & not to subsidise L A shortfalls.

The National wage increase is set by Government & not the organisation so we are not in control of it , it would be beneficial for LA to meet the full minimum rate increase as well as CPI increases.

KeyRing are a innovative organisation & are always interested in developing new services/projects. Funding is very tight & doesn't allow for creativity & innovation. It would be helpful if systems worked more effectively , we haven't been paid in a timely manor for the work we have provided. When we email queries sometimes we don't get a response & this makes it difficult to plan & resolve issues in a timely way resulting in errors where we haven't been paid properly.

Respondent 8

The proposed rate meets the additional costs and overheads as budgeted for 21/22. We acknowledge the challenging times we face and the proposed amounts met our expectations. Our aspirations are to pay front line colleagues above NLW which is not achievable with the current rate for all front line colleagues so our focus is to retain colleagues as part of our appreciation and wellbeing strategy.

We can continue operating with the proposed figures.

We will continually work to become more efficient as an organisation to make savings so the fee meetings the needs of the contract.

Aspiration to increase pay from front line colleagues.

We have services which are not on the current framework rate which are not meeting minimal viability threshold. These services are due to come onto the framework this financial year and confirmation of this would be beneficial for our

budget planning, as if these services do not come onto the current framework this will be difficult to continue operating.

Respondent 9

Social care staff especially support staff have done a tremendous job during the current pandemic and have seen their job profile going up in terms of being recognised through out the whole country however the fee rate does give margin for them to be remunerated better.

We have no choice but to pay our staff in a way that shows the value we place on which means paying above the minimum wage. The proposed uplift does not allow us to pay our staff accordingly and so without the uplift has negative impact to our finances.

Paying staff above minimum wage.

As a provider we are operating in very challenging and demanding environment and any uplift should take into account that frontline staff need motivation.

Letter from Supported Living Provider dated 9th December 2020

Supported Living Rates 2021/2022

I am writing to you following your letter dated the 3rd December 2020 detailing your proposed uplift for Supported Living Rates 2021/2022. Thank you for sharing your initial uplift offers for 2021/2022 and seeking the views of Supported Living providers.

I would also like to thank you for your appreciation of the work Supported Living Providers have undertaken over the last 9 months during difficult and uncertain times. I hoped that the gratitude of the work undertaken by Social Care Workers during the pandemic would result in societal change and that we would see increased value and importance on the work we do.

Unfortunately, the proposed uplift by Sheffield of 2.03% does not meet requirements. The proposals would not meet the increased staffing and non-staffing costs such as the increase to the NLW.

The proposals also do not cover any additional costs due to Covid 19 which is highly likely to result in additional costs during 2021/ 2022.

The proposals do not value the important work which we do or demonstrate a commitment to the Social Care Workforce that they are valued and do valuable work.

We are aware that the local government settlement is 4.5% and would suggest that given the incredible work Social Care providers and their workforces have undertaken during the last 9 months that any uplift offer should be as close to this as possible.

We understand that your costs are likely to be higher than anticipated and you also have increased costs which impact on the uplift you are able to offer, but we would be unable to accept an uplift lower than 3% and ask that Sheffield City Council consider above 3% to demonstrate its commitment to its Social Care Workforce.

Letter from Supported Living Provider Dated 8th January

Support Living Rates 2021/22

Thankyou for your recent letter outlining the proposed supported living rates for 2021/22.

Broadly we are comfortable with the proposed increases in respect of inflation. However, we also need the revised rate to factor in all the costs of COVID-19. I have set out further details on each of these below.

National Living Wage

The Government has announced that the National Living Wage is increasing by 2.2% to £8.91/hour from 1 April 2021. As over two thirds of our total costs relate to Support Workers this will increase the hourly rate by 1.5%.

Management and Back-Office Staff

It is important to maintain the gap between management roles and support worker roles as it will be impossible to continue paying managers little more than the staff they manage when they have additional responsibilities and we are at risk of losing managers. Support worker roles have seen a 13.3% increase in pay over the last 3 years due to the impact of increasing National Living Wage alone. The last 9 months have been a very difficult period for all staff within the social care and all our staff, both frontline and those in management and back-office roles have had to repeatedly go and above and beyond their roles and we will need to recognise this in pay reviews.

The current average annual UK wage growth is 2.7% (*Source: ONS Average weekly earnings in Great Britain: December 2020*). We expect some impact from Coronavirus which may further dampen this but will need to recognise the hard work and commitment of our staff throughout the pandemic to avoid losing staff once the employment market starts to open up as Coronavirus restrictions ease. If we don't keep pace with underlying wage growth then it will further exacerbate the difficulties of recruiting into social care. We therefore assume a 2% increase will be required in management and back-office staff costs which will contribute 0.4% to the hourly rate on a weighted basis.

Other costs

Inflation ranged between 1.8% and 0.3% over the last 12 months (*Source: ONS, Consumer Price Inflation, November 2020*) and it has to be assumed that it will start to rise from its current low levels by April 2021 as the economy starts to open up on the back of the vaccination programme. We therefore assume a 1.5% impact from inflation on non-pay costs for the year commencing April 2021. This will contribute 0.2% to the required hourly rate on a weighted basis.

Coronavirus

Coronavirus has had a material impact on X from both an operational and financial perspective. In order to keep the people we support and our staff safe we have incurred significant additional costs in procuring large quantities of PPE, covering staff absences and in additional IT costs. Whilst contributions towards these costs, including from Local Authorities and the Infection Control Fund, have been very welcome these were insufficient to cover all the costs incurred.

Across the organisation X had a shortfall of £0.8m between COVID-19 costs incurred and total cost recovery. To ensure financial stability for the long-term we therefore need to recover this deficit.

Compared to the Local Government guidance set out early in the pandemic we received a shortfall in funding of £44k from Sheffield. This equates to an additional 2.3% increase in the hourly rate.

Overall Uplift

We are in broad agreement with the 2.03% increase to reflect inflationary pressures, however we also need an increase to ensure all COVID-19 costs are fully funded.

As a result X requires an increase in the hourly rate of 4.3% across all services from April 2021.

I would like to meet with you at the earliest opportunity to discuss the above.

Non-Standard Care Homes - Online Survey Responses to Consultation December 2020**Respondent 1 (Home Care and Extra Care provider therefore feedback has been used for both sectors)**

The standard rates mentioned above are not applicable to our services. X commissioned by the Council are specialist, bespoke services that provide a different care model to the type of standard services mentioned above. We have written agreements in place for the placements the Council has commissioned with us and these are the contractual basis for the care we provide to residents. The 2020/21 fee structure agreed with the Council is: £196 per day for LD Residential, £242 for LD Residential with Nursing and £186 for Sheffield Day Services. As a responsible provider of care, we are required to ensure that all fees are at a

sustainable level to continue to provide high quality care. Our proposal for 2021/22 is a request for a minimum uplift of 4.5% for new and existing fees.

The standard rate suggested by the Council of £505 per week to £514.60 per week is not relevant to X and we are requesting a minimum of 4.5% uplift to fees for new and existing fees for 2021/22. The standard fee mentioned is not applicable to X. Please can you advise what uplift would be applied for specialised and bespoke services? Our minimum request is 4.5%.

Please can you advise what uplift would be applied for specialised and bespoke services? It is our hope to have all agreements finalised by 1st April 21. Last year we were asked to submit a fee breakdowns confirming our proposal for 2020/21, can you confirm if that process will be followed for 2021/22?

In summary, our fee proposal is a minimum uplift of 4.5% for existing and new admissions. The current 2020/21 fees for new admissions is: £196 per day for LD Residential, thus an uplift of 4.5% would increase this fee to £204.82 per day. £242 per day for LD - Nursing Led Residential, thus an uplift of 4.5% would increase this fee to £252.89 per day. £186 per day for Sheffield Day Service, thus an uplift of 4.5% would increase this fee to £194.37 per day.

The Council is currently working with X colleagues in relation to existing client fees that have been unsustainable for a number of years. As you know this review, backdated to October 1st, is vital for the sustainability of the service. These negotiations are working within the context of existing rates and do not account for inflationary pressures (including NLW) from April 2021.

We have already provided open book cost details of the service X and will be happy to continue to provide details of these costs but only provided that Sheffield commit to meeting the actual costs.

We are keen to continue our partnership in 2021/22 and beyond.

Appendix B

Home Care and Support Services Survey Activity - Understanding the challenges and the support required for August, September and October

Provider Feedback – Free text fields extracted from the Survey

Sheffield City Council's support so far?

“All support that we received was very good, in fact some of it was even more than what we expected. Thank you commissioners for making our job and the clients easy and manageable, during these unprecedented times.”

“Despite the lack of PPE (which was a national problem) the Council worked hard in providing information and tried to help when needed) - we did quickly become awash/overwhelmed with too much differing and changing information which did not help and created confusion. We found some of information contradictory and not clear.”

“There are aspects that were very well supported such as the introduction of block payments which helped us to easily recruit staff as we could also pass on the incentives to staff and helped improved the hourly rate of pay to our staff. We were also able to change our payment terms from monthly for staff to paying them every 2 weeks.”

“The poorly executed aspects from our part has been around the requesting of PPE. It has been very taxing for us to weekly calculate PPE and request this regularly on a weekly basis, it would have worked better if emergency PPE was supplied on a monthly basis.”

“Initially SCC was very quiet with little communications or support to ourselves, on commencement of the Covid-19 dedicated inbox onward, support from SCC has been there whenever it's been required. Far better than some LA's that I am aware of - thank you” -

“I believe we were supported, on occasions information regarding certain support were slower than expected, It did feel like in the very early days we were chasing some answers which weren't originally clear which caused some uncertainty for us an providers however on the whole we have felt supported.”

“We are very appreciative of the PPE supplied by SCC. The guidance and support provided by Andrew and Emma was valuable. The daily Provider Covid-19 emails were very useful. The 5% COVID-19 enhancement and block payments were very welcome.”

“The advance and block payments have been a god send. However it would have been great to receive a remittance to show what we have been paid as my payments have been wrong each week and I have had to chase these with no real information to pass on, so must have a been a nightmare from your side to actually find missing

payments.”

“Our cash flow has been up and down due to payments being incorrectly sent out. The information regarding the payments have been non existent after the initial breakdown listing the payments due date and amounts that was sent out to us back in May. A business needs a remittance to review that the payments received are correct and have the ability to question/query. I had nothing.”

“The flexible 2 weeks payments assisted in better planning in regards to costs and also staff retention”.

“The changes in payments from being in arrears to in front supported the business and helped with cash flow massively, rather than paying staff before actually being paid for the services delivered has always been a bit of an issue.”

“Whilst the financial enhancements were very welcome, the PPE was a life saver as, had it not come when it did, we could have faced a staffing crisis (more and more were becoming anxious and expressing concerns about their personal safety and that of their families).

The daily updates from Provider Covid19 were very useful in providing us with information, a summary of important announcements and signposting us to website links of useful resources.”

“I feel that the financial support is being withdrawn prematurely when the demand for staff and service users protection remains the same. Also comparing with other LA, Sheffield's financial support fell on the lower range.”

“The council should have left the current arrangements in place because the situation at present is uncertain. The fact that lockdown is being relaxed, does not mean that our COVID 19 related expenses have suddenly disappeared. If anything they have gone up as the current hot weather creates additional PPE demand. This eats into our cash flow as is an unplanned for expense on our business plan.”

Challenges and support looking forwards

“Regarding the exceptional costs funded by the IPC Grant, we feel that it would have worked better if the Council had worked out what every provider would get based on the current capacity of weekly delivered hours. The reason being that every organisation is facing one challenge or the other, what only separates the severity of these challenges is capacity and size of the organisation. On another note, even if we resume the actual payments, we still prefer 2 weekly payments as it helps to support our organisation with better cash flow.”

“It would have been beneficial if the IPC grant would have been given to providers in relation to providers current number of clients or hours commissioned.”

“Home Care needs to have continued support both financially and practically to get through this crisis. Many events happened at a rapid pace. Will the lessons learned and good practice continue?”

“”With the current support we will be prepared for a second wave, but without support we will struggle financially.”

“Our staff have worked in a professional manner. They have then gone the extra mile for their service users and families. I think it would mean a lot if the local press could run an article about Home Care in general in Sheffield highlighting what all our staff do. They are tired, at times balancing the needs of their families and themselves with the needs of the Services. I think they need a public well done for all the Home Care workers in Sheffield.

“We concerned about the availability of PPE to us as Providers not just from the Local Authority but from our suppliers , as well the high costs of acquiring PPE.”

“Sourcing of PPE from our usual suppliers is still a major issue as there are constantly out of stock or the costs have rocked from £53 a box to £89 a box, sometimes even more. Whilst we were promised that some of the costs we already incurred were going to be looking at as an open book and reimbursed, this has not happened 3 month on.”

“The poorly executed aspects from our part has been around the requesting of PPE. It has been very taxing for us to weekly calculate PPE and request this regularly on a weekly basis, it would have worked better if emergency PPE was supplied on a monthly basis.”

“Pay planned time to ensure this reflects onto the care workers and the work they are doing, this means care workers can be better paid, Improving retention of staffing levels and increased costs of PPE can be covered. All of which are the main struggles within the sector.”

“By extending block payments to allow the extension of payments to staff.

“By supporting with the ongoing and embedded costs of PPE.”

“If the cost of PPE remains the same this is going to be a great challenge.”

“I think the council should support us by continuing with advance payment and block payment which should be supported by us providers submitting accurate weekly client list returns so that providers are not overpaid or underpaid”

“Most Providers would have capacity to take on packages if they were assured that the people returning from hospitals were Covid-19 negative on the day of discharge, and there were also enough hospital discharge packages for Providers to pick.

“Tests for Carers and people in their homes should be more readily accessible rather than making them only more accessible in nursing homes”.

“It is critical that information sent to us clear and relevant. Repetition, contradictory and irrelevant information only distracts from the matter at hand. Clarity and concision is paramount to understanding and implementation - focus then is on the very practical needs of Staff and Service Users (which should also be a long term strategy)”

“The communication between providers and hospitals when discharging patients needs to improve especially on the Covid status.”

“Continued support with PPE”

“More guidance around RAG rating of service users, support plans rate them rather than provider having to make the decision”

“Provision of PPE”

Reward/recognition for care workers. They have worked through the crisis (without adequate PPE initially) putting their own health and well-being at risk, compared to a significant proportion of the working population who were furloughed (paid 80% of their salary to do nothing).

“Ensure a regular supply of PPE.”

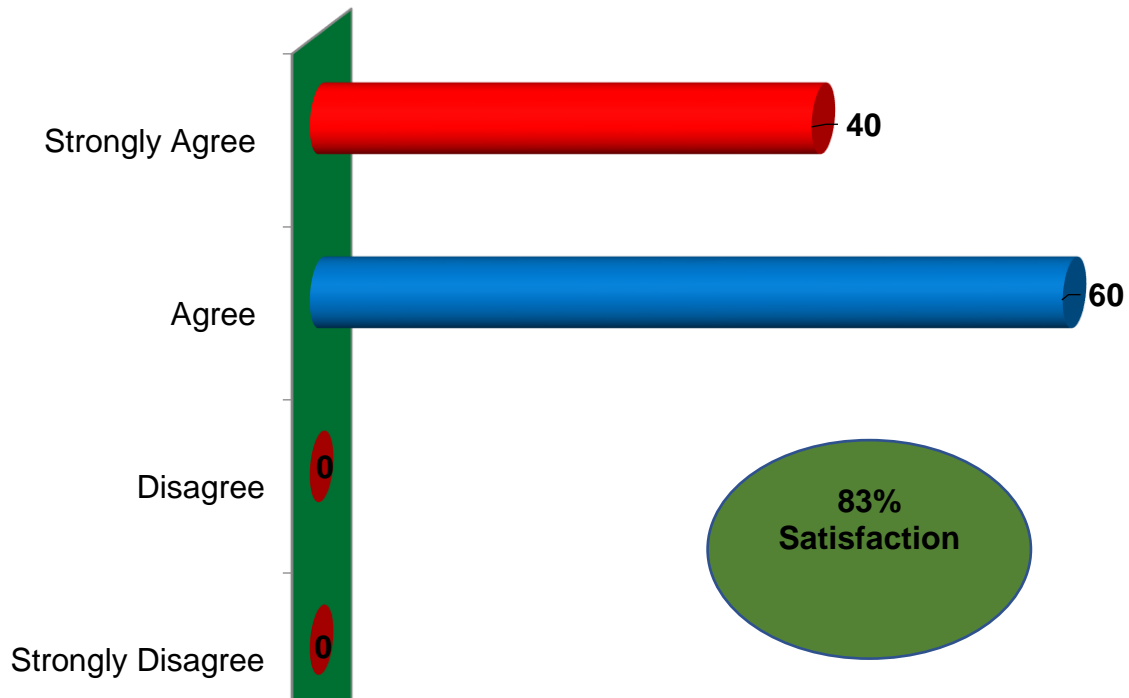
“Continuation of supply of emergency PPE”

“Free online mandatory training”

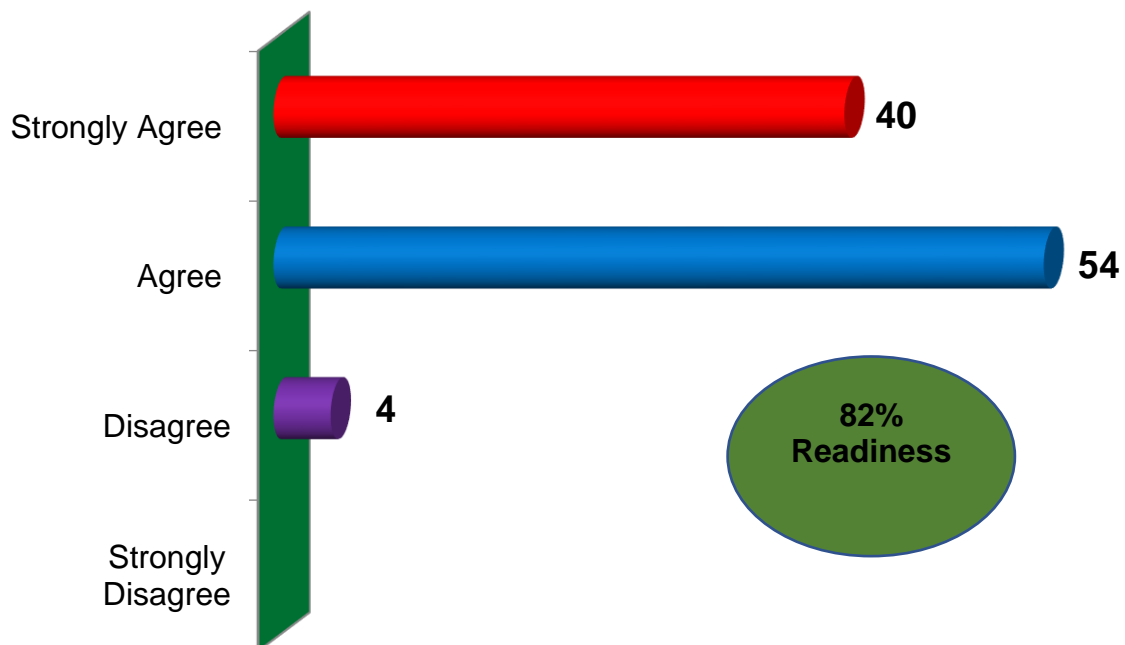
Appendix C

Home Care and Support Services – Covid19 Support August to October 2020

As a home care provider, we were well supported by Sheffield City Council during the initial stage of Covid19.



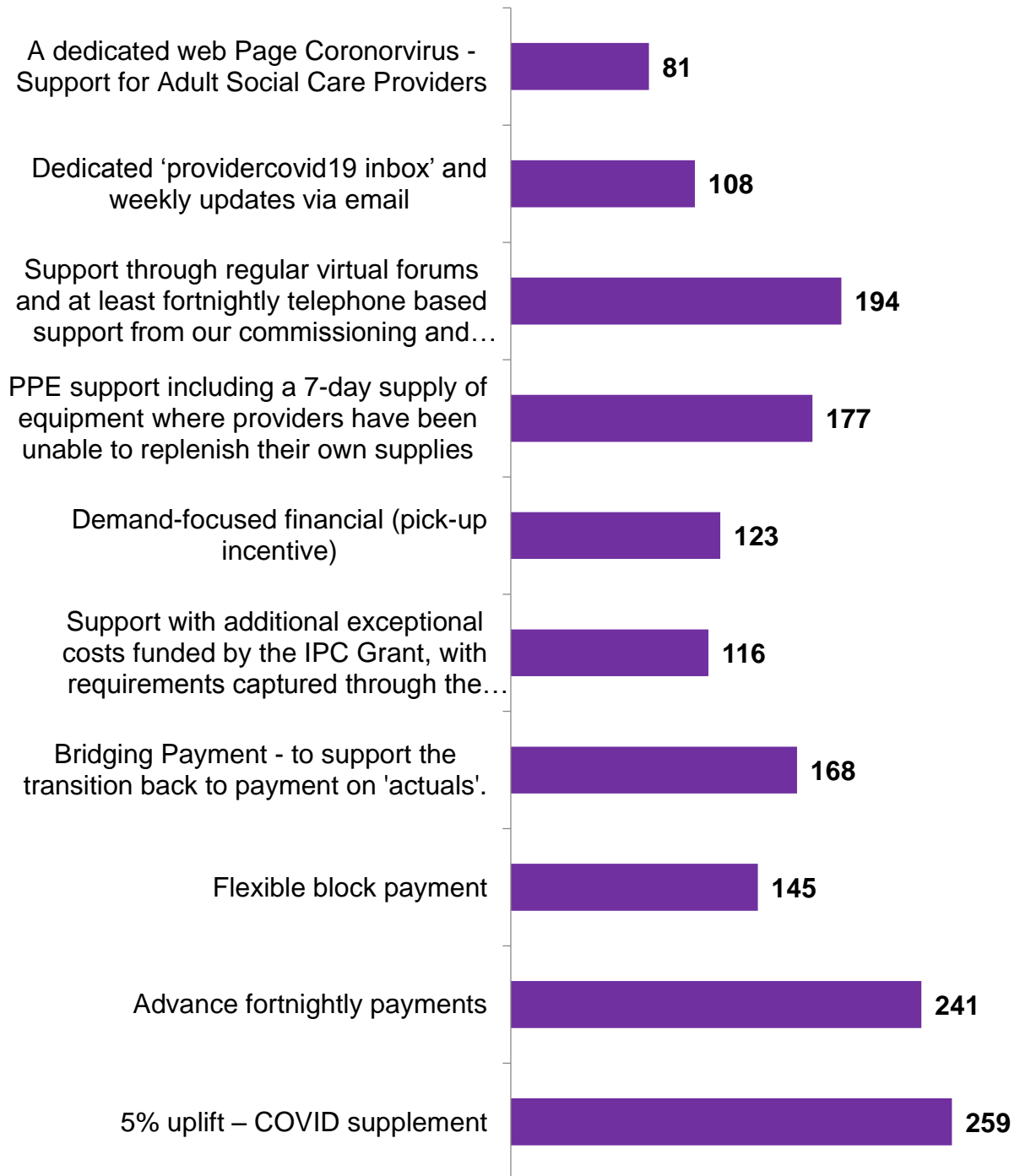
In the event of a significant increase in local Covid19 infections ('2nd wave'), I feel our organisation would be well prepared:



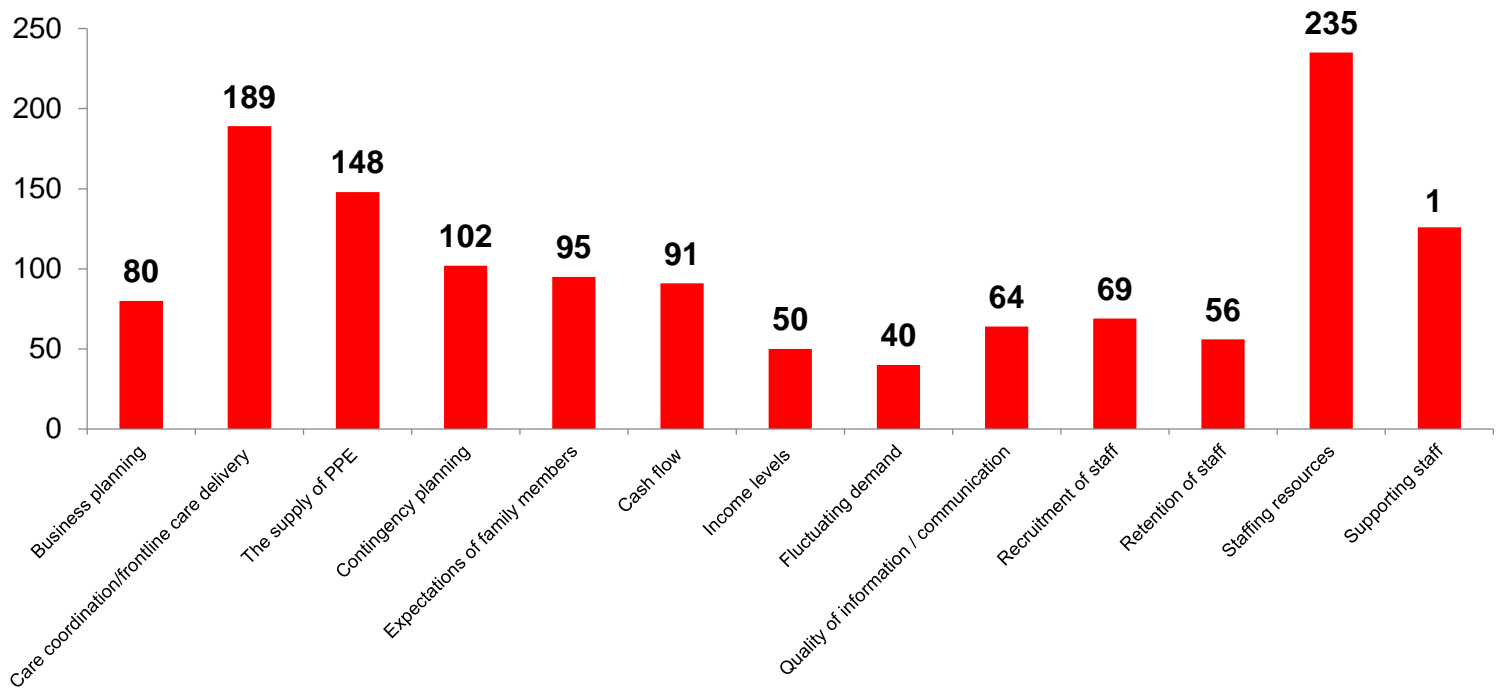
The above scores have been calculated by attributing; 1 point to Strongly Disagree, 2 points to Disagree, 3 points to Agree, and 4 points to Strongly Agree, to each of the two statements. The maximum score possible is 120 points for each statement, based on 30 Home Care providers responding to each.

The below scores have been calculated by attributing '1 to 10' points for each support element provided by Sheffield City Council from the 30 Home Care providers responses, with the most valued scoring 10 points.

Of the support offered by Sheffield City Council, please rate which elements are, or have been most valuable

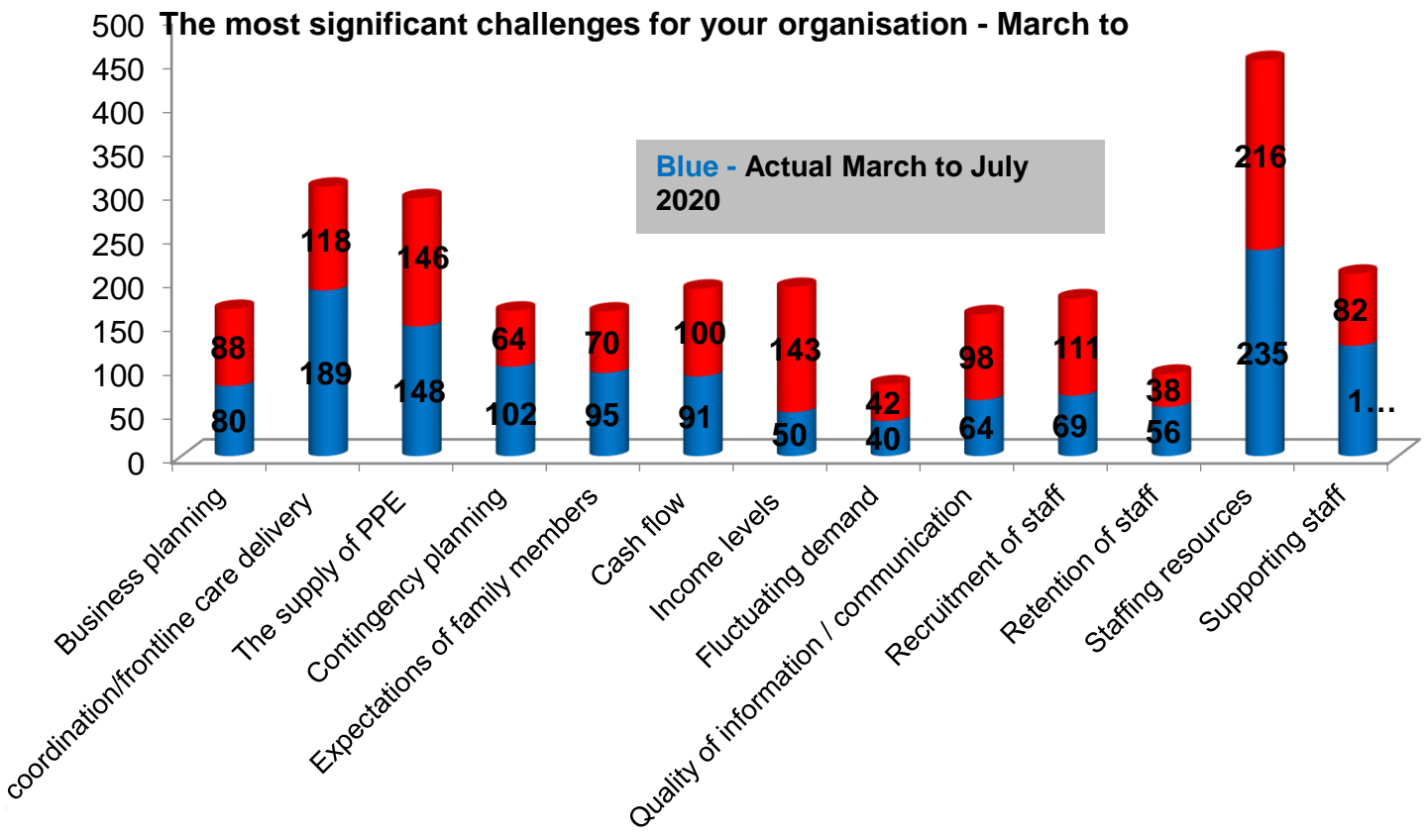


The below scores have been calculated for the three Graphs by attributing '1 to 10' points for each Covid19 organisational impact from the 30 Home Care providers responses, with 10 points awarded for the most significant



What do you anticipate to be the most significant challenges for your organisation over





Care Home Proprietor Feedback on Fee Increases

19 January 2021



1 Introduction

This feedback is from interviews with care home proprietors conducted by Cordis Bright and LaingBuisson as part of the strategic review of the care home market that has been commissioned by Sheffield City Council.

Overall, 41 proprietors and stakeholders have scheduled interviews, of which around 30 have been conducted so far.

Interviews are conducted on the basis that specific comments will not be attributable to individual proprietors and the comments below are linked to specific proprietor types, rather than names of proprietors.

2 Feedback on fee levels and the proposed increase

Proprietors were asked about their viability in terms of current fee levels and the proposed increase as well as their general views on the increases.

1. A number of proprietors are very negative on low fees and low increases from medium-sized local / regional operators familiar to the council, (covering 7 homes in the city). Negative on SCC methodology, 'base rate' and engagement / communications. A number of these providers say that they have significant viability issues within 3 to 6 months
2. The views are less negative from not-for-profit operators with a larger national base (three homes). The current £505 is manageable but they seek minimum £60 top ups, which is now proving very difficult. No immediate viability issue, although one provider closed a home in Rotherham for viability issues. One complaint was having to fund specialist equipment, such as profile beds, which used to be lent by SCC. This same issue has been identified by other proprietors too, particularly those providing specialist services.
3. The views are neutral to negative from operators with longstanding council relationships (10+ homes) but warn that loss-per-bed has increased from £12 pp/bed/week at 90% occupancy to £130 pp/bed/week at current 75% occupancy. Also cited fact that 'real inflation' -- such as food, insurance and IT -- is greater than 1.9% and therefore CPI element of 1.9% does not reflect reality. This point was

again picked up by a range of other providers who felt that using the basic CPI rate did not reflect the true increases in non-staff costs faced by care homes. Other councils use a basket of care home related costs to calculate annual inflation. Looking at reported operating costs of Care Homes (LaingBuisson Care of Older People Market Report) shows that after staffing costs the biggest expenditure areas for care homes are:

- Repairs, maintenance and equipment servicing.
 - Food.
 - Utilities (fuel, water, telephone)
4. Providers who mainly have self-funders are neutral on the fee levels and increases, as expected (3 providers, 4 homes). One provider is achieving £800 pw and has a waiting list and another has a similar level of fees and has a higher level of vacancies and a drop in referrals / enquiries.
 5. A majority of proprietors have questioned the rationale for having a flat £505 rate, when many other LA's differentiate between residential, residential EMI, nursing and nursing EMI. On the other hand, in authorities that do differentiate the fees, the proprietors often complain that the differentiation of £20 or £30 per week does not reflect the actual differential costs of providing care to people with complex needs.
 6. Short/medium term viability issues also often attributable to financing structures / leverage / breaching bank covenants. This is obviously partly bound up with fees, but also driven by fact that the homes break-even only at 90%+ which means that they are unsustainable except in good times (3 homes in Sheffield, one in administration). A slow return of self-funders to the market could have a significant impact on these providers.

Care Home Support with Sheffield Care Association

Philip Mickelborough of Kingsbury Hill Fox

10th December 2020

Commissioned by Sheffield City Council



Care Home Support

Age-standardised demand

- Sheffield
- localities

Supply

- Sheffield & localities

Supply & demand

- at 100% OR
- at 90% OR

Occupancy

- Sheffield & localities

CQC ratings

- Sheffield & localities

Detailed tables

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Summary & conclusion

Sheffield has around 18% more nursing & residential places than theoretical demand (ASD) implies, after allowing for optimal 90% capacity

Most of these are in North East locality, but inter-locality migration reduces this effect

Oversupply will be 8% by 2025 if no homes close

Average occupancy rate between 2017 and the present was 80%

- highest in South East locality (90%)
- lowest in Central (73%)

Major unknown: Covid may cause long-term diversion to intensive homecare, live-in homecare or extra care housing

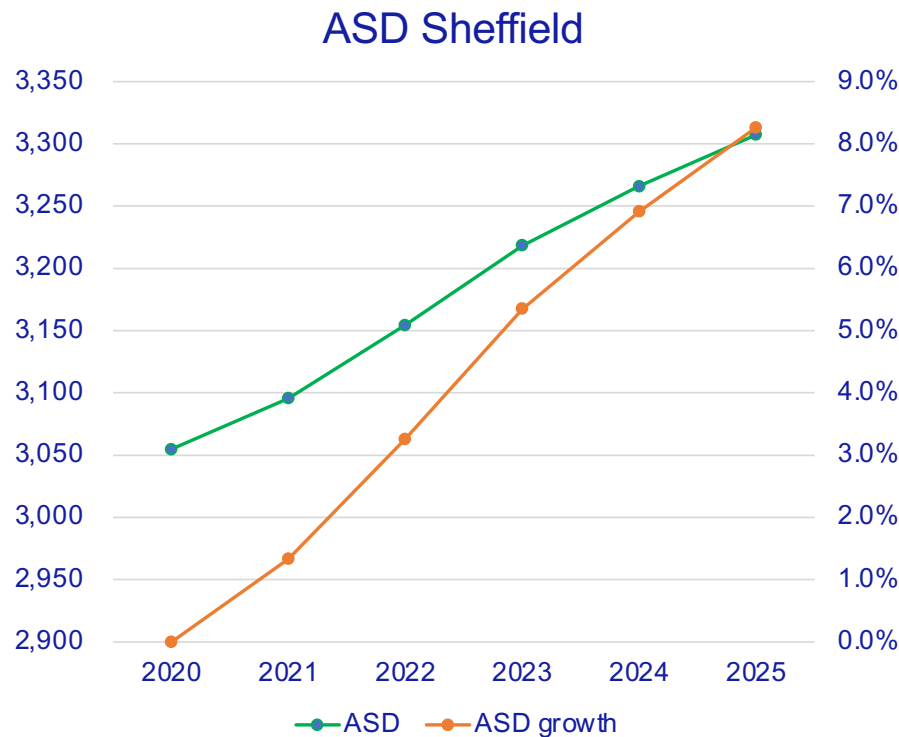
In Sheffield between 2017 & present CQC rated 80% of places Good and 20% Requires Improvement

- North East locality 88% of places Good
- South West 66% Good

Our main conclusion is that for care homes to achieve a viable occupancy rate and cease being loss-making there will have to be a reduction in care home places even without any long-term effect from Covid



Age-standardised demand - Sheffield



Age-standardised demand (ASD)

- based on % in care homes for ages 65-74, 75-84 & 85+ and ONS 2018-based subnational population projections by ward
- for care home places or equivalent
- greatest value is in showing change
- based on pre-Covid figures

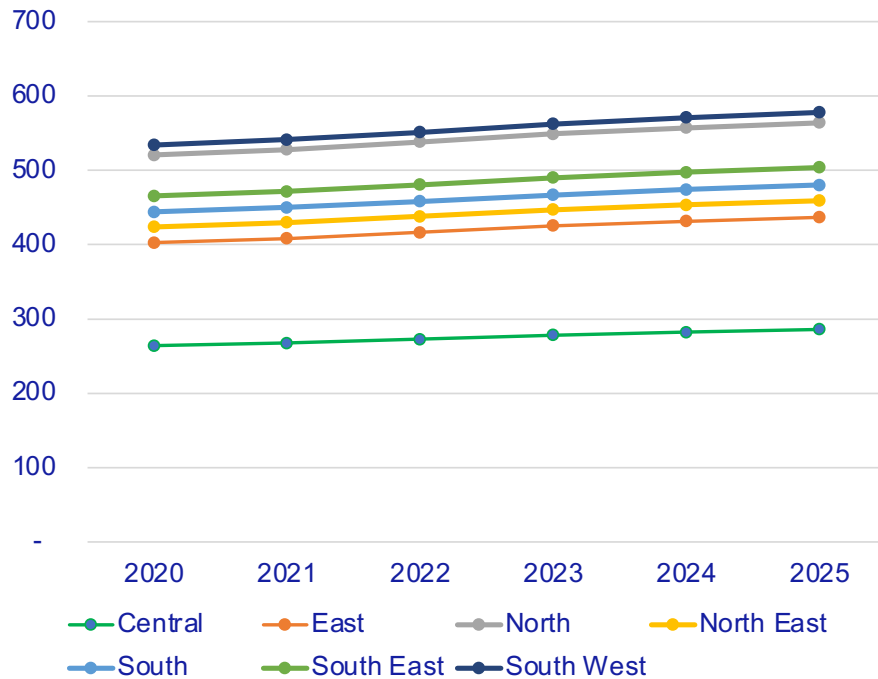
5-year growth from 3,055 to 3,307

5-year growth rate of 8.3%



Age-standardised demand - localities

ASD localities



South West locality starts and finishes with the highest ASD

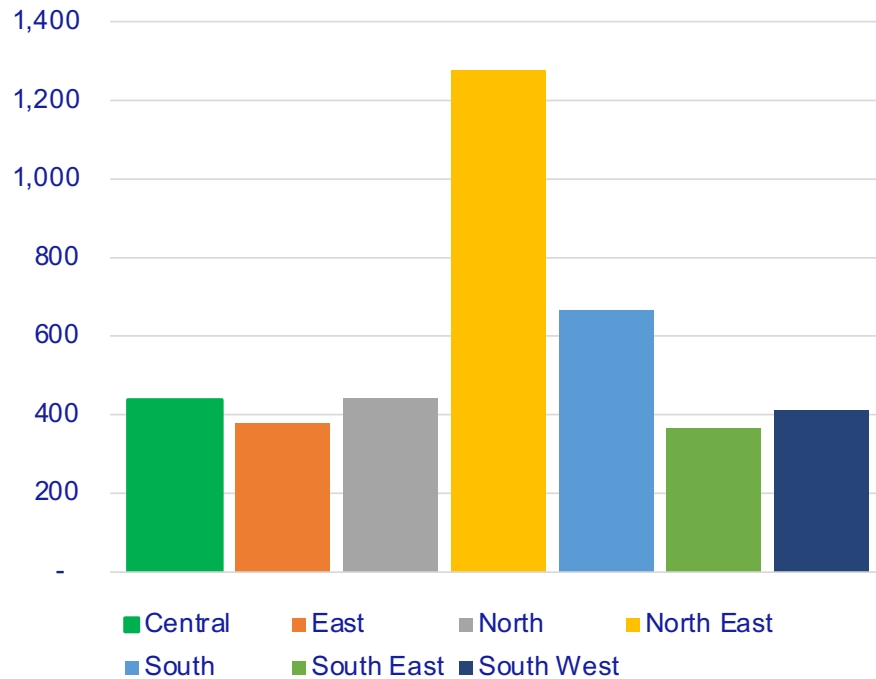
Central locality starts and finishes with the lowest ASD

5-year growth rates from 8.1% (South) to 8.4% (East)



Supply of care homes

Care home places



Identified care homes for older people, care only & nursing

North East locality 1,276 places in 21 homes

South locality 666 places in 15 homes

North locality 442 places in 10 homes

Central locality 438 places in 10 homes

South West locality 412 places in 10 homes

East locality 379 places in 8 homes

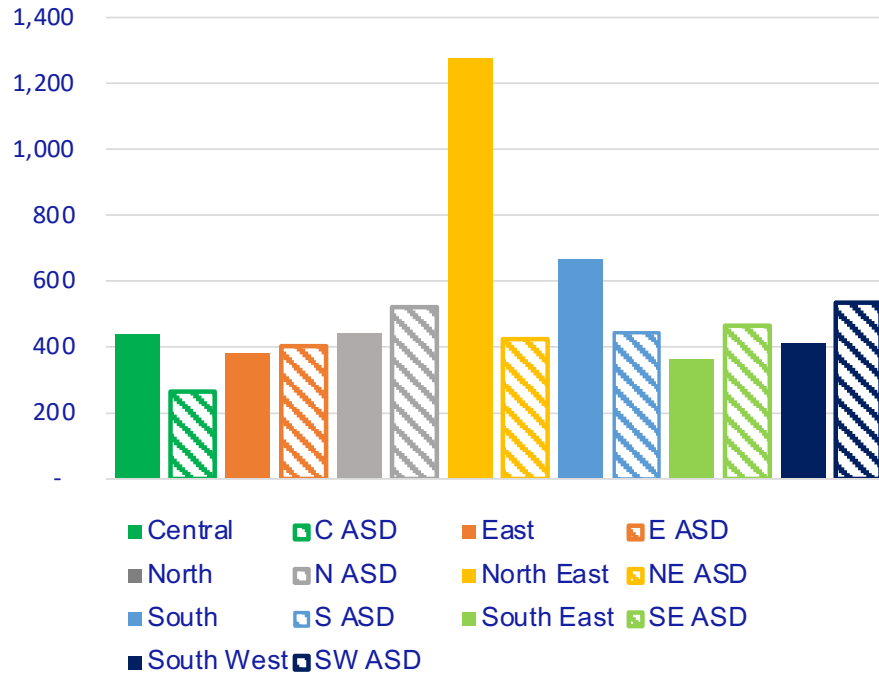
South East locality 365 places in 7 homes

Sheffield 3,978 places in 81 homes



Supply and demand (at 100% OR)

Care home places and ASD



Sheffield has too many places compared with ASD – 3,978 places for 3,055 ASD (30% over supply)

North East 1,276 places for 424 ASD (301% demand)

Central 438 places for 264 ASD (166% demand)

South 666 places for 444 ASD (150% demand)

East 379 places for 403 ASD (94% demand)

North 442 places for 521 ASD (85% demand)

South East 365 places for 466 ASD (78% demand)

South West 412 places for 534 ASD (77% demand)



Supply and demand *(at 90% OR)*

Care home market should not be full

- Flexibility - choice
- Spare capacity for winter & other pressures
- Voids due to shorter AVLOS

Allow 7-10% spare capacity (90-93% occupancy rate OR)

Also doubles used as singles

No allowance for Covid or cross-locality migration

Allowing for 90% OR Sheffield still has too many places compared with ASD+10% – 3,978 places for 3,360 ASD+ (18% o/s)

North East 1,276 places for 466 ASD+ (274% demand)

Central 438 places for 291 ASD+ (151% demand)

South 666 places for 489 ASD+ (136% demand)

East 379 places for 443 ASD+ (86% demand)

North 442 places for 573 ASD+ (77% demand)

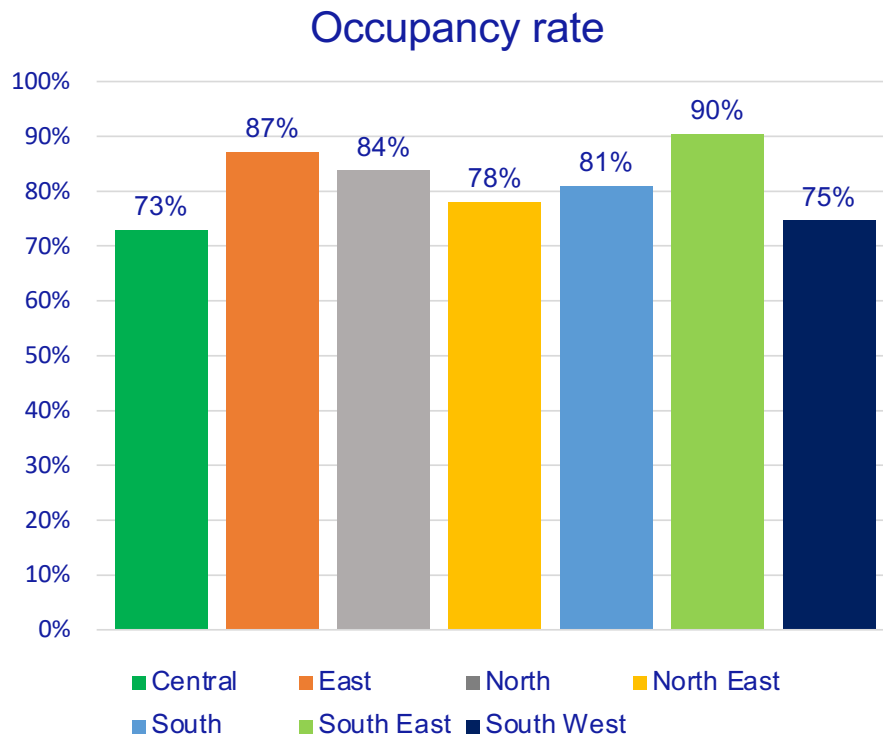
South East 365 places for 512 ASD+ (71% demand)

South West 412 places for 587 ASD+ (70% demand)

By 2025 8% oversupply @ 90% OR



Occupancy rates



Occupancy recorded at most recent CQC inspection, mostly pre-Covid and all dated between 2017 and now

Average occupancy rate over period:

- Sheffield at 80% occupancy
- South East highest at 90% occupancy
- Central lowest at 73% occupancy



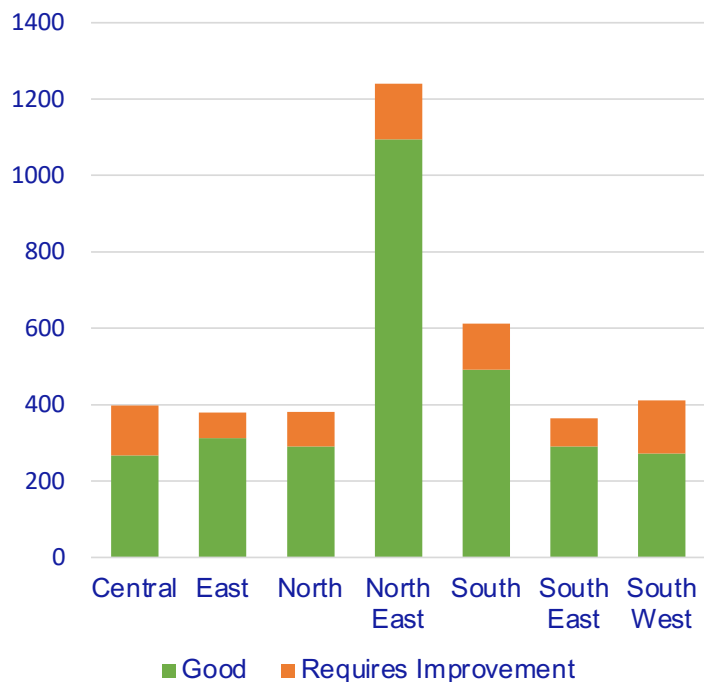
Current CQC rating

At most recent CQC inspection – 2017 to now

Sheffield 82% of homes and 80% of places rated Good, others RI

North East 88% of places Good, South West 66% Good

Places



	Homes		Places	
	Good	RI	Good	RI
Central	6	3	267	130
East	7	1	312	67
North	7	2	290	91
North East	18	2	1,095	146
South	12	2	492	120
South East	6	1	290	75
South West	7	3	272	140
Sheffield	63	14	3,018	769



Table - ASD by locality

	2020	2021	2022	2023	2024	2025
Central	264	268	273	278	282	286
East	403	408	417	425	431	437
North	521	528	538	549	557	564
North East	424	430	438	447	453	459
South	444	450	458	467	474	480
South East	466	472	480	490	497	504
South West	534	541	551	562	571	578



Table - ASD by ward

	2020	2021	2022	2023	2024	2025
Sheffield	3,055	3,096	3,155	3,218	3,266	3,307
Beauchief and Greenhill	147	149	152	155	157	159
Beighton	106	107	109	111	113	114
Birley	131	133	135	137	140	142
Broomhill and Sharrow Vale	58	58	59	61	62	62
Burngreave	122	123	126	128	130	132
City	14	15	15	15	15	15
Crookes and Crosspool	103	104	106	108	110	111
Darnall	88	89	91	93	94	95
Dore and Totley	176	178	182	186	188	191
East Ecclesfield	126	128	130	133	135	136
Ecclesall	134	136	139	142	144	145
Firth Park	104	105	107	109	111	112
Fulwood	121	123	125	127	129	131
Gleadless Valley	101	102	104	106	108	109
Graves Park	110	112	114	116	118	119
Hillsborough	99	100	102	104	106	107
Manor Castle	80	81	83	85	86	87
Mosborough	95	96	98	100	101	103
Nether Edge and Sharrow	86	87	89	90	92	93
Park and Arbourthorne	111	113	115	118	119	121
Richmond	124	125	128	130	132	134
Shiregreen and Brightside	92	93	95	97	98	99
Southey	107	108	110	113	114	116
Stannington	139	141	144	147	149	151
Stocksbridge and Upper Don	127	129	131	134	136	138
Walkley	93	95	96	98	100	101
West Ecclesfield	128	130	132	135	137	139
Woodhouse	134	136	138	141	143	145



Table – ASD growth rate by ward

	2020	2021	2022	2023	2024	2025
Sheffield	0.0%	1.3%	3.3%	5.4%	6.9%	8.3%
Beauchief and Greenhill	0.0%	1.3%	3.1%	5.2%	6.8%	8.2%
Beighton	0.0%	1.3%	3.2%	5.2%	6.8%	8.1%
Birley	0.0%	1.2%	3.0%	4.8%	6.5%	8.0%
Broomhill and Sharrow Vale	0.0%	1.2%	3.1%	5.0%	6.6%	8.1%
Burngreave	0.0%	1.4%	3.3%	5.4%	7.1%	8.4%
City	0.0%	1.4%	3.2%	5.4%	7.0%	8.3%
Crookes and Crosspool	0.0%	1.3%	3.2%	5.2%	6.8%	8.2%
Darnall	0.0%	1.4%	3.4%	5.6%	7.1%	8.5%
Dore and Totley	0.0%	1.4%	3.3%	5.5%	7.0%	8.3%
East Ecclesfield	0.0%	1.4%	3.4%	5.6%	7.1%	8.4%
Ecclesall	0.0%	1.4%	3.2%	5.4%	6.9%	8.3%
Firth Park	0.0%	1.3%	3.2%	5.2%	6.7%	8.2%
Fulwood	0.0%	1.3%	3.1%	5.1%	6.7%	8.1%
Gleadless Valley	0.0%	1.3%	3.1%	5.1%	6.7%	8.1%
Graves Park	0.0%	1.3%	3.2%	5.2%	6.8%	8.1%
Hillsborough	0.0%	1.3%	3.3%	5.4%	7.0%	8.3%
Manor Castle	0.0%	1.4%	3.6%	5.8%	7.3%	8.6%
Mosborough	0.0%	1.3%	3.4%	5.5%	7.0%	8.3%
Nether Edge and Sharrow	0.0%	1.3%	3.1%	5.1%	6.7%	8.1%
Park and Arbourthorne	0.0%	1.4%	3.5%	5.6%	7.2%	8.5%
Richmond	0.0%	1.3%	3.3%	5.4%	7.0%	8.3%
Shiregreen and Brightside	0.0%	1.4%	3.5%	5.8%	7.2%	8.4%
Southey	0.0%	1.3%	3.3%	5.4%	6.9%	8.3%
Stannington	0.0%	1.4%	3.4%	5.6%	7.1%	8.4%
Stocksbridge and Upper Don	0.0%	1.3%	3.2%	5.2%	6.8%	8.1%
Walkley	0.0%	1.3%	3.2%	5.3%	6.9%	8.3%
West Ecclesfield	0.0%	1.3%	3.3%	5.5%	7.0%	8.3%
Woodhouse	0.0%	1.4%	3.3%	5.5%	7.1%	8.4%



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**Author/Lead Officer of Report: Fiona Wain
Assistant Manager – Housing Strategy**

Tel:

Report of: Executive Director Mick Crofts
Report to: *Cabinet*
Date of Decision: *17th March 2021*
Subject: *Shared Ownership Product*

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 type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	

Which Cabinet Member Portfolio does this relate to? Neighbourhoods and Community Safety

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? (809)		

Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:

*“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).”*

Purpose of Report:

To seek Cabinet Approval for the Shared Ownership Policy 2021 detailed in the report and set out in appendix A.

This policy provides for the shared ownership model that the Council will implement and the associated model lease that the Council is required to use for Shared Ownership properties owned by the Council. Once approved it will guide how the council will manage Shared Ownership properties delivered as part of the Councils Stock Increase Programme.

Recommendations:

1. That Cabinet approve and resolve that the Council shall become a Provider of Shared Ownership Homes in the City of Sheffield on or after 1 April 2021
2. That in pursuance of establishing the Council's Shared Ownership Homes provision the Cabinet authorise and direct that:
 - I. The Council shall apply for Homes England funding under the Shared Ownership Affordable Homes Programme 2021-26 ("SO AHP 2021-26")
 - II. Upon acceptance of the Council's application for funding the Council shall thereafter enter a grant funding contract with Homes England in accordance with SO AHP 2021-26
 - III. The Council shall adopt and adhere to the Government's Capital Funding Guide and Homes England Model for the Shared Ownership Homes under SO AHP 2021-26
 - IV. The Shared Ownership Policy attached hereto at Appendix A is approved and shall be adopted and implemented by the Council from 18th March 2021
 - V. The Shared Ownership Policy may be amended to reflect any changes in legislation or guidance from the Government. Any material amendments to the Policy shall be undertaken in consultation with, and following the approval of, a Cabinet Review Group that shall be convened for this purpose.
 - VI. The Cabinet now delegates all authority and powers necessary for the execution of its decisions and directions set out in 1 and 2 above to the Director of Housing & Neighbourhood Services in consultation with the Cabinet Member for Neighbourhoods and Community Safety subject only to the authority of the Cabinet Review Group insofar as approval for Policy change is required pursuant to paragraph 2.v. above.

Background Papers:

Appendix 1 – Shared Ownership Policy 2021

Appendix 2 – Case Studies and Examples

Appendix 3 – Core Cities Shared Ownership Table

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 / Jayne Clarke
		Legal: Stephen Tonge
		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:	Mick Crofts
3	Cabinet Member consulted:	Cllr Paul Wood
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: Fiona Wain	Job Title: Assistant Manager – Housing Strategy
	Date: 09/03/2021	

1. PROPOSAL

1.1 The proposal is for Sheffield City Council (SCC) to become a provider of Shared Ownership Homes. Appended to this report is the Shared Ownership Policy. The Policy sets out how SCC will manage Shared Ownership homes which are built or acquired as part of the Council's approved Stock Increase Programme.

1.2 What is Shared Ownership

Shared ownership allows first time buyers and those that do not currently own a home to buy a defined equity share of a property whilst paying a subsidised rent on the remaining share owned by the landlord.

Shared Owners have the option to buy further shares in the property later.

Shared ownership properties are part leasehold and part tenancy properties. The lease applies to the equity share the buyer owns and restricts the way in which the property can be used and resold. Running concurrently with the lease the buyer is also party to a non-secure contractual tenancy with the landlord in relation to the equity share the landlord retains.

1.3 How Shared Ownership works

Eligible applicants buy a defined share of a flat or house from the Council and pay subsidised rent on the remaining share which is retained by the Council.

Applicants can buy a newly built home on a shared ownership basis or can buy an existing home through a resale programme.

Applicants will initially purchase between 10% and 75% of the home. The size of the share is determined by the purchaser's ability to afford and sustain the purchase. The Shared Owner can keep buying shares until they own the property outright. This process is known as staircasing.

The leaseholder will be able to buy a further 1% stake each year for the first 15 years.

The Shared Owner can choose to buy a larger stake from 5% upwards at any time.

The Shared Owner will buy a long lease from the Council at a premium fee. As part of the lease, they will be required to enter the concurrent tenancy with the Council and pay rent to the Council. This is calculated as a proportion of the equity retained by the Council

Buyers must be able to raise a sufficient deposit (usually between 5% and 10%) and secure a mortgage to buy a share of the property. Some major lenders, including but not limited to Santander, Nationwide and Halifax offer Shared

Ownership mortgages. However, there are less mortgage products available for Shared Ownership than for purchases on the open market.

The Shared Ownership model provides a 10-year period during which the costs of any maintenance or repairs will be met by the Council. Only after 10 years will the shared owner take on full responsibility for any repairs and maintenance costs. This 10-year period is in addition to any repairs or maintenance covered by the Builders warranty and so it will cover any works required that the Builders warranty does not cover.

If the Shared Owner (does not own 100% of the property), wishes to sell the property, they must give the Council four weeks to find a buyer. If no buyer is found the Shared Owner can sell the property on the open market.

1.4 **Why is Shared Ownership Needed**

The Council assesses the need for Affordable Housing every 5 years. The last Strategic Housing Market Assessment (SHMA) was undertaken in 2019 and found that Sheffield had an affordable housing shortfall of 902 each year for the next 5 years.

The Council has an ambitious Stock Increase Programme. In October 2019 a report was presented to the Cabinet Member for Neighbourhoods and Community Safety providing an update on the progress of the programme and the approved broad principles for increasing delivery to 3100 homes.

The report recommended that proposals for Shared Ownership homes be developed as part of this to improve housing choice in some areas.

Furthermore, promoting Shared Ownership can help relieve housing register pressures. Shared Ownership provides a way for households to contribute towards meeting their housing needs and reduce competition for social rented homes.

An estimated 5,253 households¹ registered for a Council or Housing Association rented home in Sheffield have the financial ability to purchase a 25% stake in a 3-bedroom shared ownership property.

Social housing is a tenure of choice for many households, but households are registered for housing on average 8 years before being granted a tenancy.

Shared Ownership as a housing tenure has existed for over 40 years. Despite this, there are very few Shared Ownership properties available in Sheffield compared to most other core cities.

¹ Based on modelled net income information provided by new Council tenants at sign up

1.5 **Why would households consider choosing this tenure?**

- I. Can help households to purchase a particular type of home, or a home in a particular area that they cannot afford to buy in full.
- II. Can increase household choices particularly in neighbourhoods that have a limited supply of homes for sale.
- III. Allows households on limited incomes to purchase a larger or specialist type of home to meet their needs.
- IV. Deposits and mortgage costs can be much lower than when buying a home in full therefore making it a more affordable way into home ownership.
- v. The purchaser benefits from any capital uplift of the purchased share.

1.6 **Why would the Council consider providing this tenure?**

- I. This tenure is considered as counting towards the city's affordable housing shortfall.
- II. It helps to increase choice for households and support mixed communities.
- III. Shared Ownership properties require less investment than social rented homes.
- IV. In the longer term it requires less management and maintenance than social rented tenure

1.7 **Eligibility**

Initial eligibility will be assessed by the Help to Buy North Agent. The criteria for who's eligible for the shared ownership scheme is:

- First-time buyers or those who used to own a home but can't afford one now
- People whose combined household income is less than £80,000
- Households will move into the home and use it as their primary residence

1.8 **Affordability Checks**

Whilst many Shared Owners aspire to staircase to full ownership, some households may never be able to purchase 100% of the equity in their property, but nevertheless value shared ownership for the increased security it provides (compared to private renting) and as an opportunity to build up some capital assets.

It is important that the Council only enables applicants to buy a Shared Ownership home, where applicants can demonstrate that they cannot afford a to buy a home outright in the open market.

Equally as important, the Council wants to make sure that Shared Ownership is the right tenure for applicants. Applicants must also demonstrate to us that they can afford to sustain their home on a shared ownership basis.

The initial cost of purchasing an apartment may seem low regarding the deposit and monthly mortgage and rent payments. However, the potential Shared Owner must take into consideration service charges for administration and maintenance. Also, and more notably, they must consider the sinking fund which applies to apartments and which can be a significant cost to the potential purchase.

In addition to verifying a potential buyer's eligibility, the Council will carry out a rigorous financial assessment to assess the affordability of the purchase, considering savings, access to capital or any other assets, and outgoings. This will involve a discussion with applicants about financial obligations. Discussions will include such topics as:

- moving costs
- mortgage, rent
- service charges (where applicable),
- property maintenance costs and repairs (not covered by the 10-year new build warranty or following the Council's 10-year repair responsibility period).

In addition to the Council's affordability checks, the applicants will undergo strict affordability checks by the lender when applying for a mortgage. This will include assessing that they can pay for the share they are purchasing, mortgage fees, stamp duty, and buildings insurance.

Applicants for Shared Ownership will therefore need to:

- I. Find out how much they can borrow using an affordability calculator (found on the help to buy agent website)
- II. Find out if they can get a mortgage
- III. Undergo strict affordability checks by the lender.
- IV. Provide a deposit on the share they will be purchasing

1.9 **Delivery of Sheffield City Council Shared Ownership Product**

To deliver Shared Ownership properties, the Council will adopt the Homes England delivery model. The Council will be using this model so it can maximise Shared Ownership and Affordable Homes Programme grant funding to support the Stock Increase Programme. By using this model, the Council must follow the Government guidelines; these are detailed in the Policy document (appendix A).

The Council will amend the Policy as necessary in line with the delegations granted in this report to ensure the Policy remains in line with the Capital Funding Guide.

1.10 **Summary of the Council's Proposed Shared Ownership Model**

1.11 **The Lease**

Shared Ownership properties will be on a leasehold basis. Shared Owner will be

able to request an extension to their lease, this will be at the discretion of the Council.

1.12 Marketing

Shared Ownership properties will be marketed directly with the developer wherever possible. This will be done on a site-by-site basis. For Section 106 properties we recommend that we incorporate an additional requirement into the contract of acquisition with the developer that it shall also market these properties. They will deal with all aspects of marketing and enquiries for Shared Ownership properties on their sites.

For resales we propose that the properties are marketed via the Help to Buy Agent. They will hold a register of people interested in Shared Ownership who will be contacted when a property becomes available. They will deal with all enquiries relating such properties.

1.13 Valuations

All Shared Ownership properties will be initially valued by an independent member of the Royal Institution of Chartered Surveyors (RICS). This method will also be used for any following staircasing of 5% or above.

For gradual staircasing of 1% an estimated valuation will be used linked to the original purchase price, adjusted in line with House Price Inflation. The Shared Owner will not need a RICS surveyor and will therefore have less costs.

1.14 Joint Applicants

Joint applications will be accepted.

1.15 Owner Occupiers

Owner occupiers can apply for a Shared Ownership property where they meet the eligibility criteria. They must sell their property as part of the shared ownership process. In exceptional circumstance the Council may support an application to Homes England for this to be waived.

1.16 Existing Council and Housing Association Tenants

Applicants who are existing Council or Social Housing tenants who are in breach of their tenancy agreements will not be eligible for Shared Ownership. This includes but is not limited to arrears. References will be requested for private rented tenants to ensure they do not have a history of rent arrears.

1.17 Property Reservation and Prioritisation

To reserve the property the Shared Owner applicant must be approved by the

Council and must pay a property reservation fee of £250. From this point the applicant will have 6 weeks (target) to exchange contracts.

The Council will prioritise applicants on a first come first served basis.

The only exceptions to this are:

- I. Military personal applicants will be prioritised above everyone else, as per the guidance from Homes England.
- II. Where the property was built subject to a specific Planning requirement to prioritise applicants or
- III. Where the property was built or acquired with funding for specific groups.

1.18 Rent and Service Charge

Shared Owners will pay rent and service charges to the Council.

1.19 Rent

Rent will initially be set at a maximum of 3% of the capital value of the unsold equity. Rent will be reviewed on an annual basis and will be limited to Retail Price Index.

1.20 Service Charges and Sinking Funds

The Council will charge service charges on all its shared ownership properties. As a minimum this will cover buildings Insurance costs.

Service charges will be calculated on an annual basis. Shared Owners will be charged this monthly at the same time as their rent. The Council will charge an administration fee for the time spent on tasks relating to service charges. A summary of costs will be provided to Shared Owners.

Shared ownership is subject to the payment of a service charge in the same way as owner occupied apartments. Service Charges are used for maintenance, repair, management, and insurance among other things. However, the maintenance of houses will be minimal as they usually don't have the shared spaces associated with apartments.

A sinking fund will be set up for any Shared Ownership properties which are apartments. A sinking fund is a special purpose account to hold funds earmarked for future spending on major repairs and maintenance. The fund will not be used in the first 10 years during the major repair free period. If the Shared Owner sells the apartment the value of the sinking fund remains with the property in place for the next owner.

The Council will aim to resolve any disputes regarding service charges with the Shared Owner directly. If this does not resolve the issue the Shared Owner can apply to the First Tier Tribunal.

The management of the apartment blocks will be in accordance with the Royal

Institution of Chartered Surveyors Code: Service charge residential management Code and additional advice to landlords, leaseholders, and agents. Adoption of the Code will ensure not only that legal obligations are met but that the Council implements best practice to provide compliant, transparent and value for money services to leaseholders.

The Code covers the following areas in detail:

- Budgeting and estimating service charges including the establishment of a sinking fund based on lifecycle costing to deal with major works, cyclical works, or expensive items of plant.
- Provision of information including a useful list of information leaseholders can expect to receive during their ownership of the apartment.
- Health and safety risk management.
- Complaints and disputes including referral to alternative dispute resolution or independent expert.
- Accounting for leaseholder's money.
- Residents association and the right to manage.

In terms of practical implementation, the landlord estimates the service charge for the year ahead and provides details of this to the leaseholder. Payment is collected from the leaseholder via monthly direct debit and at the end of year the service charge estimate is reconciled against actual expenditure. The leaseholder is provided with an explanatory account of the reconciliation. Whilst the annual service charge is variable, the sinking fund element helps avoid large fluctuations as major items of capital expenditure are converted to an annual sum over a longer period.

The Council will look at introducing apartments for Shared Ownership once it is confident that it has developed sufficient expertise in providing the Shared Ownership tenure. Providing houses in the early phase of the programme will allow the Council to gather information about demand for apartments from potential purchasers and be satisfied that there is sufficient demand for Shared Owners to be able to sell these apartments on.

1.21 **Rent/Mortgage Arrears**

The Council will help and support Shared Owners who are experiencing financial difficulty which affects their ability to pay rent or service charges.

The Council will refer Shared Owners to relevant specialist advice and support with permission of the Shared Owner.

The Council will contact Shared Owners who fail to pay rent or service charge payments to discuss the circumstances and make a repayment agreement to clear the debt to the satisfaction of the Council.

The Council will use a variety of methods of communication to ensure the Shared Owner is fully aware of their circumstances during any period they have rent or service charge arrears.

If arrears continue the use of legal proceedings will be assessed, before these take place the Council will assess other options, such as the buyback scheme or approaching the mortgage lender. The Council will provide the Shared Owner's mortgage lender with 28 days' notice of its intention to commence possession proceedings.

Should the mortgage lender choose to repossess the property the Council will share all necessary information regarding the property and arrears payments.

1.22 Equity Stake

If the Council must repossess a shared ownership property, a proportion of the equity stake will be returned to the outgoing Shared Owner minus costs as outlined in the Policy.

1.23 Repairs and Maintenance

1.24 Repairs

In circumstances where the homes are new builds less than 10 years old, new build guarantees which the developer is responsible for will apply. Where external fabric repairs are not covered by such guarantees the Council will be responsible.

In addition, on new build properties Shared Owners will also be able to apply to claim back £500 each year from the Council, for some essential internal repairs.

After ten years full responsibility will transfer to the Shared Owner. If the Shared Owner staircases out, purchasing enough shares to own 100% equity, before the ten period has ended the responsibility will also transfer to them.

1.25 Maintenance

Shared owners are responsible for the general maintenance of the property that fall outside the Council's obligations in the first 10 years. They are also responsible for the annual testing of all gas installations of the property.

1.26 Alterations and Improvements

Where Shared Owners wish to make alterations to the property, they will first need to seek written approval from the Council. Where appropriate certificates for this work will need to be supplied. The Council reserves the right to inspect alterations.

1.27 Breach of Lease Implications

The Council will take appropriate action whenever it becomes aware that a Shared Owner is in breach of their lease terms. Wherever possible the Council will work with the Shared Owner and other services to resolve issues. However, if the shared owner fails to adhere to their obligations under the lease, then the Council may be entitled to terminate the lease and evict the Shared Owner

(subject to obtaining any necessary court order).

Subletting will be prohibited.

1.28 After Sales

The Council will be responsible for dealing with all after-sales transactions, including stair-casing and re-sales. Shared Owners will be responsible for paying fees associated with Land Registry registration, the payment of stamp duty land tax and legal fees.

1.29 Stair-casing

Shared Owners will be able to apply to increase their share at any time. They can do this in two ways:

- Gradual Staircasing- for the first fifteen years the Shared Owner can apply to purchase a 1% share per annum. The price of this will be an estimated value based on the original market value and HPI. There will be no requirement for a RICS valuation and Shared Owners will therefore have reduced fees.
- In addition to the above the Shared Owner can also purchase shares of 5% or more at any time. This will require a RICS valuation

1.30 Downwards stair-casing

In exceptional cases the Council may consider repurchasing some of the equity from the Shared Owner.

1.31 Re-sales

Should the Shared Owner wish to sell their property they must notify the Council. The Council will then have 14 days to value the property and a further 4 weeks to nominate an eligible purchaser. If the Council fails to nominate a purchaser or if they fail to complete within 12 weeks the Shared Owner can choose to sell on the open market.

1.32 Leasehold Repurchase

Shared Owners can request that the Council purchases their entire share of the property. Such requests will be considered in exceptional circumstances where the Shared Owner is able to demonstrate a genuine need (financial hardship) to move and all other alternatives have been exhausted.

The Council will consider repurchase requests on a case-by-case basis and will provide a determination within 28 days of receipt of written notice of a Shared Owner's intention to sell.

1.33 **Mortgaging and Additional Borrowing**

Shared Owners can increase the borrowing from their mortgage lender against their share of the property only with Council consent.

Consent will only be given for essential repairs and maintenance.

1.34 **Background: previous decisions**

The November 2018 report to Cabinet on the New Homes Delivery Plan stated that “A report will be presented to Cabinet in 2019, setting out the options and implications for the Council delivering Shared Ownership properties.” The Cabinet decision included delegated authority to the Chief Property Officer, in consultation with the Director of Housing and Neighbourhood Services and the Director of Legal & Governance, to negotiate and agree terms for the acquisition of properties for the purpose of Shared Ownership as described in the report.

A report on the Housing Revenue Account (HRA) Business Plan and HRA budget for 2019/2020 was presented to Cabinet on 16th January 2019. This outlined the opportunity to introduce new Shared Ownership homes to meet a gap in affordable housing provision in the city. This report detailed that a further report would be presented to the Cabinet setting out the options and implications for the Council delivering Shared Ownership properties.

A report on the Housing Revenue Account (HRA) Business Plan and HRA budget for 2020/2021 was presented to Cabinet on 20th January 2021. This report outlined that the Council have looked further into developing a small programme of Shared Ownership homes as an affordable housing option in Sheffield.

The report detailed that it is intended that these homes will be delivered as part of the HRA Stock Increase Programme. The government has announced a new shared ownership model to be used from April 2021 and has recently consulted on its implementation. Following the outcome of the consultation Homes England will issue new guidance.

It also stated that a report setting out how the Sheffield City Council Shared Ownership properties will be managed will be produced for consideration by Cabinet in within the next few months, when this detail is clearer.

2. HOW DOES THIS DECISION CONTRIBUTE TO THE CORPORATE PLAN?

2.1 This proposal contributes towards the corporate plan:

2.2 **An in-touch organisation:** Evidence from the last SHMA confirmed that people on low to median incomes could afford to buy a stake in a Shared Ownership property but currently there is very limited Shared Ownership options in Sheffield to enable this. The Shared Ownership product will meet the needs of the residents and potential customer by responding to what people told us in the SHMA.

- 2.3 **Thriving neighbourhoods and communities:** As the Council develops the programme for Shared Ownership it will increase choice for residents and promote mixed communities. Our intention is that it will enable citizens to have more housing choice locally. This will enable households, as their needs change, to remain in neighbourhoods where they have local connections and where they want to continue to participate in the life of their own communities.
- 2.4 **Better health and wellbeing:** Purchasing a property in an area of your own choosing and building equity in a home is an aspiration that much of the UK population values highly. Shared Ownership is a tenure that facilitates the pursuit of this aspiration amongst people who do not have the financial means to purchase a home outright or with a traditional mortgage and can empower people to access good quality and stable housing. Access to good quality and stable housing is widely considered to be a key driver of positive health and wellbeing outcomes for citizens.
- 2.5 **Tackling inequalities:** Empowering people who are able to do so to purchase a share in their own home rather than having to rely on relatively insecure assured shorthold tenancies in the private sector or lengthy wait for social housing provided by the Council or Registered Social Landlords will help to address some of the inequalities that exist within the city.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The SHMA is a significant piece of primary research. Through the SHMA, the Council has consulted the residents of Sheffield about their current and future housing needs and the Shared Ownership Policy reflects and responds to the latest SHMA.
- 3.2 Government has consulted widely on the HE standard Shared Ownership model, including mortgage lenders, Registered Providers, and the public.
- 3.3 The Council will provide appropriate opportunities for Shared Owners to influence the quality, the cost, and the efficiency of the services they receive. This will include consultation on policies and procedures that affect the shared ownership service offered. Where qualifying works or a long-term agreement is required for the property, the Council will consult with Shared Owners in line with its statutory obligations.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 By targeting suitable housing development in areas of the city which have the greatest shortfalls in affordable housing, it will be possible to address some of the inequalities that exist within the city. It will also help to ensure that all customers

will be able to access suitable housing.

4.2 Financial and Commercial Implications

- 4.2.1 The Council's Shared Ownership product will use a blend of grant funding and HRA borrowing. The Council will apply for grant funding from the Homes England Shared Ownership and Affordable Housing Programme 2021-2026. The Council Housing Capital Programme including the stock increase programme will require the HRA to support further borrowing as allowed under the current Government guidelines. The debt strategy for the HRA will continue to be reviewed and developed in accordance with the Council's treasury management policy.
- 4.2.2 This report sets out the principles for the Council's Shared Ownership product. Specific proposals for Shared Ownership properties under the programme will be presented through individual business cases and be subject to the Council's normal Capital Approval Processes.

4.3 Legal Implications

- 4.3.1 Subject to the Council and its officers adhering to the decision, authority and directions of the Cabinet as recommended by this Report (in particular adherence to the Governments Capital Funding Guide and Homes England Model for the Shared Ownership Homes under SO AHP 2021-26) then the objective to establish the Council as a Provider of Shared Ownership pursuant to the same is lawful and presents no abnormal legal risks insofar as leasehold and tenancy management is concerned.
- 4.3.2 However, that said, the arrangements are new to the Council and relatively complex therefore this programme may require a slightly higher risk rating and monitoring than orthodox leasehold management until such time as the Council and its officers become experienced and proficient with processes and procedures.

4.4 Other Implications

- 4.4.1 As this is a new product, the Council are going to have to make changes to manage the Shared Ownership product and homes. These changes will be made in consultation with HR and protocol followed.
- 4.4.2 Other Risks

There are other products on the market such as the help to buy equity loan which may target similar customers however these are different products and we don't think it will reduce demand for Shared Ownership. Shared Ownership offers an additional route to home ownership and makes it an option for those who can not

access home ownership through other routes. Other Local Authorities in our region have indicated that demand is high for Shared Ownership even with other products for affordable home ownership. We will start with a small number of properties until we have a better evidence base for demand.

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 Do Nothing - One alternative is not to develop a Shared Ownership product and rely on other Council programmes to provide affordable housing in the City. Although this is an option to consider, Shared Ownership is a product that provides a route towards home ownership which meets the aspirations of Sheffield and is at the forefront of future government funding for affordable housing. By not offering this option in Sheffield, our citizens have fewer options than in similar cities

5.2 Develop a Sheffield Model for Shared Ownership – Although the Council could use HRA budget to deliver a Sheffield Model the ambition is to deliver 3000+ affordable homes which will only be possible with the HE Grant funded contribution which requires us to use the HE standard model. There is also the point to consider that the more caveats or rules the Council have with a Sheffield own model the more restrictive and less inclusive the product could be. Mortgage lenders, insurers etc are familiar with the standard model. A step away from the standard model might mean mortgage and insurance options are reduced for potential purchases, which could lead to more restrictions and the product being able to reach less people.

5.3 Develop a Person Led Model – The Council has considered a person led model which allows the customer to purchase existing properties on the open market then the Council will purchase the S/O shares. This model allows the Council to access Homes England Capital Grant Funding. The changes to the HE model which place responsibility on the Council for some repairs in the first 10 years only applies to new build properties and so would not apply with this model.

There are currently only two other councils who use this model and so there is not much evidence regarding this method. We have therefore discounted this as an alternative at this stage until the Council can gather more information and until the Council are familiar with delivering the standard model.

6. REASONS FOR RECOMMENDATIONS

(Explain why this is the preferred option and outline the intended outcomes.)

- 6.1
- The Council have committed to purchase homes for Shared Ownership so a policy is required to set out how these properties will be managed.
 - Sheffield City Council has a shortfall of affordable housing. The annual shortfall in Sheffield is currently estimated at 902 units. This shortfall includes all forms of affordable housing, including Shared Ownership this information is from the SHMA July 2019.
 - Numbers of bids for housing across the city are high for most property types and waiting times are high and there is pressure on existing stock. New affordable homes in a range of affordable tenures, including Shared Ownership will increase the quality and range of housing tenure options available to people.
 - Deposit costs for Shared Ownership are much lower as they only have to get a deposit for the percentage that they are purchasing, for example, a deposit of a 25% share is much lower than the deposit for the full 100% of a property. This means the Shared Ownership route of purchasing a property is once again easier for people who cannot save or have a deposit ready.
 - This Strategy is aligned with current corporate priorities and supports the Council's ambition for providing a range affordable homes in the city.

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1. Policy aims and purpose

- 1.1. This is the Shared Ownership Policy (the Policy) of Sheffield City Council (the Council). The Policy sets out how the Council will manage its Shared Ownership properties and the leasehold model which will be used.
- 1.2. The policy has been written to ensure it complies with the Homes England Model and Capital Grant Funding.
- 1.3. Shared Ownership allows people to purchase a share of a property whilst paying a subsidised rent on the remaining share. Purchasing a share in a property requires a smaller deposit and mortgage, thereby making it a more affordable route into home ownership. The Council therefore believe that Shared Ownership has a vital role to play in offering a route into homeownership to those who would otherwise struggle to buy a home.

2. Background to Shared Ownership

- 2.1. Shared Ownership homes have been around for over 40 years. In the past, Housing Associations have delivered these homes, but in recent years, local authorities are now providing homes for Shared Ownership as part of their own dwelling stock.
- 2.2. Sheffield City Council has an ambitious Stock Increase Programme and it is a priority to deliver and expand our current programme. Homes for Shared Ownership will be direct build as part of the Councils New Build Programme, through on-site acquisitions including but not exclusively those provide as part of section 106 developer agreement.
- 2.3. In August 2019 the Government launched a consultation on proposals for a new national model for shared ownership with the objective of making it “fairer, more affordable, and more consumer-friendly as well as a better model for the market to deliver”. Sheffield City Council will adopt the new model and deliver Shared Ownership homes in line with the Homes England Capital Funding Guide.

3. The Lease

- 3.1. All Shared Ownership properties will be leasehold. The lease for each property will detail the rights of Sheffield City Council (the landlord) and the Shared Owner (the leaseholder).
- 3.2. Homes England (HE) have provided model Shared Ownership leases for houses, flats, designated protected areas and specialist schemes for older people. The Council will adopt the appropriate HE model lease for all Shared Ownership properties. Any departures from the model lease will be in accordance with guidance on the same.
- 3.3. The Council will grant lease lengths in line with HE guidance. Shared Owners can request an extension to their lease. Requests will be granted on a case-by-case basis.

4. Marketing and Allocations

Marketing

- 4.1 The Council will use a variety of approaches to advertise Shared Ownership properties across the city. This will include advertising new Shared Ownership homes in advance of their completion and directly through the developer. The extent of marketing will be determined on a site-by-site basis.
- 4.2. Resale properties will be advertised through the Help to Buy website.

Valuations

- 4.3. Valuations of Shared Ownership properties will be carried out by an independent member of the Royal Institution of Chartered Surveyors (RICS). This includes both the market value at initial sale and on all staircasing of 5% and above. Valuations for gradual staircasing of 1% will be based on an estimated valuation linked to the original purchase price, adjusted in line with Housing Price Inflation.

Eligibility and Affordability Checks

- 4.4. Anyone interested in purchasing a SCC Shared Ownership property must register with the Help to Buy North Agent. The agent will assess the eligibility of the prospective purchaser which will include a financial assessment.
- 4.5. In order to be eligible applicants must:
- have a household income of less than £80,000;
 - be unable to purchase a property to meet their needs on the open market;
 - be able to afford to meet the housing payments and sustain home ownership in the longer term;
 - Move into the home and use it as their primary residence; and
 - Not already be a homeowner (unless they sell as part of the Shared Ownership purchase as outlined in 4.10-4.11)
- 4.6. Applicants will be required to provide:
- Proof of identification;
 - Proof of income (usually by way of latest three pay slips or last three years accounts for self-employed applicants);
 - Proof of savings; and
 - A mortgage in Principle or credit reference (where applicable).
- 4.7. Additional evidence may be required on request.
- 4.8. If more than six months pass between application and exchange of contracts the applicant will be required to provide additional evidence that their circumstances have not changed. Applicants must notify the Council and Help to Buy agent of any changes circumstances after their application has been approved.

Joint Applicants

- 4.9. More than one person may apply for a Shared Ownership home. Applications from more than one person will be considered as joint applications. Joint applicants must become joint owners of the property. Anyone joining in the application who already owns, or part owns a home must sell it at the time of jointly buying through Shared Ownership.
- 4.10. An existing Council tenant qualifying for Shared Ownership may have a partner who does not wish to join in the application. The application can proceed in the sole name of the qualifying applicant. In this situation other such members of the household will be treated in line with Council policy independently from the Shared Ownership application.

Affordability

- 4.11. Minimum initial shares will be set at 10% however applicants will be expected to buy the maximum share they can afford and sustain.
- 4.12. The Council will undertake a rigorous affordability check using the HE affordability calculator to determine the level of suitable shares ensuring that:
- The monthly housing costs including mortgage repayments, rent and services charges are between 25%-45% of an applicant's gross wage; and
 - The mortgage amount is between 2.5x and 4.5x the applicant's gross annual income
- 4.13. The Council will require applicants who are able to purchase their share without mortgage finance to provide evidence as to why this is required. Money laundering checks will be required in these circumstances.
- 4.14. The Council will not provide financial advice to applicants and any guidance given will be limited to information only.
- 4.15. The Council expects that applicants seek independent financial advice from an advisor with an understanding of the Shared Ownership product and associate lender requirements.

Reservation

- 4.16. A property will be reserved once affordability and eligibility checks have been approved. The Council will charge the applicant an administration fee for this of £250. Upon receipt of the reservation fee the property is held to sell to them provided they exchange contracts within 6 weeks.
- 4.17. An applicant who is an existing Council or Social Housing tenant will not be eligible for Shared Ownership if they are in breach of their tenancy agreement at the time of application. This includes but is not limited to rent arrears.
- 4.18. Applicants who owe any money to the Council before or during the purchase process will not be allowed to progress until the debts have been cleared, to the satisfaction of the department responsible for collecting the debt.

Existing owners

- 4.19. The Council will allow owner-occupiers to apply for a Shared Ownership property where they meet the general eligibility criteria (i.e. their household income is less than £80,000 and they are unable to purchase without assistance) and are assessed by the Council as being in housing need.
- 4.20. Owner- occupiers will be required to sell their property as part of the Shared Ownership purchase. In exceptional cases the Council will consider supporting an application to HE for this requirement to be waived.

Prioritisation of applications

- 4.21. Sheffield City Council will prioritise applicants on a first come, first served basis (at the point of paid reservation fee), except for where any of the following conditions apply:
- I. if the applicant is military personal (see description for this in 12. Definitions)
 - II. where the property was built subject to a specific Planning requirement to prioritise applicants
 - III. where the property was built or acquired with funding for specific groups.

5. Rent and Service Charges

- 5.1. Shared Owners will pay rent and service charge, including administration fees relating to the property, to the Council

Rent

- 5.2. The initial annual rent will not exceed 3% of the capital value of the unsold equity at the point of the initial sale.
- 5.3. The Council will take local market conditions into account when setting the rent and may consider charging a rent lower than 3% where affordability is considered to be an issue.
- 5.4. The Council will review the rent on an annual basis. Annual rent increase will be limited to Retail Price Index (RPI) plus 0.5%. When RPI is nil or negative rent increases will 0.5%.
- 5.5. The Council will notify Shared Owners of the new rent in writing, as detailed in the lease.

Service charges

- 5.6. The Council will charge service charges on all its Shared Ownership properties. Service charges will be calculated on an annual basis.
- 5.7. The Council will ensure that all costs relating to Shared Ownership service charges are apportioned equally.
- 5.8. The Council will consult on service charges where required. It will meet its statutory obligations under section 20 of the Landlord and Tenant Act 1985 to consult

leaseholders before carrying out certain works or entering into certain agreements that affect the dwelling or building which will result in service charges being incurred.

5.9. The service charge provisions differ for Shared Ownership houses and flats:

- For flats the Council will estimate the charges to be incurred in the following year reconciled at the end of the Account Year. An annual service charge will be set based on this. Shared Owners will be charged for this monthly at the same time as rent to spread the cost.
- For houses the Council will set charges based on a fair and proper proportion of outgoings billable as and when they arise.

5.10. The Council will provide a summary of the costs incurred.

5.11. The Council will charge an administration fee for time spent on tasks relating to service charges.

5.12. Some Shared Ownership houses may be subject to estate charges which will still be in place should the Shared Owners purchase 100% of the property (staircase out).

5.13. Where apartments are offered for Shared Ownership the Council will set up a sinking fund for their long-term upkeep. Shared Owners will pay into the fund monthly from the start of the purchase until the property is sold. The sinking fund will not be used within the first 10 years during the major repair free period. If the Shared Owner sells the apartment, the value of the sinking fund remains with the property for the next owner.

Building and Contents Insurance

5.14. The Council will arrange suitable buildings insurance for the property. A copy of the relevant building insurance certificate confirming the sum for which the property is insured, the name of the insurer, and the risks covered in the policy will be provided to Shared Owners.

5.15. The Shared Owner will be recharged the cost of obtaining the building insurance on a yearly basis in the form of a service charge.

5.16. It is the Shared Owner's sole responsibility to obtain and secure contents insurance for the property. The Shared Owner is not required to obtain contents insurance but, in any repair, dispute the Council may request from the Shared Owner a copy of the contents insurance policy documents or any other insurances relating to the property by giving 28 days' notice in writing.

Service charge disputes

5.17. In the first instance the Council would aim to resolve any issues with service charges directly with the Shared Owner. The Shared Owner also has a statutory right to apply to the First Tier Tribunal to determine whether a service charge has been reasonably incurred and how much is payable.

5.18. The Council will ensure that Shared Owners are made aware of their rights and the contact details for the tribunal.

Rent payments

- 5.19. Shared Owners are obliged to pay rent as part of their lease agreement on the first day of every month. Shared Owners will be expected to pay on time and in full unless they have contacted the Council and an agreement is in place.
- 5.20. Rent must be paid by the Shared Owner by equal monthly payments. Payments should be made by direct debit.

Rent and Service Charge Arrears

- 5.21. The Council will help and support Shared Owners who are experiencing financial difficulty which affects their ability to pay rent or service charge.
- 5.22. The Council will refer Shared Owners to relevant specialist advice and support with permission of the Shared Owner.
- 5.23. The Council will contact Shared Owners who fail to pay rent or service charge payments to discuss the circumstances and make a repayment agreement to clear the debt to the satisfaction of the Council.
- 5.24. The Council will use a variety of methods of communication to ensure the Shared Owner is fully aware of their circumstances during any period they have rent or service charge arrears.
- 5.25. Where arrears continue to accumulate the use of legal proceedings will be assessed.
- 5.26. Prior to commencement of legal proceedings, the Council will assess the financial viability of other options, including whether the property satisfies the Council's current buy back scheme, or approaching the mortgage lender to consolidate the arrears onto the outstanding mortgage.
- 5.27. As set out in the lease, the Council will provide the Shared Owner's mortgage lender with 28 days' notice of its intention to commence possession proceedings. This will include details of the level of arrears.
- 5.28. Should the mortgage lender choose to repossess the property the Council will share all necessary information regarding the property and arrears payments.

Paying back equity stake

- 5.29. If the Council must repossess a Shared Ownership property, a proportion of the equity stake will be returned to the outgoing Shared Owner minus the following costs:
- The outstanding mortgage balance and any others costs due to the lender;
 - Any rent arrears/service charges outstanding;
 - Any legal costs incurred as a result of taking possession action;
 - Any costs incurred by the Council to carry out repairs or make good any damage to the property that are not due to fair wear and tear;
 - Any costs associated with the sale of the property including any legal costs;
 - Any other costs not listed above incurred as a direct result of taking repossession action; and

- Any other sums due to the Council.

5.30. If the Shared Owners equity stake is less than the costs incurred above the Shared Owner will owe the balance of the costs outstanding to the Council.

5.31. If the Shared Owner is unable to settle this debt promptly the Council will take action to recover any monies outstanding from the Shared Owner.

Production of accounts

5.32. The Council will maintain a property record for each Shared Ownership property.

5.33. An account statement will be produced for each account and sent to the Shared Owner on an annual basis, or upon request at any other time.

6. Repairs

6.1. For new build properties the ten-year New Build Guarantee will apply. This covers essential repairs to the external fabric of the building and structural repairs to walls, floors, ceilings, and stairs inside of the home. In the first instance the Shared Owner will be expected to claim against this for any required repairs.

6.2. Where the New Build Guarantee does not cover external fabric repairs the Council will undertake this work.

6.3. For new build properties Shared Owners will also be able to apply to claim back £500 each year for some essential internal repairs from the Council.

6.4. Essential internal repairs include:

- installations for the supply of water;
- installations for the supply of gas and electricity;
- installations for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity) pipes and drainage; and
- installations for space heating and heating water

6.5. The claim period for claiming essential internal repair costs will run April to April.

6.6. If the Shared Owner staircases to 100% within the first ten years, the responsibility for either internal or external repairs transfers from the Council to the owner.

6.7. After the ten-year repairs period, if the Shared Owner has not purchased all the equity shares (staircased out), they become responsible for all repairs and all costs associated with repairs.

6.8. If the Shared Owner allows the property to fall into disrepair, this will be considered a breach of their lease.

6.9. Should the property fall into disrepair, the Council may seek legal action to enforce the Shared Owner to carry out remedial works or for the Council to carry out the works and recharge the Shared Owner for the cost, including any legal costs incurred.

Maintenance

- 6.10. At all times, the Shared Owner will be solely responsible for the general maintenance of the property. In line with the lease, they must keep the property in good and substantial repair and condition.
- 6.11. The Shared Owner will be responsible for arranging annual testing for all gas installations within the property. A copy of the gas service certificate must be provided to the Council within 28 days of the service being due. The Council can undertake this service upon request by the Shared Owner and the costs will be recharged to the Shared Owner.
- 6.12. The Council will take legal action to gain entry to the property to carry out the required test where the Shared Owner fails to provide the certificate or have the safety check carried out. The cost of the service, and any legal costs incurred, will be recharged to the Shared Owner.

Alterations and improvements

- 6.13. Shared Owners wishing to make alterations and or improvements to the property will need prior written permission from the Council. Requests will need to be made in writing and include full details of the proposed works.
- 6.14. Where the work of professional tradespersons are required for example but not limited to; gas works or electrical works, a certificate verifying the work carried out must be provided to the Council within 28 days of the work being completed.
- 6.15. For larger pieces of work such as but not limited to; changing the fabric or structure of the building, The Council may provide a list of conditions which will need to be met by the Shared Owner for the permission to remain valid. This may include but not limited to; obtaining planning permission or building regulations consent and sign off.
- 6.16. The Council reserves the right to inspect any alterations and improvements once completed by arranging a mutually convenient appointment with the Shared Owner.
- 6.17. Where unauthorised alterations or improvements have been carried out, the Council may request the Shared Owner to reinstate the work. Should the Shared Owner fail to make good the works, the Council may take legal action to carry out the necessary work and recharge the Shared Owner for the cost, including any legal costs incurred as a result.
- 6.18. The Council will not withhold consent for an improvement unreasonably. In normal circumstances permission will only be withheld for the following reasons:
- The requested work would result in the property devaluing in price;
 - The requested work would cause a nuisance or annoyance to neighbouring properties; or,
 - The Shared Owner is in rent arrears or a Court Order is pending or in force, in relation to possession action.

6.19. Any refusal of the proposed alteration or improvement will be accompanied with a full written explanation. There is no appeals process. The terms of the lease will be referred to on all occasions.

7. Other lease management issues

7.1. The Council will take appropriate action whenever it becomes aware that a Shared Owner is acting in breach of the terms of the lease which may include:

- Non-payment of rental income;
- Unapproved works to the property;
- Improper use of the home or building;
- Failure to maintain or damage to the property;
- Refusal of access to Council staff and or its contractors or agents;
- Anti-social behaviour by the Shared Owner, their household members or visitors that causes a nuisance, alarm, or distress to other residents in the vicinity of the property, including but not limited to:
 - Intimidation of neighbours and others through threats or actual violence
 - Harassment, including racial harassment
 - Verbal abuse
 - Homophobic behaviour
 - Noise
 - Dumping rubbish
 - Animal nuisance, including dog fouling
 - Vandalism, property damage and graffiti

7.2. The Council will work with the Shared Owner and other relevant services or agencies to resolve any issues. Should the breach continue, the Council will consider taking legal action which could include seeking an injunction, or action for the forfeiture (termination) of their lease.

Subletting

7.3. Subletting is prohibited.

7.4. In exceptional circumstances the Council may grant permission for a Shared Owner to sublet, for example, for Ministry of Defence personnel who are posted away from the property. In all cases, sub-letting must be approved by the Council in writing.

8. After-sales

8.1. The Council will be responsible for dealing with all after-sales transactions, including stair-casing and re-sales. Shared Owners will be responsible for paying fees associated with Land Registry registration, the payment of stamp duty land tax and legal fees.

Stair-casing

8.2. Shared Owners can apply to increase the share that they own at any time during the term of the Shared Ownership lease. The Shared Owner will be able to buy a further 1% stake each year for 15 years, without the need for a RICS valuation; the Council will not charge an admin fee for this. At any time, the leaseholder can buy a larger stake. The stake will be 5% or more and will include a RICS qualified surveyor carrying out a valuation and will be subject to an administration fee.

Downward stair-casing

8.3. Downward stair-casing involves the Council repurchasing some of the equity from the existing Shared Owner, who will remain living in the property owning a smaller share of it.

8.4. Downward stair-casing will be considered at the discretion of the Council in exceptional circumstances such as where the Shared Owner is at risk of repossession or falling into arrears and where no alternative solution can be found.

8.5. Shared Owners will be required to maintain a minimum share of 10% in order that the property is preserved for Shared Ownership.

Re-sales

8.6. Shared Owners are required to notify the Council if they intend to sell the property. Sheffield City Council will then appoint an independent RICS qualified surveyor within 14 days to establish the market value of the property.

8.7. Under the terms of the lease, the Council has four weeks from notification that the Shared Owner wishes to sell to nominate a purchaser who is eligible under the Shared Ownership guidance.

8.8. If the Council is unable to nominate a buyer within the 4 week period, or a purchaser is nominated but fails to exchange contracts within 12 weeks, the Shared Owner is entitled to advertise their property on a Shared Ownership basis on the open market.

8.9. Re-sale applicants must still meet the eligibility criteria of this Policy

8.10. Re-sale applicants will be required to purchase a share equal to or higher than that purchased by the current Shared Owner.

Leasehold repurchase

8.11. Shared Owners can request that the Council purchases their entire share of the property. Such requests will be considered in exceptional circumstances where the Shared Owner is able to demonstrate a genuine need, including but not limited to financial hardship, to move and all other alternatives have been exhausted. The Council will consider repurchase requests on a case by case basis and will provide a determination within 28 days of receipt of written notice of a Shared Owner's intention to sell.

Re-mortgaging and additional borrowing

- 8.12. Shared Owner's may request to increase the borrowing secured against their share of the property subject to the Council's approval.
- 8.13. The Council will consider such requests only where the funds are to be used to:
- Enable the purchase of further shares (stair-casing);
 - Enable the Shared Owner to comply with the terms of the lease, for example, to carry out essential repairs; or
 - Allow one Shared Owner to buy out another Shared Owner's interest in the property.
- 8.14. Consent will only be given for essential repairs and maintenance. The Council will not permit additional lending for home improvements. As an example, the replacement of a boiler or repairing the roof would be permitted; further borrowing for the addition of a conservatory would not be approved.

9. Involvement and consultation

- 9.1. The Council will provide appropriate opportunities for Shared Owners to influence the quality, cost and efficiency of the services they receive. This will include consultation on policies and procedures that affect the Shared Ownership service offered.
- 9.2. Where qualifying works or a long-term agreement is required for the property, the Council will consult with Shared Owners in line with its statutory obligations.

10. Definitions for the purposes of this policy

Equity Stake

The percentage of the property owned by the Shared Owner.

Help to Buy Agent

A provider appointed by Homes England to assess applicant's eligibility for Shared Ownership. Prospective purchasers must be approved by the Help to Buy Agent before they can reserve a property.

Homes England

The non-departmental public body that provides grant funding for new affordable housing in England. Grant-funded Shared Ownership schemes must be managed in line with the HE guidelines which are set out in the Capital Funding Guide. England.

Housing Register

The system used by the Council to prioritise applicants for social housing based on housing need.

Lease

The legal agreement that sets out the rights and responsibilities of both the Shared Owner and the Registered Provider. The lease is granted for a fixed term; however, it is possible for the Shared Owner to extend this.

Leaseholder

A person with an interest in a property granted by a lease which gives them the right to occupy the property for a fixed period.

Lender

The Bank or Building Society who provide the loan to the Shared Owner to purchase their share of the property.

Market Value

The price that the leasehold interest in the property would fetch if sold on the open market by a willing seller, upon the terms and conditions of the Shared Ownership lease and on the assumption the leaseholder would acquire a 100% interest in the lease.

Rent

A monthly amount charged by the Registered Provider that is based on the unsold share of the property. The Shared Owner is required to pay the rent to the Registered Provider under the terms of the lease.

Retail Price Index (RPI)

A measure of inflation published monthly by the Office for National Statistics that represents the change in the cost of a representative sample of retail goods and services.

Service Charge

A monthly amount charged by the Registered Provider to recover the cost of providing services, such as maintaining communal parts of a scheme, providing buildings insurance and administration costs. The Shared Owner is required to pay the service charge to the Registered Provider under the terms of the lease.

Shared Owner

The occupier of a property who owns part of the property and pays rent on the remaining share. Is the Leaseholder of the property.

Shared Ownership

A low cost home ownership scheme which enables a buyer to purchase a share of their home (initially between 25% and 75%) and pay rent on the remainder to a Registered Provider.

<https://www.gov.uk/guidance/capital-funding-guide/1-help-to-buy-shared-ownership>

Stair-casing

The process of acquiring additional shares in a Shared Ownership home.

The Council

Sheffield City Council. (the Landlord)

Ministry of Defence Personnel

- They have completed their basic (phase 1) training and they are one of the following:
- Regular service personnel (including Navy, Army and Air Force)
- Clinical staff (with the exception of doctors and dentists)
- Ministry of Defence Police Officers
- Uniformed staff in the Defence Fire Service

- They are ex-regular service personnel who have served in the Armed Forces for a minimum of six years, and can produce a Discharge Certificate (or similar documentation) as proof, where they apply within two years (24 months) of the date of discharge from service or
- They are the surviving partners of regular service personnel who have died in service, where they apply within two years (24 months) of the date of being bereaved. For details of how surviving partners are defined, please see the link below

Appendix 2 Case Studies and Examples

I earn £23,253 per year, the lower quartile household income for the South East Housing Market Area. What are my housing choices if I am looking for a 2 bedroom property in the South East of the city?

Social rent
£330 PCM
18% of gross household income

Private rent
£582 pcm
30% of gross household income

Owner occupation - second hand market avg price
£128,175
Max mortgage £104,639 (4.5 x income). Lower quartile

Shared ownership - £155,000
Lower quartile income and 5% deposit would enable purchase of a 45% share

New build – outright ownership price around £165,000 for a house or £130,000 for an apartment.

Pros

- Lowest monthly cost
- No unexpected or additional costs
- Greatest security of tenure, highest standards of management

Pros

- Offers short term options if households circumstances subject to change
- Can be easy and quick to access, moderate supply, lower financial cost of entry to this sector

Pros

- Owner occupation provides owner with security of tenure
- Allows owners to accumulate 'equity' over time by paying off mortgage, this can benefit owner at a later date.

Pros

- Can buy when other homeownership options are out of reach
- Can access with modest deposit levels
- Monthly repayments of £554 would be lower than the average private rent
- Has security of tenure,
- Could benefit from house price increases
- **As a new build property will benefit**

Max mortgage £104,639 (4.5 x income), lower quartile income not sufficient to access a house.
 Some new build apartments may be

Cons

- No stock available in some neighbourhoods
- Very long waiting time for non-priority applicants in others (7+ years in Hackenthorpe, Citywide average of 3 years, 8months in 2019/20)

Cons

- Lack of security of tenure, landlord has mandatory grounds to require tenant to leave property
- Rent increases are not regulated
- Quality of accommodation and management can vary across private sector

Cons

- With a 5% deposit, and a rate of 4.25%, monthly repayments would be £667.
- This would be affordable with an income of £26,627
- Costs of homeownership can be unpredictable, maintenance or repair costs
- Sustaining homeownership can be difficult on lower incomes

Cons

- Higher monthly cost than Social rent.
- Required to save a deposit of £3,488.
- Less suitable for households who need 'short' term regular moves
- Owner responsible for full repairs.
- Unlikely to be accessible to very low income groups

Pros/cons same as for second hand resale property, though repairs and maintenance should be minimal.

The main additional benefit of full occupation is household will retain 100% equity once mortgage repaid.

I earn £33,439 per year, the average income for the South East Housing Market Area. What are my housing choices if I am looking for a 4 bedroom property in the South East of the city.

<p>Social rent £415 PCM</p> <p>15% of gross household income</p>	<p>Private rent £800 pcm</p> <p>29% of gross household income</p>	<p>Owner occupation - second hand market avg price £262,101</p> <p>Max mortgage £150,476 (4.5 x local average income) net</p>	<p>Shared ownership – £210,000</p> <p>Median income and 5% deposit would enable purchase of a 45% share</p>	<p>New build – outright ownership (Owlthorpe) £186,250</p> <p>Max mortgage £150,464</p>
<p>Pros</p> <ul style="list-style-type: none"> • Lowest monthly cost • No unexpected or additional costs • Greatest security of tenure, highest standards of management • Opportunity to live in 	<p>Pros</p> <ul style="list-style-type: none"> • Offers short term options for households with changing circumstances • Easy and simple to access with smaller deposit than 	<p>Pros</p> <ul style="list-style-type: none"> • Owner occupation provides owner with security of tenure and owners have ability to upgrade or alter the property as they choose • After mortgage full paid, property is a financial asset • Opportunity to live in Owlthorpe, majority of homes available in neighbourhood are for owner occupation 	<p>Pros</p> <ul style="list-style-type: none"> • Can buy when other homeownership options are out of reach • Can access with modest deposit levels • Monthly repayments of £751 would be lower than the average private rent • Has security of tenure 	<p>Pros/cons same as for second hand resale property.</p> <p>The average 4 bed new build price is lower than the resale price due to location and space standards of recent new builds.</p> <p>Average monthly cost to purchase is £969.</p> <p>The main additional benefit of full occupation is household will retain 100% equity once mortgage repaid.</p>
<p>Cons</p> <ul style="list-style-type: none"> • There are very limited numbers of 4 bedroom affordable homes in the city. • As new lettings are almost all to households in priority need. 	<p>Cons</p> <ul style="list-style-type: none"> • Lack of security of tenure, landlord has mandatory grounds to require tenant to leave property • Rent increases unregulated • Quality of accommodation and management can vary across private sector • Very limited availability of larger properties for private rent in this area 	<ul style="list-style-type: none"> • To access a 4 bed in the South East, household needs income of £51,845 + 5% deposit • Limited supply of second hand resale in some neighbourhoods • Costs of second hand homeownership can be unpredictable and stretch budgets e.g maintenance and replacements 	<p>Cons</p> <ul style="list-style-type: none"> • Monthly cost is higher than social rent • Required to save a deposit of £4,725 • Less suitable for households who need 'short' term regular moves • Owner responsible for full repairs • Unlikely to be accessible to very low income groups. 	

Appendix 3 Core Cities

English Core Cities	Low Cost Home Ownership Units (Owned by Private Registered Providers)
Birmingham	3,153
Bristol	1,239
Leeds	1,236
Liverpool	760
Manchester	1,261
Newcastle	342
Nottingham	295
Sheffield	462



Author/Lead Officer of Report:

Emma Dickinson – Strategic Commissioning Manager
 Nicola Shearstone – Head of Commissioning for Prevention and Early Intervention (All Age)

Tel: 07584 386 707

Report of: Executive Director of People Services John Macilwraith
Report to: Cabinet Member for Adult Social Care George Lindars-Hammond
Date of Decision: 17th March 2021
Subject: Carers' Strategy Update and Commissioning Plan

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? Cabinet Member for Adult Social Care George Lindars-Hammond		
Which Scrutiny and Policy Development Committee does this relate to? Healthier communities and Adult Social Care Scrutiny and Policy Development Committee		
Has an Equality Impact Assessment (EIA) been undertaken? Number 903	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below: -		
<p><i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i></p>		

Purpose of Report:

(Outline the decision being sought or proposal being recommended for approval.)

The purpose of the report is to note and approve:

- the proposed strategy update for carers.
- the proposed commissioning plan for carers.
- A proposal for the Council to tender for and award a contract for a service that supports adult/parent carers with information advice and guidance as well as support to take a break from caring. Adult carers will be able to get a Care Act (2014) section 10 carer's assessment.
- A proposal to have a grant agreement with Sheffield Young Carers which will contribute to a service that helps young carers achieve outcomes such as increased confidence, self-esteem, resilience and raised aspirations.

The contracts are currently provided by Sheffield Carers Centre and Sheffield Young Carers however, due to changes in the marketplace and COVID-19 the Council seeks to have new carers provision in place for January 2022.

The current contracts end on 31st December 2021.

Securing new services will provide support to young carers, parent carers and adult carers who care for someone who lives in Sheffield. This will support the Council to prevent, reduce and delay care and support needs developing within the carer population of Sheffield which is currently between 60,000-90,000.

Recommendations:

That Cabinet:

1. Approve the refreshed Young Carer, Parent and Adult carers strategy 'Principles'.
2. Approve the new 'Carers Commissioning Plan 2021-2025'.
3. Approve the proposed services as set out in this report and to procure such services in line with this report
4. Delegate authority to the Director of Strategy and Commissioning in consultation with the Director of Legal and Governance Services, Director of Finance and Commercial Services and the lead Cabinet Member for Health and Social Care that following such procurement exercise to award the contract and take such other necessary steps not covered by existing delegations to achieve the outcomes and objectives of this report.

Background Papers:

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

Link to the All-age carers strategy and the current adult carer commissioning plan

<https://www.sheffield.gov.uk/home/social-care/social-care-carers-strategy>

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: Helen Damon
		Legal: Henry Watmough-Cownie
		Equalities: Ed Sexton
<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>John Macilwraith</i>
3	Cabinet Member consulted:	<i>George Lindars-Hammond</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: Emma Dickinson	Job Title: <i>Strategic Commissioning Manager</i>
	Date: 12/02/2021	

1. PROPOSAL

1.1 The proposal is that Cabinet notes and approves:

- The refreshed strategy update for carers.
- The proposed Carers Commissioning Plan 2021-2025.
- The Council to tender for and award a contract for a service that supports adult/ parent carers from January 2022 to December 2026.
- A grant agreement with Sheffield Young Carers which will contribute to a service that helps young carers achieve outcomes from January 2022 to December 2026.

1.2 Current position

The existing Young Carer, Parent and Adult Carer strategy and Commissioning Plan for Adult and Parent Carers ran until 2020. They need refreshing, especially when considering the impact of Coronavirus on the carer population which is detailed in this proposal section.

The 'City-Wide Service for Carers' and the Young Carers and Hidden Harm Service' contracts expire in December 2021. It is critical we continue to support our carers and the evidence showing how important it is we do so, is in this proposal section. Strategy and Commissioning needs to progress our plans including getting Cabinet approval so we can seamlessly replace our existing carers services; This includes working with colleagues in Commercial Services to go through the necessary procurement process and Legal Services to get the grant agreement in place (for young carers).

1.3 Legal requirements/choosing to do

There are no legal requirements to have a strategy/commissioning plan for carers. It is however best practice and will help the Council make our position clear to the market, stakeholders and partners, including what our intentions are with the money we have available.

Carers often report that it is difficult moving through the health, education and social care systems. The Council wants to continue a preventative approach and improve how the broader system supports carers and one of the ways we can do this is by working in a multiagency way i.e. the Council working with health, education and internal (Council) stakeholders to join services/support up for carers and the person they care for. The current carers strategy has encouraged organisations to work together to support carers and we need to continue with this approach to build on progress made.

There are legal requirements in relation to the Council's 'City-Wide Service for Carers'. This in part is due to outsourcing our Care Act (2014) section 10 carer's assessment duty with the existing City-Wide Service for Carers contract. The Council also has a duty in Care Act section 2. These requirements are covered in more detail in the 'Legal Implications' section of this Form 2.

The 'Young Carer and Hidden Harm Service' supports the Council in achieving our

section 96 Children and Families Act duties including ‘a local authority in England must take reasonable steps to identify the extent to which there are young carers within their area who have needs for support.’

1.4 Introduction

Who is a carer?

A carer is someone, of any age, who looks after a person (a family member, partner, or friend) who needs help because of their illness, frailty, disability, a mental health problem or an addiction and cannot cope without their support. The care they give is unpaid.

this Cabinet paper includes support for:

- Young carers – A person under 18 who provides or intends to provide care for another person (adult or child)
- Adult carers – An adult who provides or intends to provide care for another adult (an adult, 18+ needing care)
- Parent carers – A person aged over 18 who provides or intends to provide care for a disabled child for whom the person has parental responsibility (NB this is different to parenting)

Throughout the Cabinet Paper, when the term ‘carer’ is used, it means adult, parent and young carers unless specified.

1.5 Background/impact of Coronavirus

There were 57,373 carers in Sheffield according to the Census 2001. Research in 2015 by Carers UK and the University of York found that the caring population changes regularly – it is not static. Pre-Coronavirus, in Sheffield, this meant around 20,000 people starting caring and 19,000 stopping caring. Without the pandemic, we would have anticipated a small growth in the carer population with approximately one in ten people in Sheffield being a carer; for more information on Sheffield’s carer demographics please look at the council’s Community Knowledge Profile on carers which can be found [here](#).

Carers UK research suggests that the numbers of carers has risen 49.5% since the beginning of COVID-19. If applied to Sheffield, this would mean we have **approximately 90,000 carers** (winter 2020). It is unclear what will happen to the numbers of carers over time.

Carers UK have speculated that *‘the level of carers will fluctuate according to the level of restrictions placed on society and the level of health, social care and community support.’* The Census 2021 should provide further clarity on the impact COVID-19 has had on the numbers of people providing unpaid care to someone living in Sheffield.

Carer levels in Sheffield will also change due to the development of potentially viable vaccines that will alleviate people of caring responsibilities/tasks. However, it is anticipated that there will still be additional demands placed on carers for some time. This will be due to factors such as:

- Deconditioning of older adults physically and mentally, due to lockdown restrictions of minimising social contact and people being less physically active. Deconditioning can lead to more difficulty completing daily living tasks.
- Long covid– For some people, COVID-19 can cause symptoms weeks and months after the infection has gone. The repercussions of long covid are still not fully understood. Symptoms (after the infection) may mean carers need to continue providing care and support over a longer period than anticipated.
- Mental health – the impact of lockdown on mental health is not yet fully understood. What is certain, is that people are reporting feeling more isolated, anxious, low in mood and lonely since the start of the pandemic. It may take time, for both carers and the person for whom they care to recover
- Fluctuating service levels – due to the impact of the pandemic, services, organisations and informal community support (e.g., lunch clubs or faith services) may be forced to reduce their offer or close. Many businesses have struggled with some (in Sheffield) already closing. This could mean carers have to continue filling gaps until health, social care and community service levels return to what they were pre-COVID-19. This could potentially take years and depend on the uptake/success of the vaccine(s).

The combination of additional people providing care plus carers increasing the amount of time they spend caring, will place increased pressure on organisations that support carers. If caring relationships break down due to COVID-19 eroding carer resilience, this will have a detrimental impact on the economy, health, and social care systems. From the beginning of the pandemic to November 2020, Carers UK (based on polling data) calculated that £135 billion of care had been provided by unpaid carers in the UK. This incredible contribution should be recognised; we need to value and support our carers throughout the pandemic and beyond.

In 2018 the Department of Health & Social Care produced the ‘Carers Action Plan 2018-2020’. The document said that ‘A sustainable social care system for the future is simply not possible without focusing on how our society supports carers’. Coronavirus has applied even more pressure to our health and social care systems in Sheffield; now more than ever, we need to care for our carers.

1.6 Seeking Cabinet approval - refresh the Young Carer, Parent and Adult Carer Strategy ‘Principles’

The table below shows the six ‘Carers Principles’ which have been updated. These Principles have been co-produced with carers and professionals from organisations that typically interact with, or support carers. In 2019, 94% of carers and professionals voted to continue with the existing Strategy, rather than start from scratch in 2021. It was felt that good progress had been made on the Carer Action Plan that was created in response to the Carers Principles’. The Work on the Carers Action Plan will continue, using the updated ‘Carers Principles’ to maintain the momentum.

The Council is a key partner in delivering the Young Carer, Parent and Adult Carer Strategy in conjunction with other organisations/agencies. Strategy and Commissioning’s initial response to the refreshed ‘Carers Principles’ is detailed in the Carers Commissioning Plan 2021-2025.

If the Young Carer, Parent and Adult Carer Strategy is working:

Carers will say:	Organisations will:
<p>1. I have good quality information and advice which is relevant to me and the person I care for.</p>	<ul style="list-style-type: none"> - Identify carers and understand that not all people in a caring role will recognise the term carer. - Link up carer registers across Sheffield to make carer identification more effective. - Be proactive, giving carers good quality information and advice when it is wanted or needed. - Give personalised information and advice that is specific to the carer and the person they care for.
<p>2. I know what my rights are and how to enforce them.</p> <p>There are laws that help and protect me as a carer, and they cover things like:</p> <ul style="list-style-type: none"> - Employment. - Protection from discrimination. - Right to education. - Social security benefits. - Assessment of my need(s). 	<ul style="list-style-type: none"> - Make effective interventions at the right time to prevent, reduce or delay carers' needs developing/escalating. - Recognise carers' rights and support them to: - Balance caring with education/employment. - Avoid inappropriate caring. - Be involved in health/social care planning for the person they care for. - Arrange regular training for staff so they understand carers rights and know what support is available to carers. - Take a whole family approach to assessment and support. This will result in a holistic view of the needs of the cared-for person and their family/network of support.
<p>3. The caring I do is valued and I am listened to.</p> <p>This includes:</p> <ul style="list-style-type: none"> - My own needs, wants, opinions and feelings as a carer. - My needs want opinions and feelings when talking about the person I care for. 	<ul style="list-style-type: none"> - Listen to carers and support them to participate in decision making with the person they care for. - Recognise and understand the importance of carers who are experts by experience. - Treat carers with dignity and respect. - Enable and empower carers to have a 'voice'. - Work with carers like they are partners in the delivery of health/social care. - Build relationships with carers, recognising that trust is earned. This is particularly important for organisations providing support to the cared-for person. - Help carers to reduce or stop their caring role when that is what the carer wants. - Consider different cultural and religious beliefs. - Co-design/co-produce support for carers with carers.
<p>4. I have breaks from caring, meaning I have a life of my own and time for friends and family.</p>	<ul style="list-style-type: none"> - Signpost or provide carer break support. - Take a personalised approach, asking carers 'what matters to you?' - Be flexible, allowing carers to make best use of their time to give more scope for breaks - Encourage carers to get replacement care via an assessment of the person they care for. - Support carers to be digitally included to help keep in touch with friends and family.
<p>5. My prospects in life are not affected due to me being a carer. I can access education, employment, and training.</p>	<ul style="list-style-type: none"> - Work together with the carer to raise aspirations and achieve the outcomes that matter to them in their lives. Recognising that this is especially important for young carers transitioning to adulthood. - Be carer aware with carer friendly policies/processes e.g., flexible working.
<p>6. I am supported to look after my mental/physical health and wellbeing.</p>	<ul style="list-style-type: none"> - Understand that caring can negatively impact on a person's health and wellbeing. - Promote self-care so carers are more actively interested in their

Carers will say:	Organisations will:
	<p>own health.</p> <ul style="list-style-type: none"> - Support carers to access services/groups that will promote health and wellbeing e.g., exercise groups/move more initiatives. - Proactively engage at risk groups including carers who are isolated or lonely.

1.7 Seeking Cabinet approval - refreshed carers commissioning plan for 2021-2025.

The Carers Commissioning Plan 2021-2025 is attached

The main priorities from the Carers Commissioning Plan are listed in the table below. The priorities are either strategic or operational.

Strategic – these priorities will be in place until at least 2025; Strategy and Commissioning will need to work with internal and external stakeholders to make them happen e.g., Adult Social Care, Multi Agency Support Team (MAST), Sheffield Teaching Hospitals, Sheffield Health and Social Care Trust, Learn Sheffield etc.

Operational – These are the upcoming priorities for Strategy and Commissioning in the next 12 months. Strategy and commissioning’s actions in accordance with the priorities below are listed in section 5 of the Carers Commissioning Plan.

Strategic Priorities	Operational Priorities
<ul style="list-style-type: none"> • Prevent, reduce, or delay carers needs developing (as per section 2 of the Care Act (2014)). • Make provision and support for carers easy to find and access. • Work with partners such as health services, schools, Sheffield Clinical Commissioning Group to join up systems and services, creating a ‘no wrong doors’ approach in Sheffield. • Work to make Sheffield a carer friendly city. 	<ul style="list-style-type: none"> • Commission the right support for carers at all levels of need. • Create services that provide support as early as possible. • Create high quality local provision that meets local needs. • Understand and respond to emerging needs caused by COVID-19.

1.8 Seeking Cabinet approval – commissioning of Carer Services

This Cabinet paper seeks approval to spend approximately £1,100,000 per year on two carer services as detailed in section 4 of the Carers Commissioning Plan and outlined in the ‘Financial and Commercial Implications section of this report.

One of the ways the Council currently supports carers is by commissioning two services which are:

- **City-Wide Service for Carers, that supports adult/parent carers.**
- **Young Carers & Hidden Harm Service’ that supports young carers.**

These services provide support to thousands of carers across Sheffield. It is

imperative that we continue to provide support services for carers. Legally, morally, ethically, and economically speaking, helping carers is the right thing to do.

1.9 Re-procurement of support service for carers (adult/parent carers)

In 2016, Commissioning and Strategy wanted to transform our carers services (for adults), switching to a more outcome focused approach and outsourcing our Care Act (2014) section 10 carer's assessments as part of the City-Wide Service for Carers. This way of working has been beneficial for carers, with 98% stating they were satisfied or very satisfied following a carers assessment. The focus on outcomes has seen significant improvements in several areas of performance, detailed in the contract extension request approved in 2019. There has also been good joined up working internally across the Council and with the Sheffield Carers Centre because of this approach.

The next service for adult/parent carers will have an increased focus on prevention. This will include a stronger emphasis on working with health services to identify, assess and support carers as early as possible. The next service will continue to focus on outcomes such as:

- Carers are actively sought (particularly those at risk of breakdown) and identified
- Carers have the right information to make appropriate choices for themselves and support the person they care for to make decisions
- Carers have an emergency plan and understand what will happen in the future
- Carers have a voice
- Carers can have a break
- Carers are supported to maintain or increase emotional wellbeing
- Carers consider and look after their own health
- Carers are supported to reduce financial hardship
- Carers gain or retain work (if appropriate or they wish to)
- Carers are supported through change points of their life, specifically:
 - transition from young carers services to adult carers services
 - life after caring

The intention is for section 10 carer's assessments to remain outsourced. This would mean we want Cabinet to agree spend of approximately £950,000 per year (over 5 years) so we can procure a new carers service for adult/parent carers.

1.10 Grant Funding for Sheffield Young Carers Service for young carers date

It is critical we continue to support our young carers. Caring can impact a young person's health, education, and social outcomes, leading to inequalities when compared with peers who are not carers. For example, young carers have significantly lower educational attainment at GCSE level, the equivalent to nine grades lower overall than their peers.

This range of inequalities can be redressed through targeted interventions which recognise and support the child/young person in their role as a young carer and advocates on their behalf across a range of services and systems alongside building individual resilience and social capital within the context of the family.

Addressing stigma and promoting cultural change are also essential components of reducing the short term and long-term impact caring has on the lives of these children and young people.

The council wants to continue to provide a personalised service of intervention which will improve a range of health, education, and social outcomes for the child/young person within the context of the family and community. To do this, we want to grant Sheffield Young Carers approximately £150,000 per year (over five years). The money will help contribute towards outcomes such as:

- Increased confidence, self-esteem, and resilience.
- Raised life aspirations.
- Improved health and wellbeing, social and education outcomes.
- Actively identifying more young carers.

Cabinet approving the Carers Framework, will allow the Council to continue caring for our carers, who make a huge contribution to our communities and to our health and social care systems. The Sheffield Young Carer, Parent and Adult Carer Strategy 2016-2020 states:

‘Although caring for someone cannot be measured, research in 2015 by Carers UK and the University of Sheffield have estimated the value of the caring undertaken by carers in Sheffield to be £1,186 million (this is the estimated value cost of providing homecare for the number of hours unpaid carers provide).’

2. HOW DOES THIS DECISION CONTRIBUTE?

2.1 This proposal contributes to all 5 priorities in the Corporate Plan:

An in-touch organisation

Approximately one in ten people in Sheffield are carers and this number is likely to be higher due to Coronavirus. Updating our Carer Framework is essential to understanding the needs our carers have and the outcomes they want to achieve. Carers are important to Sheffield’s health and social care systems; it is therefore essential that we continue to provide support. We know that carers really value the two existing carer support services and now more than ever need this help to continue caring.

Strong economy

Through supporting carers who need it the most we are reducing the likelihood of carer breakdown. This preventative approach is better for the local economy. This is because by meeting the needs of the cared-for person, the requirement for health/social care funded services reduces.

Evidence shows that caring can have an impact on educational attainment. By working with young carers and raising their aspirations, we are ultimately improving their life chances and the national/local economy.

Thriving neighbourhoods and communities

Carers play a critical role in our communities, supporting some of the most vulnerable people in our society. Carers have also stepped in to provide additional support during the pandemic. It is essential we support carers so they can continue to care (if they want to).

Better health and wellbeing

The updated Carer Framework continues to promote a preventative approach. Identifying carers early (i.e., within 6 months of them starting to care) and helping them achieve the outcomes they want from life, will be beneficial to their health and wellbeing. Evidence from the young carers and adult carers support services shows a positive impact on health and wellbeing outcome measures. Future services will continue to prioritise health and wellbeing outcomes.

Tackling inequalities

The updated Carer Framework will continue to promote equity and inclusion. Diversity and equity of access will be key considerations of our new carer provision starting in January 2022. As with previous provision, monitoring will ensure this is scrutinised as part of our standard processes.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 The Council's ability to do consultation has been hindered by Coronavirus. However, Strategy and Commissioning (via Zoom) has:

- Attended two carer support groups.
- Hosted four consultation sessions for any interested carers.
- Attended the Council's Staff Equality and Inclusion network meeting for staff who are carers.
- Hosted a consultation session with professionals who work with carers regularly so understand their needs/the outcomes they want to achieve.
- Hosted the Carer Voice Group and the Carers Action Plan Review session.

We will co-design future services with carers and involve carers in the procurement process to co-produce the outcome. Which will include a questionnaire for carers to complete to get more details feedback from carers to start developing the service specification.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

In the 2011 census, there were 57,373 carers in Sheffield. The carer population is not static, so of that 57,373, approximately 20,000 carers will start caring and 19,000 carers will stop caring each year. Therefore, the needs that carers have will

be broad ranging and different, dependent on criteria like when they started caring, what are the needs of the cared-for person, how many hours caring per week they do etc. This means the needs carers have and the outcomes they want are broad ranging and varied. There is also the impact of Coronavirus to consider. Updating our Carer Framework will not cause any adverse risk or implications in terms of equality of opportunity for carers. The overall impact of updating our Carers Framework should be positive for all groups with protected characteristics. The council will continue to provide equitable services that give support to carers. These services will help us deliver our broader strategic priorities.

The Council will continue to monitor indicators e.g., Black, Asian minority ethnic (BAME) engagement to ensure those accessing Council funded support are reflective of the diverse Sheffield population profile.

As a Public Authority, we have legal requirements under sections 149 and 158 of the Equality Act 2010. These are often collectively referred to as the 'general duties to promote equality'. Section 149(1) contains the Public Sector Equality Duty, under which public authorities must, in the exercise of their functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation, and any other conduct that is connected to protected characteristics and prohibited by or under this Act.
- Advance equality of opportunity between those who share a relevant protected characteristic and those who do not.
- Foster good relations between those who share a relevant protected characteristic and those who do not.

The report sponsor has considered the Council's obligations under these statutory duties in this report and the Council is committed to ensuring that all citizens, particularly those who are most vulnerable or in need of support, have access to the information and support they need to access services and make decisions about their lives. The proposal submitted complies with the above aims/duties.

4.2 Financial and Commercial Implications

4.2.1 Strategy and Commissioning has had several meetings with Financial and Commercial Services in preparation for updating our Carers Framework. The Council recognises the importance of getting best value and delivering affordable services. To do so Finance and commercial services have developed a procurement strategy to ensure we have the best provision in place whilst minimising financial risk to the Council.

Re-procurement will be in line with public contract regulations (2015).

Costs: The Council will spend approximately 1,130,000 per year on supporting carers. This will include:

To support People Keeping Well Partnerships	Grant			200,000
Young Carers Services	Grant			150,000
Adult Carers Services	Contract for Services	Time for a Break fund	100,000	950,000
		Carers Assessments purchasing budget	150,000	
		Carers Services	700,000	
Campaign to raise awareness of Carers				30,000
Total				1,330,000

NB The People Keeping Well grant has already been approved by Cabinet so is not in scope for this proposal, other than for information.

4.3 Legal Implications

4.3.1 The Council has a statutory duty to carry out what are described as ‘a carer’s assessment of need for support’ by virtue of section 10 of the Care Act 2014 in circumstances where it appears that i) a carer does have current needs for support or is likely to do so in the future; and ii) what those needs are both now and in the future. This statutory duty is currently outsourced to the Sheffield Carers Centre. Approving the updated Carers Framework will allow the Council to continue providing carer’s assessments via a commissioned service and reduce risks around not delivering these assessments in accordance with our duties when the existing contract ends in December 2021.

Approving the updated Carer Framework also ensures that the Council can discharge its section 2 Care Act 2014 duties regarding its ‘preventing needs for care and support’. Section 1(2) states that ‘A local authority must provide or arrange for the provision of services, facilities or resources, or take other steps, which it considers will ... (b) contribute towards preventing or delaying the development by carers in its area of needs for support ... (d) reduce the needs for support of carers in its area’.

4.4 Other Implications

(Refer to the Executive decision-making guidance and provide details of all relevant implications, e.g., HR, property, public health).

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Strategy and Commissioning recommends that Cabinet approves the carers strategy 'Principles' refresh. The Young Carer, Parent and Adult Carer Strategy ran until the end of 2020. In consultation carers and organisations/stakeholders that engage with carers voted to refresh the strategy rather than start with something new. This was because there had been significant progress made due to the Carers Action Plan. To maintain momentum partners will sign up to a refreshed version of the Carer Principles and this will be used to drive multiagency support of those caring for someone living in Sheffield. The alternative is to not have an updated strategy, and this wouldn't promote the message that the Council values the work unpaid carers do in our communities.

The existing Commissioning Plan 2016-2020 has recently ended. Strategy and Commissioning recommend that Cabinet approve the new Carers Commissioning Plan 2021-2025. It is important that the Council is clear about what it will do to support carers to set a positive example in the city. If providers and stakeholders are aware of our priorities and what we're trying to achieve, this will make multiagency/joined up working easier. The more aligned the Council is with other organisations (and vice versa) the better it will be for carers. Commissioning and Strategy wants to promote a 'no wrong doors' approach. As we're replacing our existing carer services, the Council needs to state what our commissioning intentions are too. The alternative would be to not update the current Commissioning Plan. This would not help encourage best practice and joined up working. It is very important that health and social care work together with carers services to identify new carers.

Strategy and Commissioning recommends that Cabinet approves five more years of expenditure on provision for carers. This will amount to approximately £1,130,000 per year or £ 5,650,000 over five years. Morally/ethically, it is more important than ever to support our carers due to the significant impact of Coronavirus. Legally we need to fulfil our local authority duties in relation to carers too. Continuing to fund provision for carers will benefit carers but it will also benefit the broader health and social care systems too. It will allow us to continue to raise the aspirations of young carers and improve their life chances and that will ultimately benefit the local economy. The alternative would be to not fund carer provision which would create legal and reputational risks as well as risks to our local economy, health, and social care systems. The Council would need to plan what to do with thousands of carers who currently receive support from existing provision.

NB Sheffield Young Carers (from January 2022) will receive grant funding rather than being paid via a commercial contract. The alternative would be to go through a competitive procurement process. This was ruled out as an option as:

- The Council only received one tender application the last time we went through procurement. Providing carer support is a niche market.
- Sheffield Young Carers make the young carers contract work as they draw down lots of additional funding and blend it with the Council's money. Without this added value, it is thought that no other provider could deliver the specification requirements for the price. The council would need to spend more

money.

6. REASONS FOR RECOMMENDATIONS

- 6.1** The preferred option is that Cabinet approve the Carers Framework update. This will allow the council to continue supporting carers who are fundamental to the success of our health and social care systems and communities. This is the preferred option because it reduces several risk factors for the Council (including legal, economic, and reputational) and means the council can continue to support carers in a prevention focused way. It is especially important that we do what we can to identify and support young carers. Their education, health and wellbeing and life opportunities/aspirations should not be negatively impacted due to their caring tasks/duties.

The intended outcomes are:

- Updated 'Carer Principles' that we can create actions against – April 2021
- Updated Carers Commissioning Plan 2021-2024 available on our website – April 2021.
- Updated carer provision in place for young carers, parent, and adult carers – January 2022.

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Commissioning Plan for Carers 2021-2025

Introduction

Who is a carer?

A carer is someone, of any age, who looks after a person (a family member, partner, or friend) who needs help because of their illness, frailty, disability, a mental health problem or an addiction and cannot cope without their support. The care they give is unpaid.

This Commissioning Plan 2021-2025 (the Plan) will include support for:

- **Young carers** – A person under 18 who provides or intends to provide care for another person
- **Adult carers** – An adult who provides or intends to provide care for another adult (an adult needing care)
- **Parent carers** – A person aged over 18 who provides or intends to provide care for a disabled child for whom the person has parental responsibility.

When the term ‘carer’ is used in this document, it means adult, parent and young carers unless specified.

Scope

This document refers to Strategy and Commissioning, which is a section of the People Services portfolio, part of Sheffield City Council.

This Plan concentrates on the strategic and operational drivers for Strategy and Commissioning in relation to supporting carers.

Strategic – this covers: the impact of Coronavirus, the Young Carer, Parent and Adult Carer Strategy ‘Principles’ refresh, priorities for the future, links with other relevant Council strategies, our approach to multi-agency working in order to influence partners, and external strategies and policies that may impact our approach to supporting carers.

Operational – there are two services that are in scope of this Plan and they are:

- City-Wides Service for Carers
- Young Carer & Hidden Harm Service

NB Strategy and Commissioning also contribute (from the Carer budget) to a grant agreement for People Keeping Well provision (PKW), so carers are supported in their communities. This is part of a broader community-based approach to supporting health and wellbeing. Although there is a contribution to PKW, the service has broader aims than just carers, so it is relevant to this Plan but not directly in scope.

This Plan is informed by and responds to the Young Carer, Parent and Adult Carer Strategy which takes a multiagency approach to supporting carers. Strategy and Commissioning sets out our

response to the Carer Strategy Refresh in section 3. The services we purchase (described in section 4) are aligned with what the Strategy is seeking to do.

This Plan continues the work done in '[Commissioning Plan for Adult and Parent carers 2016-2020](#)'. An update on what has been achieved in the last five years can be found in Appendix 3. There are several other services provided by Sheffield City Council that support carers, typically by providing activities or support to the person with care and support needs. This includes things like day opportunities, home care, care homes, short-term care, peer support groups and other community provision. The above services are not in scope of this Plan.

NB the Commissioning Plan 2016-2020 did not include young carers. Young carers are included in this Plan as Sheffield City Council is moving towards a whole-family approach and is aligning commissioning intentions as a result.

What is the purpose of this Commissioning Plan?

This Plan will:

1. Highlight the impact that Coronavirus may be having on those caring for people who live in Sheffield
2. Set out Sheffield City Council's priorities in relation to carers
3. Show how the Commissioning Plan is supporting the refreshed Young Carer, Parent and Adult Carer Strategy Principles
4. Outline how Strategy and Commissioning will spend its carers budget (approximately £1,130,000 per year excluding PKW) to help carers achieve the outcomes that are important to them
5. Detail our next steps against our commissioning priorities.

Background

There were 57,373 carers in Sheffield according to the Census 2001. Research in 2015 by Carers UK and the University of York found that the caring population changes regularly; it is not static. Pre-Coronavirus in Sheffield, this meant around 20,000 people starting caring and 19,000 stopping caring per year. Without the pandemic, we would have anticipated a small growth in the carer population with approximately one in ten people in Sheffield being a carer; for more information on Sheffield's carer demographics please look at the Council's '[Community Knowledge Profile](#)'. Carers UK research suggests that the numbers of carers has risen 49.5% since the beginning of COVID-19. If applied to Sheffield, this would mean we have **approximately 90,000 carers** (winter 2020). It is unclear what will happen to the numbers of carers over time.

Carers UK have speculated that *'the level of carers will fluctuate according to the level of restrictions placed on society and the level of health, social care and community support.'* The Census 2021 should provide further clarity on the impact COVID-19 has had on the numbers of people providing unpaid care to someone living in Sheffield.

Carer levels in Sheffield will also change due to the development of potentially viable vaccines that will alleviate people of caring responsibilities/tasks. However, it is anticipated that there will still be additional demands placed on carers for some time. This will be due to factors such as:

- Deconditioning of older adults – this is due to lockdown restrictions. Deconditioning can lead to more difficulty completing daily living tasks.
- Long covid - for some people, COVID-19 can cause symptoms weeks and months after the infection has gone. The repercussions of long covid are still not fully understood. Symptoms

(after the infection) may mean carers need to continue providing care and support over a longer period than anticipated.

- Mental health – the impact of lockdown on mental health is not yet fully understood. What is certain, is that people are reporting feeling more isolated, anxious, low in mood and lonely since the start of the pandemic. It may take time, for both carers and the person for whom they care to recover.
- Fluctuating service levels – due to the impact of the pandemic, services and organisations may be forced to reduce their offer or close. Many businesses have struggled with some (in Sheffield) already closing. This could mean carers have to continue filling gaps until health, social care and community service levels return to what they were pre-COVID-19. This could potentially take years and depend on the uptake/success of the vaccine(s).

The combination of additional people providing care plus carers increasing the amount of time they spend caring, will place increased pressure on organisations that support carers. If caring relationships break down due to COVID-19 eroding carer resilience, this will have a detrimental impact on the economy, health, and social care systems. From the beginning of the pandemic to November 2020, Carers UK (based on polling data) calculated that £135 billion of care had been provided by unpaid carers in the UK. This incredible contribution should be recognised; we need to value and support our carers throughout the pandemic and beyond.

Faced with the numerous challenges COVID-19 has posed, Strategy and Commissioning need to make our approach and intentions clear. In broad terms, we want to be transparent, working in a multi-agency way so we can join up and coordinate the health, education, and social care systems to improve our offer to carers and most importantly, work in partnership with carers so their views continue to shape our analysis and planning. Listening to, and working with, carers is an essential part of designing new services. Carers views/opinions underpin our approach through each step of the ‘commissioning cycle’ (see Appendix 1 for more information).

The identification and support of carers is the responsibility of all partners in the health, education, and social care systems. Though the Care Act/Children and Families Act (2014) duties apply primarily to local authorities, the Care Act and other relevant guidance applies to other partners e.g., NICE’s [‘Supporting Adult Carers’](#); this clearly asserts that carers should be identified and supported whilst in the health system. Supporting carers is also promoted via NHS England’s [‘Commitment to Carers’](#) and [‘Supporting carers in general practice: a framework of quality markers’](#). No single organisation has the power to deliver everything that is needed for carers. It requires a true whole system and partnership approach to deliver systemic improvements.

1. How has Coronavirus impacted Sheffield and this Commissioning Plan?

Research from ‘Caring behind closed doors: six months on’ has been used to create the table below.

The table takes the analysis provided by Carers UK and applies it to Sheffield to guesstimate the impact of COVID-19 on our caring population. Even though the numbers given for Sheffield are indicative rather than exact, it is useful analysis to help the Council understand how caring and carers needs have changed since the start of the pandemic.

Carers (all age i.e., questionnaire respondents were from various age groups)

Carers UK Research	Applied to Sheffield
Carer population – 9.1 million carers before the COVID-19 pandemic. 4.5 million new to caring since the start of COVID-19 which is a 49.5% increase.	A 49.5% increase in Sheffield is approximately 29,700 extra meaning our total is 89,700 carers.
Providing more care – 81% of carers reported that they are doing more caring since the start of lockdown.	This would mean 72,657 people are doing additional caring in Sheffield.
Cared-for person's needs – 78% of carers report the needs of the person they care for have increased.	This would equate to 69,966 carers in Sheffield.
Carer breaks – 68% of carers have not been able to take a break for the last six months.	This would mean 60,996 carers in Sheffield had not had a break in the last 6 months.
Physical health – 58% of carers feel like their physical health has been impacted by caring through the pandemic.	This would mean 52,026 carers physical health has been impacted in Sheffield.
Mental health – 64% of carers say their mental health has worsened.	That would equate to 57,408 carers in Sheffield.
Resilience – 50% of carers reported that they feel able to manage their caring role now.	This would mean 44,850 carers in Sheffield feel like they can't manage now.
Caring safely – 22% of carers feel they can't care safely due to lack of knowledge, information, or equipment.	This would equate to 19,734 people feeling unable to care safely in Sheffield.
Emergency planning – 57% of carers don't have an emergency plan in place.	This would mean 51,129 carers in Sheffield do not have an emergency plan.
Carer breakdown – 44% of carers report that they are reaching breaking point.	This would mean that 39,468 carers in Sheffield are reaching breaking point.
Financial situation – 28% of carers are struggling to make ends meet.	This would equate to 25,116 carers who are struggling financially in Sheffield.

The survey showed that carers are providing more care with fewer breaks. Physical and mental health has worsened and nearly half of carers asked said they were reaching breaking point. If the caring situation breaks down this has big implications for the health and social care systems in Sheffield.

Young carers (aged 12-18)

Results from a Carers Trust survey have been used to create the table below. The table takes the analysis provided by Carers Trust and applies it to Sheffield to guestimate the impact of COVID-19 on our caring population.

NB the young carer population has been assumed by using the Carers UK figure of 49.5% increase in the carer population to give an estimated young carer population of 10,465 in Sheffield.

Carers Trust Research	Applied to Sheffield
Mental health - 40% of young carers say their mental health is worse since Coronavirus.	The mental health of 4,186 young carers in Sheffield has been made worse due to the impact of Coronavirus.
Future worries - 67% of young carers are more worried about the future since Coronavirus.	7,012 young carers are worried about their future in Sheffield.
Stress - 66% of young carers are feeling more stressed since Coronavirus.	6,907 young carers in Sheffield are feeling more stressed.
Connections - 69% of young carers are feeling less connected to others since Coronavirus.	In Sheffield 7,221 young carers are feeling less connected to others.
Caring hours - 11% of young carers report an increase of 30 hours or more in the amount of time they spend caring per week.	1,151 young carers in Sheffield have increased the amount of care they provide by 30 hours or more.
Caring hours - 7.74% of young carers who responded to the survey, said that they are now spending over 90 hours a week caring for a family member or friend.	806 young carers are caring for more than 90 hours per week in Sheffield.
Educational impact - 56% of young carers said their education was suffering due to the impact of Coronavirus.	The education of 5,860 young carers in Sheffield is suffering because of Coronavirus.
Mental health support - 30% of young carers want mental health support.	3,140 young carers in Sheffield want mental health support.
Educational support - 44% of young carers would like more support with their education.	In Sheffield 4,605 young carers would like more support with their education.

Young carers' mental health has been impacted since the start of the pandemic. It is also concerning that over half of young carers asked, reported that caring had had an impact on their education. Even before Coronavirus, research showed that *'Young carers have significantly lower educational attainment at GCSE level, the equivalent to nine grades lower overall than their peers e.g., the*

difference between nine Bs and nine Cs. Coronavirus could further exacerbate this educational inequality, which in turn will have an impact on life chances/employment opportunities.

Local evidence

To understand how carers (who support someone living in Sheffield) are being affected by Coronavirus, Strategy and Commissioning (via Zoom) has:

- Attended two carer support groups
- Hosted four consultation sessions for any interested carers
- Attended the Council's Staff Equality and Inclusion Network meeting for staff who are carers
- Hosted a consultation session with professionals who work with carers regularly to understand how their needs may have changed due to Coronavirus
- Hosted the Carer Voice Group and the Carers Action Plan Review session where the impact of Coronavirus was discussed as part of the agenda.

There were emerging themes from these discussions that Strategy and Commissioning/the Council must plan to address. They included:

- Information and advice – it has been difficult for carers to follow all the guidance/rule changes and understand what is happening with national/local services (including health and social care). There were several comments about how difficult it has been to engage with health services e.g., GP reception not letting the carer talk to a GP even in an emergency
- Mental/physical health – carers have reported feeling more stressed, anxious, guilty, tired, isolated, and lonely
- Breaks – carers were finding it harder with fewer breaks from caring. Closure of services that supported the cared-for person, combined with families cancelling support services to reduce the risks of infection, has meant additional caring responsibilities for carers
- Digital inclusion – this has been an issue for many carers. Whether it be connectivity problems e.g., not having the right equipment/internet connection or knowledge and skills e.g., the person has the equipment but doesn't know how to use it
- Social isolation – this has been made worse by the pandemic which has had an impact on how resilient carers have felt. With reduced support networks and opportunities to interact with people e.g., talking to colleagues at work.

In the Carers Action Plan Review meeting, (a group consisting of carers, and relevant stakeholders e.g. Sheffield Teaching Hospitals, Sheffield City Council, Sheffield Health and Social Care Trust) the top three issues were:

- Identifying more carers
- Loneliness/isolation and impact on resilience/mental health
- Digital inclusion.

2. What are the priorities of the Commissioning Plan?

The priorities are either strategic or operational.

Strategic – these priorities will be in place until at least 2025; Strategy and Commissioning will need to work with internal and external stakeholders to make them happen e.g., Adult Social Care, Multi

Agency Support Team (MAST), Sheffield Teaching Hospitals, Sheffield Health and Social Care Trust, Learn Sheffield etc.

Operational – these are the upcoming priorities for Strategy and Commissioning in the next 12 months.

Strategic Priorities	Operational Priorities
<ul style="list-style-type: none"> • Prevent, reduce, or delay carers needs developing (as per section 2 of the Care Act (2014)). • Make provision and support for carers easy to find and access. • Continue to raise awareness of carers, so that professionals in health, education and other services recognise, value and support carers. • Work with partners such as health services, schools, Sheffield Clinical Commissioning Group to join up systems and services, creating a 'no wrong doors' approach in Sheffield. • Work to make Sheffield a carer friendly city. 	<ul style="list-style-type: none"> • Commission the right support for carers at all levels of need. • Create services that provide support as early as possible. • Create high quality local provision that meets local needs. • Understand and respond to emerging needs caused by COVID-19.

What else could influence this Commissioning Plan over the next four years?

Strategy and Commissioning want the Plan to be a live document i.e., something that will be alterable, as opposed to fixed until 2024. This will help the Council be responsive and adaptable to upcoming changes that are likely to shape our planning and the actions we take to help carers achieve the outcomes they want.

Examples of this include:

- Coronavirus – with the development of several seemingly viable vaccines, the threat that Coronavirus poses is potentially mitigated. However, there are still things we don't yet know that may have an impact on carers, including: the longer-term implications of lockdowns on mental health, the implications of 'long covid' (which [4.3% of people](#) may suffer), future legal and policy updates from Government due to COVID-19 developments etc
- Adult Social Care Green Paper – the publication of a social care Green Paper has been delayed several times: it was originally due to be published in summer 2017. The latest position, stated in September 2019, is that it will be published 'in due course'. Obviously, carers will be affected by any changes to the social care system and the Council will need to respond accordingly
- [Independent review of children's social care](#) – In January 2021 it was announced that there would be an independent review of the children's social care system to make sure children and young people get the support they need. Government will likely want to make changes after the review is completed and this may impact Sheffield.

- Census 2021 – this will provide the latest demographic data on carers living in Sheffield. The latest data will need to be factored in as part of any future planning and our Commissioning Plan should be altered to reflect this
- Any updates to national policy in relation to carers – the ‘Carers Action Plan 2018-2020’ will be updated and/or a new carers strategy may emerge. Our Commissioning Plan will potentially need to change to account for national updates
- Local policies and strategies changing Council or other relevant local organisations could change their policies or strategies and this may have an impact on carers. Our Commissioning Plan would need to alter in response to any local changes.

Other Council strategies/plans

Below are some of the key strategies/plans with which the Carers Commissioning Plan will align.

Sheffield Joint Health and Wellbeing Strategy

This Plan fits with the aims of the Sheffield Joint Health and Wellbeing Strategy 2019-2024, in particular:

- Living Well
 - Everyone has a fulfilling occupation and the resources to support their needs
- Ageing Well
 - Everyone has equitable access to care and support shaped around them
 - ‘A... person-centred approach must be taken to understand what is most important to any given person and how they may be enabled to care for their own health...’
 - Everyone has the level of meaningful social contact that they want

The drive to reducing, and one day eliminating, health inequalities in Sheffield is relevant as caring can have a negative impact on health and wellbeing.

Dementia Commissioning Plan

The work delivered by the Carers Commissioning Plan will feed into the work delivered by the Dementia Commissioning Plan as support for people with dementia will in turn provide support for their family carers.

Adult Social Care Strategy

In autumn 2020 the Council produced its Adult Social Care Strategy Commitments for 2020-25. The Carers Commissioning Plan will align with this but is mindful that these Commitments may alter. The commissioning principles are likely to be:

- Support to maintain independence, stability, and control in your life
- Support people living at home for as long as possible, but also to ensure care and support is available wherever you call home
- Listen to what matters to you
- Help to sustain the availability and accessibility of support

- Ensure services we buy and arrange are high quality and improve people’s experience of care and support.

Short-Term Care in Sheffield

Strategy and Commissioning is finalising the Council’s strategy on short term care for older people. This strategy explains that ‘Short term care is usually associated with supporting carers and whilst this is a crucial aspect, short term care should be viewed in a wider context, and the impact it can have for everyone.’ The Carers Commissioning Plan will align with this work and vice versa.

People Keeping Well

The People Keeping Well grant agreement was approved by Cabinet in February 2020 and runs until March 2023. People Keeping Well (PKW) is part of the Better Care Fund and is Sheffield’s community-based approach to supporting health and wellbeing. By ensuring people are connected to and feel part of their local community we can help them stay independent and well for longer and increase their quality of life. By resolving social issues and connecting people to ‘what matters to me’, through PKW, we hope to empower people and develop skills. This community approach can help the Council identify and support more carers. It is an important strand of our provision and supports our commissioning priorities.

There are other strategies in development that this Plan will link to, including Early Help, Digital Inclusion and the latest Mental Health Strategy.

This Carers Commissioning Plan will be updated every 12 months on the Council’s website, so that stakeholders are informed of our latest position and understand what is shaping our Plan.

3. How will Strategy and Commissioning support the delivery of the Young Carer, Parent and Adult Carer Strategy Principals refresh?

The table below details Strategy and Commissioning’s response to the refreshed strategy ‘Principles’. The Council is a key partner in delivering the Young Carer, Parent and Adult Carer Strategy in conjunction with other organisations/agencies. The actions below will be combined with other organisations actions to form the Sheffield Carer Action Plan.

If the Young Carer, Parent and Adult Carer Strategy is working:

Carers will say:	Organisations will:	Strategy and Commissioning will:
<p>1. I have good quality information and advice which is relevant to me and the person I care for.</p>	<ul style="list-style-type: none"> • Identify carers and understand that not all people in a caring role will recognise the term carer. • Link up carer registers across Sheffield to make carer identification more effective. • Be proactive, giving carers good quality information and 	<ul style="list-style-type: none"> • Commission services that help to identify carers. This will include engaging/training key partners such as Sheffield Teaching Hospitals. • Commission carer services that provide personalised information and advice to carers.

	<p>advice when it is wanted or needed.</p> <ul style="list-style-type: none"> • Give personalised information and advice that is specific to the carer and the person they care for. 	<ul style="list-style-type: none"> • Work collaboratively to organise and participate in awareness raising campaigns for carers. Especially during Carers Week, Young Carers Awareness Day, and Carers Rights Day. • Work with Sheffield Clinical Commissioning Group and others to align carer registers. • Promote that the Council identifies carers within the Council via our annual workforce survey. • Work with the Council's HR to renew our subscription to Employers for Carers. This adds to our information offer via 'Digital Resources for Carers' provided by Carers UK.
<p>2. I know what my rights are and how to enforce them.</p> <p>There are laws that help and protect me as a carer, and they cover things like:</p> <ul style="list-style-type: none"> • Employment. • Protection from discrimination. • Right to education. • Social security benefits. • Assessment of my need(s). 	<ul style="list-style-type: none"> • Make effective interventions at the right time to prevent, reduce or delay carers' needs developing/escalating. • Recognise carers' rights and support them to: • Balance caring with education/employment. • Avoid inappropriate caring. • Be involved in health/social care planning for the person they care for. • Arrange regular training for staff so they understand carers rights and know what support is available to carers. • Take a whole family approach to assessment and support. This will result in a holistic view of the needs of the cared-for person and their family/network of support. 	<ul style="list-style-type: none"> • Promote carers'/young carers' assessments. • Commission services that are focused on prevention, resilience, and wellbeing. • Work with Adult Social Care to improve our carers Adult Social Care Outcome Framework results. • Promote the Council's newly created Young Carers Register. • Work with social care colleagues to improve our whole family approach to assessing and supporting carers. • Promote carers rights via social care staff.
<p>3. The caring I do is valued and I am listened to.</p> <p>This includes:</p> <ul style="list-style-type: none"> • My own needs, wants, opinions 	<ul style="list-style-type: none"> • Listen to carers and support them to participate in decision making with the person they care for. • Recognise and understand the importance of carers who are experts by experience. 	<ul style="list-style-type: none"> • Co-produce our commissioned services for carers, with carers. • Identify funding opportunities and support funding applications (outside of the Council) to strengthen the carer voice in Sheffield

<p>and feelings as a carer.</p> <ul style="list-style-type: none"> • My needs wants opinions and feelings when talking about the person I care for. 	<ul style="list-style-type: none"> • Treat carers with dignity and respect. • Enable and empower carers to have a 'voice'. • Work with carers like they are partners in the delivery of health/social care. • Build relationships with carers, recognising that trust is earned. This is particularly important for organisations providing support to the cared-for person. • Help carers to reduce or stop their caring role when that is what the carer wants. • Consider different cultural and religious beliefs. • Co-design/co-produce support for carers with carers. 	<ul style="list-style-type: none"> • Ensure we commission services that are sensitive to cultural and religious beliefs. • Monitor services to make sure they reflect our diverse population in Sheffield.
<p>4. I have breaks from caring, meaning I have a life of my own and time for friends and family.</p>	<ul style="list-style-type: none"> • Signpost or provide carer break support. • Take a personalised approach, asking carers 'what matters to you?'. • Be flexible, allowing carers to make best use of their time to give more scope for breaks • Encourage carers to get replacement care via an assessment of the person they care for. • Support carers to be digitally included to help keep in touch with friends and family. 	<ul style="list-style-type: none"> • Provide grant funding (approximately £100k) to our commissioned service that supports adult carers so they can take a break. • Specify that we want to continue our Carer Card in our new carer support service(s). This scheme helps carers' wellbeing and provides opportunities to take a break. • Promote digital inclusion in our service specifications.
<p>5. My prospects in life are not affected due to me being a carer. I can access education, employment, and training.</p>	<ul style="list-style-type: none"> • Work together with the carer to raise aspirations and achieve the outcomes that matter to them in their lives. Recognising that this is especially important for young carers transitioning to adulthood. • Be carer aware with carer friendly policies/processes e.g., flexible working. 	<ul style="list-style-type: none"> • Work with social care colleagues to ensure the Council delivers high quality transitions assessments. • Continue to promote Carers UK's Employment for Carers so organisations (including the Council) have carer friendly policies and processes. • Commission carer services that provide support to gain/maintain education, employment, or training.

<p>6. I am supported to look after my mental/physical health and wellbeing.</p>	<ul style="list-style-type: none"> • Understand that caring can negatively impact on a person's health and wellbeing. • Promote self-care so carers are more actively interested in their own health. • Support carers to access services/groups that will promote health and wellbeing e.g., exercise groups/move more initiatives. • Proactively engage at risk groups including carers who are isolated or lonely. 	<ul style="list-style-type: none"> • Commission services that promote self-care. • Join up carers' services with other support services to keep carers safe and well e.g. People Keeping Well. • Commission services with a focus on prevention, building resilience and wellbeing. • Highlight at risk groups and risk factors to health and commission services that will help mitigate these.
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4. How will Strategy and Commissioning spend its carer budget between 2021-2025?

Strategy and Commissioning has aligned the commissioning timescales for the two carer contracts described below. This is to support a joined-up approach. There are many similarities in what carers want, irrespective of age, for example being included and contributing to discussions about the cared-for person with health/social care professionals (where appropriate).

Strategically promoting the carer agenda, training relevant professionals, awareness raising campaigns e.g., Carers Week are just some examples of where it makes sense to work in a combined way and take an all-age approach. Strategy and Commissioning will use the service specification/grant agreement to encourage seamless working between the provision for carers.

Adult/parent carers

- Cost: Enter contract for approximately £950,000 per year
- Duration: 5 years
- Total Cost: £4,750,000

In 2016, Strategy and Commissioning wanted to transform our carers services (for adults), switching to a more outcome focused approach and outsourcing our Care Act (2014) section 10 carer's assessments as part of the City-Wide Service for Carers. This way of working has been beneficial for carers, with 98% stating they were satisfied or very satisfied following a carers assessment. The focus on outcomes has seen significant improvements in several areas of performance, detailed in the contract extension request approved in 2019. There has also been good joined up working internally across the Council and with the Sheffield Carers Centre because of this approach.

The next service for adult/parent carers will have an increased focus on prevention. This will include a stronger emphasis on working with health services to identify, assess and support carers as early as possible. The next service will continue to focus on outcomes such as:

- Carers are actively sought (particularly those at risk of breakdown) and identified
- Carers have positive experiences of support and services
- Carers have the right information to make appropriate choices for themselves and support the person they care for to make decisions

- Carers have an emergency plan and understand what will happen in the future
- Carers have a voice
- Carers can have a break
- Carers are supported to maintain or increase emotional wellbeing
- Carers consider and look after their own health
- Carers are supported to reduce financial hardship
- Carers gain or retain work (if appropriate or they wish to)
- Carers are supported through change points of their life, specifically:
 - transition from young carers services to adult carers services
 - life after caring.

The intention is that Care Act section 10 carer's assessments remain outsourced. Further detail on the outcomes we want the service to achieve can be found in the soft market test completed in December 2020 in Appendix 2. The final service specification will be co-produced with carers so details may change.

NB: this service will not include Parent Carer's needs assessment - section 97 Children and Families Act. The duty to undertake these assessments will remain with Sheffield City Council.

Young carers

- Cost: Enter into a grant agreement for approximately £150,000 per year
- Duration: 5 years
- Total cost: Approximately £750,000

Strategy and Commissioning wants to enter into a grant agreement with Sheffield Young Carers to deliver support to young carers. It is critical we continue to support our young carers. Caring can impact a young person's health, education, and social outcomes, leading to inequalities when compared with peers who are not carers. For example, young carers have significantly lower educational attainment at GCSE level, the equivalent to nine grades lower overall than their peers.

This range of inequalities can be redressed through targeted interventions which recognise and support the child/young person in their role as a young carer and advocates on their behalf across a range of services and systems alongside building individual resilience and social capital within the context of the family. Addressing stigma and promoting cultural change are also essential components of reducing the short term and long-term impact caring has on the lives of these children and young people.

The Council wants to continue to provide a personalised service of intervention which will improve a range of health, education, and social outcomes for the child/young person within the context of the family and community. The grant agreement will help contribute towards outcomes such as:

- Increased confidence, self-esteem, and resilience
- Raised life aspirations
- Improved health and wellbeing, social and education outcomes
- Actively identifying more young carers.

NB: this service will not include:

- Child's carer's assessment – section 60 Care Act
- Young carer's assessment – section 63 Care Act

- Young carer’s needs assessment – section 96 Children and Families Act.
- The duty to undertake the assessments above will remain with Sheffield City Council.

5. Next steps

What will Strategy and Commissioning do in the next 12 months?

Strategy and Commissioning will:

- Work on our priorities – outlined in the table below
- Work on the actions in the Young Carer, Adult and Parent Carer Strategy – outlined in section 3

Commissioning Priorities	Actions
Commission the right support for carers at all levels of need.	<ul style="list-style-type: none"> • Plan a new service for both adult/parent carers and young carers. Carers will help determine what these services do and what the final outcomes for the services will be. • Work with Finance and Commercial Services/Legal Services to get the provision in place for January 2022. • Specify that our services should be outcome focused but able to respond to all levels of need.
Create services that provide support as early as possible.	<ul style="list-style-type: none"> • Ensure our Care Act (2014) section 2 duties around preventing, reducing, and delaying needs developing are woven into outcomes. • Highlight the ongoing need to work closely with health/education partners to identify carers as soon as possible. This is underlined by NHS England’s Commitment to Carers (2014) which states that <i>‘70% of carers come into contact with health professionals, yet health professionals only identify one in ten carers with GPs, more specifically, only identifying 7%.’ The link with education is also crucial to identifying young carers.</i>
Create high quality local provision that meets local needs.	<ul style="list-style-type: none"> • Carers will co-design our support services and will co-produce the procurement process with the Council. This means significantly contributing to specification writing, tender scoring and interviewing potential providers. • Young carers will help us write and finalise the grant agreement. This will support Strategy and Commissioning to create quality services that meet the needs of those caring for people who live in Sheffield. • Equality Impact Assessments for the new carers provision will be completed. EIAs ensure that equality is central to decision making and ensure our provision will meet the needs of everyone in the city.
Understand and respond to emerging needs caused by COVID-19.	<ul style="list-style-type: none"> • Consultation, including a carer questionnaire, will inform our service specification/grant agreement. It is important we are agile and responsive to changing carer needs due to Coronavirus.

	<ul style="list-style-type: none"> • Strategy and Commissioning will continue chairing/attending meetings involving carers and relevant organisations to understand how Coronavirus is impacting carers • Digital inclusion and loneliness will be key considerations for our service specification. • We will work to influence the development of the digital inclusion strategy that is currently in development in Strategy and Commissioning.
<p>Prevent, reduce, or delay carers needs developing (as per section 2 of the Care Act (2014)).</p>	<ul style="list-style-type: none"> • Strategy and Commissioning will work with Sheffield Teaching Hospitals, the Clinical Commissioning Group, and other stakeholders including the Sheffield Carers Centre to increase the numbers of carers referred from health settings. • Strategy and Commissioning will work with Adult Social Care as part of our Adult Social Care Improvement Plan to increase numbers of carers referred to Adult Social Care. • Strategy and Commissioning will roll out the young carers register to all schools by 2022, helping to identify more young carers and support them. • Work in partnership so GPs and pharmacies identify 20 families that are known to them (with a carer) and refer to the Carers Centre. • Devise and implement a process to identify and refer carers from GPs/pharmacies/other health services (not signpost). • Work in partnership so GPs notify the Carers Centre when people are discharged from hospital. • Partnership working to provide carer information at outpatients and embed carers into discharge planning/processes. • Explore co-location of carers services with health services. • Increase referrals to the Carers Centre/carer support service from Adult social care (including First Contact). Referring wherever possible rather than signposting. • Work in partnership to ensure home care providers are using the 7hour rule to support carers when they need it. This rule means that home care can be flexed up to give more support. • Continue to publicise how carers can get support from the Council in an emergency at evenings or weekends. • Promote replacement care via an assessment of the cared-for person so the carer can have a life of their own outside of caring.
<p>Make provision and support for carers easy to find and access.</p>	<ul style="list-style-type: none"> • Work strategically with partners to raise carer awareness in Sheffield, for example, joint campaigns for Carers Week, Carers Rights Day, and Young Carer Awareness Day. • Strategy and Commissioning will promote carer awareness within the Council, so we take a ‘whole council’ approach to identifying carers and linking them into relevant services seamlessly. • Strategy and Commissioning will work with People Keeping Well providers to increase their signposting/referrals to carer provision.

<p>Continue to raise awareness of carers, so that professionals in health, education and other services recognise, value and support carers.</p>	<ul style="list-style-type: none"> • Specify that training is provided (from the provision outlined in section 5) to health, education and social care staff so they are carer aware and refer carers to support. • Use Strategy and Commissioning budget of approximately £30,000 to campaign about carers and raise awareness amongst professionals who are likely to come into contact with carers.
<p>Work with partners such as health services, schools, Sheffield Clinical Commissioning Group to join up systems and services, creating a 'no wrong doors' approach in Sheffield.</p>	<ul style="list-style-type: none"> • Continue the work on the 'young carers register' including a pilot that includes joined up working across the Council and with schools. • Increase numbers of young carers identified by Adult Social Care. • Continue to host multiagency strategic meetings to take a 'whole system' approach.
<p>Work to make Sheffield a carer friendly city.</p>	<ul style="list-style-type: none"> • Strategy and Commissioning will continue to promote the carer agenda at a strategic level at boards/meetings, so carers are recognised and valued by other agencies. • Strategy and Commissioning will explore expanding the Carer Card (Coronavirus dependent) to further champion the carer agenda with businesses across the city. Raising the profile of carers whilst providing support via discounts/special offers on their goods/services.

Appendix 1 – Commissioning Cycle

In Sheffield we follow a commissioning cycle consisting of:

- Analyse: activity and resource assessment
- Plan: gap analysis, commissioning strategies and service design
- Do: service delivery and provider working
- Review: outcome and performance analysis

This cycle is summarised in the diagram below.



Figure 1 Commissioning Cycle



Carers Service

Soft Market Test

Appendix 3: Update on previous Commissioning Plan

The table below gives an update in each of the areas of the Commissioning Plan for Adult and Parent Carers 2016-2020, to show progress on what the Council said it would do.

What we said we'd do	What has happened
Changes to Council tendered carer support services	
A menu of different options for breaks	The Council commissioned the Sheffield Carers Centre to deliver our City-Wide Carer Support contract from January 2017. This contract has helped carers to take a break including:

	<ul style="list-style-type: none"> • Time for a Break – The Council gives Sheffield Carers Centre £100,000 per year so they can support carers to take a break from caring. Up to September 2020, this scheme has provided 1534 breaks since the beginning of the contract. The breaks are varied and dependant on what the carer feels would be a break for them. Examples include gym membership, laptops, cinema passes, garden furniture, craft materials etc. • Information and advice – Sheffield Carers Centre provide information and advice on how carers can take breaks via their phonenumber, website, social media, press releases and the newsletter they produce. • Carer Card – The Carer Card gives carers the opportunity to get offers and discounts from businesses across Sheffield. This includes things like free hotel stays, discounts at cafes/cinemas/health and beauty organisations. Since the scheme began 4,095 Carer Cards have been sent out, supporting carers to take a break. • Carer’s assessments – When a carer has a carer’s assessment their needs, including the need for a break, are considered. Up to September 2020, 4,716 carers have been assessed.
Community based outreach to help find hidden carers	<ul style="list-style-type: none"> • Strategy and Commissioning allocated £200,000 per year to People Keeping Well (PKW) to support carers. • Local support groups organised by PKW providers have helped a number of carers.
Core city wide contract including the statutory duty carers assessments	<ul style="list-style-type: none"> • The Council successfully outsourced Care Act (2014) section 10 carer’s assessments which Sheffield Carers Centre started delivering (as planned) in April 2017. • Strategy and Commissioning is now able to baseline performance and analyse costs more effectively due to having clear data. Data on carer assessments and support plans was difficult to interrogate when the council delivered carer’s assessments. • The delivery of the ‘City-Wide Carer Service’ has gone well. The highlights below are from a service review in 2019. <ul style="list-style-type: none"> ○ 98% of carers are either satisfied or very satisfied following the Carers Centre’s triage/assessment process. ○ The reach of the Service continues to increase i.e., numbers of carers registering with the Service. In 2019 the mean average number of carers registering per quarter i.e. (every three months) increased to 610. This is an increase of 154% from the last year of the previous carers’ service contract (2016) where the mean average was 240 registrations per quarter. The number of carers the Council is helping via the Service has significantly increased. ○ Emotional wellbeing was maintained or increased for 94% of carers. ○ 81% of carers reported that they felt supported to continue caring. ○ Physical health was maintained or improved for 93% of carers. ○ 71% of carers reported that the Carers Centre had supported them with their emotional wellbeing.

	<ul style="list-style-type: none"> ○ 62% of carers reported they were supported to find useful information/organisations.
Changing behaviour of the wider society and services to carers e.g., employers, doctors, family, and friends and getting services that support cared for people to recognise and support carers	
General awareness raising campaign	<ul style="list-style-type: none"> ● There are a minimum of two awareness raising campaigns per year. Carers Week and Carers Rights Day are used to promote the carer agenda and raise awareness of the profound contribution's carers make. ● There is regular training provided by Sheffield Young Carers and Sheffield Carers Centre to professionals in health and social care to raise awareness of carers and why identifying and supporting carers is important.
Sheffield Standard – for organisations who will interact with carers e.g., social care providers, housing, GPs, hospitals, employers	<ul style="list-style-type: none"> ● This idea was replaced by the Carer Card and by purchasing access to Carers UK's Employers for Carers scheme which did most of what we wanted from a 'Sheffield Standard'.
Sheffield Carer Card	<ul style="list-style-type: none"> ● Strategy and Commissioning have been delighted with the progress of the Carer Card. It has also been adapted to double up as an emergency card. Since the scheme began 4,095 Carer Cards have been sent out (as of September 2020), supporting carers to get discounts and take breaks. At its peak over 100 different businesses signed up, although COVID-19 has had an impact on the Carer Card's development.
Advocate changes in Adult Social Care	<ul style="list-style-type: none"> ● Adult Social Care has undergone several changes in the last few years including switching to locality working and adopting 'Conversations Count' a model for personalised assessment and support. ● Commissioning & Strategy have arranged a piloted way of working to help identify young carers. ● Strategy and Commissioning are working in partnership with Adult Social Care to improve our Adult Social Care Outcome Framework results.



Author/Lead Officer of Report:
 Karen Ramsay, Place Operational Services
 Email: karen.ramsay@sheffield.gov.uk

Report of: Mick Crofts, Interim Executive Director of Place
Report to: Cabinet
Date of decision: 17th March 2021
Subject: **Sheffield Street Tree Partnership Strategy**

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 type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>Environment, Streetscene & Climate Change</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Economic & Environmental Wellbeing Scrutiny & Policy 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? 703		
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>		

<p>Purpose of Report</p> <p>This report seeks Cabinet approval of the Sheffield Street Tree Partnership Strategy as a 'sub-strategy' of the Sheffield Trees & Woodlands Strategy 2018-2033.</p>
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Recommendations

Cabinet is recommended to:

- ◆ Approve the Sheffield Street Tree Partnership Strategy
- ◆ Accept the 'You Said, We Did' report setting out how the Sheffield Street Tree Partnership dealt with the consultation feedback in preparing the final strategy
- ◆ Accept the proposed arrangements for the Sheffield Street Tree Partnership.

Background Papers:

- *Sheffield Street Tree Partnership Working Strategy – Consultation Feedback Report, Jan 21*
- *Sheffield Street Tree Partnership Working Strategy, Jul 20*
- *i-Tree Eco Stratified Inventory Report, Treeconomics, Nov 19*
- *Sheffield Trees & Woodlands Strategy 2018-33, Dec 18*

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: Kerry Darlow	
	Legal: Sarah Bennett	
	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: Mick Crofts, Interim Executive Director of Place	
3	Cabinet Member consulted: Councillor Mark Jones	
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.	
	<table border="1"> <tr> <td>Lead Officer Name: Karen Ramsay</td> <td>Job Title: Place Operational Services</td> </tr> </table>	Lead Officer Name: Karen Ramsay
Lead Officer Name: Karen Ramsay	Job Title: Place Operational Services	
Date: 8 th March 2021		

1. PROPOSAL

- 1.1 **This report seeks Cabinet approval of the Sheffield Street Tree Partnership Strategy as a ‘sub-strategy’ of the Sheffield Trees & Woodlands Strategy 2018-33¹.**
- 1.2 The production of a new Street Tree Partnership Strategy for Sheffield honours the commitment made by the Council, Amey, and the Sheffield Tree Action Groups (STAG) Steering Group in the Joint Position Statement published in December 2018² to develop an exemplary new street tree strategy for Sheffield. It also delivers action 29 in the Sheffield Trees and Woodlands Strategy 2018-2033:
- ♦ *‘We will seek to develop a street tree strategy with partners which will be a ‘sub-strategy’ of the Trees and Woodlands Strategy’.*
- 1.3 Two documents accompany this Cabinet report:
- ♦ *Sheffield Street Tree Partnership Strategy (Word version)*
 - ♦ *Sheffield Street Tree Partnership Working Strategy Consultation Feedback – You Said, We Did.*
- 1.4 It should be noted that at the date of publication of the Cabinet agenda for Wednesday 17th March, the Sheffield Street Tree Partnership Strategy is in the final stages of design and may be subject to further typographical or grammatical changes after the Cabinet meeting. A designed and formatted version of the strategy will be launched by the Sheffield Street Tree Partnership in May 2021.

2 BACKGROUND TO THE SHEFFIELD STREET TREE PARTNERSHIP STRATEGY

- 2.1 The Street Tree Strategy Development Group was formed during the summer of 2019 and began meeting in August 2019. Members of the group included representatives from Amey, the Council (two officer representatives), STAG, and The Woodland Trust. Tree management and valuation experts advised the group on the development of the working strategy. The group was independently chaired by the Chief Executive of Sheffield & Rotherham Wildlife Trust.
- 2.2 To ensure open and transparent development of the working strategy, the agendas, notes, presentations, and other supporting documents discussed at the development group meetings were published on the Sheffield & Rotherham Wildlife Trust website³.

¹ <https://www.sheffield.gov.uk/content/dam/sheffield/docs/parks-sports-and-recreation/trees-woodlands/Sheffield%20Trees%20and%20Woodlands%20Strategy%202018-2033.pdf>

² <https://www.sheffield.gov.uk/content/dam/sheffield/docs/roads-and-pavements/managingtrees/Joint%20position%20statement%20SCC,%20Amey%20&%20STAG.pdf>

³ <https://www.wildsheffield.com/developing-a-partnership-street-tree-strategy-for-sheffield/>

- 2.3 In July 2019, Cabinet noted that further consultation with key stakeholder groups and with the public was planned as part of the work to develop the new street tree strategy (see paragraph 3.3, *Developing the Sheffield Street Tree Strategy*, Cabinet Report, 17 July 2019⁴).
- 2.4 The Sheffield Street Tree Partnership Working Strategy⁵ was approved by the Council through a Leader's Individual Executive Decision on 19th March 2020⁶.
- 2.5 A consultation on the working strategy was launched on 16th July 2020 and ran for 12 weeks until 8th October 2020. In January 2021, Cabinet approved the consultation feedback report⁷.

3 CONSULTATION PRINCIPLES

- 3.1 Publishing the document as a working strategy meant that the consultation complied with the following principles:
- ◆ Consultation took place when the proposals around the future management and maintenance of Sheffield's street trees were at a formative stage.
 - ◆ The consultation honoured the commitment that further engagement with key stakeholder groups and with the public would be part of the work to develop the new street tree strategy. Consultees had access to the working strategy document; the i-Tree Eco report produced by Treeconomics that provided part of the evidence base for the strategy; the agendas, notes, presentations, and other supporting documents discussed at the strategy development group meetings (published on the Sheffield & Rotherham Wildlife Trust website).
 - ◆ The consultation provided 12 weeks for consultees to consider the working strategy and provide a response. Between the end of the consultation in Oct 20 and Dec 20, the results were analysed and compiled into a consultation feedback report that was approved by Cabinet in Jan 21.
- 3.2 For openness and transparency and to demonstrate that the product of the consultation has been conscientiously considered, the attached 'You Said, We Did' report summarises how the Sheffield Street Tree Partnership (formerly the Street Tree Strategy Development Group) dealt with the feedback from the consultation in the preparation of the final Sheffield Street Tree Partnership Strategy.

⁴ <https://democracy.sheffield.gov.uk/ieIssueDetails.aspx?IID=28736&PlanId=0&Opt=3#A119527>

⁵ <https://www.wildsheffield.com/wp-content/uploads/2020/03/FINAL-Sheffield-Street-Tree-Partnership-Working-Strategy-July-2020.pdf>

⁶ <http://democracy.sheffield.gov.uk/ieDecisionDetails.aspx?ID=2492>

⁷ <http://democracy.sheffield.gov.uk/ieDecisionDetails.aspx?ID=2683>

4 CONSULTATION FEEDBACK

4.1 The consultation asked for views on:

- ◆ The vision
- ◆ The six outcomes proposed in the working strategy to promote and enhance Sheffield's street trees and their long-term benefits for the public, wildlife, and the wider environment
- ◆ Actions to deliver the outcomes.

It also asked respondents who they would like to see represented on the new Sheffield Street Tree Partnership (SSTP).

4.2 The 'You Said, We Did' report sets out how the SSTP processed the comments received. It can be read alongside the consultation feedback report which provides more detail on the specific comments made by individuals and organisations on the Street Tree Working Strategy.

4.3 A qualitative analysis of the responses was carried out. They were grouped together where the content related to a similar issue or a common theme. Specific comments relating to corrections or additional references were also reviewed.

4.4 The SSTP reviewed comments and suggestions against five criteria:

1. Falls within the scope of the strategy – *Accepted*
2. Falls within the scope of the strategy – *Not accepted*
3. Does not fall within the scope of the strategy – *Not included, dealt with by SSTP*
4. Does not fall within the scope of the strategy – *Not included, dealt with outside SSTP*
5. *Already included*

5 Sheffield Street Tree Partnership

5.1 Based on the consultation responses, the Street Tree Strategy Development Group considered options for the arrangements and membership of the SSTP. Appendix 4 of the final strategy sets out the terms of reference for the partnership.

5.2 The purpose of the SSTP is to:

- ◆ Oversee delivery of the actions in the Sheffield Street Tree Strategy
- ◆ Work in partnership to contribute and secure skills, resources, and funds to deliver the actions in the strategy
- ◆ Develop and evolve the strategy over time in response to the needs of the people of Sheffield, the climate, and ecological emergencies

- ◆ Encourage and direct donations with reference to this strategy, including funds for new tree planting and to support the retention of existing trees.

5.3 The structure of the SSTP is intended to support delivery through collaboration and ensure input from a wide range of stakeholders. It comprises the following:

- ◆ **Core Delivery Group** – Responsible for overseeing and driving delivery of the actions in the strategy; comprises an elected chair that is independent from the Council, Amey and STAG, and representatives from the main organisations involved in the management and maintenance of Sheffield’s street trees.
- ◆ **Street Tree Partners** – A wider group of partners interested in engaging with and supporting the delivery of the actions in the strategy, and able to offer expertise, ideas, and resources.
- ◆ **Street Tree Wardens** – A group of volunteers assigned to different parts of Sheffield who have committed to help care for the street trees and/or be the eyes and ears for their ‘patch’.

5.4 To address specific issues or develop areas of work, task & finish groups will be set up by the Core Delivery Group as required. These groups will be drawn from the representative partners outlined in 5.3 above and will be set clear objectives, linking directly to the strategy outcomes and actions. Once objectives have been met, the groups will be dissolved.

5.5 As this is a new partnership, the terms of reference and structure will be reviewed after a year to ensure that it remains fit-for-purpose.

6 Other issues

6.1 The consultation highlighted other issues related to the ambitions of the street tree strategy that were not specifically about street trees.

6.2 The table below summarises these issues and the current actions to address them:

Issue	Comments/actions
<p>Environmental policy Several respondents requested that environmental concerns are embedded within Council policies, in particular, transport, planning, and education, to ensure that all policies address climate change, biodiversity, and air pollution in their delivery</p>	<p>A climate emergency was declared in Sheffield in January 2019 and a new commitment was made to bring forward the city's carbon neutral target from 2050 to a minimum of 2030. Carbon emissions are the biggest contributor towards climate change in the city and primarily come from burning fossil fuels such as petrol, diesel, and natural gas. Work is now concluding on a city decarbonisation pathways report which sets out where emissions can be reduced in the city. The report has been developed over the last nine months by Arup and Ricardo, in partnership with Sheffield City Council and the Green City Partnership, a group of local stakeholders with representatives from local businesses, Sheffield Chamber of Commerce, both universities, and campaign groups including the Sheffield Climate Alliance.</p> <p>Over the coming months we will be aiming to engage and work with people across the city to help to raise awareness as well as develop actions that will help to support our ambition to become a net zero carbon city.</p>
<p>Low traffic neighbourhoods Some respondents mentioned the opportunity to introduce low traffic neighbourhoods in the city</p>	<p>Low traffic neighbourhoods (LTNs) could offer the opportunity for tree planting or planters to help slow the flow of traffic as well as providing spaces for community and social activity. In summer 2019 the Council introduced an LTN in Kelham Island on an experimental basis, closing certain roads to through traffic using planters. The LTN in Kelham will be reviewed to determine whether the closures should be introduced permanently. Should this be the outcome, it may offer the potential for permanent improvements to the street scene, including the potential for tree planting. The introduction of two further LTNs during 2021 is currently in development.</p>
<p>Nature highways and byways Concerns around the ability of wildlife to move around the local environment were raised</p>	<p>Solid fencing in housing/other developments can inhibit the free movement of small animals. Alternatives to solid fencing could be considered and this is an issue for further discussion with relevant Council teams.</p>

<p>Sheffield Local Plan Recommendation that the overall vision and objectives of the Sheffield Street Tree Working Strategy and the current and future stock of trees in Sheffield is reflected and embedded in the forthcoming Sheffield Local Plan particularly in relation to Aim 1, 'An Environmentally Sustainable City' and Aim 7, 'A Green City'</p>	<p>When the Local Plan is drafted, it will take account of all relevant policy documents and strategies, including the Sheffield Street Tree Partnership Strategy. The strategy will be considered when determining Local Plan strategic and development management policies, drawing up policy area designations and proposing site allocations.</p>
<p>Verge parking Some respondents expressed dissatisfaction towards parking on road verges and concern about the damage this can cause</p>	<p>Parking on grass verges is recognised as a challenge – it is not illegal and the number of cars in the city outweighs the available off-street parking. The Council is running a project to look at options, including parking restrictions adjacent to verges and the use of alternative materials to limit the damage.</p>
<p>Wildflowers Some respondents expressed interest in planting wildflowers on road verges across the city or enabling residents to do so</p>	<p>The creation of wildflower verges is on the Council's agenda. A paper is being prepared with a view to a rollout in spring 2021. As the Council is the Highway Authority, an executive decision is required to enact a new approach to the creation of wildflower verges.</p>

7 HOW DOES THIS DECISION CONTRIBUTE?

7.1 The Sheffield Street Tree Partnership Strategy contributes to the following Council priorities:

- ◆ *Climate Emergency/Carbon Neutral City* – Improving the city's air quality, mitigating carbon emissions, and helping to protect against the effects of flooding.
- ◆ *Highway Network* – Street trees considered as natural capital assets with a value, to be assessed alongside the costs of maintaining the safety and integrity of the city's highway network.
- ◆ *Health & Wellbeing* – There is growing evidence to support the physical and mental wellbeing benefits of being near trees.
- ◆ *An In-Touch Organisation* – The strategy originated from the mediated talks between representatives of Amey, Sheffield City Council and the STAG steering group. These talks and the consultation enabled work on the strategy to progress through true collaboration, discussion, and dialogue, demonstrating the value of listening, being connected and responsive to a range of people, organisations, and ideas.

8 HAS THERE BEEN ANY CONSULTATION?

8.1 The feedback from the consultation has been used to:

- ◆ Inform the final Sheffield Street Tree Partnership Strategy
- ◆ Help shape the future arrangements for the SSTP.

8.2 It will also be used to:

- ◆ Help shape the future programme of work for SSTP
- ◆ Inform and help shape Council policies and processes.

8.3 Although the consultation on the strategy has concluded, the ongoing way of working will be to continue to engage with stakeholders and communities on the outcomes, actions, and programme of work of the SSTP. The strategy and actions will be kept under review and updated as circumstances evolve or change, and every five years as a minimum.

8.4 It is proposed that progress on the delivery of the actions in the strategy will be published in the form of annual report produced by the SSTP. In addition, to monitor progress, options under consideration are providing regular updates on progress against baseline and outcomes, setting clear timescales for delivering actions, and establishing targets where this might be helpful in achieving measurable change.

9 RISK ANALYSIS & IMPLICATIONS OF THE DECISION

Equality of opportunity implications

9.1 The proposed outcomes and actions in the Sheffield Street Tree Partnership Strategy set out to balance sustaining and enhancing the benefits of the city's street trees with the need to maintain the integrity and safety of the highway network. In line with the Public Sector Equality Duty (PSED), this will help to protect all members of the public, including those with protected characteristics, from any hazards presented by street trees.

9.2 The Equality Impact Assessment (EIA) highlights:

- ◆ Positive and negative impacts: Health
- ◆ Positive impact: Age; disability; pregnancy/maternity; race; poverty & financial inclusion.

9.3 Along with the strategy itself, the EIA will be kept under review and updated as circumstances evolve or change, and in response to engagement work undertaken by the Sheffield Street Tree Partnership. The EIA will be updated as required to take account of any potential negative impacts and the mitigations needed to address these.

Financial and commercial implications

9.4 Based on the current proposals in the strategy, it is not envisaged that there will be any significant financial costs or commercial implications for the current Streets Ahead contract.

9.5 However, some of the proposed actions in the strategy are likely to incur modest expenditure and/or require the input of some human resources by the Council and partners, for example:

- ◆ Establishment and support for the Sheffield Street Tree Partnership
- ◆ Stakeholder and partner engagement activities
- ◆ Recalculation of ecosystem benefits using i-Tree Eco every five years so that progress can be monitored
- ◆ Some limited engagement of tree management and valuation experts
- ◆ Independent accreditation of our approach to street tree management in line with best practice.

9.6 There is an existing budget which could be used to fund modest expenditure.

9.7 The financial and commercial implications will be kept under review as the final strategy and action plan evolves.

Legal implications

9.8 There are no direct legal implications arising from this report. The implementation of the strategy may be subject to further decision-making in accordance with the Leader's Scheme of Delegation, and the legal implications of any proposal would be fully considered at that time.

10 ALTERNATIVE OPTIONS CONSIDERED

10.1 Two alternative options were:

- ◆ No new street tree strategy
- ◆ Maintain and manage the highway network without taking account of the value of the benefits provided by street trees in decisions about whether to retain or replace them.

11 RECOMMENDATIONS

11.1 Cabinet is recommended to:

- ◆ Approve the Sheffield Street Tree Partnership Strategy
- ◆ Accept the 'You Said, We Did' report setting out how the Street Tree Partnership dealt with the consultation feedback in preparing the final strategy
- ◆ Accept the proposed arrangements for the Sheffield Street Tree Partnership.

12 REASONS FOR RECOMMENDATIONS

12.1 The recommendations are made on the basis that:

- ◆ This honours the commitment made by the Council, Amey, and the STAG steering group in the Joint Position Statement to develop an exemplary new street tree strategy for Sheffield.
- ◆ This delivers action 29 in the Sheffield Trees and Woodlands Strategy 2018-33:

‘We will seek to develop a street tree strategy with partners which will be a ‘sub-strategy’ of the Trees and Woodlands Strategy’.

- ◆ Along with other city and Council strategies that are already in place, the Sheffield Street Tree Partnership Strategy will be instrumental in helping to develop and shape guidance and policies that determine the future of the city in a range of areas including climate emergency; development of the city centre, district centres and local neighbourhoods; and the health and wellbeing of residents.

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Sheffield Street Tree Partnership Strategy

Promoting and enhancing a network of street trees that Sheffield can be proud of



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Foreword

We set out to develop an exemplary Street Tree Partnership Strategy for Sheffield that values street trees for the benefits they bring to people, the city and the wider environment.

And we believe this Strategy is just that. As a group we wanted to produce something positive and visionary - for the city to collectively view street trees as an asset, helping us to improve air quality, reduce flood risk, support wildlife and store carbon.

This strategy aims to learn from the past in order to deliver our vision for the future of Sheffield's street trees.

In developing this strategy we have recognised that a partnership approach to positively, actively and sustainably managing our street trees, both now and in the long-term, means we are more likely to achieve our ambitions. Sharing time, expertise and resources means we can deliver so much more.

Of course, our street trees are just a part of all the city's trees and woodlands and so this document fulfils action 29 of Sheffield City Council's Trees & Woodlands Strategy 2018-2033: *'To develop a street tree strategy with partners which will be a 'sub-strategy' of the Trees and Woodlands Strategy'*.

We have also commissioned and collated baseline data so that progress towards our ambitions can be measured and is transparent. For more details about some of the baseline data please also refer to our 'Sheffield Street Tree Inventory Report'¹.

We launched this document as a 'Working Strategy' in 2020, so that we could provide an opportunity for people from across the city and beyond to make comments, share their ideas and make commitments to supporting the proposals.

The public consultation was launched on 16th July 2020 and ran for 12 weeks. This resulted in over 280 responses from individuals and organisations. Many respondents were supportive of the aims of the street tree Working Strategy and the consultation also highlighted the challenges that can be caused by poor street tree management and maintenance. The importance of maintaining a progressive attitude, resolving conflicts and ensuring that a wide range of views are taken into consideration was emphasised. Thank you to all the individuals and organisations who took the time to respond.

We reviewed all the comments provided and identified a number of key themes that we needed to improve or amend in this final strategy, outlined in our 'Consultation Feedback Report'². We accepted a whole range of changes and actions suggested, and transparently documented decisions made in our 'You

¹ Rogers, K., Buckland, A., and Hansford, D. 2019. *i-Tree Eco Stratified Inventory Report*. Treeconomics. Retrieved from: <https://www.treeconomics.co.uk/resources/reports/>.

² SCC. 2021. Street Tree Partnership Working Strategy - Consultation Feedback Report. Presented to Cabinet on 20/01/2021, (Item 12.). Retrieved from: <https://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=7552&Ver=4>

Said. We Did' report'³. The most significant change we have made is to emphasise and further develop Outcome 6 in order to specifically recognise the need for wider education and engagement with people of all ages in looking after our street trees. We have also tried to more clearly recognise some of the challenges that the **wrong tree in the wrong place** can present.

We have reviewed the membership and terms of reference of the Sheffield Street Tree Partnership, with the aim of involving as many people as possible in the delivery of the strategy. In particular, we wanted to be able to draw on the network of nearly 50 new Street Tree Wardens that began volunteering for the Partnership in autumn 2020. The Partnership's revised Terms of Reference can be found in Appendix 4.

This is now the final version of the Sheffield Street Tree Partnership Strategy. But in terms of delivery, there is much to do, and the action plans in this document remain live. They will be regularly reported against and updated at each Partnership meeting and an annual report published on the Partnership webpages to update on progress. There will be a full review process in 5 years' time.

On a personal note, I would like to thank the organisations and individuals involved in the development of this strategy for their commitment, passion, knowledge and expertise, without which my job would have been much harder.

Liz Ballard

Chair, Sheffield Street Tree Strategy Development Group

³ SCC. 2021. You Said. We Did Report. Presented to Cabinet on 17/03/2021. Retrieved from: <https://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=7554&Ver=4>

Introduction

Why street trees are important

Sheffield's trees and woodlands are one of the city's greatest natural assets and contribute to its reputation as one of the greenest cities in the UK. They provide benefits for the people of Sheffield, as well as making urban areas and local neighbourhoods attractive and healthy places to live and work. Trees are a valuable asset and there is strong and growing evidence that exposure to them increases physical and mental health wellbeing⁴, as well as supporting the ecology and biodiversity of the city.

Street trees are a crucial part of the city's urban forest and provide numerous benefits including shade and shelter, introducing nature to otherwise barren areas, helping to clean the air and reduce the risk of flooding. Street trees form an important and much loved part of the city's tree stock that we want to improve, maintain and sustain for future generations to enjoy.

Challenges of managing street trees

Street trees live a tough life and they need to be able to cope with drought, compacted soils, road salt and traffic pollution. The choice of street tree species needs to be appropriate for them to thrive in their environment: close to houses, roads and people. Sheffield already benefits from a relatively high diversity of street tree species, with 164 currently identified. This strategy addresses how we can continue to increase street tree diversity to help increase the overall resilience of the street tree stock. In addition, we need to identify trees that can grow to reach an optimum canopy size to contribute the most benefits to the surrounding urban communities.

Street trees are managed somewhat differently from woodland trees. Because they are on the highway network, their value needs to be balanced against the reality that they need to be managed for safety. Street trees can cause problems if they are poorly maintained, for example: creating access issues if they limit pavement widths; branches obscuring sightlines or being too close to roofs, windows, wires, and aerials; leaf fall obscuring pavement obstructions and blocking drains; tree roots undermining foundations of buildings; and limiting parking options. Poor species selection can also affect people with allergies due to pollen.

In Sheffield, the Council acts as the local highway authority. Its duty to maintain the city's highways is delivered through the Streets Ahead citywide highways maintenance contract between the Council and Amey. The Council needs to make sure that the city's roads and pavements are safe and accessible for all members of the public, and that people and property are protected from the dangers of any hazards on the roads or pavements. Street tree management and maintenance form part of the routine programme of the highway maintenance work alongside gritting and snow clearance, street sweeping and litter collection, gully cleaning and grass cutting.

⁴ Astell-Burt, T. and Feng, X. 2019. Association of Urban Green Space With Mental Health and General Health Among Adults in Australia. *JAMA Network Open*. Retrieved from: <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2739050>.

Rouquette, J.R. and Holt, A.R. 2017. *The benefits to people of trees outside woods*. Report for the Woodland Trust. Natural Capital Solutions. Retrieved from: <https://www.woodlandtrust.org.uk/media/1702/benefits-of-trees-outside-woods.pdf>.

O'Brien, L., Williams, K. and Stewart, A. 2010. *Urban health and health inequalities and the role of urban forestry in Britain: A review*. Forest Research. Retrieved from: <https://www.forestresearch.gov.uk/research/review-urban-forestry-in-urban-health-and-health-inequalities/>.

Van den Berg, A.E., Koole S.L., and van der Wulp N.Y. 2003. Environmental preferences and restoration: (How) are they related? *Journal of Environmental Psychology*, 23(2), 135-146. Retrieved from: [https://doi.org/10.1016/S0272-4944\(02\)00111-1](https://doi.org/10.1016/S0272-4944(02)00111-1).

Amey has contractual responsibility for all trees located within the boundary of the Sheffield adopted highway network. This is a 'wall to wall', all-encompassing responsibility for trees on the highway, whether they are the formally designed planting schemes in the City Centre, the Victorian tree lined suburbs or on one of the many rural roads that lie within the Peak District National Park. Any tree within the highway is managed by and is the responsibility of Amey until 2037 under the Streets Ahead contract. In addition, Amey has responsibility for trees on Other Designated Land (public land considered near to or part of the network) but only from a safety perspective.

When the Streets Ahead contract commenced in August 2012, Amey began recording and inspecting Sheffield's highway trees. This was the first systematic inspection of the highway tree estate since a survey in 2006-07 which had recorded approximately 34,500 individual highway trees. It was known that this was not exhaustive; there were many trees in shelterbelts, clusters and woodlands which are not recorded and it seems that in time '36,000' trees became a shorthand for the highway tree stock as a whole.

The highway network itself is subject to continual change. Roads are added, removed or subject to change through design; trees have died, fallen, been removed and replaced, and additional planting has added trees in some areas.

Therefore, at the time of writing (December 2020) there are approximately 35,500 individual street trees on the highway network for which Amey Streets Ahead has responsibility. This excludes any woodland, tree clusters or trees along the rural network, which whilst not plotted are the responsibility of Amey until contract conclusion in 2037.

Why is there a need for a new Street Tree Strategy?

At the start of the Streets Ahead contract in 2012, a five-year tree management strategy was produced setting out Amey's approach to delivering the street tree management element of the highway maintenance service. This document was published, reviewed each year and updated accordingly. The last five-year tree management strategy published was for 2018-2023. No further updates of this document were published while the new approach to street tree management has been in discussion and development with partners.

Over the last seven years there has been high profile public interest in Sheffield's street trees. A number of the city's residents formed local action groups to protest against the approach to felling and replacing street trees as part of the Streets Ahead contract.

In 2018, Amey, Sheffield City Council and Sheffield Tree Action Groups (STAG) came together through a series of mediated talks to explore and understand the different positions and find a way forward. This started to rebuild trust and confidence and provided a new starting point for the next phase of work. As a result of these talks, a Joint Position Statement was agreed and published in December 2018⁵. All parties agreed that the approach to the future management of the city's street trees should be set out in a new street tree strategy informed by a wide range of stakeholders.

Work began in January 2019 on an approach to assess and retain many of the street trees previously threatened with removal. This was made possible through the efforts of the street tree campaigners, the willingness by Amey to fund additional works outside the contract, and the Council temporarily suspending some elements of the contract without affecting the long term aims of Streets Ahead. Joint inspection work involving Amey, and STAG representatives commenced in January 2019 and continued throughout the summer of 2019. A jointly produced review of lessons learned⁶ from the early inspections was published by the Council in December 2019 and this shaped the inspections that restarted in January 2020.

The approach set out in this strategy is rooted in retaining street trees where possible by using a flexible combination of highway engineering solutions, enhanced monitoring and maintenance of street trees, and decisions on the removal and replacement of trees made on a case-by-case basis. This, along with appropriate tree species selection, should enable street trees to be safely retained for longer while still delivering the long-term benefits from the investment to maintain the safety and integrity of the city's highway network

⁵ SCC, Amey, STAG SG. 2018. *Joint Position Statement on Mediated Talks between Sheffield City Council, Amey, and the Steering Group for Sheffield Tree Action Groups (STAG SG)*. Retrieved from: <https://www.sheffield.gov.uk/home/roads-pavements/managing-street-trees>.

⁶ SCC, Amey, STAG SG. 2019. *Review of Tree Investigations - Lessons Learned & Actions*. Retrieved from: <https://www.sheffield.gov.uk/home/roads-pavements/managing-street-trees>.

Partnership approach to developing the Sheffield Street Tree Strategy

This Sheffield Street Tree Partnership Strategy has been developed through true partnership, discussion and dialogue. It is based on a review of current street tree management practices and an independent assessment of Sheffield's street trees in terms of the benefits, or 'ecosystem services', that these trees provide to people living in urban areas. It supplements the Sheffield Trees and Woodlands Strategy 2018-2033 published in December 2018⁷⁴.

A partnership group to develop the new street tree strategy was established in August 2019. Membership of the group included representatives from Amey, Sheffield City Council, STAG, The Woodland Trust, tree valuation experts, and a tree officer from a neighbouring local authority. The group was chaired independently by the Chief Executive of Sheffield and Rotherham Wildlife Trust. Please see the original group's terms of reference in **Appendix 1**.

The group developed the high level vision, outcomes and action plans for the management of Sheffield's street trees as well as considering the value of street trees, the decision process for street tree management and species selection, and community involvement. This was developed into a 'Working Strategy'.

The 'Working Strategy' was agreed by all partners and launched for a 12 week public consultation from 16th July 2020. Over 280 people and organisations responded to the consultation. A Consultation Feedback Report⁸, presenting our analysis, and a 'You Said, We Did' report⁹, documenting how we responded to feedback, have been published. The feedback from the consultation has been taken into consideration in producing this final Strategy. This is now the final Sheffield Street Tree Partnership Strategy, although the action plans remain live and will be regularly updated.

As a result of the consultation, the Partnership also reviewed its terms of reference with the aim of involving as many people as possible in delivering the Strategy. The Partnership's revised terms of reference can be found in **Appendix 4**.

⁷ Sheffield City Council. 2018. *Sheffield Trees and Woodlands Strategy 2018-2033*. Retrieved from: <https://www.sheffield.gov.uk/home/parks-sport-recreation/trees-woodlands-strategies>.

⁸ SCC. 2021. Street Tree Partnership Working Strategy - Consultation Feedback Report. Presented to Cabinet on 20/01/2021, (Item 12.). Retrieved from: <https://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=7552&Ver=4>.

⁹ See: SCC. 2021. You Said. We Did Report. Presented to Cabinet on 17/03/2021. Retrieved from: <https://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=7552&Ver=4>

The Benefits of Trees

Vision

We want to see:

A network of street trees that Sheffield can be proud of: well- maintained and cared for; resistant to the threats of disease and climate change; and delivering many benefits for people and our environment. These benefits include:

- Enhancing Sheffield’s ‘green city’ reputation and contributing to a sense of place
- Improving our physical and mental health and wellbeing
- Cleaning the air that we breathe
- Contributing to offsetting our carbon emissions
- Helping combat the effects of climate change such as flash floods and rising temperatures
- Providing a connection for people to the natural environment on their doorsteps
- Bringing communities together, fostering a sense of belonging, and being part of the heritage and history of an area
- Making the city more attractive to encourage students, visitors, and businesses to come to Sheffield and help boost the local economy
- Supporting and protecting the city’s biodiversity and wildlife
- Providing local environmental benefits like shade, natural traffic calming and reducing verge and pavement parking

In support of the Sheffield City Council Trees and Woodlands Strategy 2018-2033, we will promote and enhance Sheffield’s street trees and their long-term benefits for the public, wildlife and the wider environment by:

1. Sustainably and carefully managing and maintaining our street trees in accordance with best practice.
2. Ensuring our street trees are more resilient through the type and age of trees we plant and also how we manage the current street tree stock.
3. Increasing the value and benefits that flow from our street trees.
4. Contributing to a more equal distribution of urban forest across the city.
5. Increasing street tree canopy cover.
6. Involving the wider community of all ages in caring for and valuing street trees.

In the following sections each of the above six bullet points is developed further into an Outcome – the impact we want to see in the future. Each Outcome has measures so that we know what our starting point, or baseline, is as well as our longer term aim. There are action tables to help us move towards our Outcome.

Outcomes, Measures, Actions and Resources

Our street trees are sustainably and carefully managed and maintained in accordance with best practice

We want to ensure that our street trees are looked after as valuable assets for the city. As part of this approach to management, this strategy supports transparency in decision making and community consultation in the decision process. This allows local people the opportunity to understand and if necessary challenge a tree management decision through a clear and open process.

In relation to tree management, Amey currently work to industry standards and contract requirements as summarised in [Appendix 9](#). However, there is no independent assessment of compliance to this standard. There is also no requirement to undertake any stakeholder consultation. Both of these issues mean there is a lack of transparency about how our street trees are being managed that can lead to conflict and misunderstanding on all sides.

We agreed that independent accreditation would be a good step forward in ensuring transparency, best practice, and quality of street tree management and monitoring. With the Programme for Endorsement of Forest Certification (PEFC)¹⁰ we are exploring a new accreditation scheme using the 'Trees Outside Forests'¹¹ international independent certification scheme.

¹⁰ For more information visit: <http://ukwas.org.uk/>.

¹¹ For more information visit: <https://www.pefc.org/what-we-do/our-collective-impact/our-projects/exploring-certification-solutions-for-trees-outside-forests>.

How will we know our street trees are sustainably and carefully managed in accordance with best practice?

The management of Sheffield's Street Trees will meet best practice when independently assessed against internationally recognised criteria.

Baseline Figures

We do not currently have a baseline to work from until the first independent assessment has taken place.

So what are we going to do?

Actions	How will this help?	Who?	By when?	Resources
Work towards an independent accreditation of street trees	Offers a structured approach to assessing compliance with best practice verified by an independent third party	PEFC STAG Amey SCC	In consultation Jan-Mar 2021 with a view to having a certifiable standard by May/June 2021	Annual fee estimated £1-2000 (SCC)
Promote and have oversight of the city's approach to street tree management <u>Please refer to Appendix 5 for Decision process for Sheffield's street trees</u>	Provides transparency about what the Council and Amey will and won't do when managing trees	SCC, Amey, STAG, SRWT, WdT, other partners	April 2021	
Review, refine and publish decision making process for managing Sheffield's street trees <u>Please refer to Appendix 5 for Decision process for Sheffield's street trees</u>	Provides transparency of the decision making process adopted by the Council and Amey for the management of street trees	SCC, Amey	April 2021	
Update contract methods statements and management documents	To ensure Streets Ahead practice is in line with this strategy	Amey	On completion of the Strategy & associated process March 2021	
Consider Planning Reforms and ways to influence planning/development in the city eg through developing a Supplementary Planning Document, reference to Environment Bill	Ensures consistency of practice, by extracting and cross referencing the relevant sections of the working strategy to ensure appropriate species selection, tree pit design, aftercare etc.	Partnership	Summer 2021	
Explore ways to promote existing standards for working in the vicinity of street trees and encourage adherence by all contractors	Outlines requirements for systems to monitor compliance with the specified Industry Standards, with consequences for infringement	Partnership	2022	

Develop an online, user friendly, interactive and live tree map to aid tree management and community reporting	Street tree information is up to date, transparent and accessible to the public	Partnership	2022	Resources for development and hosting to be explored
Identify important existing and future 'Treescapes' in the city to inform tree officers' management and planting decisions	To protect important street 'landscapes' in the city	Partnership	December 2022	Tree Warden, Partners time
Submit application for Tree Cities of the World recognition	By joining a network of internationally recognised frontrunners in urban tree management, SSTEP can connect with other cities, share ideas and examples of best practice, celebrate progress made in terms of improving tree stock management practices, and create a positive narrative to reinforce Sheffield's "green city status"	Partnership	December 2021	Partners' time

Our street trees are more resilient through the type and age of trees we plant and how we manage the current street tree stock

If we want our street trees to be more resilient to climate change, threats from pests and diseases etc then we need:

- Existing trees to be in the best possible condition.
- A good age profile of trees across all the street tree stock.
- Diversity of tree species, including species that can thrive in future climates.

We agreed that we must work towards the protection and retention of the existing tree stock we have alongside additional planting and intelligent replacement to improve the age profile and diversity.

How will we know our street trees are more resilient?

There will be an increasing trend over five year intervals in:

- Tree condition scores moving increasingly up the scale from poor to fair to good.
- Creating greater spread in the age profile of the street tree population

Diversity of tree types moving towards a profile of 10% 20% 30%¹²⁷ by:

- Reducing the incidence of trees in the Rosaceae family down from 38% to below 30% where it is possible to do so without compromising overall outcomes.
- Maintaining the current profile of <20% of any single genera.
- Aiming to reduce the incidence of over-represented species like *Acer pseudoplatanus* (11%), *Tilia europaea* (9%) whilst managing the reduction in *Fraxinus excelsior* (7%) resulting from Ash dieback. (In practice the need to provide suitable hosts for wildlife displaced by ash dieback may mean that this needs to be relaxed in the short term)
- Manage the number of cultivars planted each year in accordance with good practice

¹² "A broader diversity of trees is needed in our urban landscapes to guard against the possibility of large-scale devastation by both native and introduced insect and disease pests. Urban foresters and municipal arborists should use the following guidelines for tree diversity within their areas of jurisdiction: (1) plant no more than 10% of any species, (2) no more than 20% of any genus, and (3) no more than 30% of any family. Strips or blocks of uniformity (species, cultivars, or clones of proven adaptability) should be scattered throughout the city to achieve spatial as well as biological diversity."

Santamour, F.S. 1999. *Trees for Urban Planting: Diversity, Uniformity, and Common Sense*. Report for the U.S. National Arboretum Agricultural Research Service. Washington, D.C. Retrieved from: <https://www.semanticscholar.org/>.

Baseline Figures

Please see further more detailed information and charts in [Appendix 3 Baseline Analysis of the Current Sheffield Street Tree Stock](#).

Measure	Baseline (August 2019)
Tree condition	Good (15%), Fair (69%), Poor (7%), Senescent (0.5%)
Age classification	New (16%), Young (9%), Semi-mature (17%), Early mature (20%), Mature (38%) 62% of the tree stock is maturing
Diversity of tree type	Areas to monitor Family: Rosaceae (38%) Genera: Acer (17%), Prunus (17%), Tilia (12%) Species: Acer pseudoplatanus (11%), Tilia europaea (9%), Prunus serrulata (8%) Fraxinus excelsior (7%) Percentage cultivars planted in 2018/19 = 71% Percentage cultivars on the network - 19% in 44 cultivars

So what are we going to do?

Actions	How will this help?	Who?	By when?	Resources
Annual review of these measures	So that we can monitor progress	Amey Partners	Yearly	Amey to undertake review through ATMP
Cyclical tree inspection of at least once every 3-5 years – with inspection frequency increasing with worsening condition and risk to record: Age, condition, size, form, risk, presence of wildlife, special feature e.g. rarity, cultural value	To monitor condition, diversity, age, quality etc and inform priorities for tree works	Amey	Ongoing	Amey to undertake inspections with reference to the local community and other stakeholders for input on cultural value
Review the current age profile and consider approaches to increase resilience	To develop proposal for how to improve resilience and age diversity	Partners	2022-3	Partner time, some additional resource for analysis may be needed
Develop a thorough species selection process for replacements and replanting, with reference to best practice. NB: Please refer to <u>species selection process in Appendix 2</u> and <u>indication of relative benefits provided by different tree species Appendix 7</u>	To improve the tree species diversity over time	Amey	Ongoing	Urban Tree Manual ¹³ Tree Design Advisory Guide ¹⁴
Monitor and report the planting of cultivars on the network with the aim of optimising their use	Cultivars are chosen for good characteristics but lack the natural genetic diversity that can confer resistance to pathogens,	Amey	Ongoing	Amey via the ATMP

¹³ Doick, K. and Townsend, H. 2018. *The Right Tree in the Right Place for a Resilient Future*. Forest Research. Retrieved from: <https://www.forestresearch.gov.uk/tools-and-resources/urban-tree-manual/>.

¹⁴ Hirons, A. and Sjöman, H. 2019. *Tree Species Selection for Green Infrastructure: A Guide for Specifiers*. A report for Trees & Design Action Group. Issue 1.3. Retrieved from: <http://www.tdag.org.uk/species-selection-for-green-infrastructure.html>.

Support the establishment of a network of local provenance tree nurseries	To help secure a supply of healthy, local provenanced (where appropriate) trees across a range of species	Partnership with SCC Trees & Woodlands and others	2022	
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Increase the value and benefits that flow from our street trees

As illustrated so well in the 'Benefits of Trees' image found on page 12 (credit Treeconomics), our urban trees provide many benefits. As part of the strategy development, we considered all the benefits trees provide including:

- Enhancing Sheffield's 'green city' reputation and contributing to a sense of place
- Improving our physical and mental health and wellbeing (see Outcome 4)
- Cleaning the air that we breathe
- Contributing to offsetting our carbon emissions
- Helping combat the effects of climate change such as flash floods and rising temperatures
- Providing a connection for people to the natural environment on their doorsteps (See Outcome 6)
- Bringing communities together, fostering a sense of belonging, and being part of the heritage and history of an area (See Outcome 6)
- Making the city more attractive to encourage students, visitors and businesses to come to Sheffield and help boost the local economy
- Supporting and protecting the city's biodiversity and wildlife (see Outcome 5)
- Providing local environmental benefits like shade, natural traffic calming and reducing verge and pavement parking

We decided to focus on increasing the value of the key benefits below, as we felt they were particularly relevant to street trees¹⁵ because:

- It is well documented that street trees have a particularly important role to play in improving the visual attractiveness of a street.
- Street trees have a specific and positive impact on air quality because they are so near to a major source of air pollution ie traffic fumes¹⁶.
- Storm water alleviation (slowing down rainwater) is critical in helping to keep the city moving in time of high rainfall and flood.

The one exception to this approach is the measure for carbon take up and storage. This is a benefit of all trees, not just street trees. However, due to the climate emergency it was agreed that we should look at every opportunity to help offset our carbon emissions.

¹⁵ Doick, K. and Townsend, H. 2018. *The Right Tree in the Right Place for a Resilient Future*. Forest Research. Retrieved from: <https://www.forestresearch.gov.uk/tools-and-resources/urban-tree-manual/>.

¹⁶ Ferranti, E., Levine, J., and MacKenzie, R. 2019. *Role of trees & other green infrastructure in urban air quality*. Inst. of Environmental Science magazine. Retrieved from: <https://www.the-ies.org/analysis/role-trees-and-other-green>.

Greater London Authority. 2019. *Using Green Infrastructure to Protect People from Air Pollution*. Report for Mayor of London. Retrieved from: <https://www.london.gov.uk/WHAT-WE-DO/environment/environment-publications/using-green-infrastructure-protect-people-air-pollution>.

How will we know we are increasing the value and benefits that flow from our street trees?

There will be an increasing trend averaged over five years across the following indicators:

- a) Capital Asset Valuation of Amenity Trees (CAVAT) – please refer to the Sheffield Street Tree Strategy Development Group Report ‘i-tree eco stratified inventory report’ by Treeconomics for an explanation of CAVAT.
- b) Tonnes per year of air pollution removal (ozone, carbon monoxide, nitrogen dioxide, sulphur dioxide and particulates by street trees and financial value of this service).
- c) Tonnes per year of carbon stored and sequestered by street trees and financial value of this service.
- d) Cubic metres per year of storm water alleviation by street trees and financial value of this service.

Baseline Figures

To estimate the benefits and values that flow from Sheffield’s current stock of street trees in 2019, the Group commissioned Treeconomics to undertake an i-Tree Eco Inventory Report. This report was based on the street tree management database used by Amey.

The Sheffield street tree inventory contained 35,274 records. For each tree the data collected includes tree species, stem diameter measured at 1.5m, tree height, tree condition and tree location.

Of this data set, Treeconomics removed 166 records due to incomplete data. Therefore the analysis drew on data from 35,108 trees.

The table below presents the headline figures from the Treeconomics report, with some additional analysis (see ‘*Methodology’ below the table) by Natural Capital Solutions. The benefits of street trees are expressed as a monetary value. For more details on the data, assumptions and the process used, please refer to the Sheffield Street Tree Strategy Development Group Report ‘**i-Tree Eco stratified Inventory Report**’¹⁷ by Treeconomics.

¹⁷ Rogers, K., Buckland, A., and Hansford, D. 2019. *i-Tree Eco Stratified Inventory Report*. Treeconomics. Retrieved from: <https://www.treeconomics.co.uk/resources/reports/>.

Ecosystem service	Predicted Level of service provided each year (Annual physical flows)	Value of service provided each year (Annual monetary flows)	Present financial value*
Capital Asset Valuation of Amenity Trees (CAVAT)			£340,746,149
Tonnes per year of air pollution removal (ozone, carbon monoxide, nitrogen dioxide, sulphur dioxide and particulates by street trees) and financial value of this service	3.0 tonnes (predicted)	£39,198	£1,175,641
Tonnes per year of carbon sequestered (taken up) by street trees and financial value of this service	302 tonnes (predicted)	£74,246	£6,049,720
Cubic metres per year of storm water alleviation by street trees and financial value of this service	10,415m (predicted)	£18,039	£541,032
Total		£131,483	£7,766,393
	Natural capital stock (2019)	Total value (£2019 prices)	
Tonnes of carbon currently stored by street trees and financial value of this service	12,313 tonnes	£3,025,104	

***Methodology**

The CAVAT amenity value is calculated over 80 years, so we have estimated the present value for air pollution regulation, carbon sequestration, and storm water alleviation in 2019 prices over 80 years. This ensures that there is some comparability between these values, although it is not clear from the literature if the CAVAT value is equivalent to a present value.

The present value was calculated for the total monetary flow value across all pollutants due to time constraints. The HM Treasury Green Book (2019) discount rate of 3.5% was used, and the price was assumed constant over the 80-year period. This gives an indication of the present value. Ideally this would have been done for each pollutant individually and using the Defra air quality damage cost guidance (2019) 2% damage cost uplift per year. As a result the actual present value over 80 years is likely to be much higher.

The present value of the ability of the street trees to sequester carbon into the future was calculated by using the Government's non-traded central carbon price estimates (DBEIS 2019) (that had been used to calculate the monetary flow in 2019) for each following year for the next 80 years, and using the discount rate suggested in HM Treasury Green Book (2019) discount rate of 3.5%.

The storm water alleviation present value was also calculated over 80 years using the HM Treasury Green Book (2019) discount rate of 3.5%, and assuming a constant price.

So what are we going to do?

Actions	How will this help?	Who?	By when?	Resources
I-Tree Eco recalculated in spring every year and reported as a five year moving average	So that we can monitor progress	Amey	5-yearly	£1,500 per year (estimated)
Undertake equivalent planting in advance of felling mature trees as part of planned schemes where possible	So that we can continue to increase benefits even as large trees are replaced	Amey	Ongoing	Time to find locations Cost of planting
Identify suitable locations on the network and under plant with hedges	To increase the amount of benefits within any given space	Amey, Tree Wardens	Ongoing	Amey time to find locations Funding for planting
Training Street Tree Wardens to monitor biodiversity supported by street trees	To measure biodiversity, giving an indication of ecosystem health	Amey, SRWT	2021 spring/summer	SRWT staff time & Tree Wardens

Contribute to a more equal distribution of urban forest across the city

There is growing evidence to support the health and wellbeing benefits of being in close proximity to trees including reducing stress and improving the physical, mental and spiritual wellbeing of individuals and communities. Trees also have an important role to play in improving air quality. The city's street trees have the capacity to remove three tonnes of air-borne pollutants each year including fine particles¹⁸ (particulate matter less than 2.5 microns also known as PM_{2.5}) which can affect a person's lungs and heart. Leaf area is an important measure for the contribution trees make to improving air quality as the larger the canopy, the greater the amount of air pollution that can be captured in the canopy of the tree.

Across Sheffield, there are disparities in the leaf area of street trees measured in each ward. Stannington has the largest leaf area, followed by Firth Park and Fulwood. East Ecclesfield, Walkley, Birley, Park and Arbourthorne and Broomhill and Sharrow Vale have the smallest leaf areas. Unsurprisingly, the total air-borne pollution removal potential is lower in these wards than other parts of the city with larger leaf areas.

To understand where existing or new street trees could have the most impact in terms of promoting health and wellbeing, we need to better understand the relationship between the presence of trees, in particular trees with larger leaf areas, and health outcomes of people living in different parts of the city. This could help us to pinpoint areas where it would be beneficial to maintain leaf area or to introduce new planting. The choice of species is also important as this affects the level of air-borne pollutants a tree can hold in its canopy.

How will we know we are contributing to a more equal distribution of urban forest across the city?

A greater number of new street trees will have been planted in areas of lower canopy cover across the city that also have poorer air quality and lower Indices of Living Environment and/or Health Deprivation (IMD) rankings (baseline 2019).

¹⁸ Rogers, K., Buckland, A., and Hansford, D. 2019. *i-Tree Eco Stratified Inventory Report*. Treeconomics. Retrieved from: <https://www.treeconomics.co.uk/resources/reports/>.

Baseline Figures

As an initial assessment, Natural Capital Solutions reviewed canopy cover against indices of multiple deprivation and air quality data across the city (see

Appendix 8) and the following are the top five wards with the lowest IMD ranking¹⁹ (most deprived) respective to low street tree canopy cover (% canopy cover is the percentage of the total network covered in that ward) and higher air pollution (PM_{2.5}):

Rank	Ward	Deprivation	Canopy cover	Average PM _{2.5}
1	Manor Castle	4/28	4%	7.17 ug/m3
2	Darnall	6/28	4%	7.99 ug/m3*
3	Woodhouse	10/28	4%	7.62 ug/m3
4	Richmond	11/28	4%	7.35 ug/m3
5	Walkley	13/28	2%	7.22 ug/m3

* Darnall has the highest level of pollution across all 28 wards, particularly at M1 Jn34.

Overall the trend is not necessarily that more deprived wards have the lowest canopy cover. The most deprived ward (Firth Park) has the highest canopy cover of all wards in Sheffield (19%).

However, taken together it seems that the most affluent wards do have a consistently high canopy cover (see below).

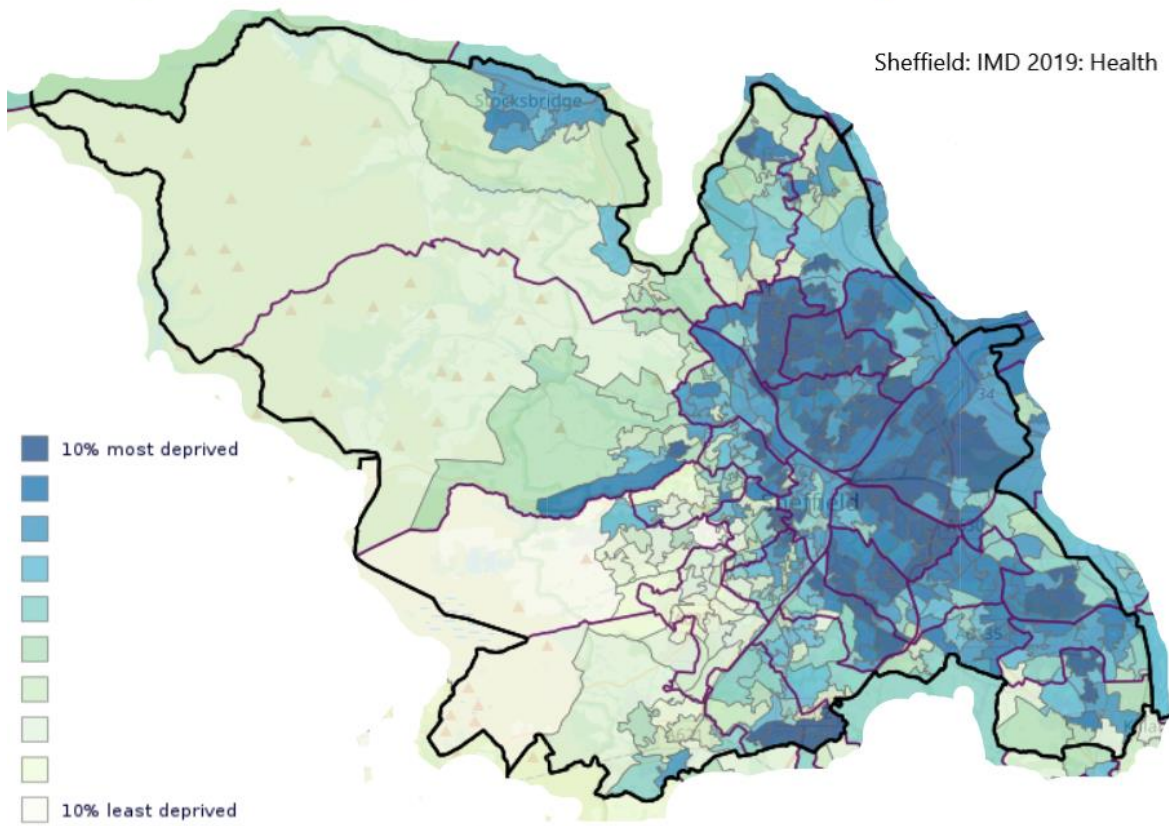
The most deprived and the above and below average wards for deprivation all have similar mean canopy covers. The areas with average deprivation have a lower canopy cover than the most deprived wards of Sheffield.

Ward characteristic	Mean canopy cover	Canopy area
Most deprived	6%	277,030m ²
Above average deprivation	7%	226,396m ²
Average deprivation	5%	188,302m ²
Below average deprivation	8%	383,893m ²
Affluent wards (Ecclesall, Dore & Totley, Crookes, Fulwood)	12%	462,333m ²

Patterns of deprivation across larger areas can be complex, with wide variations within a single ward, but the following map of Health deprivation²⁰ shows that in general, deprivation is higher in the East of the city.

¹⁹ A ranking of 1/28 being the most deprived ward in Sheffield, and 28/28 being the least.

²⁰ The University of Sheffield. 2019. *English Indices of Deprivation*. Retrieved from: <https://imd2019.group.shef.ac.uk/>.



So what are we going to do?

Actions	How will this help?	Who?	By when?	Resources
Analyse the distribution of all trees across the city in relation to air quality, Living Environment and Health Deprivation Indices	To better understand the relationship between canopy cover in the city and air quality and the potential for targeted planting	Partnership	2022-23	Partners' time, some additional resource may be needed
Use above mapping analysis to target additional planting in areas of low canopy cover, poor air quality and lower Living environment and Health Deprivation Indices, including through community funded planting – see Appendix 8	So that we can target planting where it can provide the most benefits	Amey, Partnership	Yearly	Partners' time, including Street Tree Wardens
Develop measures that will lead to a more even distribution of trees across the city eg through redistribution, community funded planting	To ensure that areas with high levels of deprivation and low canopy cover do not fall behind	Partnership	2022	Partners' time
Influence others to consider additional planting in local centres, district centres, and the City centre	To reflect the changing role of urban centres.	Partnership	Ongoing	Partners' time

Increase street tree canopy cover

Tree cover in Sheffield is 18.4% overall, and 21.6% in the urban area²¹. Street trees form a small but important part of the whole tree canopy that covers the city. Canopy cover is an indication of whether the whole biomass of our street trees is increasing over time. More tree biomass generally equates to more benefits and value flowing from our street trees. In particular, this should benefit biodiversity, providing more habitats for bats, birds, insects and other wildlife.

Street trees are only part of the total tree cover in the city; trees in public parks and private gardens, housing land and natural woodlands are by far the greater part of the city's trees. Nevertheless, street trees by definition deliver benefits where people are, and also form valuable wildlife corridors, so their contribution is important.

We recognise that there might be variations in canopy cover from one year to the next depending on particular management issues that might arise. Therefore, we intend to measure canopy cover averaged over a 5-year period. Our aim is to see an increasing trend in average canopy cover over a rolling 5-year period.

How will we know we are increasing street tree canopy cover?

There will be an increasing trend in average canopy cover over a 5-yearly rolling period using the i-Tree canopy calculations.

Baseline Figures

The current street tree canopy cover* as a percentage of the total road network** is 7% (1,537,954m²)

* Street tree canopy cover was calculated using the plotted highway assets from the Confirm asset management database.

**The total network is the area of grass, paths and roads combined.

²¹ Sheffield City Council. 2018. *Sheffield Trees and Woodlands Strategy 2018-2033*. p. 9. Retrieved from: <https://www.sheffield.gov.uk/home/parks-sport-recreation/trees-woodlands-strategies>.

So what are we going to do?

Actions	How will this help?	Who?	By when?	Resources
Calculate canopy cover annually in spring/early summer	We can extrapolate that street tree biomass is increasing over a period of years	Amey	May/June 2021 next calculation	Amey time
Explore ways to monitor biodiversity across our street trees	So that we can better understand the value of our street trees for wildlife and target conservation effort	SRWT, Partnership	2022 onwards	Partners' and Tree Wardens' time
Explore ways to enhance biodiversity and bio-abundance across our street trees See Outcome 3 and Outcome 5 actions	So that we can better support wildlife	SRWT, Partnership	2022 onwards	Partners' and Tree Wardens' time

The wider community of all ages is involved in caring for and valuing street trees

By involving more people, we hope to increase the resources (funds and time) available to care for our street trees. There is also an opportunity to improve our shared understanding and raise public awareness of the benefits and challenges that come from managing street trees.

Better communication could help to ensure we work together across the city to improve our street trees and not repeat the mistakes of our past.

How will we know the wider community is involved in caring for and valuing street trees?

There will be more people of all ages actively and positively engaged with the Council, Amey and other partners to help look after and care for our street trees.

Baseline Figures

The following is not a complete list of current community engagement in tree planting and management but provides an indication of levels of activity:

- Sheffield City Council community tree scheme – Council Officers supporting tree planting projects at schools and with community projects across the city.
- STAG's involvement in tree inspections and making Amey aware of any maintenance or contract related issues, potentially exploring nurseries for local provenance.
- Sheffield and Rotherham Wildlife Trust has regular community volunteer days and conservation volunteers who help look after trees and woodlands on their Nature Reserves and partner sites.
- Individuals and 'Friends of...' groups occasionally undertake tree planting.
- Green City Heritage supports several sites in the city and is forming links with the landowners to create management plans.

So what are we going to do?

Actions	How will this help?	Who?	By when?	Resources
<p>Continue to develop the Sheffield Street Tree Partnership to take forward this Strategy</p> <p>Please refer to the Terms of Reference in Appendix 4</p>	<p>To oversee delivery of the actions in the Sheffield Street Tree Strategy</p> <p>To work in partnership to contribute and secure skills, resources and funds to deliver the actions in the strategy</p> <p>To develop and evolve the strategy over time in response to the needs of the people of Sheffield, the climate and ecological emergency</p> <p>To encourage and direct donations with reference to this strategy – including funds for new tree planting and to support the retention of existing trees.</p>	<p>SCC, Amey, SRWT, WdT, others</p>	<p>Dec 2021 & ongoing</p>	<p>Partners' time</p>
<p>Promote the new process that allows residents and community groups to fund additional street tree planting (See Appendix 11)</p>	<p>To provide additional tree planting</p>	<p>SCC, Amey, STAG, SRWT, WdT, other partners</p>	<p>March 2021 onwards</p>	<p>Partners time, social media, web pages</p>
<p>Support the Street Tree Warden scheme (or similar) for Sheffield</p> <p>Please refer to Appendix 6 proposal for a Sheffield Street Tree Warden scheme</p>	<p>To provide a structured approach, as part of a national scheme, to engage local people in looking after street trees</p> <p>To develop opportunities for community groups and schools to engage in tree planting and care.</p>	<p>SRWT, Amey, STAG</p>	<p>January 2021</p>	<p>Support from Amey to help with co-ordination and training</p>
<p>Develop an engagement and outreach programme to encourage children, young people, families, and adults to learn about and value their local trees</p>	<p>To help children & young people find out more and care for their local trees</p>	<p>SRWT, Amey, WdTrust, SCC outreach subgroup</p>	<p>2022-3</p>	<p>Resources to be identified</p>

<p>Arrange an annual celebration to raise awareness among residents of the value and benefits of street trees, and acknowledge the volunteers who support the management and maintenance of street trees</p>	<p>To create a positive narrative around street trees, and raise awareness of tree benefits and management good practice</p> <p>To meet one of the five standards of the 'Tree Cities of the World' designation</p>	<p>Partnership</p>	<p>End of 2021 (TCotW application deadline at end of Dec 2021)</p>	<p>Resources to be identified</p>
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Going Forwards

Going forwards

The Sheffield Street Tree Strategy Development Group set out to:

Develop an exemplary Sheffield Street Tree Partnership Strategy that values street trees for the benefits they bring to people, the city and the wider environment.

The drafting, consultation and completion of this Strategy, and its adoption by all partners involved in its development, is the result of the work undertaken by the group since August 2019. It completes this task.

The next steps are to:

- Refresh and expand the Partnership as set out in **Appendix 4**.
- Deliver the actions as set out in this strategy
- Update the actions as needed, to deliver to the Strategy Vision and Outcomes
- Regularly report on completed actions and progress as well as the overall success of the Strategy in delivering to our shared Vision and Outcomes for the city's street trees.
- Plan for a complete review of the Strategy in approximately 5 years' time.

The Strategy now needs support from the many people and organisations that came forward as part of the consultation process, to ensure that Sheffield truly has a network of street trees we can be proud of.

Appendices

Appendix 1 - Sheffield Street Tree Strategy Development Group Terms of Reference

PLEASE NOTE THAT THIS IS FOR REFERENCE ONLY. THESE TERMS OF REFERENCE REFER TO THE ESTABLISHMENT OF THE INITIAL DEVELOPMENT GROUP

Developing a Partnership Sheffield City Street Tree Strategy Steering Group Terms of reference

Through the life of the project, the Steering Group will:

- Work to the agreed scope as set out in the *Developing Sheffield's Street Tree Strategy Project Set Up Sheet*
- Steer and guide the programme of development to ensure outputs and priorities are delivered on time as planned in the project set up
- Attend a majority of the Steering Group meetings, and deliver any agreed tasks or actions in a timely manner as requested
- Support and assist partners in carrying out their agreed tasks
- Offer time, skills, knowledge, networks and expertise to enable the efficient and effective development and delivery of the Partnership's work
- Submit any relevant information, data or evidence in a timely manner to help support the process
- Champion the Street Tree Strategy as it develops, at a local, sub-regional and regional level, to ensure that maximum benefit is achieved for the people and environment of Sheffield
- Work together to resolve conflicts that may arise and to manage risks and realise opportunities
- Disclose any conflict of interest and maintain high professional standards and integrity at all times
- Raise any concerns and complaints about the process with the Chair in the first instance so as to provide an opportunity to reconcile issues within the Steering Group prior to any public statements
- Accept that when a consensus cannot be reached the Chair will make a decision that they believe to be in the best interest of the project aims
- Seek opportunities for additional funds and resources to the Strategy as it develops.

We recognise and support the role of the Chair, Liz Ballard, Sheffield and Rotherham Wildlife Trust, who will:

- Oversee the development and delivery of the Strategy
- Lead and co-ordinate the Steering Group, preparing the agenda and subjects to be worked on as set out in the scope
- Impartially and objectively direct the meetings, workshops etc, ensuring that all views are heard
- Foster consensus-based decision-making amongst the Steering Group wherever possible
- Promote a professional and respectful culture
- Ensure that Group members have the appropriate expertise to contribute effectively to the Group
- Summarise and confirm key decisions and actions, clarifying with individuals any allocated key tasks and the agreed timelines for completion
- Ensure that resources are used efficiently to further the development of the Strategy
- Ensure that any Strategy publicity is approved collectively by the Steering Group prior to release and signed off by the Chair.

Ways of working

- Attendance, should wherever possible, be in person. It is accepted that occasionally group members may be unable to attend in person and conference call facilities will be provided where practicable
- If the person who normally represents an organisation cannot attend, they should send their alternative in their place
- People will be free to respectfully express their personal and organisational views during group meetings and workshops
- Meetings may not be captured through detailed minutes but through decision and action notes, workshop papers etc, that will be circulated shortly after the meeting
- Sharing of Steering Group papers, discussions held and the work of the group beyond the immediate individuals involved must first be agreed with the Chair
- Group members identified by the Chair to have breached these terms of reference and ways of working will have their involvement reviewed. The Chair will be the decision-maker about continued membership of the group.

Each Steering Group Partner confirms their commitment to these Terms of Reference:

Organisation	Name	Signed
Sheffield and Rotherham Wildlife Trust (SRWT)	Liz Ballard (Chair)	
Amey	Darren Butt	
	Tree Inspector (currently Andrew Greenwood)	
Sheffield City Council (SCC)	Mick Crofts	
	Karen Ramsay	
STAG	Paul Selby	
	Deepa Shetty	
	Christine King	
The Woodland Trust	Joe Coles	
Independent Advisers	Dr Alison Holt	
	Glen Gorner	

Appendix 2: Factors to consider when selecting tree species in Sheffield

This appendix is a guide to the thought process used when selecting the species of replacement tree, after an existing street tree has been removed. It tries to take into account various factors that influence the choice, whilst at the same time aiming to maximise future canopy cover and meet the Strategy aims of increasing resilience.

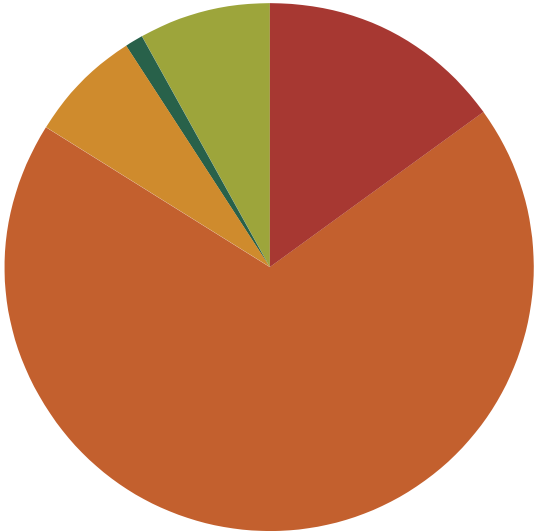
1. Could the replacement be placed elsewhere in the city, to meet our objective of equalising canopy cover across the city? Refer back to canopy cover targets etc.
2. If still planting in the same location, are there any constraints preventing the use of the old tree pit? For example:
 - a) Proximity to buildings, gardens, garden trees, other street trees, signs, street lights or junction sight lines
 - b) Unfavourable site conditions (exposed, windy, dry, wet, waterlogged, shaded, compacted, busy footfall)
 - c) Subsidence having led to previous tree being felled
3. Are there specific considerations on species selection? For example:
 - a) Tree disease risk in that location/area
 - b) Consideration relating to National Parks, Conservation Areas, Important Landscapes, Memorial Trees, Veteran Trees, Woodland
 - c) Strong community preference/residents' views
 - d) Specific species selected by SCC or others
 - e) Amenity value
4. Can species diversity be increased, whilst meeting constraints of Step 3? If so, reduce species options list
5. Rank remaining species on the list according to their ability to deliver one or all of the following:
 - a) Air quality improvements (especially in high air pollution streets)
 - b) Carbon take up (sequestration)
 - c) Storm water attenuation (if localised flooding is a problem)
 - d) Wildlife friendly
 - e) Ability to cope with climate change

Please refer to table in [Appendix 7](#) Indication of Relative Benefits Provide by Different Tree Species

6. Do site conditions or location constraints cross a specific threshold to mean that only species on specific sub-lists can be used? (eg Fastigate sub-list or Small Species sub-list).
7. Of the remaining trees on the list (or sub-list), pick the largest canopy, longest lived, and preferably native tree species, that can be sourced locally or in the UK wherever possible.

Appendix 3: Baseline analysis of the current Sheffield street tree stock (as at August 2019)

Tree condition scores



- Good 15%
- Fair 69%
- Poor 7%
- Dead 1%
- Not available 8%
- Vandalised <1%

Current position, August 2019.

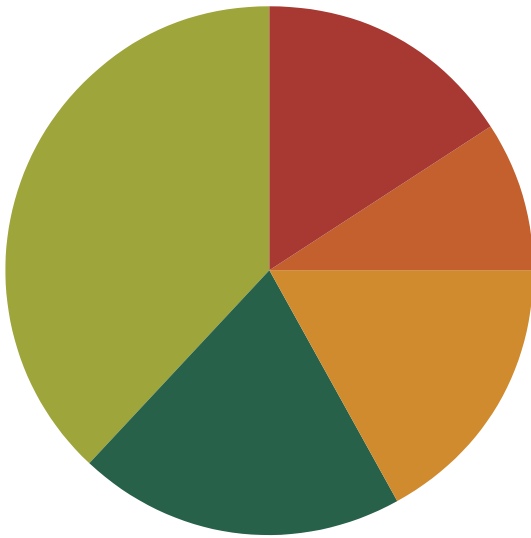
Categories used are: **Good, Fair, Poor, Senescent, Dead, Vandalised.**

These categories draw on the standard survey technique in the British Standard *5837 Trees in relation to design, demolition and construction.*

This describes the current condition profile or 'baseline'.

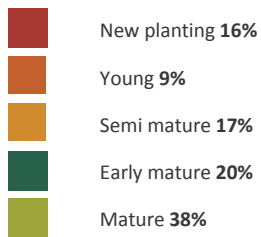
The majority of the highway trees are fair or 'OK', neither outstandingly good nor especially poor specimens.

Age classification

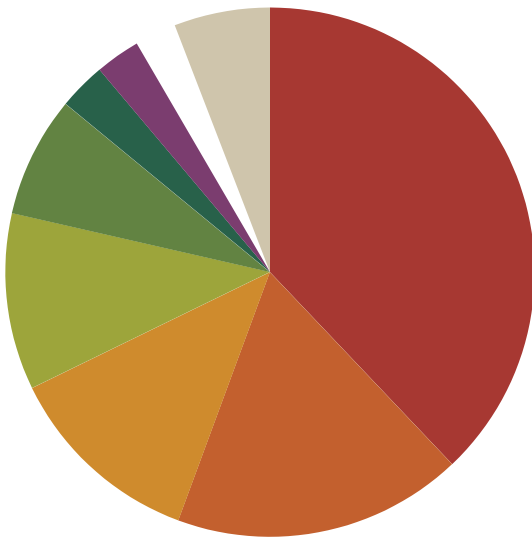


Current position, August 2019

Approximately two thirds of the tree stock are currently maturing trees (62%), i.e. not yet mature



Street trees by family



Current Species Diversity Position as of August 2019

If we refer to the 10% 20% 30% guide²²¹³ when we select trees to plant then:

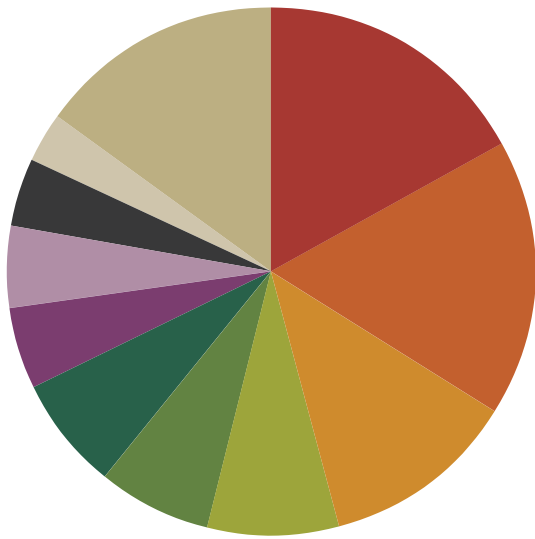
Family – over 30%: Rosaceae are 38%

Four families (Rosaceae, Sapindaceae, Malvaceae and Oleaceae) make up 75% of all street trees



²² "A broader diversity of trees is needed in our urban landscapes to guard against the possibility of large-scale devastation by both native and introduced insect and disease pests. Urban foresters and municipal arborists should use the following guidelines for tree diversity within their areas of jurisdiction: (1) plant no more than 10% of any species, (2) no more than 20% of any genus, and (3) no more than 30% of any family. Strips or blocks of uniformity (species, cultivars, or clones of proven adaptability) should be scattered throughout the city to achieve spatial as well as biological diversity."

Top 10 tree genera



Genus – all below 20%: Acer (17%), Prunus (17%), Tilia (12%)

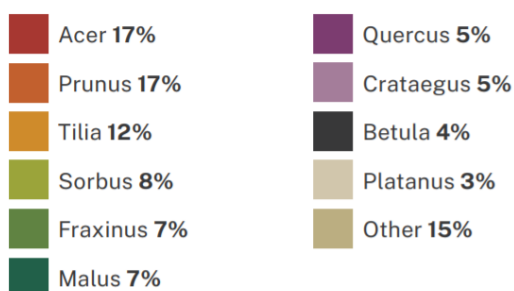
Top 10 Genera make up **85%** of all trees. **Top 5** Genera make up **61%** of all trees. **160** individual species or cultivars from 144 species

57 different Genera

Species – one over 10%: Acer pseudoplatanus (11%), Tilia europaea (9%), Prunus serrulata (8%)

Therefore, we need to aim to:

- Aim to reduce the incidence of trees in the family Rosaceae where it is possible to do so without compromising overall outcomes
- Maintain approach to genera
- Aim to reduce the incidence of over-represented species like Acer pseudoplatanus (11%), Tilia europaea (9%) whilst managing the reduction in Fraxinus excelsior (7%) resulting from Ash dieback. (In practice the need to provide suitable hosts for wildlife displaced by ash dieback may mean that this needs to be relaxed in the short term)



Appendix 4: Sheffield Street Tree Partnership - Terms of Reference

Purpose

1. To oversee delivery of the actions in the Sheffield Street Tree Strategy
2. To work in partnership to contribute and secure skills, resources and funds to deliver the actions in the strategy
3. To develop and evolve the strategy over time in response to the needs of the people of Sheffield, the climate and ecological emergency
4. To encourage and direct donations with reference to this strategy – including funds for new tree planting and to support the retention of existing trees.

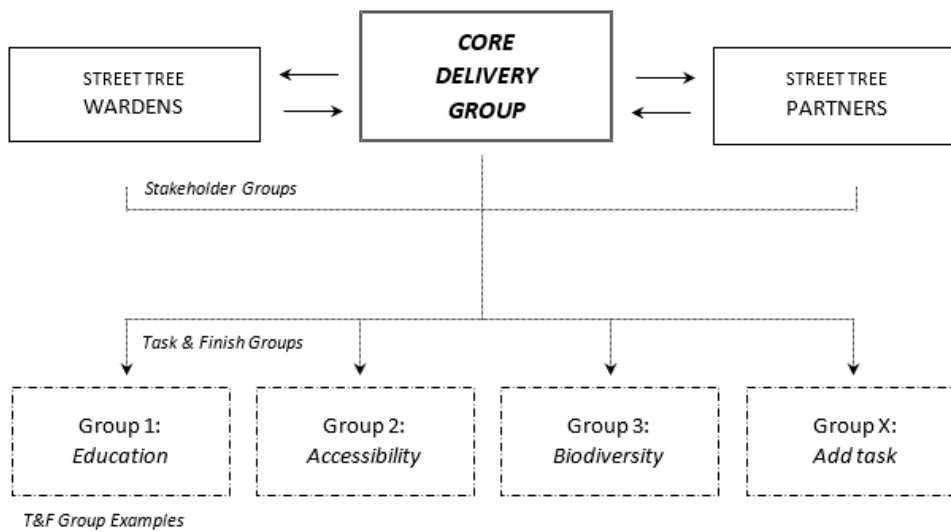
Structure

To support delivery through collaboration and ensure input from a wide range of stakeholders, the Sheffield Street Tree Partnership comprises the following groups:

- *Core Delivery Group* - Responsible for overseeing and driving delivery of the actions in the strategy, the core delivery group has an independent, elected chair and representatives from the main organisations involved in the management and maintenance of Sheffield's street trees
- *Street Tree Partners* - A wider group of partners interested in engaging with and supporting the delivery of the actions in the strategy, and able to offer expertise, ideas, and resources
- *Street Tree Wardens* - The group of volunteers assigned to different parts of Sheffield who have committed to help care for the street trees and/or be the eyes and ears for their 'patch'. See **Appendix 6** for more information.

To address specific issues or develop particular areas of work, Task & Finish Groups will be set up by the Core Delivery Group as required. Task & Finish Groups will include representatives from across the three partnership groups and will be set clear objectives, linking directly to the strategy outcomes and actions. Once objectives have been met, the Task & Finish Groups will be dissolved.

The structure shall be reviewed at the end of year one of the strategy and on an ad hoc basis thereafter.



Membership and Representation

Any group or organisation that can positively contribute to the delivery of the Street Tree Strategy can become a Street Tree Partner.

Groups and organisations may nominate one person to act as their key representative on the partnership.

Street Tree Partners and Street Tree Wardens may be invited to join a Task & Finish Group.

Core Delivery Group decisions will be achieved, wherever possible, by consensus. This will include decisions around membership and progression of the strategy. Where consensus cannot be achieved the Chair will consider a vote or hold the final decision making responsibility.

Core Delivery Group Members: Sheffield City Council, Amey, STAG, Sheffield and Rotherham Wildlife Trust, Woodland Trust and Street Tree Warden reps.

Leadership

The Core Delivery Group will elect a Chair each year who will set the agenda, direct and guide the work of the Partnership. They will also represent the Partnership in a formal capacity when appropriate.

The Chair may respond to external queries on behalf of the Partnership, and in doing so will make every attempt to consult with the other partnership groups, if time allows.

Meetings

The Core Delivery Group will meet at least four times a year and proposals for engaging the wider Partnership will be developed.

Secretariat support will be provided by SCC.

Communications

Any press statements will be agreed in advance by the Core Delivery Group.

Securing Resources

The Partnership will not be an independent body constituted in its own right at this time.

The Partnership will actively seek funds and resources to support the delivery of the strategy. Funds will be held in a restricted account by the most appropriate organisation in relation to the grant funder e.g. SCC, SRWT, local residents group etc.

Any funds held on behalf of the Partnership will be fully accounted for and must be distributed in accordance with the priorities of the strategy as agreed by the Partnership and relevant funders.

Transparency

Minutes and actions logs will be taken at all Core Delivery Group meetings. All papers, presentations, financial information and minutes will be available online to the public.

Appendix 5: Decision process for Sheffield's street trees

The decision process for the management and maintenance of Sheffield's street trees was reviewed as part of the consultation on the Sheffield Street Tree Partnership Working Strategy. Feedback from the consultation included a call for decision making processes and decisions taken to be made transparent, and for public feedback loops to be established. In response, operational aspects of the decision process, including things like timescales, method of consultation, and publication of decisions were developed and tested by Amey and Sheffield City Council with input and guidance from the Sheffield Street Tree Partnership.

Streets Ahead

As the Highway Authority, Sheffield City Council has a statutory duty to maintain the city's highway network[1]. The Council's legal duty of care is to make sure that the city's roads and pavements are safe and accessible for all members of the public, and that people and property are protected from any danger caused by hazards on the highway. This duty is delivered through the Streets Ahead[2] highways maintenance contract between the Council and Amey. The management and maintenance of Sheffield's street trees take account of the long-term improvement of the quality of the city's street tree stock and the Council's statutory duty. This makes sure that all identified tree-related risks to people and property are reduced or eliminated so that everyone can safely enjoy the benefits and ecosystem services provided by a healthy tree canopy.

Principles

The following principles guide the management and maintenance of Sheffield's street trees.

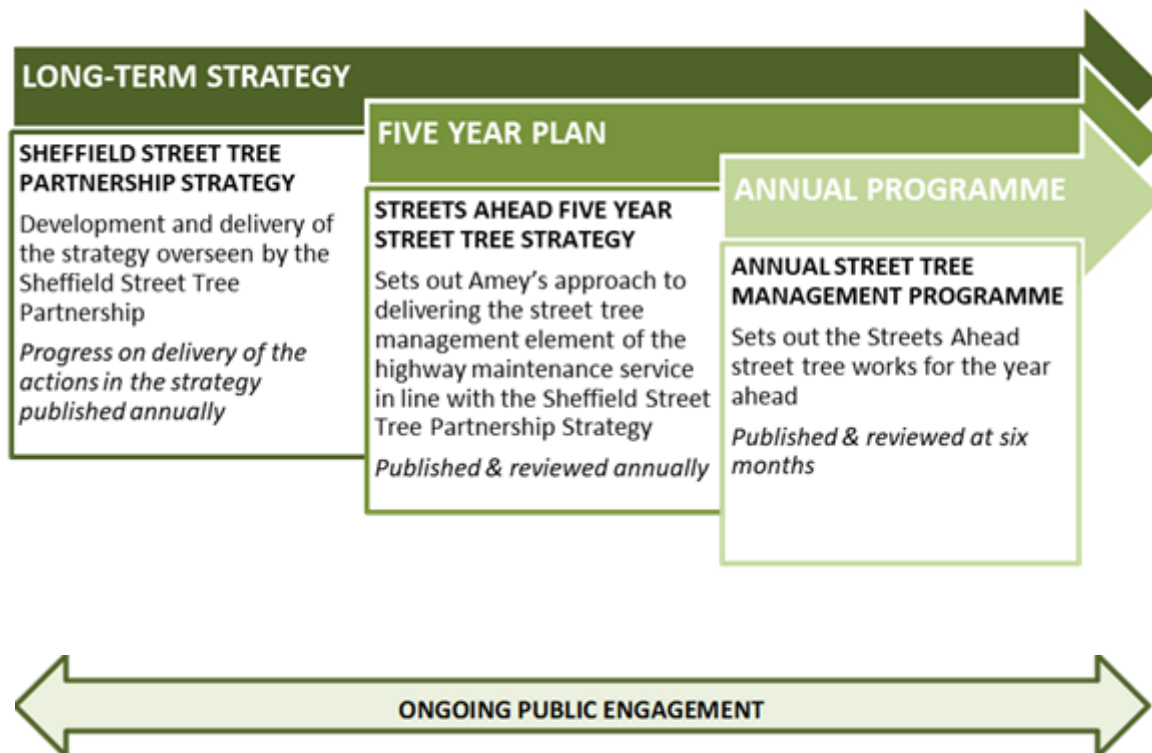
1. Removal and replacement of a street tree is considered on a case-by-case basis.
2. Before a decision is made about the removal and replacement of a street tree, an inspection of the tree for safety and condition will be carried out by the Streets Ahead team of qualified tree inspectors.
3. Street trees are typically removed and replaced for the following reasons:
 - ❑ **If a street tree is immediately dangerous because it is dead, dying or has structural defects.** The street tree will be removed from the highway to prevent the tree or its branches falling and injuring people or damaging property. In these instances, or during storm and high wind events, no consultation takes place as the primary duty is to keep members of the public and property safe.
 - ❑ **If the street tree is dead.** In some low risk or rural areas, stems of dead trees may be retained at a suitable height for their wildlife habitat value. Otherwise, in most circumstances, dead trees will be removed.
 - ❑ **If a street tree is in rapid decline or assessed as having less than five years' safe useful life expectancy (SULE) on the highway.** If environmentally valuable trees are undergoing a gradual decline, if safe to do so, they may have their crown size reduced and retained in the landscape for as long as possible.
 - ❑ **Significant disease.** If a street tree is host to a disease that cannot be remedied and will result in its death over a short period, it is likely to transfer to and harm adjacent trees. The Streets Ahead team is instructed to sterilise tools and chainsaws after working on these kinds of trees to prevent the infection from spreading.
 - ❑ **Structurally unsafe.** A street tree may become structurally unsafe for various reasons. Damage to the supporting root system, root decay caused by certain fungi as well as regrowth from previous topping wounds are all examples that can lead to a tree becoming unsafe. In all circumstances Streets Ahead will consider whether a tree can be made sufficiently safe through pruning. Removal of the tree would only be recommended if pruning cannot make the tree safe for retention.
 - ❑ **A dangerous obstruction to the carriageway.** Street trees can cause an obstruction to the safety of vehicles on the carriageway. In most cases this can be remedied through pruning the obstructing branches. In some circumstances when trees reach a certain size, their trunk or buttress roots may naturally begin to obstruct the carriageway. When this happens a road safety audit would be carried out to establish whether the tree can be retained or needs to be replaced.

- ❑ **Is causing significant damage to the highway.** Where a street tree is causing significant damage to the highway infrastructure, it will be subject to a cost/benefit analysis to establish whether the tree should be replaced or whether engineering solutions are reasonably practicable.
 - ❑ **Is causing damage to third party property.** Streets Ahead will act to prevent damage to third party property. If a resident believes that a highway tree is adversely affecting their property, they should discuss this with their home insurer in the first instance so that they can undertake an inspection and gather relevant evidence. This will be evaluated by the Streets Ahead team before tree removal is considered.
- 4 Any street tree removed will be replaced on at least a 1:1 basis (depending on the circumstances) with a suitable species for the location in as close to the original site as possible unless there are good reasons to do otherwise. The replacement species may be different from the species of tree that has been removed. This helps the city's street trees to become more resilient to threats from climate change, pests, and diseases, and helps to provide more diverse habitats for wildlife.
- 5 Integration of green infrastructure, including retaining or introducing street trees, to be considered in the design of all highways and other development schemes in the city.

Amey/Council framework for street tree management and maintenance

Figure 1 sets out the Amey/Council framework for the management and maintenance of the city's street trees in line with the Streets Ahead contractual obligations.

Figure 1: Framework for the management and maintenance of Sheffield City Council's street trees



The annual street tree management programme will include recommendations for specific streets trees or groups of street trees based on the assessment process below where the relevant information is known at the start of the programme year. There will be an opportunity at this point for individuals and organisations to provide their views on the proposed annual programme. If further or additional decisions are needed during the year, these will be made by following the decision process below with opportunities for individuals and organisations to provide their views.

Public engagement

Outcome six of the Sheffield Street Tree Strategy is that the wider community of all ages is involved in caring for and valuing street trees. Opportunities for public engagement have been created to improve shared understanding of the benefits and challenges that come from managing street trees including the establishment of the Sheffield Street Tree Partnership; promoting a way for residents and community groups to provide additional tree planting; and by setting up the Street Tree Warden Scheme. These arrangements involve residents and stakeholders in taking care of Sheffield's street trees as well as providing an ongoing way of gathering views on the Sheffield Street Tree Partnership Strategy, the Streets Ahead Five Year Street Tree Strategy, and the Annual Street Tree Management Programme. To help the public understand how street trees are maintained and managed, and to help provide answers to some of the most common street tree related questions, the Council and Amey have published *Guidelines for the Management of Sheffield City Council's Street Trees*.

Assessment of a street tree

If a street tree is assessed as immediately dangerous to life and/or property, Amey must attend and make the tree safe as an urgent defect (within one hour during the day and within two hours during the night). The street tree will be removed from the highway to prevent the tree or its branches falling and injuring people or damaging property. In these instances, or during storm and high wind events, no consultation takes place as the primary duty is to keep members of the public and property safe. There is no consultation and Amey does not need the approval of the Council prior to removing the tree, however Amey must notify the Council of the removal as soon as is reasonably practical.

Street tree condition-impact matrix (STCIM)

For trees that are not determined as immediately dangerous to life and/or property, the street tree condition-impact matrix (figure 2) is used as a guide by Amey to help assess:

- The likely impact or extent of damage to people or property by a street tree
- Whether the likely impact or extent of damage can be remediated or mitigated, either through arboricultural or engineering means
- The likelihood of repetitive repairs within a five-year period
- The safe useful life expectancy (SULE) of the tree
- Options for retaining the tree and carrying out a risk assessment on each option
- Relative costs of repair compared to all the benefits that flow from the tree.

The first step in assessing a street tree is for a qualified tree inspector to conduct a thorough inspection to gather information about the tree quality, overall condition and SULE. Based on this information, the street tree is given a condition score from 5 to 1 (horizontal axis of the matrix). This is the arboricultural input into the assessment. The Streets Ahead team who inspect street trees are experienced and qualified in tree assessments and are required to hold at least a minimum level of relevant arboriculture qualifications, e.g., Lantra[3] Professional Tree Inspection (PTI), level 3 or higher qualification in arboriculture.

For the street tree being assessed, the matrix generates a score from 1-30:

- A score <6 (denoted by the red squares).** Street tree is dead or in poor condition and unsafe. Recommendation is to remove and replace. This represents most of the tree replacements that are carried out.
- A score between 6-14 (denoted by yellow and orange squares).** Street tree is in poor, fair or good condition but may be causing significant direct or indirect damage to highway infrastructure or third-party structures, e.g., subsidence, root pressure. Assessment of this damage is carried out in line with guidance in the Code of Practice for Well-Managed Highway Infrastructure[4]. Recommendation may be enhanced inspection frequency, detailed investigation, or cost benefit analysis with a risk-assessed solution. This provides scope to find out if the likely impact or extent of damage can be remediated or mitigated through either arboricultural or engineering means.
- A score 15+ (denoted by green squares).** Tree is retained.

The score for a street tree derived from the matrix is used for guidance only to aid decision-making and to plan next steps. It is not prescriptive and in some cases street trees will fall between scores. Only through a considered assessment and open dialogue with all involved, including affected parties, can a decision or resolution be found, whether that is tree retention and repairs to structures or tree removal and replacement.

Figure 2: Street tree condition-impact matrix (STCIM)

DIAGRAM AS IN WORKING STRATEGY

Amey decision process

Figure 3 summarises the process used by Amey to reach a recommendation for a street tree based on its condition-impact score. For each street tree under authority approval or for a request to remove and replace a tree, Amey provides the Council's Head of Highways Maintenance (or their nominated deputy) with the following information:

- Fell job number
- Site name
- Site code
- Existing tree species
- Tree position
- Asset number
- Job notes/Justification
- x & y coordinates of existing tree
- Height (m)
- Mean crown spread (m)
- Stem diameter at 1.5m (cm)
- Life stage
- safe useful life expectancy (years)
- Condition grade
- CAVAT valuation (£)
- Street tree condition-impact matrix score

Figure 3: Amey decision flowchart

DIAGRAM AS IN WORKING STRATEGY

Figure 4 summarises the process used by the Council to review the evidence supporting an Amey recommendation to remove and replace a street tree, including the public consultation process using Citizen Space and the interactive Sheffield street tree map.

Figure 4: Council decision flowchart

TO BE ADDED

On receiving the Amey recommendation, the Council’s Head of Highways Maintenance (or their nominated deputy) has the following options:

Council response	What happens next
<p>1 Council not satisfied with the evidence supporting the Amey recommendation to remove and replace a tree.</p> <p>Council returns to Amey with reasons and a request for more information.</p>	<p>Amey provides more information to the Council in support of the recommendation.</p> <p>Council considers new information to determine if evidence is satisfactory.</p>
<p>2 Council satisfied with the evidence supporting the Amey recommendation to remove and replace a tree.</p> <p>Council considers the recommendation and alternatives to removal and replacement.</p> <p>Council rejects the recommendation to remove and replace tree.</p>	<p>Council instructs Amey to undertake the alternative solution and the recommendation to remove and replace the street tree is dismissed.</p> <p>In cases where Amey recommend removal and replacement as essential and the Council disagrees, a view would be sought from a third-party independent tree surveyor and/or further evidence would be examined.</p>

3 Council satisfied with the evidence supporting the Amey recommendation to remove and replace a tree or trees.

Council considers the recommendation and alternatives to removal and replacement.

Council accepts the recommendation to remove and replace the tree.

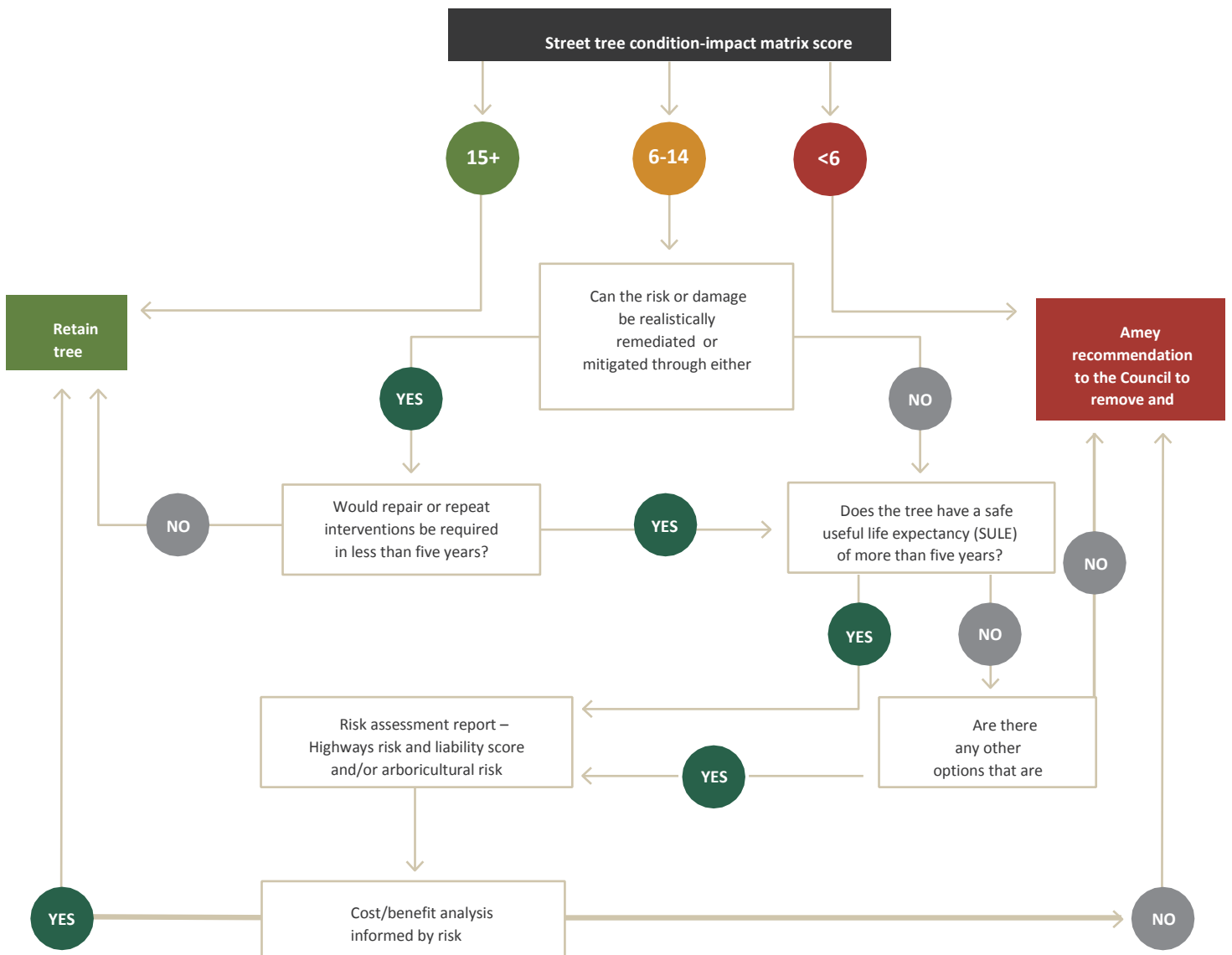
Council opens a public consultation on Citizen Space on the recommendation to remove and replace the street tree. Amey posts a notification on the street tree informing the public of the consultation and letters are sent to residents living in the vicinity of the tree under consultation. The consultation runs for three weeks. The feedback from people living near the tree under consultation, or who are directly affected by it, will have greater influence on the final decision than people living in a different part of Sheffield, in another part of the UK, or abroad.

Once the consultation closes, the Council has 10 working days to consider the recommendation, the consultation feedback, and to seek a view from the Sheffield Street Tree Partnership on possible alternatives to removal and replacement, or specific conditions for carrying out removal and replacement.

Following the consultation:

- If the decision taken is not to remove and replace the street tree, this is published on the Council website. The Council instructs Amey to undertake an alternative solution. Amey programmes and delivers the work.
- If the decision taken is to remove and replace the street tree, this is published on the Council website. A tree will not be removed until the decision has been published. The Council instructs Amey to programme the work. Amey publishes the date for replacement, removes the street tree, procures the replacement tree which is planted in the following planting season, and the inventory is updated.

Figure 3 - Amey decision flowchart:



Appendix 6: Street Tree Warden Scheme

Background

The Tree Warden Scheme²³ is a national initiative co-ordinated by The Tree Council. There are many Tree Warden Networks with Tree Warden Co-ordinators right across the UK helping local tree enthusiasts to get involved and care for the trees in their area. Tree Warden Volunteers are usually people who love trees and are willing to offer some of their time to help care for their local trees and woods, work with the local community, and/or be the eyes, ears and voice for the trees down their street. Tree Warden Schemes are usually co-ordinated by the local council or a local community organisation. Tree Warden activities and projects are often autonomous, and tailor-made to benefit the local area and community.

Every year, The Tree Council invites Tree Wardens to Regional Forums where they can come together to network, share ideas and be inspired by presentations, workshops and the outdoor site visits and mini-training sessions.

Sheffield Street Tree Warden Scheme

The Street Tree Warden Scheme is part of the Sheffield Street Tree Partnership. Investment would be needed to co-ordinate the scheme on behalf of the partnership and the direct involvement of Streets Ahead representatives would be critical for the scheme to work. Streets Ahead and SRWT could help co-ordinate the Street Tree Wardens by:

- Co-ordinating and leading the volunteer network
- Allocating ‘patches’ of a manageable size to volunteers
- Providing opportunities for volunteers to meet up, share experiences and training, promote their activities etc
- To ensure that all volunteers are sufficiently knowledgeable and equipped to be able to spot signs of disease, danger or damage to trees.

Wardens would need specific training, support and direction to ensure their activities are valued and of value in taking forward the Sheffield Street Tree Strategy.

Activities a Street Tree Warden might undertake in Sheffield could include:

- Championing their local tree and woods
- Planting and caring for trees, setting up tree nurseries
- Monitoring trees in a ‘patch’
- Liaising between neighbours, the community, Streets Ahead and the Partnership
- Eyes and ears on the ground to report in any tree issues or concerns such as any signs of disease, danger, or damage to the tree e.g. identifying Ash dieback
- Undertaking and supporting other volunteers to carry out surveys of all types to improve our understanding of our street trees
- Getting together with other like-minded people for training and sharing ideas

²³ For more information visit: <https://www.treecouncil.org.uk/Take-Part/Tree-Wardens>

- Coordinating any watering of young saplings in their first three years during long dry spells or the weeding of tree pits for new plantings, and/or placement of weed retardant mats
- Supporting the partnership on tree related projects and public events as they arise

Appendix 7: Indication of relative benefits provide by different tree species

Extract from: O'Sullivan, O.S., Holt, A.R., Warren, P.H., and Evans, K.L. 2017. Optimising UK urban road verge contributions to biodiversity and ecosystem services with cost effective management. *Journal of Environmental Management*. vol 191 (April). p162-171. Retrieved from: <https://www.sciencedirect.com/science/article/pii/S0301479716310556>.

Table 1 Relative value of tree species commonly planted in urban areas of Britain and Europe for key ecosystem services including biodiversity value. Scores are assigned from previously published datasets and for each performance measure (except drought tolerance and winter hardiness) are allocated into three approximately equal sized groups, albeit with some adjustments to the size of each group to take tied ranks into account, with +, ++ and +++ respectively indicating low, medium and high performance. For drought tolerance and winter hardiness +, ++ and +++ respectively indicate problematic or not very suitable species, suitable and very suitable species.

Air quality regulation is assessed by tree species' net contribution to volatile organic compound (VOC) emissions (data from Donovan et al. 2005²⁴) and effectiveness in capturing PM (data from Sæbø et al. 2012²⁵). Drought tolerance and winter hardiness are linked to climate change resilience, but note that high performance in drought tolerance trades-off against water uptake rates and thus flood alleviation (data from Roloff et al. 2009²⁶). Biodiversity value incorporates data from Alexander et al. (2006²⁷) on value for mycorrhizal fungi, foliage invertebrates (richness and biomass), leaf litter communities, pollinators, provision of fruits and seeds and epiphyte communities (data on value for rotten wood communities are excluded as rotten trees are removed from road verges). Performance in sequestering carbon is a function of growth rate (McHugh et al. 2015²⁸) and wood density (Tree Functional Attributes and Ecological Database 2016) whereby faster growth rates and high wood densities are advantageous. Only a few species are currently used for planting in urban verges in the UK, and these include many that score poorly for biodiversity or ecosystem service values - those approved for use in Sheffield (UK) are marked with a * for use in narrow verges and tree pits and ** for use only in wider grass verges – the majority (60%) of which are not native to the UK.

Species name	Native Distribution	Air quality		Drought tolerance	Winter Hardiness	Biodiversity value	Growth rates	Wood density	
		PM	VOCs						
<i>Acer campestre</i> **	Field maple	Europe, N. Africa and W. Asia	++	+	+++	+++	++	+	+++
<i>Acer platanoides</i>	Norway maple	Europe and W. Asia (not UK)	+	+	++	+++	+++	+++	++
<i>Acer pseudoplatanus</i>	Sycamore	Europe and W. Asia (not UK)	+	+++	+	+++	+++	+	+++
<i>Aesculus hippocastanum</i>	Horse chestnut	Europe (not UK)	++		+	++	+	+	++
<i>Alnus cordata</i> #	Italian alder	Europe (not UK)		++	++	++	+++	+++	+
<i>Alnus glutinosa</i>	Alder	Europe, N. Africa and W. Asia		+	+	++	++	++	+
<i>Alnus incana</i>	Grey alder	Northern temperate (not UK)		++	+++	+++			+
<i>Betula ermanii</i> *	Erman's birch	E. Asia							++
<i>Betula pendula</i> **	Silver birch	Europe and W. Asia	+++	+	++	+++	+++	+++	++
<i>Carpinus betulus</i> **	Common hornbeam	Europe and W. Asia	++		++	+++	+	+	+++
<i>Castanea sativa</i>	Sweet Chestnut	Europe and Asia Minor (not UK)			++	++	+		++
<i>Catalpa bignonioides</i> **	Indian Bean Tree	N. America			+	+			+
<i>Cedrus atlantica</i> **	Atlas Cedar	N. Africa			+++	+			+
<i>Chamaecyparis lawsoniana</i>	Lawson cypress	N. America		+					+
<i>Corylus colurna</i> *	Hazel	Europe and W. Asia		++	++	++	++	++	++
<i>Crataegus laevigata</i> *	Midland Hawthorn	Europe			+	+++	+++	+++	+++
<i>Crataegus monogyna</i> **	Common hawthorn	Europe, N. Africa and W. Asia		+	++	+++	+++	+	+++

²⁴ Donovan, R.G., Stewart, H.E., Owen, S., and MacKenzie, A.R. 2005. Development and Application of an Urban Tree Air Quality Score for Photochemical Pollution Episodes Using the Birmingham, United Kingdom, Area as a Case Study. *Environmental Science and Technology*. 39(17):6730-8. American Chemical Society. Retrieved from: <https://www.researchgate.net/>.

²⁵ Sæbø, A., Popek, R., Nawrot, B., and Hanslin, H.M. 2012. Plant species differences in particulate matter accumulation on leaf surfaces. *Science of The Total Environment*. 427-428:347-54. Elsevier. Retrieved from: <https://www.researchgate.net/>.

²⁶ Roloff, A., Korn, S., and Gillner, S. 2009. The Climate-Species-Matrix to select tree species for urban habitats considering climate change. *Urban Forestry & Urban Greening*. 8(4):295-308. Elsevier. Retrieved from: <https://www.researchgate.net/>.

²⁷ Alexander, K., Butler, J., and Green, T. 2006. The value of different tree and shrub species to wildlife. *British Wildlife*. 18:18-28.

²⁸ McHugh, N., Edmondson, J.L., Gaston, K.J., Leake, J.R., and O'Sullivan, O.S. 2015. Modelling short-rotation coppice and tree planting for urban road management – a citywide analysis. *Journal of Applied Ecology*. 52:1237-1245.

Appendix 8: Air pollution data (particulate matter)

Table comparing Canopy cover, IMD score, IMD rank, deprivation description and PM_{2.5} air pollution level by Sheffield ward.

Top wards for low canopy cover, high PM pollution and low IMD and are in bold

Sheffield Ward	Index of Multiple Deprivation (IMD)	IMD Ward Rank (1 = most deprived)	IMD description	Canopy Cover (% of ward road network) ²⁹	Canopy Area (m ²)	Average PM _{2.5} ³⁰ (ug/m3) level by ward
Firth Park	52.28	1	Most Deprived	19%	114,621	6.92
Southey	51.06	2	Most Deprived	4%	29,270	6.48
Burngreave	50.69	3	Most Deprived	4%	39,992	7.01
Manor Castle	47.71	4	Most Deprived	4%	34,129	7.17
Arbourthorne	42.33	5	Most Deprived	4%	19911	7.11
Darnall	41.79	6	Most Deprived	3%	39,107	7.99
Shiregreen and Brightside	41.54	7	Above Average	12%	78,902	7.04
Gleadless Valley	36.49	8	Above Average	6%	35,659	7.09
Beauchief and Greenhill	32.51	9	Above Average	9%	64,217	6.26
Woodhouse	29.91	10	Above Average	4%	23,160	7.62
Richmond	29.27	11	Above Average	4%	24,457	7.35
Birley	24.75	12	Average	2%	15,117	6.95
Walkley	23.50	13	Average	2%	13,913	7.22
Nether Edge	23.01	14	Average	14%	74,877	6.9
Central	22.61	15	Average	5%	59,418	7.05
Mosborough	21.74	16	Average	3%	18,263	6.94
East Ecclesfield	19.85	17	Average	1%	6,713	7.01
Hillsborough	19.71	18	Below Average	6%	32,332	5.88
West Ecclesfield	19.07	19	Below Average	7%	41,352	6.32
Beighton	18.87	20	Below Average	4%	22,261	6.94
Stocksbridge and Upper Don	18.52	21	Below Average	7%	65,870	5.11
Stannington	15.08	22	Below Average	18%	222,078	5.15
Broomhill	14.33	23	Least Deprived	5%	19,615	6.68
Graves Park	13.29	24	Least Deprived	10%	63,951	6.82
Dore and Totley	7.81	25	Least Deprived	12%	97,978	5.2
Crookes	7.23	26	Least Deprived	14%	58,873	6.2
Fulwood	5.08	27	Least Deprived	15%	103,404	5.16
Ecclesall	4.56	28	Least Deprived	17%	118,512	6.22

²⁹ Ward assignment in the contract asset database is by road so trees assigned to a ward may be outside the ward boundary."

³⁰ PM_{2.5} is fine particulate matter < 2.5 µm diameter

Appendix 9: British standards and Codes of Practice pertaining to Management of Trees and the Streets Ahead contract

The Streets Ahead Contract, Part G – The Services 31. Obligation To Provide The Service And Performance Standards

31.1 Standard of Service

The Service Provider shall provide the Service continuously throughout the Term:

31.1.1 in accordance with Good Industry Practice;

31.1.2 in order to comply fully with Schedule 2 (Output Specification);

31.1.3 in accordance with Highway Standards;

31.1.4 in accordance with Schedule 3 (Method Statements);

Highway Tree Replacement Policy

Contains advice on: selection, aesthetics, ease of maintenance, tolerance to difficult conditions, due regard to disease prevalence, planting considerations.

Well-managed Highway Infrastructure – A Code of Practice

“The Code is designed to promote the adoption of an integrated asset management approach to highway infrastructure based on the establishment of local levels of service through risk-based assessment.”

National Tree Safety Group (NTSG)

Common sense risk management of trees - Guidance based on a set of basic principles developed by the NTSG for considering and managing tree safety in the public interest^[HI1]. The document provides guidance (for inspecting and maintaining trees) that is reasonable and proportionate to the low risk from trees, the benefits of trees, and the health and safety obligations of those responsible for trees.

Forestry Commission (Highway tree management: Operations note 51³¹)

Examples of good practice tree and highway management with respect to trees growing within the curtilage of the highway.

SCC Highway Tree Design Guide

“aims to provide a set of guidelines and details for tree planting within the adopted highway and adjacent land where tree planting may affect the highway and for the various situations and conditions that are likely to be encountered.”

Contains general guidance, specifications and recommended species for Sheffield.

British Standards

BS3998:2010: Tree work – Recommendations

This standard gives general recommendations for tree work. It gives guidance on and explains the principles for the management options for established trees (including soil care and tree felling). It defines and describes the various operations involved in the practical aspects of tree management and maintenance including, but not limited to, Safety and Planning; Crown Management (e.g., pruning and related work); Treatment of wounds and other injuries; Management of the rooting environment; Management of decay; Felling; Stump management.

BS8545:2014: Trees: from nursery to independence in the landscape – Recommendations

This Standard “gives recommendations for transplanting young trees successfully from the nursery, through to achieving their eventual independence in the landscape”.

³¹ For more info, visit <https://www.gov.uk/government/publications/highway-tree-management-operations-note-51>

Included are clauses on: Site evaluation and constraints; Species selection; Nursery production and procurement; Handling and storage; Planting; Post-planting management and maintenance.

BS5837:2012: Trees in relation to design, demolition and construction – Recommendations

The scope of this standard includes recommendations and guidance on the relationship between trees and the processes of design, demolition and construction.

It provides a set of principles and procedures to “achieve a harmonious and sustainable relationship between trees and structures” including the protection of trees and their rooting environment.

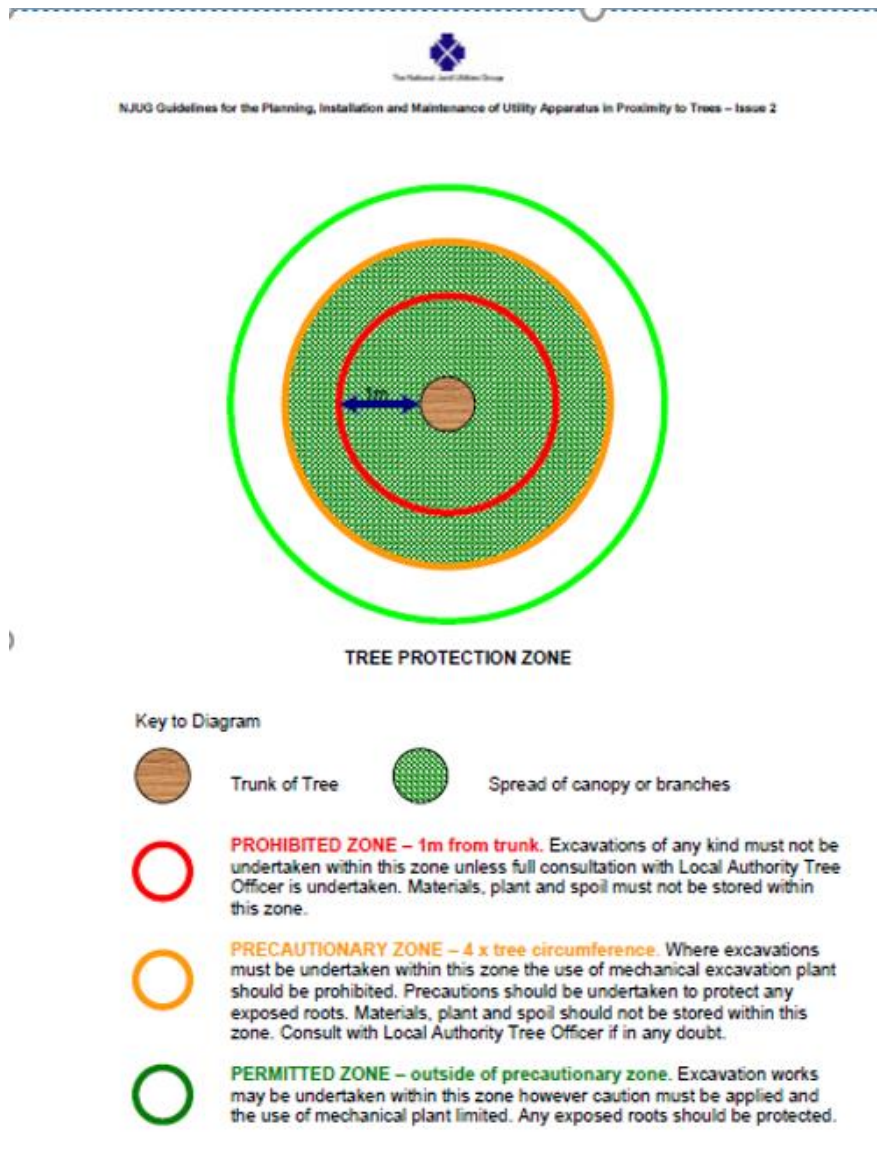
BS8596: Surveying for bats in trees and woodland – Guide

Gives guidance on surveying for bats in individual trees and in woodland – including scoping, roost and activity surveys, and record keeping.

Street Works UK

NJUG Volume 4 (2007): Guidelines for the Planning, Installation and Maintenance of Utility Apparatus in Proximity to Trees.

The guidance proposes a ‘zonal’ approach to working near trees and outlines how to avoid damage to above ground and below ground parts of a tree. A handy ‘Operatives’ Handout’ is also included:





DAMAGE TO TREES

Tree roots keep a tree healthy and upright. Most roots are found in the top 500mm of soil and often grow out further than the tree's height. The majority of these roots are very fine; even close to a tree few will be thicker than a pencil. Most street tree roots grow under the footway but may also extend under the carriageway. If roots are damaged the tree may suffer irreversible harm and eventually die.

PROTECTING ROOTS - DO'S and DON'TS

There are three designated zones around a tree each of which has its own criteria for working practices.

THE PROHIBITED ZONE

- Don't** excavate within this zone.
- Don't** use any form of mechanical plant within this zone
- Don't** store materials, plant or equipment within this zone.
- Don't** move plant or vehicles within this zone.
- Don't** lean materials against, or chain plant to, the trunk.
- Do** contact the local authority tree officer or owner of the tree if excavation within this zone is unavoidable.
- Do** protect any exposed roots uncovered within this zone with dry sacking.
- Do** backfill with a suitable inert granular and top soil material mix as soon as possible on completion of works.
- Do** notify the local authority tree officer or the tree's owner of any damage.

THE PRECAUTIONARY ZONE

- Don't** excavate with machinery. Where excavation is unavoidable within this zone excavate only by hand or use trenchless techniques.
- Don't** cut roots over 25mm in diameter, unless advice has been sought from the local authority tree officer.
- Don't** repeatedly move / use heavy mechanical plant except on hard standing.
- Don't** store spoil or building material, including chemicals and fuels, within this zone.
- Do** prune roots which have to be removed using a sharp tool (e.g. secateurs or handsaw). Make a clean cut and leave as small a wound as possible.
- Do** backfill the trench with an inert granular material and top soil mix. Compact the backfill with care around the retained roots. On non highway sites backfill only with excavated soil.
- Do** protect any exposed roots with dry sacking ensuring this is removed before backfilling.
- Do** notify the local authority tree officer or the tree's owner of any damage.

THE PERMITTED ZONE

- Don't** cut roots over 25mm in diameter, unless advice has been sought from the local authority tree officer.
- Do** use caution if it is absolutely necessary to operate mechanical plant within this zone.
- Do** prune roots which have to be removed using a sharp tool (e.g. secateurs or handsaw). Make a clean cut and leave as small a wound as possible.
- Do** protect any exposed roots with dry sacking ensuring this is removed before backfilling.
- Do** notify the local authority tree officer or the tree's owner of any damage.

The Trees and Design Action Group (TDAG):

- **Trees in a Hard Landscape**
Practical challenges and solutions to integrating trees in 21st century streets, civic spaces and surface car parks, detailing process, design and technical options.
- **Trees in the Townscape: A Guide for Decision Makers**
Sets out 12 principles of urban forestry and good practice at the policy level.
- **Tree Species Selection for Green Infrastructure: A Guide for Specifiers**
Provides extensive guidance on selecting appropriate species for a range of contrasting planting

Examples of application of guidance:

Activity	Potential Problems	Implications	Prevention	Guidance
Use of construction and grounds maintenance plant/machinery	Mechanical damage to stems and branches (e.g., abrasion, breakage) from impact by plant/machinery	Potential initiation of long-term decay.	Effective planning and liaison with tree officer. Toolbox talks; Pre-works access facilitation pruning to provide sufficient clearance. Where accidental damage has occurred, Arbs. to undertake remedial works.	BS5837; NJUG; BS3998; Well-managed Highway Infrastructure COP (WMHI)
Vehicle movement and plant use. Material storage within the precautionary area (as per NJUG).	Compaction of soil.	Asphyxiation of roots – potentially leading to tree death.	Prevent all vehicle movement, plant use or material storage within the Root Protection Area (RPA) or Precautionary Zone; Toolbox talks.	BS5837; NJUG; BS3998; WMHI
Trenching, mechanical digging, soil stripping/sub-surface excavation	Root severance	Potential tree failure; initiation of long-term decay; tree's dynamics and growth affected.	Effective planning and liaison with tree officer – excavation should be by hand-dig or pneumatic device (e.g. Air Spade); Toolbox talks.	BS5837; NJUG; BS3998; WMHI
Erection/Removal of lighting columns	Mechanical damage to stems and branches; soil compaction; root severance	Potential tree failure; initiation of long-term decay; tree's dynamics and growth affected.	Effective planning and liaison with tree officer – excavation should be by hand-dig or pneumatic device (e.g. Air Spade); Toolbox talks.	NJUG; BS5837; BS3998; WMHI
Resurfacing and reinstatement of footways	Mechanical damage to roots by the laying of material (e.g. asphalt) over roots	Initiation of long-term decay; dysfunction of roots tree's dynamics and growth affected.	Where asphalt is used, the recommendation is for a buffer of sharp sand* between the asphalt and the roots. Asphalt should not be laid immediately up to the stem of a tree. *builders' sand should not be used because of its high salt content, which is toxic to tree roots.	BS5837; NJUG
Tree selection	Damage to infrastructure; disbenefits of species inappropriate for location e.g. excessive shading, toxicity of certain species,	Potential claims; expensive future problems e.g. repairs to infrastructure; public displeasure	Effective planning and consideration of species by suitably qualified and experienced Inspectors/Tree Officers	BS8545; TDAG; WMHI
Tree planting and aftercare	All parts of tree susceptible during operations and by vandalism; damage to underground apparatus	Tree death; financial cost of replacement; expense of damage to underground apparatus	Effective planning of each stage of planting and aftercare; use of tree protection; appropriate training of tree maintenance personnel	BS8545; BS3998; BS5837; NJUG; TDAG; WMHI

Maintenance of mature trees	Public safety, injury to operatives or members of public; damage to structures, infrastructure, vehicles; tree damage; disturbance of bats or nesting birds	Long-term decay associated with poor technique; potential claims; prosecution (disturbing bats or nesting birds)	Effective planning of each stage of operations; appropriate training of tree maintenance personnel	BS3998; BS8596 WMHI
Surveying/Inspection	Failure to recognise significant defects or signs and symptoms of ill health which could lead to partial or whole tree failure, spread of disease.	Increased risk to public safety and infrastructure; loss of trees to disease; prosecution;	Inspections/surveys undertaken by suitably qualified and experienced personnel; Continuous Professional Development.	NTSG; BS8596; WMHI

Appendix 10: Case Studies

Case Study 1 – Lime on a quiet suburban street – Ostensibly high visible damage, but actually a relatively simple solution to retain a tree

The kerb line was significantly displaced and pavement significantly humped and cracked. Ostensibly, the tree was therefore causing significant damage.

Using the Street Tree Condition Impact matrix, it was originally assessed as:

Condition Score	Impact of Tree	Result
4 - Remaining life expectancy of 20 to 40 years and in Fair condition	4 - Moderate Damage being caused and Moderate cost to remediate	4 x 3 = 12 - Cost benefit analysis and risk assessment needed

A more detailed investigation of the damage was therefore carried out in order to feed into the risk assessment and cost benefit calculations. This identified that there were multiple layers of thick tarmac, which had been laid on top of each other, over many years. Once they had all been removed, it was clear that a single layer of tarmac could be used to create a flat pavement surface. Similarly, with some very minor root pruning, the old kerb stones could be put back in, to create a perfectly straight kerb line.

As a result, the repairs were carried out in situ and the Street Tree Condition Impact matrix was reassessed as:

Condition Score	Impact of Tree	Result
4 - Remaining life expectancy of 20 to 40 years and in Fair condition	5 - Minor Damage being caused and Low cost to remediate	4 x 5 = 20 - Retain tree

The tree was recommended for retention by Streets Ahead, a recommendation that the Council agreed with.



1. Before work showing humped tarmac and displaced kerb
2. Complete, flat tarmac on footway
3. Thick tarmac humped around tree removed
4. New kerb and tree pit

Photos: STAG Joint Investigation Team

Case Study 2 – Sycamore on a busy road – Deciding to fell as a result of the unacceptable risks

The tree was leaning into a busy road with the trunk encroaching into the carriageway from a height of about two metres above the ground. There was damage on the trunk from previously being hit by a high sided vehicle.

Using the Street Tree Condition Impact matrix, it was originally assessed as:

Condition Score	Impact of Tree	Result
3 - Remaining life expectancy of 10 to 20 years, and in Fair condition	1 - Unacceptable Impact being caused on road users and Unacceptable cost to remediate	3 x 1 = 3 - Remove and Replace

Therefore the recommendation by Streets Ahead was to fell the tree.

The Public Engagement exercise following this initial recommendation did include a few questions for clarity. For example, what were the alternative solutions that could be used to retain the tree? Streets Ahead outlined that theoretically the road could be narrowed with a build out and ‘Give Way’ traffic calming solution.

But ultimately the encroachment into the road was obvious, and the theoretical solution was not practical on the busy road. The damage caused by the previous vehicle strike was also obvious evidence of the risk posed by the tree.

Streets Ahead therefore continued to recommend felling the tree to the Council, who agreed with the recommendation, and the tree was felled.



Photos: Google Street View

Case Study 3 – Huntingdon Elm on a suburban road junction – Taking into account special circumstances

The tree was causing significant damage to the road surface with roots visibly above tarmac in the carriageway. Initial survey suggested it would be impossible to repair the road surface properly, using standard solutions, without severing several significant roots.

Using the Street Tree Condition Impact matrix, it was originally assessed as:

Condition Score	Impact of Tree	Result
2 - Remaining life expectancy of 5 to 10 years, and in Poor condition	1 - Unacceptable Damage being caused and Unacceptable cost to remediate	2 x 1 = 3 - Remove and Replace

Therefore, the initial recommendation by Streets Ahead was to fell the tree.

The Public Engagement exercise following this initial recommendation highlighted the rarity of the tree, as well as it being host to a colony of the Biodiversity Action Plan (BAP) protected White-letter Hairstreak butterfly. Streets Ahead therefore explored whether more expensive non-standard solutions could be used, given the special nature of this tree, and the wildlife it was host to. This included deeper hand excavation of cobbles underneath the old tarmac, and careful hand pruning of some of the roots. It also included lifting the kerb line, to allow for the new road surface to be ramped over the remaining roots in the road, and re-grading of the slope of the pavement, to take into account the higher kerb line.

This solution, to retain the tree, was recommended by Streets Ahead to the Council. However it was done with the caveat that further problematic roots might be discovered during the excavation, and that depending on the severity of the root pruning needed, the tree might become unstable, and still need to be felled. The Council accepted the recommendation to carry out the excavation, and to try to implement the more expensive solution, noting the importance of the tree.

The engineering work was carried out, ultimately at relatively low cost, even though it was a non-standard solution. Some sensitive canopy pruning was also conducted.

Using the Street Tree Condition Impact matrix, it was re-assessed as:

Condition Score	Impact of Tree	Result
2 - Remaining life expectancy of 5 to 10 years, and in Fair condition	5 - Minor Damage being caused and Low cost to remediate	2 x 5 = 10 - Retain with enhanced inspection regime

Sheffield Council accepted this assessment and the tree is now being monitored by Streets Ahead more regularly.

Case Study 3 – continued



Photos: STAG Joint Investigation Team

1. Tree condemned because it was damaging, with rooting above the tarmac in the carriageway; completely unable to work round it without severing roots.
2. Roots growing up through old cobbles and breaking through worn tarmac.
3. Kerb trough ready to reinstall ramped kerb.
4. New tree pit.
5. Kerb refitted.
6. Pavement tarmac redone.

Appendix 11: Community Funded Street Tree Planting – ‘How to’ Guide

Strategy aims

Sheffield Street Tree Strategy aims to deliver several outcomes in relation to the diversity and distribution of street trees across Sheffield. Community funded street tree planting specifically aims to satisfy:

- Outcome 4 - Contribute to a more equal distribution of urban forest across the city
- Outcome 5 - Increasing tree canopy
- Outcome 6 – Engaging the wider community of all ages to get involved in caring for and valuing street trees

The following provides the gateway and process for community groups or individual residents to consider funding the planting of additional street trees, in specific locations where feasible, or across Sheffield, to promote greater distribution of the tree population. The following outlines the approach and process to progress from initial enquiry, through to application, the planting of the trees, and subsequent maintenance provision.

All enquiries will be referred to the guidelines to ensure the enquirer has considered the following key points:

- The suitability of the location;
- The appropriate species for the location, noting the aim of increasing species diversity and maximising canopy cover;
- The potential costs involved; and
- Evidence of wider community support.

These are key requirements which, if fully thought through by those making the enquiry, will speed up the process of progressing to formal application and the licencing agreement with Sheffield City Council.

Process overview

DIAGRAM TO BE ADDED

Key process steps

Steps	Description
1	<p>Initial Enquiry to Streets Ahead: Request for additional trees:</p> <p>This could be defined in two (2) categories</p> <p>a. A request for a tree at a specific location, if deemed suitable, but no funding offered. This potential location would be considered if within the current tree replacement programme, the existing tree location or locality is unsuitable ; or alternatively, if it meets the criteria of the Sheffield Street Tree Strategy, the new location could be considered from the additional planting pool held by Street Ahead.</p> <p>b. The enquiry is seeking additional trees, funded by the community / resident, therefore looking to put in place a licence agreement with SCC. The initial review will include whether it meets the current guidelines, suitability of location, species choice and evidencing wider community support for the additional tree (s)</p>
2	<p>Investigation</p> <p>Streets Ahead to undertake an initial investigation on site, visual assessment only at this stage, to consider the local environmental factors, canopy cover from existing highway trees or neighbour properties, suitability of location to install a tree and construct the required tree pit, utilities, width of the footway, proximity to properties etc. All these factors are crucial to achieving our aim of ensuring right location / right tree, for successful establishment.</p> <p>Feedback will be provided to the enquirer on the location and species requested whether deemed appropriate for consideration and taking forward, or the reason for the request to be declined. Alternatives may be provided, locations in the locality if identified or species appropriate for the location if suitable to sustain a street tree.</p>
3	<p>Application to Sheffield City Council</p> <p>Application made to SCC for the additional tree (s), with supporting evidence from neighbouring properties of the proposal, Sheffield City Council to confirm costs to the funder at this time, leading to the application being accepted by all parties, licence agreement and instruction to Streets Ahead, Amey to progress the planting in the next available planting season (November to March).</p>
4	<p>Establishment Phase</p> <p>To ensure successful establishment over the first 3 years the funder / community will be responsible for the watering of the tree and weeding if required. Following successful establishment, Streets Ahead will become responsible for the tree and any future maintenance including the replacement should it be replaced during the remaining term of the contract.</p>

Tree Fails to Establish

- a. Should this be due to poor nursery stock, replacement will be funded by Streets Ahead
- b. Should the tree be damaged, vandalised or fail because of lack of aftercare within the first three years, the tree will not be replaced by Streets Ahead and will be subsequently removed. Any replacement would need to be funded by the community, or through a funding pot set aside to cover the cost by another.

Promoting the opportunity

The application route will be published on the Sheffield City Council web pages, specifically under the Streets Ahead section about street trees. Guidance will be provided on the process, including:

- Supporting documentation required with the application;
- Useful hints about factors influencing whether trees may or may not be accepted;
- What to look out for (i.e., overhead lines, signs of underground services, street furniture, lines of sight, shading from existing trees, and the general street scene).

It will also provide, as a guide only, the estimated cost to the community funder based on whether the chosen location is within a grass verge or paved surface. These will vary depending upon location and the species selected, cost will also include commuted and license fee.

If the location is considered susceptible to vandalism from local knowledge, Street Ahead may advise to add a protective tree guard to minimise the risk of damage, though this would attract additional costs.

Initial feedback on enquiry

At the initial enquiry stage, Street Ahead will assess the viability of the location, visual assessment at this stage only, this may include a discussion with the local tree warden who can provide valuable local knowledge of the site and species selection suitability, our aim to maximise resilience and canopy cover.

Community support

To ensure successful establishment it is critical that the wider community, particularly residents close to the chosen location, support the additional tree planting. Therefore, the applicant will be required to provide evidence through letters of support from those directly affected.

Gift Aid

Should the community seek to fund additional streets collectively through a charity organisation this may attract gift aid therefore maximising the value of the money donated to be invested in future trees.

Greater distribution of street trees

A key outcome of the Strategy is to promote a more equal distribution of street trees and their benefits across the city. Therefore, the Sheffield Street Tree Partnership and wider community will be looking for funding and opportunities to focus planting and education within communities where street trees don't feature significantly in the locality. Streets Ahead has a commitment to plant a further 200 additional street trees over the coming years, and it is proposed that this pool of additional trees will be used to support this aim, looking at requests from residents whose circumstances preclude them from funding the tree, but have the nearby support required to aid successful establishment, and meet the aims of the overarching strategy.

Glossary & Acronyms

Glossary and Acronyms

Amenity tree	Allowed to occupy a site and to serve its surroundings in a useful manner which culminates in the aid, protection, and comfort of humans ³² .
ATMP	Annual Tree Management Programme sets out the Streets Ahead street tree works for the year ahead
Avoided runoff	Amount of water held in the tree canopy and re-evaporated after a rainfall event.
BS or British Standard	A series of professional standards covering a variety of works e.g. on trees. Please refer Appendix 9 for more details.
Canopy cover	Area of leaves, branches and stems of trees covering the ground when viewed from above; commonly expressed as a percentage of total ground area, e.g. at 50% canopy cover, half of the total ground area is covered by the vertical projection of tree crowns.
Carbon sequestration	Annual removal of carbon dioxide from the air by plants.
Carbon storage	Amount of carbon bound up in the above-ground and below-ground parts of woody vegetation.
Capital Asset Valuation of Amenity Trees (CAVAT)	A valuation method developed in the UK to express a tree's relative contribution to public amenity and its prominence in the urban landscape.
Council of Tree and Landscape Appraisers (CTLA)	A method for assigning a monetary value to the amenity value of trees.
Cultivar	A tree or plant variety that has been produced in cultivation by selective breeding. They usually have no or low genetic diversity, with individuals of any particular cultivar usually being clones of one another.
Ecosystem services	Benefits provided by ecosystems that contribute to making human life both possible and worth living, e.g. products such as food and water, regulation of floods, soil erosion and disease outbreaks, and non-material benefits such as recreational and spiritual benefits in natural areas.
Epicormic	Of a shoot or branch, growing from a previously dormant bud on the trunk or a limb of a tree.
Epicormic growth	Epicormic growth is a plant response to damage or stress; the growth of new shoots from epicormic buds that lie dormant beneath the bark.

³² Coder, K. 2017. *What is A Tree?* University of Georgia, Daniel B Warnell School of Forestry & Natural Resources. p. 3. Retrieved from: <https://www.warnell.uga.edu/sites/default/files/publications/WSFNR-17-35%20Coder.pdf>.

i-Tree Eco	A suite of open source, peer-reviewed and continuously improved software tools to help assess and manage urban tree populations and the benefits they can provide.
Indices of multiple deprivation (IMD)	The official measure of relative deprivation for small areas in England, and the most widely used of the Indices of Deprivation. Deprivation is measured in a broad way to encompass a wide range of aspects of an individual's living conditions; these are Income, Employment, Education, Skills and Training, Health and Disability, Crime, Barriers to Housing and Services, and Living Environment.
Landscape: National Park	Areas of relatively undeveloped and scenic landscape that are designated under the National Parks and Access to the Countryside Act 1949.
Landscape: Conservation Area	Conservation areas exist to manage and protect the special architectural and historic interest of a place - in other words, the features that make it unique.
Landscape: Important Landscape	Important landscapes are landscapes or features that aren't in national parks, or conservation areas, or memorials, or veteran, or woodland, but still deserve special consideration; for example, some historic avenues.
Landscape: Memorial Trees	Memorial trees celebrate or commemorate people or events. Typically in Sheffield, they commemorate those people of the area that fought in the two World Wars.
Landscape: Veteran Trees	Ancient trees are veteran trees, but not all veteran trees are old enough to be ancient. Veteran trees are survivors that have developed some of the features found on ancient trees. However, veteran trees are usually only in their second or mature stage of life.
Landscape: Woodland	Woodland is used in British woodland management to mean tree-covered areas which arose naturally and which are then managed, while forest is usually used in the British Isles to describe plantations, usually more extensive, or hunting Forests, which are a land use with a legal definition and may not be wooded at all.
Moving Average	A moving average is commonly used with time series data to smooth out short-term fluctuations and highlight longer-term trends or cycles.

ODL	Other Designated Land (ODL) – Land outside the highway network which Amey is required to maintain in line with the Streets Ahead contract. Comprises land parcels identified in Schedule 20 of the contract. This effectively means land that is not a road, path or verge but a swathe of land that is incidental to the highway.
PEFC	Programme for the Endorsement of Forest Certification.
Remaining life expectancy (RLE)	Life expectancy of a tree, in years
Replacement cost	Value based on the physical resource itself, e.g. the cost of having to replace a tree with a similar tree, using the CTLA methodology guidance from the Royal Institution of Chartered Surveyors.
Safe useful life expectancy (SULE)³³	Life expectancy of a tree, modified first by its age, health, condition, safety and location then by economics, effects on better trees and sustained amenity.
SCC	Sheffield City Council
Shelterbelt	A barrier of trees and shrubs that provides protection (as for crops) from wind and storm and lessens erosion.
SRWT	Sheffield and Rotherham Wildlife Trust
STAG	Sheffield Tree Action Groups
Street tree	A tree located next to or within a public road; a tree on land forming or adjacent to a highway which affects, in some way, those using that highway.
TDAG	Tree and Design Action Group
TOF	Trees Outside Forests
Tree warden	Volunteers who love trees and are willing to offer some of their time to help care for their local trees and woods, work with the local community, and/or be the eyes, ears and voice for the trees down their street.
UKWAS	United Kingdom Woodland Assurance Scheme
Urban forest	Trees, woodlands, shrubs, hedges, open grass, green space and wetland in and around urban areas.
WdT	The Woodland Trust

³³ A classification for trees developed by Jeremy Barrell of Barrell Tree Consultancy, published in 1993, consisting of five categories: from SULE more than 40 years to less than 5 years, as well as young or small trees

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**Sheffield Street Tree
Partnership**

Sheffield Street Tree Partnership Working Strategy

Consultation Feedback – You Said, We Did

March 2021

1 INTRODUCTION

- 1.1 This is a summary of how the Sheffield Street Tree Partnership (SSTP) dealt with feedback from the consultation on the Sheffield Street Tree Partnership Working Strategy¹ that ran for 12 weeks from Thursday 16th July until Thursday 8th October 2020.
- 1.2 The Working Strategy was approved by the representative organisations on the Sheffield Street Tree Strategy Development Group in March 2020. A designed version of the Working Strategy was finalised by the group and published in July 2020 to coincide with the launch of the consultation.
- 1.3 The Street Tree Strategy Development Group would like to thank all the individuals and organisations who responded to the consultation and for taking the time to provide their views, ideas, and suggestions.

This supplementary document refers to the Sheffield Street Tree Partnership Working Strategy Consultation Feedback Report published in January 2021 (the ‘Consultation Feedback Report’).

For more detail about the specific comments made by individuals and organisations, the Consultation Feedback Report is available here:

<http://democracy.sheffield.gov.uk/documents/s43127/STWS%20Consultation%20Feedback%20Report%20070121.pdf>

¹ <https://www.wildsheffield.com/wp-content/uploads/2020/03/FINAL-Sheffield-Street-Tree-Partnership-Working-Strategy-July-2020.pdf>

2 HOW THE SSTP PROCESSED COMMENTS ON THE WORKING STRATEGY

- 2.1 A qualitative analysis of the responses received through the open consultation was carried out. Responses were grouped together where the content related to a similar issue or a common theme. Specific comments relating to minor edits, corrections or additional references were also reviewed but shall not be highlighted within this document.
- 2.2 Suggestions provided through the consultation were reviewed and processed by the SSTP against **five criteria**:
1. Falls within the scope of the strategy – *Accepted*
 2. Falls within the scope of the strategy – *Not accepted*
 3. Does not fall within the scope of the strategy – *Not included, dealt with by SSTP*
 4. Does not fall within the scope of the strategy – *Not included, dealt with outside the SSTP*
 5. *Already included*
- 2.3 This section sets out how the SSTP processed comments on the Working Strategy by:
- ◆ Addressing comments on:
 - The vision (section 6 of the Consultation Feedback Report)
 - The outcomes to promote and enhance Sheffield’s street trees and their long-term benefits (section 7 of the Consultation Feedback Report)
 - The actions to deliver the outcomes (section 8 of the Consultation Feedback Report)
 - ◆ Deciding on a response to the comment against the criteria set out in 2.2 above
 - ◆ Recording a reason for the decision taken.
- 2.4 In this report, extracts from the Consultation Feedback Report are included for reference (*boxed*).
- 2.5 Table 1 sets out the SSTP response to comments received on the vision (section 6 of the Consultation Feedback Report) with reference to the decision criteria.

<p>6 VISION</p> <p>6.1 The vision as set out in the Working Strategy is:</p> <p>‘We want to see a network of street trees that Sheffield can be proud of: well-maintained and cared for; resistant to the threats of disease and climate change; and delivering many benefits for people and our environment. These benefits include:</p> <ul style="list-style-type: none"> A. Supporting our wildlife B. Enhancing our city C. Cleaning the air that we breathe D. Improving our health and wellbeing E. Helping to reduce our carbon emissions F. Helping combat the effects of climate change such as flash floods and rising temperatures.’ <p>6.2 Question 5 of the consultation asked:</p> <p><input type="checkbox"/> Are there other benefits provided by street trees that could be included in the vision?</p>
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Table 1 – Feedback on the vision

Comment	Ref.²	Decision criteria (as set out in 2.2 of this report)	Decision taken by SSTP
Respondents questioned the order of the benefits listed in the strategy vision. It was suggested that benefits such as improving our health and wellbeing and combatting the effects of climate change should be listed first.	6.3	1 – Within scope, <i>Accepted</i>	The Partnership agreed to reorder the vision benefits, bringing health and wellbeing, and climate related points up the list (see 2.6 below).

² This column provides a reference for the relevant section in the Consultation Feedback Report.

<p>Street trees can create wildlife corridors within the urban realm.</p>	<p>6.4 A</p>	<p>2 – Within scope, <i>Not accepted</i></p>	<p>This point was acknowledged, and the Partnership shares the ambition to create wildlife corridors, but it was agreed that it did not constitute a separate <i>benefit</i> in this vision section.</p> <p>The opportunity to create wildlife corridors is being considered by the Council’s Parks & Countryside Team, who are working to identify areas for planting which might join up and extend woodland habitats.</p> <p>Nature highways and byways were recognised in section ‘11.1 – Other Issues’ of the Consultation Feedback Report, which identified areas for internal and external engagement.</p> <p>The issue of protecting and supporting biodiversity came out strongly through the consultation. The Partnership agreed to add an action under Outcome 5, “<i>explore ways to enhance biodiversity and bio-abundance across our street trees</i>”.</p>
<p>Street trees can contribute to improving a city’s status as a ‘green city’ and that trees do and could further enhance Sheffield’s reputation.</p>	<p>6.4 B</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>It was agreed that the vision benefit “<i>enhancing our city</i>” be expanded to reflect these points, see 2.6 below.</p>
<p>Street trees can bring benefits by generating economic value, opportunity, and attracting investment.</p>	<p>6.4 B</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>It was agreed that the vision benefit “<i>enhancing our city</i>” be expanded to reflect these points, see 2.6 below.</p>
<p>Street trees bring benefits to physical and mental health and wellbeing, by providing a connection to the natural environment for people on their doorsteps.</p>	<p>6.4 D</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>It was agreed that the benefit “<i>improving our health and wellbeing</i>” be expanded to explicitly list physical and mental health, see 2.6 below.</p> <p>It was also agreed that the benefit “<i>providing a connection for people to the natural environment on their doorsteps</i>” would be added, in addition to the already listed benefit “<i>improving our health and wellbeing</i>”.</p>
<p>Planting street trees would “offset” rather than “reduce” Sheffield’s carbon emissions.</p>	<p>6.4 E</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>This correction was accepted by the Partnership.</p>

There are environmental benefits street trees can bring by providing shade and shelter, calming traffic, and reducing verge and pavement parking.	6.4 F	1 – Within scope, <i>Accepted</i>	It was agreed that greater emphasis could be put on these benefits. A new benefit would be added to the vision section, see 2.6 below.
Street trees can protect people from high winds.	6.4 F	2 – Within scope, <i>Not accepted</i>	It was agreed that this did not warrant a separate benefit and that the “ <i>environmental benefits</i> ” listed in the new point added in the row above included this point within.
Street trees have cultural value and provide several benefits in terms of enhancing the local community, fostering a sense of belonging and being part of the heritage and history of an area.	6.5	1 – Within scope, <i>Accepted</i>	It was agreed that this was missing from the original list. A benefit would be subsequently added to the vision section, see 2.6 below.
Street trees improve the aesthetics of a place.	6.5	1 – Within scope, <i>Accepted</i>	It was agreed that this was missing from the original list. A benefit would be subsequently added to the vision section, see 2.6 below.
Street trees provide a source of food for local people.	6.5	4 – Not within scope, <i>dealt with outside SSTP</i>	It was agreed that this point did not fit into the scope of the strategy for street trees on the highway network, but rather was relevant to trees within parks or green spaces. As such, this point falls within the scope of the Council’s Parks & Countryside Team, who are aware of the issue.
The issue of protecting biodiversity came out strongly throughout the consultation feedback received. As such the Partnership considered how this might be reflected within the existing vision statement.	7.3	1 – Within scope, <i>Accepted</i>	It was agreed that the benefit “ <i>supporting our wildlife</i> ” be expanded to include “ <i>supporting and protecting the city’s biodiversity and wildlife</i> ”.

2.6. Based on the feedback received from the consultation, the list of benefits of street trees as set out in the vision has been revised in the final strategy to read: [**new additions in bold**]:

- A. **Enhancing Sheffield’s ‘green city’ reputation and contributing to a sense of place**
- B. Improving our **physical and mental** health and wellbeing (re-phrased)
- C. Cleaning the air that we breathe
- D. Contributing to **offsetting** our carbon emissions (re-phrased)
- E. Helping combat the effects of climate change such as flash floods and rising temperatures.’
- F. **Providing a connection for people to the natural environment on their doorsteps**

- G. Bringing communities together, fostering a sense of belonging, and being part of the heritage and history of an area**
- H. Making the city more attractive to encourage students, visitors, and businesses to come to Sheffield and help boost the local economy**
- I. Supporting and protecting the city’s biodiversity and wildlife (re-phrased)
- J. Providing local environmental benefits like shade, natural traffic calming and reducing verge and pavement parking**

2.7. Table 2 sets out the SSTP response to comments received on the outcomes (section 7 of the Consultation Feedback Report) with reference to the decision criteria.

7	OUTCOMES
7.1	<p>In support of the Sheffield City Council Trees and Woodland Strategy 2018-33, six outcomes are proposed in the Working Strategy that are intended to promote and enhance Sheffield’s street trees and their long-term benefits for the public, wildlife, and the wider environment. The six outcomes are:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Outcome 1 – Our street trees are sustainably and carefully managed in accordance with best practice <input type="checkbox"/> Outcome 2 – Our street trees are more resilient through the type and age of trees we plant and how we manage the current street tree stock <input type="checkbox"/> Outcome 3 – Increase the value and benefits that flow from our street trees <input type="checkbox"/> Outcome 4 – Contribute to a more equal distribution of urban forest across the city to promote health and wellbeing <input type="checkbox"/> Outcome 5 – Increase street tree canopy cover <input type="checkbox"/> Outcome 6 – The wider community is involved in caring for and valuing street trees
7.2	<p>Question 6 of the consultation asked:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Are there other outcomes that you feel are particularly important to achieving the vision?

Table 2 – Feedback on the other outcomes proposed

Comment	Ref.	Decision criteria <i>(as set out in 2.2 of this report)</i>	Decision taken by SSTP
Improve understanding and public awareness across all ages of the value of trees through education.	7.3	1 – Within scope, <i>Accepted</i>	<p>It was agreed that this was missing from the original list of outcomes.</p> <p>However, the Partnership felt that it would be best added to complement the existing Outcome 6 text, rather than warranting a separate outcome. It felt that education would be</p>

			<p>integral to all wider community engagement within the city.</p> <p>The Partnership subsequently agreed to change the Outcome 6 text to reflect this change, placing emphasis on the wider community “<i>of all ages</i>”, see 2.8 below.</p>
Support and protect biodiversity and wildlife	7.3	2 – Within scope, <i>Not accepted</i>	<p>This was not accepted as a separate outcome, but the Partnership agreed to bring this out more clearly throughout the strategy itself, through the following edits:</p> <ul style="list-style-type: none"> - In the vision statement, by expanding “<i>supporting our wildlife</i>” to “<i>supporting and protecting the city’s biodiversity and wildlife</i>”. - Additional actions were added, for more details, see Table 3 under 2.9 below.
Value and preserve mature trees	7.3	2 – Within scope, <i>Not accepted</i>	<p>This was not accepted as a separate outcome, as it is already addressed broadly under Outcome 1 “<i>Our street trees are sustainably and carefully managed in accordance with best practice.</i>”</p> <p>The Partnership agreed with the point made, recognising that there is not only a need to manage - but also to maintain existing tree stock to the highest standard possible.</p> <p>The Partnership agreed to reflect this through the following edit:</p> <ul style="list-style-type: none"> - Outcome 1 text to be expanded to state “<i>our street trees are sustainably managed <u>and maintained</u> in accordance with best practice</i>”

2.8. Based on the feedback received from the consultation, the list of outcomes has been revised in the final strategy to read: [**new additions in bold**]

- Outcome 1** – Our street trees are sustainably and carefully managed **and maintained** in accordance with best practice
- Outcome 2** – Our street trees are more resilient through the type and age of trees we plant and how we manage the current street tree stock

- Outcome 3** – Increase the value and benefits that flow from our street trees
- Outcome 4** – Contribute to a more equal distribution of urban forest across the city ~~to promote health and wellbeing~~ *
- Outcome 5** – Increase street tree canopy cover
- Outcome 6** – The wider community **of all ages** is involved in caring for and valuing street trees

*The Partnership chose to remove “to promote health and wellbeing” from Outcome 4’s text, not to diminish this aspiration which is already enhanced within the vision section and remains addressed within the actions under this outcome, but because it recognised that promoting health and wellbeing would be addressed in a number of different ways not exclusively through Outcome 4 alone.

2.9. Suggested new actions proposed were considered for inclusion in the final strategy. Table 3 sets out the SSTP response to suggestions for new actions (section 8 of the Consultation Feedback Report) with reference to the decision criteria.

8	ACTIONS
8.1	Question 7 of the consultation asked: <ul style="list-style-type: none"> <input type="checkbox"/> If you have suggested any new outcomes in response to question 6, what actions would you propose to help deliver that outcome?

Table 3 – Feedback on new outcome actions suggested

Comment	Ref.	Decision criteria (as set out in 2.2 of this report)	Decision taken by SSTP
<i>Suggested outcome:</i> Improve understanding and public awareness across all ages of the value of trees			
Since this outcome was combined with the existing Outcome 6, please see 2.15 for more details on how actions and ideas put forward around education and wider community engagement were processed.	8.2	1 – Within scope, <i>Accepted</i>	The various actions and ideas put forward under 2.15 shall be considered through the development and delivery of a new action added to Outcome 6, “ <i>develop an engagement and outreach programme to encourage children, young people, families, and adults to learn about and value their local trees</i> ”.

<p><i>Suggested outcome:</i> Support and protect biodiversity and wildlife</p>			
<p>More clearly recognise the ecological/habitat importance of tree species and factor into the selection process</p>	8.2	1 – Within scope, <i>Accepted</i>	<p>The Partnership agreed to add “<i>Wildlife friendly</i>” to the list of criteria for which remaining species would be ranked through the species selection process.</p> <p>Going beyond this, the Partnership agreed to an additional commitment to “<i>explore ways to enhance biodiversity and bio-abundance across our street trees</i>”. This will be added to the list of actions under Outcome 5.</p>
<p>Leave deadwood for its biodiversity value where it is safe to do so</p>	8.2	1 – Within scope, <i>Accepted</i>	<p>The Partnership agreed to revise Appendix 5, to include “<i>in some low risk or rural areas, stems of dead trees may be retained at a suitable height for their wildlife habitat value.</i>”</p>
<p>Train Street Tree Wardens to identify and monitor biodiversity on street trees</p>	8.2	1 – Within scope, <i>Accepted</i>	<p>The Partnership agreed to add an action under Outcome 3: “<i>Training Street Tree Wardens to monitor biodiversity supported by street trees</i>”</p>
<p>Erect bat and bird boxes on a number of street trees and train Street Tree Wardens to monitor them</p>	8.2	2 – Within scope, <i>Not accepted</i>	<p>The erection of bat boxes to street trees significantly complicates the ability to conduct maintenance works to trees on the network due to the additional inspections and licences required to proceed. It was agreed that this suggestion would reduce Amey’s ability to sustainably and carefully manage and maintain street trees – a central pillar of the Strategy – and was therefore not accepted.</p>

<p>Look at street lighting glare directly into the higher parts of street trees, and identify any sites where lights need to be adjusted to benefit bats</p>	<p>8.2</p>	<p>4 – Not within scope, <i>dealt with outside SSTP</i></p>	<p>Street lighting is designed to provide an appropriate lighting class. Pruning works are carried out to ensure this level of lighting class service is maintained. Amey is already instructed not to plant within 5m of an existing streetlight to give the tree the best chance of survival and to prevent the street tree from reducing the lighting class provided. The Partnership did not agree to any additional actions beyond these existing arrangements.</p>
<p>Consider biodiversity and ecology, both of trees and the other fauna and flora that live and grow alongside them. Identify a measure for biodiversity and include amongst the measures</p>	<p>8.2</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership agreed to commit to “<i>explore ways to monitor biodiversity across our street trees</i>”. This will be added to the list of actions under Outcome 5.</p>
<p><i>Suggested outcome:</i> Value and preserve mature trees</p>			
<p>No additional actions suggested</p>			<p>The Partnership recognised that there is not only a need to manage - but also to maintain existing tree stock to the highest standard possible.</p> <p>The Partnership agreed to reflect this through the following edit:</p> <p>- Outcome 1 text to be expanded to state “<i>our street trees are sustainably managed <u>and maintained</u> in accordance with best practice</i>”</p>

8.3 Question 8 of the consultation asked:

- **Are there other actions that could be included under the six outcomes proposed in the Working Strategy?**

2.10. Table 4 sets out the SSTP response to suggestions for new actions to deliver Outcome 1 of the Working Strategy (section 8 of the Consultation Feedback Report) with reference to the decision criteria.

Outcome 1
Our street trees are sustainably and carefully managed and maintained in accordance with best practice

Table 4 – Feedback on suggested actions to deliver Outcome 1

Comment – Additional Actions	Decision criteria (as set out in 2.2 of this report)	Decision taken by SSTP
<p>The UK Forestry Standard should be considered in relation to the Strategy</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The UK Forestry Standard and the Forestry Act 1967 form the basis for legal and sustainable forestry management.</p> <p>The national forest certification standard for the UK is the UK Woodland Assurance Standard (UKWAS). This was designed to ensure that it reflects the requirements of the Government’s UK Forestry Standard.</p> <p>The Partnership, alongside other stakeholders, is collaborating with the Programme for the Endorsement of Forest Certification, to produce a new pioneering certification standard for “<i>Trees Outside Forests</i>” (a draft is at time of writing (Feb 2021) open for consultation).</p> <p>This will create a new standard for certification specifically for trees in an urban environment. It will become an appendix to the UKWAS.</p> <p>For more information, please visit: https://www.pefc.co.uk/news_articles/pefc-trees-outside-forests-consultation</p>
<p>Apply the Green Flag Award to Sheffield’s street trees and include a measure of the proportion of street trees covered by a Green Flag Award</p>	<p>2 – Within scope, <i>Not accepted</i></p>	<p>The Green Flag award is the benchmark national standard for publicly accessible parks and green spaces in the UK.</p> <p>The Partnership agreed that the PEFC collaboration removes the need to consider The Green Flag Award for inclusion within the Strategy.</p>

<p>Highway tree management: operations note 51 should be embedded into the Strategy</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership agreed this would add value to the Strategy and agreed to add this to the existing list of “<i>British standards and codes of practice pertaining to the management of trees</i>” listed under Appendix 9.</p>
<p>Set out a robust replacement policy on street trees, witnessing one mature tree replaced with at least three to five new trees</p>	<p>2 – Within scope, <i>Not accepted</i></p>	<p>The Partnership recognises the need for “equivalent planting” (see actions under Outcome 3).</p> <p>More information about the decision-making process is listed in Appendix 5 of the Working Strategy. Under 5.4 it states, “<i>any street tree removed will be replaced on at least a 1:1 basis (depending on the circumstances) with a suitable species for the location in as close to the original site as possible unless there are good reasons to do otherwise.</i>”</p> <p>This at least 1:1 replacement guarantee is stipulated within the Streets Ahead contract between the Council and Amey. This signals an ambition to go beyond 1:1 and allows for appropriate flexibility to plant additional replacement trees where it is possible to do so.</p>
<p>Create a Supplementary Planning Document for developers that extracts or cross references to the relevant sections of the Strategy to ensure appropriate species selection, tree pit design, aftercare etc.</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership agreed to add the following action under Outcome 1:</p> <p>“<i>Consider Planning Reforms and ways to influence planning/development in the city e.g., through developing a Supplementary Planning Document, with reference to the Environment Bill.</i>”</p>
<p>Grant the public clear and transparent access to records about the condition and management of Sheffield’s tree stock, preferably in the form of an interactive map</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership welcomed this suggestion and agreed to add a new action around creating an interactive map under Outcome 1.</p> <p>The Partnership also agreed that an independent accreditation would be a good step forward to ensure transparency. This was the basis for collaborating with the Programme for the Endorsement of Forest Certification to produce a new pioneering certification standard for “<i>Trees Outside Forests</i>” (a draft is at time of writing (Feb 2021) open for consultation).</p>

		<p>For more information, please visit: https://www.pefc.co.uk/news_articles/pefc-trees-outside-forests-consultation.</p>
<p>Keep the public informed of the criteria used to make tree management decisions</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>This principle remains at the heart of what the Partnership is trying to achieve through the Strategy. The Council will be publishing the new decision-making process to coincide with the launch of the Final Strategy.</p> <p>The Partnership also agreed to revise Appendix 5 of the Strategy to make this new decision-making process fully transparent.</p> <p>It agreed to recognise this by adding to the revised Appendix 5: <i>“Feedback from the consultation on the Working Strategy included a call for decision making processes and decisions taken to be made transparent, and for public feedback loops to be established. In response, operational aspects of the decision process, including things like timescales, method of consultation, and publication of decisions were developed and tested by Amey and the Council with input and guidance from the Sheffield Street Tree Partnership.”</i></p> <p>Please also consider the points in the row immediately above, in addition to the comments and responses made below, 2.15, under Outcome 6 – around wider engagement with the community.</p>
<p>Establish specific standards for anyone working in the vicinity of street trees to adhere to, monitor compliance, and set out consequences for infringement</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership agreed to add the following action under Outcome 1:</p> <p><i>“Explore ways to promote existing standards for working in the vicinity of street trees and encourage adherence by all contractors.”</i></p>
<p>Install decent sized tree pits around all existing established trees</p>	<p>2 – Within scope, <i>Not accepted</i></p>	<p>The Strategy’s approach to street tree management <i>“is rooted in retaining street trees where possible by using a flexible combination of highway engineering solutions.”</i> These engineering solutions include the option of installing tree pits. Street trees are assessed on a case-by-case basis and decisions taken are based on the requirements of the tree.</p>

<p>Emphasize need to better maintain existing trees, including regularly cleaning and sweeping roads of leaves to ensure there are no drain blockages</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>One of the key points emerging out of the strategy consultation was the need to recognise the legitimate problems that trees can cause and more clearly communicate ambitions to reduce these negative side effects when seeking to increase the many benefits that street trees bring to Sheffield.</p> <p>To reflect this, the Partnership agreed to edit the text for Outcome 1 to add renewed emphasis on the maintenance of street trees: <i>“Our street trees are sustainably and carefully managed and maintained in accordance with best practice”</i>.</p>
<p>Protect properties from damage from trees</p>	<p>5 – Already included</p>	<p>The Partnership agreed to recognise the challenges of managing street trees in a revised Appendix 5.</p> <p>The Working Strategy already states that, <i>“the Council’s legal duty of care is to make sure that...people and property are protected from any danger caused by hazards on the highway. This duty is delivered through the Streets Ahead highways maintenance contract”</i>. It continues, <i>“this makes sure that all identified tree-related risks to people and property are reduced or eliminated”</i>.</p> <p>The Partnership agreed to add to Appendix 5 principle 3. This principle outlines the reasons why a proposal to remove or replace a street tree might be made. The Partnership agreed to add <i>“to prevent the tree or its branches falling and injuring people or damaging property”</i> to the list of possible reasons.</p>
<p>Replace older trees before they damage pavements and roads</p>	<p>2 – Within scope, <i>Not accepted</i></p>	<p>Mature trees provide significant benefits, made clear under the vision statement.</p> <p>This suggestion sits at odds with Outcome 2, which already states, <i>“we must work towards the protection and retention of the existing tree stock”</i>.</p>

<p>Validate street tree strategy implementation plans by an independent panel of experts whose advice is published and followed</p>	<p>2 – Within scope, <i>Not accepted</i></p>	<p>This suggestion was not accepted. However, the Partnership agreed that an independent accreditation would be a good step forward in ensuring transparency and independent approval. This was the basis for collaborating with the Programme for the Endorsement of Forest Certification, to produce a new pioneering certification standard for “Trees Outside Forests” (a draft is at time of writing (Feb 2021) open for consultation).</p> <p>For more information, please visit: https://www.pefc.co.uk/news_articles/pefc-trees-outside-forests-consultation</p> <p>Please also note that Appendix 5 already states, <i>“in cases where Amey recommend removal and replacement as essential and the Council disagrees, a view would be sought from a third-party independent tree surveyor and/or further evidence would be examined”</i>.</p>
<p>Consider the needs of those with limited mobility in Partnership decision making</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership is particularly interested in engaging with representatives from the disability community in Sheffield. This interest emerged in part as result of comments made within the Working Strategy consultation, which highlighted the potential mobility issues that can be experienced because of tree maintenance issues. The Partnership agreed to explore engagement options as it expands.</p>
<p>Identify new spaces for planting</p>	<p>5 – Already included</p>	<p>This is already included. Areas where new street trees could have the most impact in terms of promoting health and wellbeing are being considered under Outcome 4. The Council’s Parks & Countryside Team are also constantly looking for new planting sites across the city.</p>
<p>Stipulate that an environmental impact study be carried out every time a proposal is put forward to fell a healthy street tree</p>	<p>5 – Already included</p>	<p>The removal and replacement of a street tree is considered on a case-by-case basis. A proposal might be put forward for a <i>healthy</i> tree to be removed and replaced if it has become a dangerous obstruction to the carriageway (see revised Appendix 5 for more information) or if there is no way of retaining it through a new development proposal.</p>

		<p>In this first scenario, this is likely to be remedied through pruning the obstructing branches. In some circumstances when trees reach a certain size their trunk may begin to obstruct the highway. When this happens a road safety audit would be carried out to establish whether the tree can be retained or needs to be replaced.</p> <p>In the second scenario, Environmental Impact Assessments are already a requirement under the Town and Country Planning Act, which applies to developments seeking planning permission under Part III. This directs the developer to assess the likely effects of development on the environment.</p> <p>In terms of the tree stock, the Partnership, alongside other stakeholders, is collaborating with the Programme for the Endorsement of Forest Certification to produce a new pioneering certification standard for “Trees Outside Forests” (a draft is at time of writing (Feb 2021) open for consultation).</p> <p>This will explore integrating assessments of environmental impacts into the urban forest tree stock certification process. Please note that the certification is still being developed and has not yet been finalised.</p> <p>For more information, please visit: https://www.pefc.co.uk/news_articles/pefc-trees-outside-forests-consultation</p>
<p>Stipulate that the loss to the environment must be compensated for close to the location of the felled tree</p>	<p>5 – Already included</p>	<p>The Partnership recognises the need for “equivalent planting” (see actions under Outcome 3).</p> <p>More information about the decision-making process is listed in Appendix 5 of the Strategy. Under Principle 4 it already states, <i>“any street tree removed will be replaced on at least a 1:1 basis (depending on the circumstances) with a suitable species for the location in as close to the original site as possible unless there are good reasons to do otherwise.”</i></p>

<p>Widen the pavement area along street tree-lined paths</p>	<p>4 – Not within scope, <i>Others are dealing with this</i></p>	<p>Amey and the Council’s Highways team are working to improve pavements across the city. This falls under the Streets Ahead contract. <i>“The Council’s legal duty of care is to make sure that the city’s roads and pavements are safe and accessible for all members of the public, and that people and property are protected from any danger caused by hazards on the highway.”</i></p> <p>This suggestion was not accepted since it does not relate directly to the maintenance or protection of street trees.</p>
<p>Extend cycle networks alongside street trees to attract more cyclists</p>	<p>4 – Not within scope, <i>dealt with outside SSTP</i></p>	<p>This suggestion was not accepted since it does not relate directly to the maintenance or protection of street trees.</p>
<p>Survey trees annually to ensure that they continue to be well managed</p>	<p>5 – Already included</p>	<p>Under Outcome 2, there is an existing commitment to conduct an annual review of the Sheffield street tree stock, including tree condition, age classification, and diversity of tree type.</p> <p>However, in terms of inspecting every tree on the network the commitment remains to conduct <i>“cyclical tree inspection of at least once every 3-5 years – with inspection frequency increasing with worsening condition and risk”</i>.</p> <p>Under Outcome 3, there is an existing commitment to recalculate the tree stock’s I-Tree value in spring every year so that progress can be monitored – to be reported as a five-year moving average.</p>
<p>Assign a task force to ensure management and maintenance is proactive</p>	<p>2 – Within scope, <i>Not accepted</i></p>	<p>The Council’s Highways team and the Partnership will ensure that the management and maintenance of street trees through Streets Ahead is proactive.</p>

2.11. Table 5 sets out the SSTP response to suggestions for new actions to deliver Outcome 2 of the Working Strategy (section 8 of the Consultation Feedback Report) with reference to the decision criteria.

Outcome 2
Our street trees are more resilient through the type and age of trees we plant and how we manage the current street tree stock

Table 5 – Feedback on suggested actions to deliver Outcome 2

Comment – Additional Actions	Decision criteria (as set out in 2.2 of this report)	Decision taken by SSTP
Embed the overall vision and objectives of the strategy into the Sheffield Local Plan in relation to Aim 1 “An Environmentally Sustainable City”	3 – Not within scope, <i>dealt with by SSTP</i>	When the Local Plan is drafted, it will take account of all relevant policy documents and strategies, including the Sheffield Street Tree Working Strategy. The strategy will be considered when determining Local Plan strategic and development management policies, drawing up policy area designations and proposing site allocations.
Use the Urban Tree Manual when developing policies around “Right Tree in the Right Place”	1 – Within scope, <i>Accepted</i>	The Partnership agreed to add this, under Outcome 2, to the list of resources considered beside the action, “ <i>Develop a thorough species selection process for replacements and replanting, with reference to best practice</i> ”.
Ensure that all newly sourced trees must adhere to biosecurity best practice	5 – Already included	<p>The Partnership is committed to making Sheffield’s tree stock as resilient and future-proof as possible.</p> <p>The current suppliers of street trees used all have rigorous biosecurity policies. All street trees purchased are disease free and UK grown. No imported street trees are to be planted.</p> <p>The Strategy sets out its tree stock resilience goals under Outcome 2 – <i>Our street trees are more resilient through the type and age of trees we plant and how we manage the current street tree stock.</i></p>
Establish or upscale the supply of trees from a local municipal tree nursery	1 – Within scope, <i>Accepted</i>	The Partnership shares this ambition. At present there are no local nurseries that can supply the quantity and quality of trees required. A long-term action was therefore added under Outcome 2, “ <i>support the establishment of a network of local provenance tree nurseries</i> ”.

<p>Consider the Tree Design Advisory Guide (TDAG) when developing an approach to species selection</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership agreed to add this, under Outcome 2, to the list of resources considered alongside the action, “<i>Develop a thorough species selection process for replacements and replanting, with reference to best practice</i>”.</p> <p>The Partnership also agreed to integrate the TDAG into its tree selection, tree planting and aftercare guidelines to be outlined in Appendix 9 – British standards and Codes of Practice.</p>
<p>Move further towards greater diversity than already proposed, including using non-native trees to “future proof” Sheffield as global warming increases</p>	<p>2 – Within scope, <i>Not accepted</i></p>	<p>The Partnership is committed to making Sheffield’s tree stock as resilient and future-proof as possible.</p> <p>The Strategy sets out this goal under Outcome 2 and aspires to shape the current species diversity position towards a profile of 10% 20% 30% - details are outlined under Appendix 3. The Partnership did not agree to commit to move beyond this proposal at this stage.</p> <p>However, please note that there is already a commitment within the Strategy in the “Development Actions” table under Outcome 6, “<i>to develop and evolve the strategy over time in response to the needs of the people of Sheffield, the climate and ecological emergency</i>”.</p> <p>The Partnership also agreed to add “<i>ability to cope with climate change</i>” to the list of criteria for which remaining species would be ranked through the species selection process under Appendix 2, point 5.</p>
<p>Prevent inappropriate tree replacements, carefully consider the type planted in each area</p>	<p>5 – Already included</p>	<p>The Strategy already reflects a “<i>right tree in the right place</i>” approach including within Appendix 2: “<i>Factors to consider when selecting tree species</i>”.</p>
<p>Carefully consider which locations would be appropriate for planting edible species</p>	<p>4 – Not within scope, <i>dealt with outside SSTP</i></p>	<p>It was agreed that this point did not fit into the scope of the strategy for street trees on the highway network, but rather was relevant to trees within parks or green spaces. As such, this point falls within the scope of the Council’s Parks & Countryside Team, who are aware of the issue.</p>

2.12. Table 6 sets out the SSTP response to suggestions for new actions to deliver Outcome 3 of the Working Strategy (section 8 of the Consultation Feedback Report) with reference to the decision criteria.

Outcome 3
Increase the value and benefits that flow from our street trees

Table 6 – Feedback on suggested actions to deliver Outcome 3

Comment – Additional Actions	Decision criteria (as set out in 2.2 of this report)	Decision taken by SSTP
Include the Amenity and Appropriateness adjustments in the Capital Asset Valuation of Amenity Trees (CAVAT) measurement to reflect attributes such as streetscape contribution, heritage value, biodiversity, and veteran status	2 – Within scope, <i>Not accepted</i>	The full CAVAT value is calculated when an individual tree is assessed under a proposal for removal. However, when calculating the present financial value of the entire tree stock – as the Strategy endeavours to do under Outcome 3 – it is not possible to make the proposed adjustment en masse, as cultural value will vary by tree. The cultural value of trees is already considered under the Appendix-2-listed specific considerations relating to species selection, under “ <i>b) Consideration relating to National Parks, Conservation Areas, Important Landscapes, Memorial Trees, Veteran Trees, Woodland</i> ”
Train Street Tree Wardens to identify and monitor biodiversity on street trees	1 – Within scope, <i>Accepted</i>	The Partnership agreed to add the action “ <i>Training Street Tree Wardens to monitor biodiversity supported by street trees</i> ”
Commit to best practice planting (trees from nursery to independence in the landscape)	1 – Within scope, <i>Accepted</i>	The Partnership, alongside other stakeholders, is collaborating with the Programme for the Endorsement of Forest Certification to produce a new pioneering certification standard for “Trees Outside Forests” (a draft is at time of writing (Feb 2021) open for consultation). This will explore integrating assessments of environmental impacts into the urban forest tree stock certification process. Specifically, this could include a requirement to consider robust planting designs and the development of planting

		<p>plans to mitigate the risk of damage from natural hazards. This will give new trees the best possible chance of survival. Please note that the certification is still being developed and has not yet been finalised.</p> <p>For more information, please visit: https://www.pefc.co.uk/news_articles/pefc-trees-outside-forests-consultation</p>
<p>Consider biodiversity and ecology, both of trees and the other fauna and flora that live and grow alongside them. Identify a measure for biodiversity and include amongst the measures</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership agreed that actions could be included to increase the biodiversity supported by street trees on the highway network. The following strategy edits were made:</p> <p>The Partnership agreed to commit to “<i>explore ways to monitor biodiversity across our street trees</i>”. This will be added to the list of actions under Outcome 5.</p> <p>The Partnership agreed to add the following action: “<i>Training Street Tree Wardens to monitor biodiversity supported by street trees</i>”</p> <p>It agreed to revise Appendix 5, to include “<i>in some low risk or rural areas, stems of dead trees may be retained at a suitable height for their wildlife habitat value.</i>”</p>
<p>Choose trees that flower to improve mental health and wellbeing through improved sensory experience</p>	<p>5 – Already included</p>	<p>The strategy seeks to understand where street trees could have the most impact in terms of promoting health and wellbeing. To this end, it already includes an action under Outcome 4 “<i>analyse the contribution of all trees across the city to further refine the main opportunities for trees to contribute to health and wellbeing</i>”.</p> <p>There are a whole range of factors to consider when selecting tree species in Sheffield. The Partnership agreed to add “<i>Strong community preference/residents’ views</i>” to the list of specific considerations to consider when selecting species, under Appendix 2, point 3.</p>

		New processes put in place, under Appendix 5, will enable the public to offer their views when a proposal is put forward to remove a tree. This new consultative process will be hosted on Citizen Space, the Council’s online public consultation hub <i>every time</i> a tree is recommended for removal and replacement. This will provide opportunity to express a preference - for example - for trees that flower.
Conduct a regular opinion survey via independent pollsters to measure public satisfaction with the management of street trees	<i>Under consideration</i>	This will be considered as part of the overall performance management approach.
Recognise that the benefits of air pollution removal, carbon storage and sequestration, and storm water alleviation are predicted, rather than measured	1 – Within scope, <i>Accepted</i>	The Partnership agreed to make this change within the Outcome 3 “Baseline Figures” table.
Look at street lighting glare directly into the higher parts of street trees, and identify any sites where lights need to be adjusted to benefit bats	4 – Not within scope, <i>dealt with outside SSTP</i>	Street lighting is designed to provide an appropriate lighting class. Pruning works are carried out to ensure this level of lighting class service is maintained. Amey is already instructed not to plant within 5m of an existing streetlight, to give the tree the best chance of survival and to prevent the street tree from reducing the lighting class provided. The Partnership did not agree to any additional actions beyond these existing arrangements.
Erect bat and bird boxes on street trees on the highway network	2 – Within scope, <i>Not accepted</i>	The erection of bat boxes to street trees significantly complicates the ability to conduct maintenance works to trees on the network due to additional inspections and licences required to proceed. It was agreed that this suggestion would reduce Amey’s ability to sustainably and carefully manage and maintain street trees – a central pillar of the Strategy – and was therefore not accepted.

2.13. Table 7 sets out the SSTP response to suggestions for new actions to deliver Outcome 4 of the Working Strategy (section 8 of the Consultation Feedback Report) with reference to the decision criteria.

Outcome 4
Contribute to a more equal distribution of urban forest across the city

Table 7 – Feedback on suggested actions to deliver Outcome 4

Comment – Additional Actions	Decision criteria (as set out in 2.2 of this report)	Decision taken by SSTP
Target planting in local centres, district centres, and the city centre	1 – Within scope, <i>Accepted</i>	The Partnership agreed to add the action “ <i>Influence others to consider additional planting in local centres, district centres, and the City centre</i> ”.
Consider measures to mitigate the risk that community planting schemes increase planting in wealthier parts of the city, thus making the distribution of trees across the city more uneven	1 – Within scope, <i>Accepted</i>	The Partnership agreed to add the action “ <i>Develop measures to ensure that community funded tree planting will lead to a more even distribution of trees across the city.</i> ”
The Council’s planning department should incorporate more green space into urban design	3 – Not within scope, <i>dealt with by SSTP</i>	This is a matter of internal engagement within the Council and has been noted under the Consultation Feedback Report 11.1 “ <i>Other Issues</i> ” section.
Plant more trees in more deprived areas of the city with lower canopy cover	5 – Already included	This is absolutely the ambition of Outcome 4, reflected in the existing action “ <i>Target additional planting in areas of low canopy cover, poor air quality, and lower Living Environment and Health Deprivation Indices</i> ”

2.14. Table 8 sets out the SSTP response to suggestions for new actions to deliver Outcome 5 of the Working Strategy (section 8 of the Consultation Feedback Report) with reference to the decision criteria.

Outcome 5
Increase street tree canopy cover

Table 8 – Feedback on suggested actions to deliver Outcome 5

Comment – Additional Actions	Decision criteria (as set out in 2.2 of this report)	Decision taken by SSTP
Set a specific commitment or target for this increase	2 – Within scope, <i>Not accepted</i>	<p>The Partnership recognised the need for accountability and ambition, two themes already included within the existing Strategy. However, it agreed not to accept introducing targets.</p> <p>In the case of canopy cover, a target would not recognise progress made to protect the existing tree stock by removing trees with diseases such as ash dieback.</p> <p>The general points were made that progress in terms of delivering the Strategy Outcomes could be made in many ways without registering an increase in a particular measure, for example, through significant changes in approach.</p> <p>It was agreed that targets could become distracting by incentivising progress on that which is measurable above all other opportunities to progress in other important areas which are not measurable.</p>

2.15. Table 10 sets out the SSTP response to suggestions for new actions to deliver Outcome 6 of the Working Strategy (section 8 of the Consultation Feedback Report) with reference to the decision criteria.

Outcome 6
The wider community of all ages in involved in caring for and valuing street trees

To recognise the number of comments received around education and wider community engagement, the following text was added to the Foreword at the start of the Strategy:

“The most significant change we have made is to emphasise and further develop Outcome 6 in order to specifically recognise the need for wider education and engagement with people of all ages in looking after our street trees.”

Table 10 – Feedback on suggested actions to deliver Outcome 6

Comment – Additional Actions	Decision criteria (as set out in 2.2 of this report)	Decision taken by SSTP
Engage with children and young people around learning about street trees	1 – Within scope, <i>Accepted</i>	The Partnership agreed to add the following actions: <i>“Develop an engagement and outreach programme to encourage children, young people, families and adults to learn about and value their local trees.”</i> <i>“Arrange an annual celebration to raise awareness among residents of the value and benefits of street trees and acknowledge the volunteers who support the management of street trees.”</i> All ideas put forward will be considered by a designated collaborative stakeholder working group, once established.
Engage with schools, colleges, universities, hospitals, hospices, care homes, and local businesses	1 – Within scope, <i>Accepted</i>	As above.
Create tree walks / trails	1 – Within scope, <i>Accepted</i>	As above.
Empower residents to care for trees, wildflowers, and wildlife, also through watering or reporting vandalism	5 – Already included	This is already included through the existing action <i>“Support the Street Tree Warden scheme for Sheffield”</i> set up <i>“to provide a structured approach, as part of a national scheme, to engage local people in looking after street trees.”</i> See Appendix 6: Street Tree Warden Scheme for more details. The Partnership agreed to explore additional ideas around local resident empowerment as it develops its engagement and outreach programme.

<p>Continuously consult the local community on street tree issues</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership agreed with the importance of community consultation going forward. In particular, the Partnership agreed to look to identify community groups underrepresented in the Working Strategy Consultation to engage with and consult throughout the next stage of strategy delivery.</p> <p>Street Tree Wardens will co-ordinate local volunteer networks and feedback to the Partnership.</p> <p>The Partnership agreed to put processes in place, under Appendix 5, that enable the public to offer their views when a proposal is put forward to remove a tree. This new consultative process will be hosted on Citizen Space, the Council’s online public consultation hub <i>every time</i> a tree is recommended for removal and replacement.</p>
<p>Ask Street Tree Wardens to identify trees needing tree pits</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>This falls under the responsibilities of Street Tree Wardens as listed under Appendix 6, particularly around being <i>“eyes and ears on the ground to report and tree issues or concerns.”</i></p>
<p>Remain transparent and communicate with residents about any proposed changes to tree management</p>	<p>1 – Within scope, <i>Accepted</i></p>	<p>The Partnership welcomed this suggestion and agreed to add a new action around creating an interactive map under Outcome 1.</p> <p>The Partnership also agreed that an independent accreditation would be a good step forward in ensuring transparency. This was the basis for collaborating with the Programme for the Endorsement of Forest Certification to produce a new pioneering certification standard for <i>“Trees Outside Forests”</i> (a draft is at time of writing (Feb 2021) open for consultation).</p> <p>For more information, please visit: https://www.pefc.co.uk/news_articles/pefc-trees-outside-forests-consultation</p> <p>All changes to tree management practices will be published on the Council’s website and additionally communicated through the engagement programme to be developed.</p>

Create an interactive map to publicly share information about the tree stock and inform the public of proposed works, identify new planting sites	1 – Within scope, <i>Accepted</i>	As in the row above.
Enable individuals and businesses to sponsor local tree planting	1 – Within scope, <i>Accepted</i>	The Partnership agreed to develop a community funded planting scheme. This will become a new Appendix 11. More information will be released on the Council and Partnership websites when this scheme is launched.

4 SHEFFIELD STREET TREE PARTNERSHIP

4.1 Based on the consultation responses, the Street Tree Strategy Development Group has considered options for the arrangements and membership of the Sheffield Street Tree Partnership. Appendix 4 of the final strategy sets out the terms of reference for the Partnership.

4.2 The purpose of the Sheffield Street Tree Partnership is to:

- ◆ Oversee delivery of the actions in the Sheffield Street Tree Strategy
- ◆ Work in partnership to contribute and secure skills, resources, and funds to deliver the actions in the Strategy
- ◆ Develop and evolve the Strategy over time in response to the needs of the people of Sheffield, the climate and ecological emergency
- ◆ Encourage and direct donations with reference to this strategy, including funds for new tree planting and to support the retention of existing trees.

4.3 The structure of the Partnership is intended to support delivery through collaboration and ensure input from a wide range of stakeholders. It comprises the following:

- ◆ *Core Delivery Group* – Responsible for overseeing and driving delivery of the actions in the Strategy; comprises an independent, elected chair and representatives from the main organisations involved in the management and maintenance of Sheffield’s street trees.
- ◆ *Street Tree Partners* – A wider group of partners interested in engaging with and supporting the delivery of the actions in the Strategy, and able to offer expertise, ideas, and resources.
- ◆ *Street Tree Wardens* – A group of volunteers assigned to different parts of Sheffield who have committed to help care for the street trees and/or be the eyes and ears for their ‘patch’.

- 4.4 To address specific issues or develop areas of work, task & finish groups will be set up by the Core Delivery Group as required. These groups will be drawn from the representative partners outlined in 4.3 and will be set clear objectives, linking directly to the Strategy outcomes and actions. Once objectives have been met, the groups will be dissolved.
- 4.5 As this is a new partnership, the terms of reference and structure will be reviewed after a year to ensure that it remains fit-for-purpose.

5 OTHER ISSUES

- 5.1 The consultation highlighted other issues related to the ambitions of the street tree strategy that were not specifically about street trees.
- 5.2 The table below summarises these issues and the current actions to address them.

Issue	Comments/actions
<p>Environmental policy Several respondents requested that environmental concerns are embedded within Council policies, in particular, transport, planning and education, to ensure that all policies address climate change, biodiversity, and air pollution in their delivery</p>	<p>A climate emergency was declared in Sheffield in January 2019 and a new commitment was made to bring forward the city's carbon neutral target from 2050 to a minimum of 2030. Carbon emissions are the biggest contributor towards climate change in the city and primarily come from burning fossil fuels such as petrol, diesel, and natural gas. Work is now concluding on a city decarbonisation pathways report which sets out where emissions can be reduced in the city. The report has been developed over the last nine months by Arup and Ricardo, in partnership with Sheffield City Council and the Green City Partnership, a group of local stakeholders with representatives from local businesses, Sheffield Chamber of Commerce, both universities, and campaign groups including the Sheffield Climate Alliance.</p> <p>Over the coming months we will be aiming to engage and work with people across the city to help to both raise awareness as well as develop actions that will help to support our ambition to become a net zero carbon city.</p>

Issue	Comments/actions
<p>Low traffic neighbourhoods Some respondents mentioned the opportunity to introduce low traffic neighbourhoods in the city</p>	<p>Low traffic neighbourhoods (LTNs) could offer the opportunity for tree planting or planters to help slow the flow of traffic as well as providing spaces for community and social activity. In summer 2019 the Council introduced an LTN in Kelham Island on an experimental basis, closing certain roads to through traffic using planters. The LTN in Kelham will be reviewed to determine whether the closures should be introduced permanently. Should this be the outcome, it may offer the potential for permanent improvements to the street scene, including the potential for tree planting. The introduction of two further LTNs during 2021 is currently in development.</p>
<p>Nature highways and byways Concerns around the ability of wildlife to move around the local environment were raised</p>	<p>Solid fencing in housing/other developments can inhibit the free movement of small animals. Alternatives to solid fencing could be considered and this is an issue for further discussion with relevant Council teams.</p>
<p>Sheffield Local Plan A recommendation was made that the overall vision and objectives of the Sheffield Street Tree Working Strategy and the current and future stock of trees in Sheffield is reflected and embedded in the forthcoming Sheffield Local Plan particularly in relation to Aim 1, 'An Environmentally Sustainable City' and Aim 7, 'A Green City'</p>	<p>When the Local Plan is drafted, it will take account of all relevant policy documents and strategies, including the Sheffield Street Tree Working Strategy. The strategy will be considered when determining Local Plan strategic and development management policies, drawing up policy area designations and proposing site allocations.</p>
<p>Verge parking Some respondents expressed dissatisfaction towards parking on road verges and concern about the damage this can cause</p>	<p>Parking on grass verges is recognised as a challenge – it is not illegal and the number of cars in the city outweighs the available off-street parking. The Council is running a project to look at some options, including parking restrictions adjacent to verges and the use of alternative materials to limit the damage.</p>
<p>Wildflowers Some respondents expressed interest in planting wildflowers on road verges across the city or enabling residents to do so</p>	<p>The creation of wildflower verges is on the Council's agenda. A paper is being prepared with a view to a rollout in spring 2021. As the Council is the Highway Authority, an executive decision is required to enact a new approach to the creation of wildflower verges.</p>

6 SHEFFIELD STREET TREE PARTNERSHIP STRATEGY

6.1 This ‘You Said, We Did’ report demonstrates how feedback from the consultation has been used to inform the final Sheffield Street Tree Partnership Strategy and help shape the future arrangements for a new Sheffield Street Tree Partnership.

6.2 It will also be used to:

- ◆ Help shape the future programme of work for the Partnership.
- ◆ Inform and help shape Council policies and processes.

6.3 The final Sheffield Street Tree Partnership Strategy will be published in Spring 2021.

6.4 Although the consultation on the Strategy has concluded, the ongoing way of working will be to continue to engage with stakeholders and communities on the outcomes, actions, and programme of work of the new Street Tree Partnership. The Strategy and actions will be kept under review and updated as circumstances evolve or change, and every five years as a minimum.

6.5 It is proposed that progress on the delivery of the actions in the Strategy will be published in the form of annual report produced by the Sheffield Street Tree Partnership. In addition, to monitor progress, options under consideration include providing regular updates on progress against baseline outcomes, setting clear timescales for delivering actions, and establishing targets where this might be helpful in achieving measurable change.

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Author/Lead Officer of Report: Matt Hayman,
Principal Development Officer

Tel: 2735130 / 07827552360

Report of: *Mick Crofts, Executive Director of Place*

Report to: *Cabinet*

Date of Decision: *17th March 2021*

Subject: *Future High Streets Fund – Fargate and High Street*

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>Business and Investment</i>				
Which Scrutiny and Policy Development Committee does this relate to? <i>Economic and Environmental Wellbeing Scrutiny and Policy Development 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? 918				
Does the report contain confidential or exempt information?	Yes	<input checked="" 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:-				
Commercial terms relating to acquisition of property are contained in Part 2 of the report.				
Part 2 of this report is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).				

Purpose of Report:

The purpose of this report is to update Cabinet on the Future High Streets Fund (FHSF) following the announcement that Sheffield Fargate and High Street was successful in securing £15.817m funding from MHCLG, and to provide further information around the project and seek approval around next steps including allocation of match funding and acquisition of property.

Recommendations:

Cabinet is recommended to:

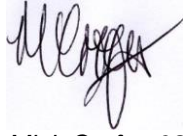
- i. Note that the Council have been successful in being awarded £15,817,001 from the Ministry of Housing, Communities and Local Government's (MHCLG) Future High Streets Fund (FHSF) and in principle agree to the Council accepting the funding subject to the grant terms being received and agreed by the delegated officers.*
- ii. Delegates authority to the Executive Director of Place in consultation with the Cabinet Member for Business and Investment, the Executive Director of Resources, the Director of Legal & Governance and the Director for City Centre Development to accept the MHCLG FHSF funding and enter into a grant agreement.*
- iii. Note that some of the funding has already been received by the Council.*
- iv. Approves the allocation of £5m from the Councils 'Corporate Investment Fund' as match funding, and approves the application to the Sheffield City Region Mayoral Combined Authority for the funds to be sourced from the Gainshare Fund.*
- v. Approves the acquisition of property as outlined in Part 2 of this report.*
- vi. Approves the addition of the expenditure associated with this acquisition of this property to the capital programme subject to receiving satisfactory funding terms and conditions from MHCLG.*
- vii. Notes the previous delegation from Cabinet on 18 March 2020 which delegated authority to the Chief Property Officer and Director of Legal and Governance, in consultation with the Cabinet Member for Finance, Resources and Governance and Deputy Leader, Cabinet Member for Business and Investment, the Executive Director of Resources and the Director for City Centre Development to negotiate and enter into any necessary agreements to purchase property, to facilitate the key interventions proposed subject to securing funds from FHSF.*
- viii. Notes that further capital interventions outlined in this report will be brought through the capital approvals process and presented to Cabinet for inclusion on the capital programme.*

Background Papers:

Form 2a Director Non-Key Executive Decision Report, 23rd January 2020, Acceptance of a government grant offer from MHCLG of £127,000 to work up a full business case to seek capital funding from the Future High Streets Fund.

Form 4 Officer Executive Decision Record (Non Key), 23rd January 2020

Form 2 Cabinet Report, 18th March 2020, Future High Streets Fund – Fargate and High Street

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>Mark Wassell [5.3.2021]</i>
	Legal: <i>Gemma Day / David Sellars [5.3.2021]</i>
Equalities: <i>Annemarie Johnston [5.3.2021]</i>	
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:  <i>Mick Crofts 08.03.2021</i>
3	Cabinet Member consulted: <i>Cllrs Mazher Iqbal, Terry Fox and Bob Johnson</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>Matt Hayman</i>	
Job Title: <i>Principal Development Officer</i>	
Date: <i>[5.3.2021]</i>	

1. PROPOSAL

1.1 Background

The Future High Street Fund (FHSF) was launched by the Ministry for Housing, Communities and Local Government (MHCLG) in December 2018. It was set up as a £675m fund to reinvigorate struggling high streets and town centres. The fund aims to renew and reshape town centres and high streets in a way that improves experience, drives growth and ensures future sustainability.

1.2 In July 2019, MHCLG announced that Fargate and High Street had been shortlisted, and awarded a resource grant along with 50 other areas across England to proceed to the next stage and bid for up to £25m with the completion of a detailed business case. In August 2019 MHCLG announced a further 51 towns would proceed to the second stage with additional funding from the £3.6 billion Towns Fund. This brought the total funding for FHSF to £1 billion.

1.3 Following extensive consultation with stakeholders throughout 2019, the full business case for Fargate and High Street was submitted to MHCLG in June 2020 seeking £15.817m of FHSF as part of a total public sector investment of £20.817m.

1.4 Impact of Covid 19

Prior to submission local authorities were asked to review their proposals to address the impact of Covid-19. The conclusion reached by Officers was that the proposals for Fargate and High Street are designed to address long-term issues and pre-existing challenges of decline, which will be exacerbated by the effects of Covid-19. The works proposed will take place over a period of 12-18 months and are likely to coincide with a period in which high street businesses will continue to experience low footfall, particularly in the retail, cultural and food and beverage sectors.

1.5 While this is a risk, it also presents an opportunity to take decisive action now. The principles underpinning our scheme are deemed to be all the more relevant given the medium to long-term stresses facing these sectors. Creating uses that attract and strengthen footfall will now be even more important as part of an economic recovery and in adjusting to new economic realities.

1.6 Success for Sheffield Fargate/High Street

On the 26th December 2020 the Government announced that Sheffield Fargate and High Street was 1 of only 15 areas across England that will receive the full amount requested. A further 57 areas are to receive a much reduced level of funding than each requested. It is understood that in addition to the vision, the match funding proposed for Sheffield was key in securing the full amount from MHCLG.

1.7 The award has been confirmed in writing and a formal grant offer letter accompanied by a memorandum of understanding is awaited. However, MHCLG have indicated the funds will be paid annually via a section 31 grant. A 3 year programme ending on 31st March 2024 has been set by Government.

1.8 The Strategic Case for Fargate and High Street

As reported to Cabinet in March 2020, Sheffield's historic high street is central to the city's emotional identity and economic history. Fargate and High Street account for one tenth of city centre retail space, with 103 retail and leisure units. Twelve months ago vacancy rates stood at just under 25%, above national trends, and vacancy numbers have increased with recent closures under the impact of Covid-19. Even prior to Covid-19 Fargate and High Street were deemed to be unsustainable in their current form. Sheffield's retail economy is undergoing fundamental restructuring and is/will be increasingly dependent on experience and quality of place.

1.9 The Strategic Case proposes the creation of an environment for success through improvements in essential infrastructure, and aspiration to take the city's cultural renaissance to new levels by providing the buildings and facilities to support a year-round programme of top-quality events via a new cultural hub, Event Central. Three key interventions are proposed, designed to future-proof the city centre, with the creation of an experience-centred environment that will attract visitors and increase dwell time.

1.10 First, the creation of an environment for success through **infrastructure improvements** (Appendix A). We will increase climate resilience through sustainable urban drainage and greening, while creating new spaces to sit, socialise and play in Fargate. With the installation of digital infrastructure and utilities to support international-standard events, and a controllable lighting scheme to improve visitor experience, highlight heritage and deter crime.

1.11 Second, is the acquisition of a key building currently vacant on the upper floors and used for short-term retail on the ground floor. It is proposed this property will become '**Event Central**' facilitating a year-round programme of events that will bring an estimated 44,800 extra visitors to the city centre annually. 'Event Central' will host space for exhibitions and events management; a café; co-working space; and flexible workspace and/or residential accommodation on the upper floors with a separate front door entrance. It seeks to demonstrate the viability of creative mixed-use to nearby landlords and property owners.

1.12 And thirdly, the '**Front Door Scheme**' is a key intervention working with landowners through grant assistance, to open-up new direct front door access to upper floors to enable their conversion for new uses. This intervention also includes the creation of a communal refuse system, in

recognition of the access constraints for many buildings on Fargate/High Street, and the need to improve on the current arrangements. It is proposed that underground chambers will be constructed as part of the public realm/infrastructure works on Fargate, providing discrete high capacity refuse drops for existing retailers, new workspaces, new homes, street cleansing and the general public.

- 1.13 The interventions are designed to generate investor confidence, attract and retain new visitors and residents, and build on Sheffield's unique offer as a creative, climate resilient and sustainable 'Outdoor City'. They are also important in addressing the economic, social and environmental impacts of Covid-19.
- 1.14 The interventions were costed in support of the full business case submission to Government. The total public sector investment is £20.817m.

2. HOW DOES THIS DECISION CONTRIBUTE ?

- 2.1 It will secure public and private investment in Fargate and High Street to deliver economic growth, jobs and housing by accessing, repurposing and retrofitting of vacant buildings for new residential, leisure, workspace and community uses alongside existing retail. The proposal will have a striking visual impact, improving more than 3 million ft² of public realm/highway by removing clutter, greening, and installing digital infrastructure (full fibre, 5G and wifi6 ready), utilities and lighting to serve a year-round events programme. These interventions have the potential to attract an additional 110,000 visitors to the City Centre, and create up to 505 jobs.
- 2.2 The proposed introduction of Sustainable Urban Drainage (SuDs) and scope for a cycle route as part of new high-quality public realm will contribute to climate resilience and the Councils zero carbon target of 2030. The project will compliment potential investment through the Transforming Cities Fund (TCF) which seeks to improve public transport journey times and encourage greater numbers of journeys to, from and through the City Centre by foot and bicycle.
- 2.3 The intervention seeks to ensure that Fargate and High Street compliment and align with regeneration work underway on the Heart of the City 2 development and support improved links to, and growth of digital/culture enterprise at Castlegate.
- 2.4 The improvements will compliment and align with Council led projects seeking to encourage greater cycling and walking through the 'Transforming Cities Fund' and enhance community safety through the Hostile Vehicle Mitigation measures in the City Centre.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The Council worked with the University of Sheffield throughout 2019 to

facilitate themed stakeholder workshops to discuss the future vision for Fargate and High Street. The feedback from these workshops was used to form the Strategic Case and final business case for submission to government.

- 3.2 A day long public information event was held on the 19th November 2019 and attended by over 200 people. A further exhibition was held at Moor Market on 25th November 2019. A survey was hosted on the Council's Citizen Space, seeking endorsement of the draft vision and strategic case. Feedback from these events and online survey was positive and supportive of the proposals.
- 3.3 Officers continue to meet with retailers, businesses, landowners and wider stakeholders to keep them updated. It is proposed that a more formal stakeholder group be formed, with a view to regular updates and feedback particularly throughout what is likely to be a congested period of construction across the City Centre including Fargate and High Street.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 There are no significant differential, positive or negative, equality implications arising from the recommendations in this report. The capital interventions, which include the acquisition of property are anticipated to be of universal positive benefit for all local people, with added benefit from the creation of a significant number of new full and part time jobs. The local socio economic and community cohesion impacts are anticipated to be particularly positive.

4.2 Financial and Commercial Implications

- 4.2.1 The estimated cost of the project is approximately £20.817m funded by a grant of £15.817m and CIF match funding of £5m. Finalised terms and conditions for the £15.817m grant are still awaited from MHCLG and both Legal and Finance will need to review and approve these before any formal acceptance of the grant. In conversations with MHCLG they have indicated that they are aiming for the grant conditions to be flexible, but this remains to be finalised
- 4.2.2 MHCLG are expected to make profiled annual Section 31 grant payments to the Council at the start of each financial year of the programme until 31st March 2024. These payments will be based on the estimated spend profile shown attached at Appendix B (programme and cost plan under review). It is expected that a mid-year review will be undertaken with MHCLG to address/mitigate any projected underspend, overspend or profiling issues.
- 4.2.3 The full business case submission to MHCLG identified Council match/co-funding which included £5m from the Council's 'Corporate

Investment Fund'. All match funding will need to be evidenced and available for use. This report seeks approval to allocate £5m CIF to the project (funded from the SCR MCA Gainshare Fund), as outlined in the spend profile attached at Appendix B.

- 4.2.4 Whilst allocation of CIF funding is sought through this report to enable project delivery to commence, Cabinet are asked to note that other funding is also being sought through SCR to underwrite/cover this substantial commitment. The FHSF project has been put forward for £5m funding from SCR MCA 'Gainshare, Emergency Recovery Funding' and a decision on this is awaited.

- 4.2.5 The purchase of the property as part of the scheme is now proposed to proceed in advance of receipt of funds from MHCLG and so will be a cash requirement for SCC.

4.3 Legal Implications

Commercial

- 4.3.1 The Council has been awarded £15,817,001 of funding by the MHCLG from the Future High Streets Fund.
- 4.3.2 The Council has a general power under Section 1 of the Localism Act 2011 to do anything that an individual may generally do provided it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act which enables the Council to accept the funding.
- 4.3.3 The terms associated with the funding have not yet been provided to the Council, once these are received these should be passed to legal to review.
- 4.3.4 The Council must comply with all applicable legislation and regulations including the Public Contracts Regulations 2015, Subsidy Control and the Councils Contracts Standing Orders.

Property

- 4.3.5 The Council has a general power under Section 1 of the Localism Act 2011 to do anything that an individual may generally do provided it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act which enables the Council to acquire property as and when identified.
- 4.3.6 More specifically section 120 of the Local Government Act 1972 enables the Council to acquire any land by agreement for the purposes of:-
- (a) any of (its) functions under this or any other enactment, or
 - (b) the benefit, improvement or development of (its) area

4.4 Other Implications

- 4.4.1 Property - Key interventions include the purchase, refurbishment and repurposing of a property to provide new event space, and flexible workspace. On 18th March 2020 Cabinet gave delegated authority to Officers to enter into negotiations and enter into option and/or contract agreements to purchase property subject to securing FHSF. This report seeks authority to acquire property based on the commercial terms set out at Part 2 of the report.
- 4.4.2 The business case submission to MHCLG included a robust financial case. This demonstrates future income from the building on completion of the refurbishment, which covers costs to the Council and has the potential to generate a surplus. Officers are investigating options for future operators that include the selection of an operator(s) and granting of a long lease either prior to (with a grant for refurbishment), or post refurbishment.
- 4.4.3 The property will be managed as part of the Council's Commercial Property portfolio. Any future leases to operators will be subject to further approval as required in line with the leaders scheme of delegation and the council's disposal framework.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 Do Nothing

Not accepting MHCLG funding of £15.8m would mean foregoing the opportunity to deliver significant capital interventions along Fargate and the High Street and the associated economic, environmental and social benefits. Not acquiring property could mean viable opportunities to deliver key interventions with FHSF are lost or become more complex to deliver.

6. **REASONS FOR RECOMMENDATIONS**

- 6.1 The Future High Streets Fund provides an opportunity to fund significant interventions to address current and future issues and challenges on Fargate and High Street.
- 6.2 Authority to acquire property on the terms outlined in part 2 of this report will ensure the delivery of the 'Events Central' intervention outlined above.

Appendices

Appendix A Environmental and Infrastructure Plans

Appendix B Estimated FHSF/CIF Funding Spend Profile

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01 Fargate Proposals



02 High Street / Castle Square



Peter
St Paul's
Medral

Page 480

Tram Stop Shelter

CHURCH STREET

Bank House

Black Swan Walk
Chapel Walk

George St Building

NSPCC (Social Centre)

Mulberry House

Greening to tram stop track areas

Cycle route

Improved footpath surfacing

Evaluate future bus stop requirements

New planting areas improving the setting, dealing with the streets drainage

Provide comfortable seating to allow more gathering opportunities

East Parade (Path)

Aldine Court (Path)

High Ct (Path)

Mulberry Street (Path)

YORK STREET

YORK STREET

HIGH STREET

CASTLE SQUARE

CASTLE SQUARE

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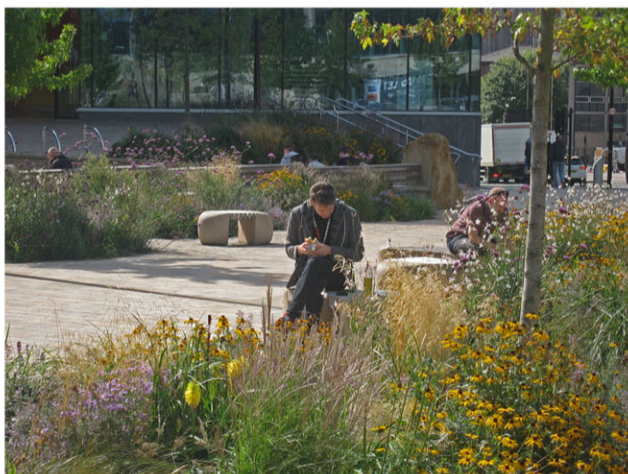
03 Activity and Dwelling



Provide multi-functional spaces that allow large & small events to take place without disrupting the main pedestrian routes



Allow for seating areas throughout the whole project area, helping provide life, animation & rest within the High Street



Create intimate spaces for people to rest & relax on their own or within sociable seating groups



Places to rest & relax that are designed to feel part of the wider streetscape



Explore options to bring additional interest into Fargate with the introduction of a kiosk & associated space

Create areas for play & younger enjoyment in a safe and contained area





04 City Greening



Use the planting to create spaces & places that feel more human in scale, which help create a more comfortable resting environment



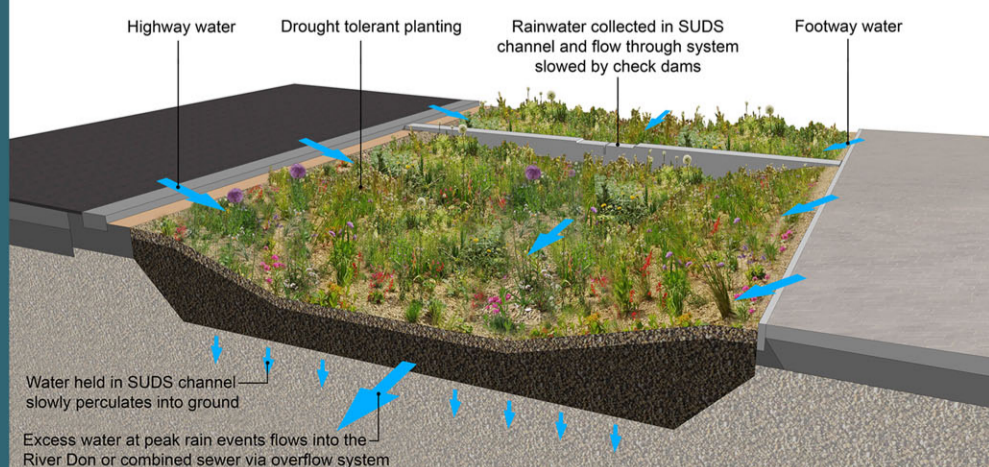
Provide increased numbers of trees to help with city cooling & explore tree species that can cope with the rising urban temperatures



Design planting areas for a healthier street life that provide multiple benefits which include:

- improved settings for place making and new investments
- City cooling
- Sustainable water management for flood mitigation
- improved well being, quality of life for users
- improve air quality
- treatment of pollutants
- increased urban diversity

Sustainable Drainage System (SuDS)





05 Movement



New combined cycleways & servicing routes at the University of Sheffield



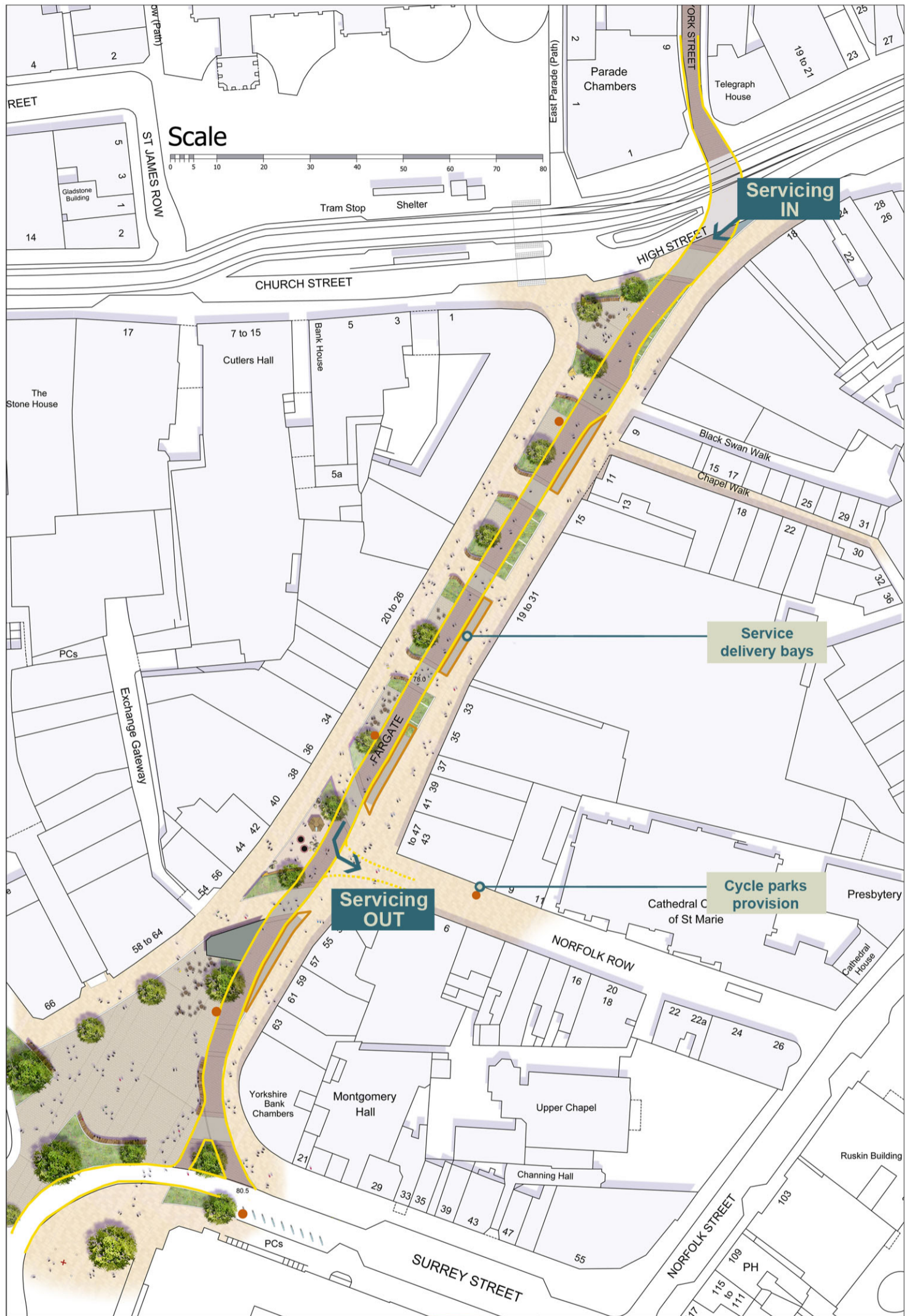
Provide cycling on key routes to improve connectivity & join up areas of cycle infrastructure throughout the City Centre



Integrate cycle infrastructure into overall concept for how the street can look



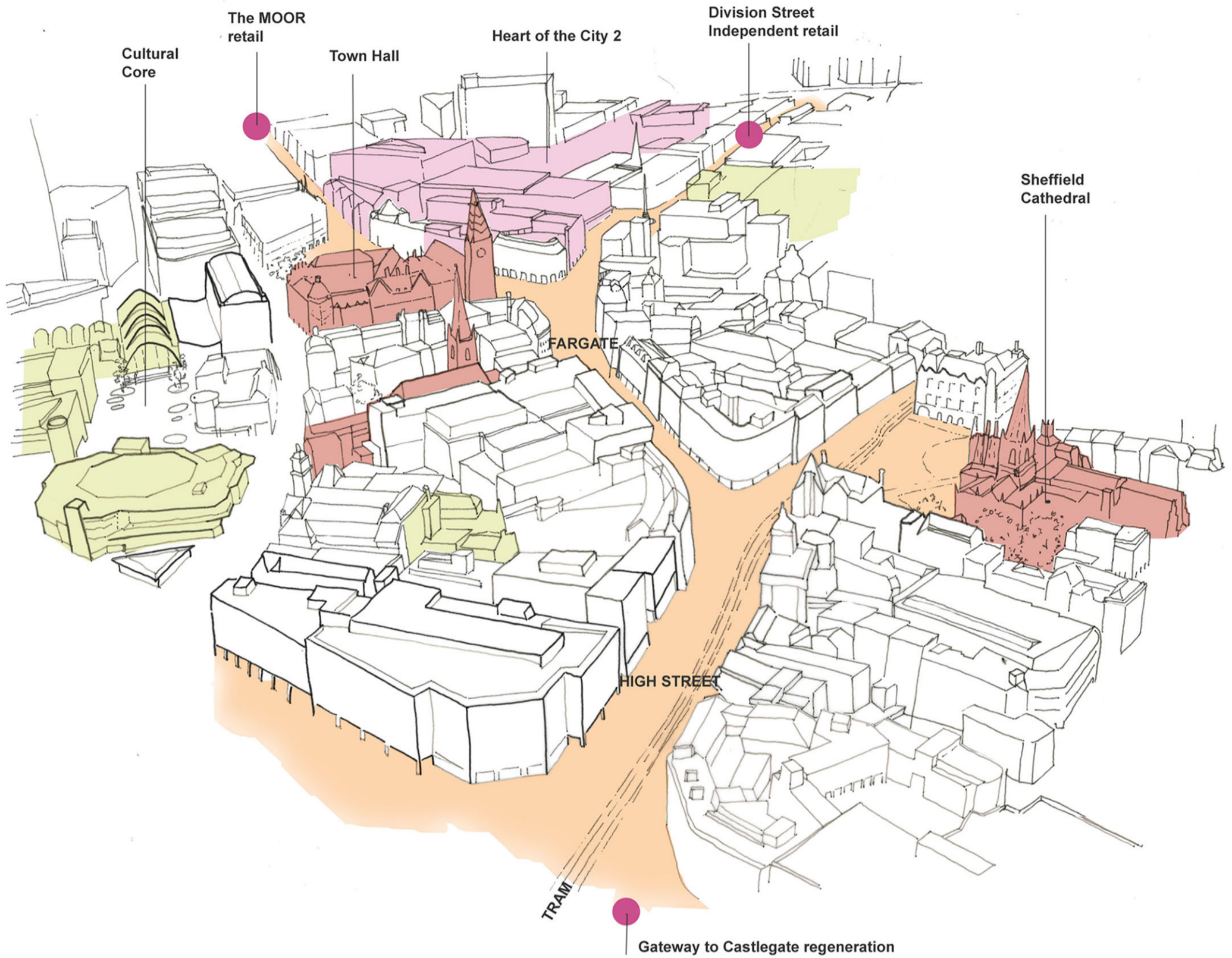
Provide sandstone footways & granite surfaces on heavily used routes, that also helps to define cycling & servicing areas



Provide directional tactile markers on key routes throughout the project area



06 High Street Fund Area



Appendix B

FHSF	FY 20/21	FY21/22	FY22/23	FY23/24	TOTAL
FHSF PROFILE	£ 84,394.99	£8,062,945.14	£7,209,057.90	£460,602.97	£15,817,001.00

CIF/SCR MATCH FUNDING	FY 20/21	FY21/22	FY22/23	FY23/24	BEYOND	TOTAL
CIF/SCR	£ 50,000	£ 2,523,642	£ 2,222,908	£ 87,596	£ 65,854	£ 4,950,000

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Author/Lead Officer of Report: Neil Jones,
Regeneration and Property Services

Tel: 273 5539

Report of: Mick Crofts
Report to: Cabinet
Date of Decision: 17th March 2021
Subject: West Bar Square Update

Is this a Key Decision? If Yes, reason for 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?
Business and Investment – Cabinet Member Mazher Iqbal

Which Scrutiny and Policy Development Committee does this relate to? Economic and 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?	919			

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 provide an update on this strategic regeneration project and seek approval for the City Council to accept the new sources of external funding to support delivery outlined within the report.

Recommendations:

- 1 That Cabinet approve the proposals set out in this report and the terms of the proposed agreements. In so doing, Cabinet agree not to terminate the existing agreement with Urbo and Legal & General
- 2 That Cabinet delegate authority to the Executive Director Place in consultation with the Executive Director Resources and the Director of Legal and Governance to finalise, agree and execute the terms of the agreements and the terms of any other documentation required to give effect to the proposals set out in this report and generally to protect the Council's interests.

Background Papers:

Report to Cabinet 13th February 2019 and earlier papers referred to in that 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: Jayne Clarke
	Legal: David Cutting
	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:
	Mick Crofts
3	Cabinet Member consulted:
	Councillor Mazher Iqbal
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: Neil Jones
	Job Title: Partnership Team Manager, City Regeneration and Property
	Date: 17 March 2021

1.0 BACKGROUND

- 1.1 West Bar Square is a long standing strategic project promoted by the Council which aims to extend the City Centre to the riverside, Kelham and Castlegate and reduce severance of Burngreave from the City Centre. The site is currently mostly vacant land and temporary car parks. Its development will create a vibrant new place including new 'build to rent' apartments and large-scale office development in high quality buildings set around new public realm. It is one of the few sites in the City Centre that can accommodate large floorplate offices and is particularly well suited to Govt/Public Sector relocations/consolidation due to existing occupiers nearby and lower rental values than in the prime core of City Centre.
- 1.2 Urbo (West Bar) Ltd is a joint venture between local regeneration developers Urbo Regeneration Ltd and Peveril Securities Ltd. Peveril is the development arm of Bowmer & Kirkland, the UK's largest independent building contractor. Urbo and the Council have an existing development agreement and Urbo now own the whole 7.33 acre development site following confirmation of a CPO in 2019. All businesses previously on the site have been successfully relocated.
- 1.3 In February 2017 Urbo secured an outline planning permission for the development of up to 1.5m sq.ft of mixed-use space. Over half of the developed scheme will be offices and the remainder a mix of residential apartments, small scale retail, leisure and other uses.
- 1.4 In view of the large scale regeneration nature of this project, Urbo approached Legal & General (L&G) who have developed a number of major funding/investment partnerships with Local Authorities in cities including Salford, Cardiff and Newcastle. L&G have also funded or delivered several new Government offices. In February 2019 Cabinet approved the Council entering into a 40 year lease agreement with Urbo and L&G for a 100,000sq ft office which would also unlock the first phase of over £150 million of new investment into the West Bar Square development.
- 1.5 The agreement was entered into in April 2020. This provides for Urbo to deliver and L&G to fund the first phase of office, 368 apartments, MSCP and public realm all to be built concurrently. A further 100,000sq ft office is to be developed speculatively by L&G within 2 years of practical completion of Office 1. Detailed planning applications were submitted at the beginning of March and construction could start before the end of this year.
- 1.6 Whilst the first phase of the development is financially viable there are some issues where additional external funding will help to ensure that it starts as soon as possible and mitigate some of the Council's letting risk. New funding has been approved (subject to finalising funding agreements) by the JESSICA Board and Sheffield City Region as explained below.

- 1.7 The agreement included an option for the Council to terminate it after 12 months from signing. If that happened the Council would be responsible for reimbursing part of the professional costs incurred by Urbo and L&G. In that scenario it is very likely that L&G would also withdraw and the development would be delayed by several years until new funding is secured by Urbo.

2. PROPOSAL

- 2.1 The Sheffield City Region JESSICA Fund was established in 2012 under the ERDF programme. The Fund provides loans to enable commercial development across South Yorkshire. Discussions with JESSICA fund managers CBRE have recently been approved in principle by JESSICA Board on the basis of a rental loan towards Office 1 West Bar Square on the following terms:

- Loan – £1.25m
- Borrower – Urbo West Bar Ltd (back to back arrangement with the Council to pass over funds)
- Guarantor – Sheffield City Council
- Term – Earlier of 3 years from signing or 2 years from practical completion
- Interest Rate – PWLB rates
- Set Up Fees – c. £20k + VAT.
- Drawdowns - The Fund will provide the Rental Loan to Urbo, drawdown against eligible capital expenditure. Urbo will then transfer the equivalent of the full amount of the Rental Loan to the Council in order to help to mitigate letting risk
- Repayment –
 - o Any rental income received by the Council during the Term only.
 - o Interest rolled-up through the loan term to earlier of maturity or repayment
 - o Interest due irrespective of how the scheme lets up.
 - o If required lettings not achieved, loan written off and interest only payable

- 2.2 The Fund acknowledge that if the Council grant rent free periods on lettings at reasonable open market levels, there is a possibility that very little rental income will be received during the Term and the loan would be written-off and only interest payable. The rent which the Council will pay to L&G is considerably below the market rent and has a significant rent free period, so the effect of the Rental Loan is to considerably reduce the Council's risk during the early years of the lease.

- 2.3 Sheffield City Region invited bids in August from the SCR Brownfield Housing Fund for shovel ready infrastructure projects that could accelerate housing delivery on brownfield sites. An outline bid was submitted by officers to assist viability and acceleration of the Build to Rent apartments at West Bar Sq by carrying out works to the junction of Bridge St and the Inner Ring Road and diversion of a large BT Openreach cable. This was approved in principle by SCR in October and a Full Business Case for £655,000 was approved in January and confirmed in March.

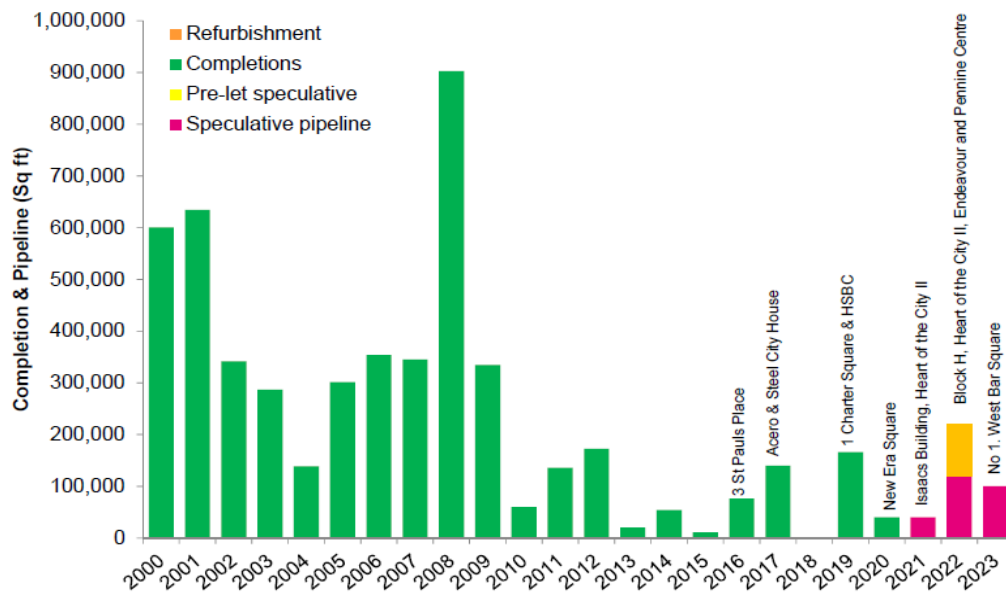
- 2.4 It is a requirement of the Brownfield Housing Fund that this grant be provided to the Council. The actual works will be procured and delivered by Urbo with the grant paid by the Council to Urbo to reimburse the costs. If the final costs are higher than the grant that risk will sit with Urbo not the Council.
- 2.5 The junction works benefit a wider area than just the West Bar site and will help to create a more attractive walking route from Burngreave and Kelham through the West Bar development and help to reduce some traffic from the proposed new cycle dominated roundabout at West Bar/Corporation St.
- 2.6 The objective and effect of both of these new external funding streams is to reduce risk and accelerate the delivery of the development this year.

3. HOW DOES THIS DECISION CONTRIBUTE?

3.1 Economic

- 3.1.1 Sheffield has a chronic shortage of Grade A office space. Other than Grosvenor House, which the Council developed as part of Heart of the City, virtually no new office development has been constructed since 2016-2017 when 3 St. Pauls Place, Acero at Digital Campus and Steel City House were completed speculatively. All of these buildings have subsequently been let.
- 3.1.2 Only 17,000 sq. ft of Grade A stock is currently available in the CBD, which is all in small suites across a number of buildings. This is the lowest ever supply on record and lettings of Grade A space in the City Centre has typically averaged 118,000sq ft per annum. Consequently, any major occupiers seeking in excess of 10,000sq ft of Grade A space will have to either wait 12-24 months for a pipeline building, or compromise by taking a lower standard of Grade B accommodation. This could have a very detrimental impact on the future growth of the economy.
- 3.1.3 The chart below shows levels of new build supply which are scheduled to be delivered over the next three years and the context of historic completions. There are currently no firm proposals in the pipeline beyond 2023. Whilst the Council's next offices in Heart of the City and Endeavour at Digital Campus will be brought forward at a similar timescale to 1 West Bar Sq all three are differentiated by location, floorplate size and rental values. We have good interest in Issacs Building which the Council is currently developing on Pinstone Street, with a strong possibility that the office space could be fully let before it is completed later this year.

NEW BUILD OFFICE DEVELOPMENT PIPELINE



Source: BNP Paribas Real Estate Research /PMA;

BNP PARIBAS
REAL ESTATE

3.1.4 The impact of Covid19 on future office demand remains to be fully clear. Whilst many employers have realised that they can work effectively from home, it has also become clear as time has passed that it is not likely to be a permanent move away from needing office space. In future, the quality, environmental standards and flexibility of space will be increasingly important and it is low grade offices which are likely to suffer most.

3.1.5 The advice from our office agents BNP Paribas and Cushman & Wakefield is that the current challenge for occupiers is to determine their precise requirements for future needs. Whilst anecdotally some occupiers are trimming spatial needs by around 20%, businesses are also mindful of temporary lower occupancy levels and the need for social distancing. In general, there is an accelerating trend toward deriving the maximum efficiency and flexibility of office environments. This can only lead occupiers toward more modern and well-designed contemporary offices, which can be future proofed in terms of layout and design to allow for flexible occupancy practices.

3.1.6 A particular area upon which the agents are focused for West Bar Sq is the local Public Sector estate. In particular, Sheffield has a strong existing presence from DWP, Home Office and Department for Education. Their research shows an estimated 'potential' space requirement in the order of 200,000 – 300,000 sq ft, although up to 1m sq ft of existing footprint could be under review, driven partly by lease events, as part of the Governments proposed re-organisation of the Public Estate

3.1.7 The Government Property Agency is actively looking at regional cities and

following some positive meetings it is anticipated that the GPA will shortly confirm potential requirements for new floorspace. West Bar is extremely well placed to attract and deliver a large Public Sector office requirement, given the rental levels, flexible good quality design; scale of the existing Government campus nearby and also the experience that L&G can bring having developed a large number of regional GPA Hubs already for HMRC. These requirements will require buildings with large floorplates, which the Sheffield office market does not have available at the moment, a gap in the city's offer which West Bar is intended to fill.

3.1.8 The West Bar scheme includes new ground floor units set in an attractive new public square. These will be mainly cafes and the aim is to target local independent businesses, building on the success of Kelham.

3.1.9 The first phase includes 368 apartments which will be owned and managed long term by L&G. This high quality accommodation will help to broaden the housing offer in the City Centre. The Council's 2018-23 New Homes Delivery Plan sets out its commitment to support the building of over 2,000 new homes per annum over the course of 5 years. To do this (delivering the scale and types of homes the city needs) the Council is pursuing opportunities to work in partnership with the private sector where it is sensible to do so. The West Bar development falls within the City Centre Housing Market Area where there is a target of around 5,300 new homes in the Plan period and West Bar Sq can make a significant contribution.

3.1.10 In addition to the above long term benefits to the local economy, with the potential to house up 6000 new jobs, it is also important to note that the first phase of the development will provide over 500 construction jobs. These could start on site later this year and will be a welcome boost as we begin to come out of the pandemic. The contractors will be encouraged to employ local workers and to create apprenticeships.

3.2 Environmental

3.2.1 The development will deliver considerable environmental improvements; removing semi-derelict buildings and surface car parks; delivering energy efficient buildings, high quality public realm and landscaping with new pedestrian routes linking to/from the City Centre, Kelham and Burngreave.

3.2.2 The office which the Council is to lease will be built to BREAM Excellent standards. It has been designed to maximise daylighting and views out whilst avoiding solar gain by a more solid façade to the south. At least 12% of the energy required will be provided by solar PVs and air source heat pumps.

3.2.3 As part of the first phase Urbo will continue the Grey to Green style planting and sustainable drainage along the length of the inner Relief Road. The central public space also includes elements that help to reduce flood risk to the site itself and the surrounding neighbourhood

3.2.4 When the full development is complete there will be approximately 500 cycle

spaces, including over 300 in the first phase. Urbo have also agreed to dedicate part of their land to enable the delivery of the TCF cycle scheme at West Bar roundabout

- 3.2.5 The first phase of the development includes a 450 space multi storey car park. Whilst the scheme is being designed to encourage active travel and use of public transport there will still be a need for car parking and the MSCP will contain a lot fewer parking spaces than are currently on the whole site. It will include more electric vehicle charging points when it opens than are currently required by the planning permission and will also incorporate the necessary infrastructure to expand that number in future.
- 3.2.6 The works to the Bridge St junction being supported by the SCR funding will improve access to the wider area. The works include removing large retaining walls and redundant structures which create quite a hostile environment for pedestrians walking from Burngreave and Kelham to the middle of the City Centre. An attractive new landscaped route will also be created through the development.

3.3 Social

In addition to the substantial number of jobs which can be accommodated the development will deliver improvements to social well-being with a high quality development with new public spaces and active ground floor leisure uses for people to meet; safer routes through the area for pedestrians; high quality housing and offices.

4. HAS THERE BEEN ANY CONSULTATION?

- 4.1 The proposals set out within this report are aimed at accelerating the delivery of the project and as such there has been no formal consultation. However the principle of comprehensive redevelopment at West Bar Square has been the subject of numerous public consultations with positive feedback including the West Bar IPG (2006), previous developer Castlemore's planning application (2006), City Centre Masterplan (2008 and Draft 2018) and community consultation was undertaken as part of the promotion of Urbo's planning application (2015).
- 4.2 New consultation on scheme design will be carried out as part of the current planning applications.

5. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

5.1 Equality of Opportunity Implications

An Equality Impact Assessment has been carried out in respect of the proposals set out in this report. It concluded that overall there are no significant differential impacts, positive or negative, from this proposal. The acceptance of additional funding will support the redevelopment of the site will be of universal positive benefit for all local people who will benefit from the

creation of a significant number of new full and part time jobs. The socio economic and community cohesion impacts locally should be particularly positive. There are no negative equality impacts identified.

5.2 Financial and Commercial Implications

- 5.2.1 The report to Cabinet in February 2019 highlighted that the proposal involves the Council entering into a 40 year property lease from which there are no early exit clauses. Income generated from letting should cover the annual revenue charge over time and the Council will have the option to purchase the building for £1 at the end of the lease. On the assumption of a staggered take up of occupation and a number of 10 year leases, there will be a net cost in the first few years and then there will be an income risk every 10 years as leases come up for renewal. It was agreed that on balance the scheme offers potentially significant economic activity, with commensurate business rate and council tax income. However, the risk and potential cost to achieve this continues to come at a time when Council budgets are under severe pressure and so officers are monitoring the position regularly and constantly looking at ways to mitigate risks.
- 5.2.2 The first phases of development deliver Business Rate and Council Tax growth for the Council of approx. £143m over the term of the lease. Part of that growth is to be earmarked to first underwrite risk on Office 1 and by accepting the JESSICA Rental Loan the amount of underwriting can be reduced. If a significant level of long term pre-letting of the building can be achieved then this will change the risk profile considerably
- 5.2.3 The grant from the SCR Brownfield Housing Fund will help to secure the delivery of the apartments within the first phase and thus the assumed Council Tax growth.
- 5.2.4 The West Bar project will be coming forward alongside the Heart of the City project and both projects involve a degree of financial risk to the Council, as well as providing wide ranging economic, environmental and social benefits. Officers are ensuring that the financial implications of both are reviewed and monitored together on a regular basis in order to ensure that total financial risks are maintained at an acceptable, prudent level.
- 5.2.5 In order to underwriting the shortfall of the Office 1 costs in the initial years, £2m of Corporate Investment Funding (Revenue) has been earmarked which will be repaid from income generated by the scheme in 25/26. This a significant improvement of the previously assumed figure of £3m.
- 5.2.6 The Business Rates and Council Tax income modelled for this report only account for the first phase of the development which makes up just over half of the total development on the site. Over future years significant additional income will be also be derived.

5.2.7 Finalised grant terms and conditions for the projects are still awaited from SCR at this point and will be reviewed and approved by Finance when they arrive.

5.3 Legal Implications

5.3.1 Section 1(1) of the Localism Act 2011 states that a local authority has power to do anything that individuals generally may do. This power of general competence allows local authorities to act in innovative ways and sub section 1(5) makes clear that the generality of section 1(1) is not limited by the existence of any other power of the authority which may over-lap the generality of the power. As with all functions of the Local Authority the exercise of the power of general competence is subject to the public law limitations in respect of vires and any existing specific limits imposed by other legislation. There are no known restrictions affecting the funding referred to in this report and accordingly the Council is empowered to accept these funding arrangements.

5.3.2 The Council is yet to receive the terms and conditions of the loan from Urbo, in respect of the JESSICA fund loan, although the Council has seen the heads of terms from the fund to Urbo. Urbo will receive the rental loan and then these funds will be passed to the Council under a back to back Agreement from Urbo, this will pass all of the obligations from Urbo to the Council.

At present the main terms of the Agreement, which will be passed onto the Council are:

- The Council will be a guarantor for Urbo in respect of the loan from JESSICA to Urbo and will meet all borrower obligations under the loan.
- Repayment date- The earlier of 2 years from practical completion or 3 years from signing the Agreement:
 - Any amounts of rent received by the Council during the rental loan period will be applied to repay the loan.
 - If the required lettings are not achieved, then the loan is written off and only the interest will then become payable.
 - Interest rolled-up through the loan term to earlier of maturity or repayment.
- Interest Rate – Public Works Loan Board rates.
- A number of conditions precedent to drawdown are identified, such as:
 - Must be against eligible capital expenditure. Urbo will then transfer the equivalent of that full amount to the Council in order to help to mitigate letting risk, as discussed above.
 - Satisfactory evidence of the Sheffield City Council Lease being in place, as detailed in 1.4 above
 - A satisfactory independent valuation confirming the Market Rent (as defined in the RICS Red Book).

Once in receipt of the full agreement a legal and financial review will be completed and all risks/ implications considered in accordance with any delegation allowed by the approvals requested in this report.

The Council has completed a review of the heads of terms detailed above and has determined that the loan is not a form of subsidy control. Urbo will take their only legal advice in this regard.

- 5.3.3 The Council has applied for and been accepted for funding from the Sheffield City Region Brownfield Housing Fund. Once we receive the full terms and conditions in from SCR legal and finance will review these. The Council will receive the funding from SCR and then pass this funding onto Urbo via a back to back agreement, which will also pass on the responsibilities and obligations. Full legal implications of entering into this agreement will be dealt with in a separate report going to Cabinet, which is being used to cover all of the SCR Brownfield Funding streams that the Council has been accepted for.

6. ALTERNATIVE OPTIONS CONSIDERED

- 6.1 The 2020 agreement with Urbo and L&G includes an option for the Council to terminate the agreement in April this year and pay compensation towards costs incurred by the other parties. If that was to happen it is very likely that L&G would also not proceed as the involvement of the Council is extremely important to their partnership approach on regeneration schemes such as this.
- 6.2 It would then be necessary for Urbo to find a new source of development finance. In the current economic circumstances that will not be straightforward, but it is possible that the scheme would still eventually be delivered in more phases over time. However there is no doubt that this would take considerably longer to achieve than what is being proposed.
- 6.3 If this approach were to be taken then the significant economic, environmental and social benefits to the city set out in the report would take much longer to materialise. The same would apply to the financial benefits accruing to the Council from new business rates and Council Tax.
- 6.4 The Council could decide not to take up the JESSICA or SCR Brownfield Housing Fund monies which have been negotiated. However, the costs to the Council of securing that funding are low and in terms of what benefits the funding secures that would not seem a commercially sensible option.

7. REASONS FOR RECOMMENDATIONS

- The West Bar Square development is a transformational project that ties together the northern fringe of the City Centre and Fargate with Kelham and Castlegate and removes a physical and psychological barrier from Burngreave to the City Centre
- The initial phases of the development secures £150m of private sector investment from Legal and General which would be a much needed boost to the local economy in the current economic climate.

- Planning applications have been submitted for the first phase and could start on site by the end of this year
- The first phase of the project can generate Business Rate and Council Tax growth for the Council of approx. £143m with further significant amounts in future years from the next phases
- The requirement for the Council to take a 40 year lease of Office 1 is not without risk, however this is mitigated by the very low rent payable to L&G
- The proposed JESSICA loan reduces the risk further and also reduces the short term CIF requirement
- If the Council serves the termination notice in April and does not take the lease then it is highly likely that L&G will not proceed and the scheme will be stalled for several years.

Mick Crofts
Executive Director Place



Author/Lead Officer of Report:
Rachel Dawson, Income Management and
Financial Inclusion Team

Tel: 07824 636023

Report of: *Mick Crofts*

Report to: *Cabinet*

Date of Decision: *17 March 2021*

Subject: Contract to act as agent for Yorkshire Water collecting Water Rates from council tenants where Yorkshire Water is the water supplier to the property

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? Neighbourhoods and Community Safety		
Which Scrutiny and Policy Development Committee does this relate to? <i>Safer and Stronger Communities Scrutiny Board</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? 930		
Does the report contain confidential or exempt information?	Yes <input checked="" 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:-		
<i>"The appendix is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended)."</i>		

Purpose of Report:

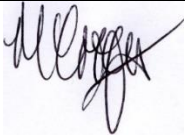

To seek authority that allows Sheffield City Council to further contract with Yorkshire Water as their agent and continue collecting water rate charges from Council tenants on Yorkshire Water's behalf for the period 1st April 2021 to 30 March 2024.

Recommendations:

That Cabinet:

- i. Notes the contents of the report.
- ii. Approves the council entering a contract on the basis that the council will act as agent for Yorkshire Water to collect water rates from Council tenants occupying properties where Yorkshire Water is the supplier.
- iii. To the extent not already delegated to them by the Leader's Scheme of Delegation, delegate authority to the Executive Director of Place, in consultation with the Director of Legal and Governance and Director of Finance and Commercial Services to prepare and execute all required documentation and take steps to implement these recommendations.

Background Papers:**Equalities Impact Assessment****Appendix A – Finance (Contains Exempt Information)**

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> Karen Jones
	Legal: <i>(Insert name of officer consulted)</i> Marcia McFarlane
	Equalities: <i>(Insert name of officer consulted)</i> 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:  M Crofts, Executive Director Place
3	Cabinet Member consulted:  Councillor Paul Wood
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: Rachel Dawson
	Job Title: Operations and Development Manager, Income Management and Financial Inclusion Team

1. PROPOSAL

- 1.1 The proposal is for the Council to continue to act as agents for Yorkshire Water collecting water rates from Council housing tenants on behalf of Yorkshire Water. This will be a collection services the Council provides for Yorkshire Water.
- 1.2 The Council currently acts as agents for Yorkshire Water to collect water rates from Council housing tenants in the Yorkshire Water region, this arrangement will not apply to Council housing tenants who have water meters and therefore pay directly to Yorkshire Water, or the 10% of Council tenants whose water is supplied by Severn Trent.
- 1.3 Our current working arrangement with Yorkshire Water is a long standing one and provides an efficient and cost effective route for tenants, the Council and Yorkshire Water to manage the collection of water rates. As part of the arrangement the Council receives a payment from Yorkshire Water for administering the scheme.
- 1.4 Water rates are added to the net rent account and then charged to tenants on a weekly basis. Making one combined payment is more convenient for tenants. There is no additional charge to the tenant where the council collects their water rates and council employees will give assist tenants with their Water Support applications.
- 1.5 Yorkshire Water has indicated they would agree to the Council continuing collecting these charges as their agent and they are prepared to confirm this in the commercial documents.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The proposal contributes to the Housing and Neighbourhood Theme of “Sustainable and Attractive Neighbourhoods” by supporting and assisting tenants to be financially viable and sustain tenancies. The proposal also contributes to the Housing and Neighbourhood Ambitions to “Offer Housing Support Where Needed”, “Exploit Commercial Potential” and “Become More Business Like”.
- 2.2 Collecting water rates alongside council tenants’ rent, will allow the Council to give better support to tenants. We can reach agreement with tenants on affordable repayment agreements for both rent and water charges which will allow tenants to sustain tenancies and budget their income. The Council is flexible and can make arrangements for tenants to make payments weekly, fortnightly or monthly. Weekly and fortnightly payments are particularly helpful for those who receive their income more frequently and budget on a weekly / fortnightly basis.

- 2.3 The recommendation maintains an arrangement which provides an easy and cost-effective route for tenants and Yorkshire Water respectively to manage payment of water rates. It also brings in an income stream to Housing Revenue Account which is utilised to support Council Tenants within the Council's overall budget.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The arrangement between Yorkshire Water and the Council is an extremely longstanding one. There has been regular consultation with customers over the years, involving tenants' rent groups (which include representatives from Tenants and Residents Associations) and public consultation, where the collection of water rates by the Council was discussed where we understood customers saw this as a benefit.

There has been no recent customer consultation due to the disbandment of customer rent groups, restrictions due to the pandemic and lack of meetings from groups which would be consulted namely Tenants and Residents Association. In the previous three year contract period, we received no complaint from customers about collection of water rates by the Council, or negative feedback.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 Customers who receive their water supply from Severn Trent will not be included in this arrangement and therefore, customers in some geographical areas will get a more positive experience when paying water rates because they will benefit from combining payments with rent.

The proposal will have no impact on any protected characteristic but will have a positive impact for "Poverty and Financial Inclusion". The process used to collect water rates will allow council tenants to have access to trained income specialists who can give financial support, assistance and guidance, signposting to debt support agencies and tenancy support agencies. By making the payment through the council, the customer can also have the opportunity to pay weekly, fortnightly or monthly, on any day of the month that is convenient.

The new contract would see no changes to the current arrangements because these proposals are similar to what has been delivered by the Council for the last 3 years as an agent of Yorkshire Water.

4.2 Financial and Commercial Implications

- 4.2.1 The Council will receive payment from Yorkshire Water for its services under contract. The contract will yield an income for the Housing Revenue Account over the 3-year contract. This will be an income stream to the Housing Revenue Account this will be used to administer the contract and support Council Tenants within the Council's overall budget.

4.3 Legal Implications

- 4.3.1 The Council has the power to enter into such agreement under the Power of General Competence found in S1 of the Localism Act 2011.
- 4.3.2 The Council has a written agreement with Yorkshire Water that explains the basis on which the Council enters the agreement and explains the Council is providing Yorkshire Water with a collection and recovery service. It is clear that Yorkshire Water gives the Council authority to collect and recover water charges from Council tenants on its behalf and there is a description of the collection services that will be provided. The arrangement is not resale of water.
- 4.3.3 In *Kim v Southwark LB* and *Kingston-upon-Thames RB v Moss*, these councils' water rates collection arrangements with their water supplier operated differently from what is being proposed and their commercial documents did not clearly explain a service to the water supplier or that the council was acting only as the agent for the water supplier. Courts therefore decided those councils were not acting as agents for their water authority, but reselling water under the Water Industry Act 1991, and their resale was higher than stated in the Water Resale Order 2006 so the councils had to reimburse some of the collection from tenants.
- 4.3.4 Although the current agreement is clear that the arrangement is not for resale of water, the council's position will be further strengthened by explicit statement of the fact that the Council acts as agent on behalf of Yorkshire Water in providing a service that collects water rates from Council tenants on behalf of Yorkshire Water.
- 4.3.5 The Council will ensure its commercial position is protected within the formal agreement by also including compliance with data protection legislation.
- 4.3.6 These proposals will not require the Council to undertake any procurement.

4.4 Other Implications

- 4.4.1 Measures are in place to protect tenants on low incomes. As well as utilising Council administered discretionary funds, the Council will also continue to support tenants to access the Yorkshire Water, water support scheme, aimed at those customers whose water rates are higher than average and are financially vulnerable.

5. **ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 To not collect water rates for Yorkshire Water. However, this would result in a reduction in service for tenants who would have to make payments direct to Yorkshire Water and would also not have the support to apply for water support grants, Yorkshire Water would require time to develop alternative arrangements to collect outstanding water rates and a reduction in income to the Council.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The Council has been collecting water rates on behalf of council tenants for over 20 years. The arrangement is mutually beneficial for all parties, the Council receives an income to the Housing Revenue Account which is used to support Council Tenants, Yorkshire Water receive a high collection rate and customers benefit from officers who are trained in financial inclusion and support, as well as income collection.

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

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