

**To: Deputy Leader and Members of the Resources Board**

**Councillors Symonds, Chambers, T Clews, D Clews, Davey, Dirveiks, Hancocks, D Humphreys, Morson, M Parker, O Phillips and Simpson**

**For the information of other Members of the Council**

**For general enquiries please contact Democratic Services on 01827 719226 or via email – [democraticservices@northwarks.gov](mailto:democraticservices@northwarks.gov).**

**For enquiries about specific reports please contact the Officer named in the reports.**

**This document can be made available in large print and electronic accessible formats if requested.**

## **RESOURCES BOARD AGENDA**

**30 January 2023**

The Resources Board will meet on Monday 30 January 2023 at 7.00pm in the Council Chamber at The Council House, South Street, Atherstone, Warwickshire.

The meeting can also be viewed on the Council's YouTube channel at [www.youtube.com/user/northwarks](http://www.youtube.com/user/northwarks)

### **AGENDA**

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Disclosable Pecuniary and Non-Pecuniary Interests.**

4 **Minutes of the Resources Board held on 7 November 2022** – copy herewith, to be approved as a correct record and signed by the Chairman.

5 **Public Participation**

Up to twenty minutes will be set aside for members of the public to put questions to elected Members.

Members of the public wishing to address the Board must register their intention to do so by 9:30am two working days prior to the meeting. Participants are restricted to five minutes each.

If you wish to put a question to the meeting, please register by email to [democraticservices@northwarks.gov.uk](mailto:democraticservices@northwarks.gov.uk) or telephone 01827 719221/719226/719237.

Once registered to speak, the person asking the question has the option to either:

- (a) attend the meeting in person at the Council Chamber.
- (b) attend remotely via Teams; or
- (c) request that the Chair reads out their written question.

If attending in person, precautions will be in place in the Council Chamber to protect those who are present however this will limit the number of people who can be accommodated so it may be more convenient to attend remotely.

If attending remotely an invitation will be sent to join the Teams video conferencing for this meeting. Those registered to speak should dial the telephone number and ID number (provided on their invitation) when joining the meeting to ask their question. However, whilst waiting they will be able to hear what is being said at the meeting. They will also be able to view the meeting using the YouTube link provided (if so, they made need to mute the sound on YouTube when they speak on the phone to prevent feedback).

## **ITEMS FOR DISCUSSION AND DECISION (WHITE PAPERS)**

6 **Housing Maintenance Service & Asset Management Plan** – Report of the Director of Housing

### **Summary**

This report provides an update for Members about the delivery of the Asset Management Plan for the Council's Landlord stock, seeks changes to the in house Housing Direct Works Team and informs the Board about the challenges posed by an ageing stock profile and implications from the Social Housing and Regulation Bill.

The Contact Officer for this report is Angela Coates (719369)

7 **Private Sector Shared Services & HEART Partnership** – Report of the Director of Housing

**Summary**

The Council has a shared service with Nuneaton and Bedworth Borough Council to deliver its private sector housing condition oversight and enforcement duties. The Warwickshire HEART partnership delivers grants for adaptations and provides for contractors to undertake the work. A contract is in place to underpin the partnership. This report informs the Board about the current position for both services

The Contact Officer for this report is Angela Coates (719369).

8 **General Fund Fees and Charges 2023/24** – Report of the Chief Executive, Corporate Director – Streetscape, Corporate Director – Resources and director of Housing

**Summary**

This report covers the fees and charges for 2022/23 and the proposed fees and charges for 2023/24.

The Contact Officer for this report is Nigel Lane (719371)

9 **General Fund Revenue Estimates 2023/24 – Services Recharged Across all Boards** – Report of the Corporate Director – Resources.

**Summary**

This report covers the revised budget for 2022/23 and an estimate of expenditure for 2023/24, together with forward commitments for 2024/25, 2025/26 and 2026/27.

The Contact Officer for this report is Nigel Lane (719371)

10 **General Fund Revenue Estimates 2023/24 – Services Remaining within the Board** – Report of the Corporate Director – Resources.

**Summary**

This report covers the revised budget for 2022/23 and an estimate of expenditure for 2023/24, together with forward commitments for 2024/25, 2025/26 and 2026/27.

The Contact Officer for this report is Nigel Lane (719371).

- 11 **General Fund Revenue Estimates 2023/24 - Summary** – Report of the Corporate Director – Resources

**Summary**

This report covers the revised budget for 2022/23 and an estimate of expenditure for 2023/24, together with forward commitments for 2024/25, 2025/26 and 2026/27.

The Contact Officer for this report is Nigel Lane (719371).

- 12 **Housing Revenue Account Estimates 2023-24 and Rent Review** – Report of the Corporate Director – Resources.

**Summary**

This report covers the revised budget for 2021/22 and an estimate of expenditure for 2022/23, together with forward commitments for 2023/24, 2024/25 and 2025/26.

The Contact Officer for this report is Nigel Lane (719371).

- 13 **Capital Programme 2022/23 to 2025/26**

**Summary**

This report identifies changes to the Council's 2022/23 Capital Programme and proposals for schemes to be included within the Council's Capital Programme over the next three years.

The Contact Officer for this report is Sue Garner (719374)

- 14 **Review of Car Parking** – Report of the Corporate Director – Streetscape.

**Summary**

This report updates Members on the outcomes of the implementation of CPE and the changes to the Council's off-street Parking places Order which took effect in February 2022. The report also sets out some of the next steps in relation to on-street and off-street parking in the Borough over the coming months.

The Contact Officer for this report is Richard Dobbs (719440)

STEVE MAXEY  
Chief Executive

## NORTH WARWICKSHIRE BOROUGH COUNCIL

### MINUTES OF THE RESOURCES BOARD

7 November 2022

Present: Councillor Symonds in the Chair

Councillors Chambers, T Clews, Davey, Dirveiks, Hancocks, D Humphreys, Jordan, Morson, M Parker, O Phillips and Reilly.

An apology for absence was received from D Clews (Substitute Jordan) and M Simpson (Substitute Reilly).

#### 20 **Disclosable Pecuniary and Non-Pecuniary Interests**

None were declared at the meeting.

#### 21 **Minutes of the Resources Board held on 6 September 2022**

The minutes of the Resources Board held on 6 September 2022, copies having been previously circulated, were approved as a correct record and signed by the Chairman.

#### 22 **Risk Management Update 2022/2023**

The Corporate Director – Resources informed Members of risk management actions being undertaken during 2022/2023.

**Resolved:**

**That the report be noted.**

#### 23 **Treasury Management Update 2022/2023**

The Corporate Director – Resources detailed the Treasury Management activity for the period up to the end of September 2022.

**Resolved:**

**That the Treasury Management activity for the period up to the end of September 2022 be noted.**

24 **Internal Audit Half Yearly Report**

The Corporate Director - Resources provided an update on the progress of the Council's Internal Audit function against the agreed plan of work for the year and a summary of the work completed by the Council's Counter Fraud Officer.

**Resolved:**

**That the progress against the approved plan, attached at Appendices A and B of the report of the Corporate Director – Resources, and the work of the Counter Fraud Officer be noted.**

25 **General Fund Budgetary Control Report 2022/2023 – Period Ended 30 September 2022**

The Corporate Director – Resources reported on the revenue expenditure and income for the period from 1 April 2022 to 30 September 2022. The 2022/23 budget and the actual position for the period, compared with the estimate at that date, were given, together with an estimate of the out-turn position for services reporting to the Board.

**Resolved:**

**That the report be noted.**

26 **Housing Revenue Account Budgetary Control Report 2022/2023 – Period Ended 30 September 2022**

The Corporate Director – Resources reported on the total Housing Revenue Account revenue expenditure and income for the period from 1 April to 30 September 2022.

**Resolved:**

**That the report be noted.**

**27 Capital Programme 2022/2023 – Period 6 Update**

The Corporate Director – Resources updated Members on the progress of the 2022/2023 Capital Programme in terms of expenditure up to the end of September 2022.

**Resolved:**

- a That the virements within the housing capital programme, as set out in appendix A, to the report of the Corporate Director – Resources be approved; and**
- b That the supplementary estimates of £450,000 for the additional work required at Alexandra Court and £300,000 for the multi trade contract be approved.**

**28 Update on the Revenues and Benefits Service**

The Corporate Director – Resources advised Members of the work of the Revenues and Benefits teams, including the collection progress made by the Revenues team.

**Resolved:**

**That the report be noted.**

**29 Exclusion of the Public and Press**

**Resolved:**

**That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.**

**30 Right to Buy Purchase**

The Director of Housing informed the Board about a Right to Buy Purchase.

**Resolved:**

**That recommendations (a) and (b), as set out in the report of the Director of Housing, be approved.**

31 **Property Adaptations**

The Director of Housing provided the Board with information about referrals received to provide adaptations for disabled people who live in Council owned accommodation.

**Resolved:**

**That recommendations (a) and (b), as set out in the report of the Director of Housing, be approved.**

32 **Innage Park – Phase II**

The Corporate Director – Streetscape updated Members on Innage Park – Phase II.

**Resolved:**

**That recommendations (a) and (b,) as set out in the report of the Corporate Director – Streetscape be approved.**

33 **Property in Coleshill - Update**

The Corporate Director – Streetscape updated Members in respect of properties in Coleshill and recommend a course of action.

**Resolved:**

**That recommendations (a), (b) and (c), as set out in the report of the Corporate Director – Streetscape, be approved.**

C Symonds  
Chairman

**Agenda Item No 6**

**Resources Board**

**30 January 2023**

**Report of the  
Director of Housing**

**Housing Maintenance Service &  
Asset Management Plan**

**1 Summary**

- 1.1 This report provides an update for Members about the delivery of the Asset Management Plan for the Council's Landlord stock, seeks changes to the in house Housing Direct Works Team and informs the Board about the challenges posed by an ageing stock profile and implications from the Social Housing and Regulation Bill.

**Recommendation to the Resources Board**

- a That the delivery of the current Housing Asset Management Plan be noted and the necessity to update the Plan be agreed; and**
- b That the implications of the Social Housing (Regulation) Bill be considered in the revision of the Asset Management Plan and 30 Year Housing Revenue Account Business Plan subject to being further adapted and amended to the extent required when finally implemented'; and**
- c That the delivery of the major works programme at Alexandra Court and Drayton Court be commended and the plans to continue the programme to Abbey Green Court be noted; and**
- d That the necessity to update the stock condition data be noted and the proposed resource for undertaking it be agreed; and**
- e That the proposal to recruit a Maintenance Manager be agreed; and**
- f That the structure of the Housing Direct Works Team be changed to include two additional tradesmen to lead on delivering a planned works programme – including those needed to repair and maintain fascias and garages.**

## 2 Consultation

- 2.1 The Housing Task and Finish Group will consider the revised Asset Management Plan before it is submitted to the Resources Board for agreement. The Borough Wide Tenants Forum will also be asked for their feedback on the proposed Plan. As programmes of work are developed and planned the Housing Division informs Local Councillors and notifies tenants about the anticipated works to their homes.

## 3 Overview

- 3.1 Progress to deliver the Asset Management Plan for the Council's landlord stock was previously reported to the Board in January 2021. The Plan needs to be renewed to reflect current local and national priorities for the Council's domestic property assets. This report sets out relevant requirements and proposes priorities to be addressed in the new Plan. It also provides an overview of the forthcoming legislation for social housing landlords and the Government's drive to deliver zero carbon homes.
- 3.2 The Asset Management Plan is concerned with both maintenance works which keep the Council's assets in good order and the management of the stock.
- 3.3 Since the Plan was agreed Government published a Green Paper for Social Housing and a White Paper. The Social Housing (Regulation) Bill that followed had its second reading in November 2022. The Bill is intended to strengthen the regulatory regime to change the behaviour of landlords of social housing to focus on the needs of their tenants. It also aims to ensure landlords are held to account for their performance.
- 3.4 The new legislation has regard to the safety of buildings, promises to review the Decent Homes Standard and states that the role of the Social Housing Regulator will be enhanced – including re-introducing an inspection regime. The legislation sits alongside new regulations which have been introduced to ensure the safety of buildings generally and changes to regulations for fire safety and the provision of smoke detectors in domestic properties.
- 3.5 Since the current Asset Management Plan was published there has been a renewed emphasis nationally and locally on delivering zero carbon homes. Locally this is reflected in the Council's Climate Change Plan. There are established work programmes to deliver energy efficient homes for tenants. To support their ambition the Government offered grant funding to landlords. The Council has been successful in its bids for this funding.
- 3.6 The Council has a 30 Year Business Plan for the Housing Revenue Account. This financial Business Plan underpins the Asset Management Plan as it sets out how income and expenditure will be managed. Revenue for services provided for in the Asset Management Plan is entirely from rent income. The level of rent increases can be constrained by the Housing Regulator. This was the case for four years up to 2021 (to reduce the burden on welfare benefit

budgets) and following a recent consultation is the case again now (to reflect the cost-of-living crisis). The Business Plan sets out the income expected against risks to collection and then allows for expenditure to meet the Council's priorities for its housing stock. The financial reports which are part of this Resources Board agenda indicate that the Housing Revenue Account is under pressure with regard to the finances required to address the needs of an ageing stock. This report starts to reconsider what the priorities will be for the stock over the next 5 to 10 years.

#### **4 Delivery of the Asset Management Plan 2018-2022 & Future Priorities**

- 4.1 The capital programme priorities funded by the Housing Revenue Account aim to ensure that the housing stock continues to meet the Decent Homes Standard and that all health and safety requirements are met. This part of the service is delivered by both the Planned Programme / Asset Management Team and the Response Repairs Team – Housing Direct Works
- 4.2 The Asset Management Plan establishes critical programmes of work that annually form a firm basis for maintaining the Council's assets. Over the life of the plan the following have been delivered:

A roofing programme which delivers an average of 50 new roofs to individual properties annually and has provided for a successful flat to pitched programme for blocks of flats. In addition a new pitched roof was provided for the blocks at George Road, Water Orton.

Major works have been undertaken to improve the Council's flats and do essential works at Alder and Heather Court Atherstone, Long Street and Church Road Dordon, Monument View Polesworth and Oldbury View Hartshill. This included a flat to pitched roof conversion at Alder and Heather Court and a new flat roof at Monument View. In conjunction with WATES Living an extensive works programme was successfully delivered at Alexandra Court, Atherstone over an 8 month period. This included a new pitched roof, external wall insulation, new windows and improvement works internally and externally. Work at St Leonards Close, Dordon is now well underway and has started at Drayton Court.

The external wall insulation programmes of work to provide more energy efficient homes have been a success for individual properties across the Borough as well as the flats at Alder and Heather Court, Alexandra Court and at Welcome Street, Atherstone. The programme has included installing new windows. Since 2015 over 300 individual properties have had new windows fitted and over 400 have had external wall insulation.

Our replacement heating system delivers 150 to 200 new efficient gas heating systems annually. Boilers have to be replaced every 15 years to meet the Decent Homes Standard. In addition 20 Air Source Heat Pump heating systems have been delivered in the last 18 months. This

is mainly to areas with no gas mains but where it is feasible it has been used for other properties too.

A kitchen and bathroom programme. 124 new kitchens and/or bathrooms were provided in 2019/20. This programme was paused during the time of the pandemic due to health and safety concerns. Following a tender process a new contractor is in place and it is expected that 80 tenants will have new kitchens by April 2023 as part of the initial stages of the programme.

#### 4.3 Health and safety requirements are an essential part of the Asset Management Plan. These are delivered from a range of actions:

A major programme of electrical upgrades was started in 2018 by way of a partnering contract with Solihull MBC and Dodds Group. This has been supported by the in house team of Electricians. By 31 March 2023 all the Council's properties will have an Electrical Inspection Condition Reports (EICR) where access has been allowed by tenants. Major upgrade work has also been undertaken in the communal areas of flats to ensure energy efficiency and fire safety.

The Housing Direct Works team work closely with our external contractor to ensure all gas boilers are serviced within 12 months. This is an important safety and absolute legal requirement.

In 2020 we provided new Fire Risk Assessments for all the common areas in the Council's flats and the sheltered scheme communal rooms as well as our homeless hostels. It is a critical fire safety measure that fire doors provide protection in case of fire. An inspection and replacement programme is proposed as part of the revised Asset Management Plan.

Asbestos management is dictated by our Asbestos Management Plan and supported by two contracts – one for surveys and one for removal prior to works commencing. Records are kept against properties on the asset management software.

Systems are in place, supported by a specialist testing company, for protecting premises from Legionella. The contract has recently been renewed.

The CDM (Construction Design and Management) requirements underpin all the work undertaken in both teams. Having clear and robust risk assessments and method statements in place is critical. Staff are given suitable training and information to meet health and safety requirements and to be competent in them as they undertake their roles.

- 4.4 Members will be aware from financial reports to the Board that there has been pressure on capital budgets caused by the need to address issues arising from an ageing stock. This has included extensive work to individual properties to remove causes of damp, deal with structural problems and also remedial works to flats to prevent conditions from becoming dangerous before major programmes of work can be delivered. Delivering these works is resource intensive in terms of staff and budget. However it should be noted that the Housing Direct Works team have been successfully managing these works in house over the last 18 months.
- 4.5 Over the term of the Plan there has been an increased demand to provide for adaptations to properties to meet the needs of tenants with a disability and to support their independence. Works to provide level access showers, stairlifts and ramps can be largely routine depending on the specification but extensions are resource intensive.
- 4.6 The Housing Revenue Account provides budget annually to support the development of new homes. Regeneration schemes have been the priority (Lister Road Atherstone, Church Walk Mancetter, Coleshill Road & Long Street Atherstone) however the opportunity has also been taken to acquire Section 106 developments (Grendon, Polesworth, Dordon) and the Housing Division has worked in partnership with Platform Housing Group to develop 20 properties in Warton. Post construction remedial works to the flats at Joseph Cadman Court are now complete.
- 4.7 The Asset Management Plan sets out the Council's intention to deliver proactive tenancy and neighbourhood management. The Council's tenants have security of tenure – a lifetime tenancy if they do not break their tenancy conditions. This means they have obligations with regard to the upkeep of their tenancy. The Council also has obligations but how it delivers them will dictate the cost of the service and the effective management of the asset.
- 4.8 Tenancy Services Officers manage the Council's tenancies. The Neighbourhood Warden service ensures that blocks of flats and surrounding areas are in good order and safe. The Tenancy Services Team have had cause to instigate legal action against some tenants for particularly serious anti social behaviour and this includes closing orders but most tenants co-operate with the Council and maintain their tenancies in the manner we expect.
- 4.9 Tenant engagement is encouraged by way of the Borough Wide Tenants Forum and their work is supported by local Community Panels and ad hoc tenant involvement meetings. We encourage positive working with tenants through our individual contacts, formal meetings and the provision of a newsletter twice a year.
- 4.10 A revised Asset Management Plan for 2023 to 2026 will be drafted and discussed with the Housing Task and Finish Group. Ensuring health and safety and improving the energy efficiency of the stock will be key priorities in the Plan. Close attention will also be given to new regulatory requirements.

## **5 Asset Management of Blocks of Flats**

- 5.1 Following agreement by the Resources Board in 2019 the Housing Division started a programme of works to improve the condition of its blocks of flats. Schemes of work have been delivered across the Borough and have been well received with a concurrent review of the condition of the blocks indicating that in some areas structural works are also required to deal with latent defects as well as failing roofs due to disrepair.
- 5.2 The blocks of flats of particular concern were at Alexandra Court, Abbey Green Court and Drayton Court. Work is now complete at Alexandra Court and underway at Drayton Court. The most extensive programme to date is required at Abbey Green Court. Work will start on site around September 2023 following consultation with leaseholders.
- 5.3 At Abbey Green Court extensive health and safety emergency repairs have been required to the flat roof. An intrusive technical report has indicated that there are latent defects in the concrete walls (including ineffective tying of the masonry structure and corrosion of the embedded steel reinforcements due to insufficient concrete cover) which are causing damp conditions and leaks. There are frequent reports of leaks to the plumbing system. Extensive electrical works are required to the communal areas of the blocks. The external parts are in a very poor condition. Funding additional to the usual capital programme will be required for this works programme.
- 5.4 Roof work will be planned for blocks in other areas as part of a five year programme as budget allows. In the medium term this will include Eastlang Road Fillongley and Wall Avenue, Digby Road and Clinton Road at Coleshill which are all pitched roofs and Gramer Court which is a flat roof.

## **6 Implications of Social Housing (Regulation) Bill 2022-2023**

- 6.1 The revised Asset Management Plan will have to meet the requirements of the regulations for social housing. The Social Housing (Regulation) Bill sets out the Government's intention to change and strengthen the regulatory framework in conjunction with enhancing the roles of the Housing Regulator and Housing Ombudsman alongside the Building Safety Regulator (HSE). It also urges Councils to build more homes and specifically refers to Government's action to remove the borrowing cap for this purpose.
- 6.2 Proactive consumer regulation is at the forefront of the Bill. Some of the key provisions are:

Making safety, transparency and energy efficiency a part the Social Housing Regulator's fundamental objectives

Enabling the Regulator to set standards for the competence and conduct of staff working for registered providers of social housing

Requiring registered providers to nominate a designated person for health and safety issues

Giving the Secretary of State the power to introduce new requirements for registered providers relating to electrical safety checks

A power for the Regulator to direct registered providers to collect and publish performance information (see below)

Regular inspections of registered providers

6.3 To support the new regulatory requirements and ensure that tenants are satisfied that they are met social landlords are expected to publish performance information and seek tenant feedback on specific matters. The Tenant Satisfaction Measures which the Council will have to collect from 1 April 2023 and provide a return to the Regulator in the Summer of 2024 are shown in the document provided at Appendix A. The performance measures required are already available. Satisfaction feedback will be subject to a designated survey.

6.4 The Board will note that whilst tenant satisfaction measures have the condition and safety of homes at the forefront, they also include matters relating to tenant engagement and tenancy and neighbourhood management. A priority for the Bill is to ensure that tenants receiving the service have a strong voice. The Council's Tenant Partnership Agreement will be the basis for our response to this requirement.

6.5 The revised Asset Management Plan will reflect these requirements and show clearly how the Council will meet them.

6.6 In strengthening the role of the regulator the Bill states the Government's intention to "put safety at the heart of social housing regulation". There will be a requirement for all landlords to have a person within the organisation for compliance with their health and safety responsibilities. The Bill makes it clear that this person "should be visible and accessible to tenants". It will be a nominated person required in law and should be sufficiently senior to drive a culture of safety throughout the landlord organisation. The Director of Housing is the responsible person for health and safety for the Council's domestic stock and is supported by the Health and Safety Officer who has 3 days designated to this role.

6.7 A further implication for the Council's Asset Management and 30 Year Business Plans is the Government's stated intention to review the Decent Homes Standard. This follows their published requirements for Social Landlords to improve the energy efficiency of their properties.

6.8 It should be noted that the role of the Housing Ombudsman sits closely alongside the Housing Regulator. From 1 September 2020 the Housing Ombudsman Scheme was revised. This required the Ombudsman to publish a complaint handling code, provided a new power to issue complaint handling

failure orders and the ability to investigate beyond an initial complaint to establish whether evidence might indicate a systemic failure. The complaints procedure for the Council's housing tenants is attached for information at Appendix B.

- 6.9 Recently the Secretary of State instructed the Regulator to seek information from all registered landlords about their approach to dealing with reports of damp, mould and condensation. The Council receives around 250 reports annually with concerns from tenants about these issues. The procedure for addressing those concerns is attached for information at Appendix C. Reports and actions are monitored by the Response Repairs Manager and the Director of Housing.

## 7 Maintenance Team

- 7.1 Over the term of the Asset Management Plan decisions have been implemented which have changed the structure of the Maintenance Section to ensure major programmes of work can be delivered and tenants receive the response repairs service that they expect. There has also been an emphasis on compliance with the introduction of both Gas and Electric Compliance Officers and a part time Health and Safety Officer. The roles of Response Repairs Manager and Planned Investment Manager are pivotal to the delivery of the services to maintain the Council's stock however the role of Maintenance Manager has been suspended from the establishment since the last postholder resigned in 2014 with the Director of Housing taking on their responsibilities. It is proposed as part of this report that the post be re-instated.
- 7.2 The in house Housing Direct Works, Response Repairs Team, is critical to the delivery of services to tenants. The team provided a full service to tenants throughout the period of the pandemic lockdowns and can deliver both responsive and planned works programmes. This includes a 24/7 emergency repairs service, response repairs, annual gas service commitments and electrical safety as well as vacant property repairs and adaptations. Over the past 18 months the team has developed and engaged with a local college to provide NVQ training for the tradesmen. Two apprentices have been appointed. With efficient delivery of services the team have been able to deliver more planned works. More efficient working practices have been delivered following changes to the materials purchase contract and the systems of work used by the tradesmen to deliver services. For front line repairs 96% are completed right first time and within 9 working days. This report proposes that the in house team is enhanced to enable more planned works to be delivered in house as it has proven to be value for money.
- 7.3 The Surveyor resource provided for the major repairs team covers the main work streams of roofing, kitchens and bathrooms and energy efficiency measures. The Planned Investment Manager leads on the major refurbishment of blocks of flats because of the expert technical knowledge required. The Director of Housing leads on regeneration and new build developments. Additional resource to plan and deliver major works is provided

by other professionals and contractors on a scheme by scheme basis and funded by the capital budgets.

- 7.4 The last comprehensive stock condition survey was undertaken in house in 2015. To support the revised Asset Management Plan it is proposed that a new stock condition survey be undertaken by the in house team. The first step will be to undertake a desk top review of component data held in the maintenance software. Following that site visits will be required to audit and update the data. It is proposed that staff in the team be asked to undertake the survey as their working knowledge of systems and properties will be invaluable. However we will need to provide cover for some of the tasks they currently undertake. The proposals are set out below. A separate survey will be required to inspect the condition of fire door entrances to flats. A specialist contractor will be used for this.
- 7.5 The new regulatory requirement to have a person responsible for compliance with statutory health and safety responsibilities that is visible and accessible to tenants is provided by the Director of Housing in the absence of a Maintenance Manager. They are supported in this role by the Council's Health and Safety Officer, the Planned Investment Manager and Response Repairs Manager as well as the two designated compliance Supervisors for electrical and gas installations.
- 7.6 The Director of Housing leads on contractor appointments and contract management. For some contracts they deliver the tender process themselves, in some cases the Planned Investment Manager leads but in all cases they are the contract administrator. Frameworks are used where it is appropriate. In some circumstances a full tender process is required. The contracts for electrical and gas installations are both up for review this year. We retain an in house team for responsive electrical works but the gas installations service was fully outsourced in 2017. The contractors for the latter have not delivered the quality of service that is expected and there will be a full consideration around the future of the contract during the year.

## **8 Report Implications**

### **8.1 Finance and Value for Money**

- 8.1.1 Since the Council met the Government's Decent Homes Standard as required by 2010 its ability to commit funding to a full capital programme for its housing stock has been constrained. The constraint is a result of payments necessary to fund its subsidy system settlement and caps on rent levels. The nationally recognised cost of living crisis places a risk on rent collection. Additionally the costs of contract works has increased significantly over the last two years due to inflation and difficulties in sourcing some materials. In order to deliver essential works to properties as part of the capital programme borrowing has been required. It is expected that, with the exception of essential works to Abbey Green Court, capital programmes works will only be able to meet minimum requirements over the next two years.

- 8.1.2 The annual capital programme (excluding new build schemes) is in the region of £3.5m. It is critical that the team continues to build on its successes to deliver the Council's capital programme, take actions to ensure health and safety requirements are met and to address matters which will be agreed as part of the Asset Management Plan. Programmes of work are based on stock condition data which is held on the asset management database. Funding of around £1m annually has been made available for new build/ regeneration schemes as part of the capital programme however the opportunity to do this in the next few years is very limited.
- 8.1.3 In order to meet electrical safety regulations funding for the electrical testing programme has been prioritised since 2018.. A full testing programme will continue in future years using the in house team of Electricians. Following the tests remedial works is undertaken as required and upgrades or re-wires arranged. The extent of the work has been significant and reflects the lack of a regular programme until 2018 however the Electrical Compliance Supervisor has managed the programme successfully and a more routine arrangement for the 5 year test reports will be in place from April 2023 fully utilising the in house team.
- 8.1.4 Following successful programmes of work at Alder and Heather Court and Alexandra Court funding of around £4m will be required to complete a full essential works programme at Abbey Green Court, Polesworth. Cost estimates are included in the report on Housing Revenue Account Capital Programme as part of this Board agenda.
- 8.1.5 Over the last 5 years the Asset Management Team has delivered successful programmes of work for External Wall Insulation and replacement windows. Most of the programme was for individual properties. Work has also been completed on blocks of flats. Two bids for additional funding to install energy efficiency measures to individual properties were successful and attracted £365,000 into the Council's budgets. Whilst this funding supported the Council's intentions to make improvements it should be noted that it was limited to £5,000 per property and the average actual costs for windows and wall insulation was an average of £18,000 per property.
- 8.1.6 No specific budgetary arrangements are in place or are proposed at the current time for works to garages, a replacement fascia programme where a new roof is not required or to communal rooms. In some areas premises are falling into disrepair because of the lack of programmes. Remedial works will be undertaken if resource is available or urgent works are required. However it is proposed that there is an increase of tradesmen to the Housing Direct Works establishment to facilitate doing this work in house as part of the Response Repairs Fund budget.
- 8.1.7 This report proposes additional staff resources to ensure all regulations are met and the Council's stock assets are maintained to a good standard. The table below details the estimated costs for the staff resources required:-

Post	Grade (top)	Hours	Cost 22/23	Cost 23-24
Maintenace Manager (additional post)	14	37	61,635	64,289
Tradesman (additional post)	8	37	39,234	41,100
Tradesman (additional post)	8	37	39,234	41,100
Resource for Stack Condition Survey - Honararium			4,465	4,043
<b>Additional cost</b>			<b>144,568</b>	<b>150,532</b>

These are all affordable with the current resource available to the Housing Repairs Fund.

8.1.8 The budget to deliver the response repairs service is £1.7m annually. This budget supports the work of the in-house team and the gas installations contract as well as asbestos, Legionella and fire safety management. Materials purchase and delivery is critical to the productivity of any response repairs service. The materials contract for the Housing Direct Works Team was changed in 2019 and is due for renewal in April 2023. The current contract was provided using the EEM Framework. It is proposed to do the same again and procurement exercise has already been undertaken to provide for this. The contract has been proven to provide good value for money – not only for the costs of the materials but in how they are delivered to the team. It has cut down entirely on travel time to a merchant and the just in time delivery system is cost effective and productive.

8.1.9 Achieving value for money for tenants dictates that we need to deliver services which receive good satisfaction feedback, are cost effective and are comparatively good performing when benchmarked with other social landlords.

## 8.2 Safer Communities Implications

8.2.1 The Council owns properties on estates in most areas of the Borough. If its' stock of homes and garages is not kept in good order and are empty for long periods blight can be caused to estates. In addition to matters set out in this report the revised Asset Management Plan actions will set out to ensure that these matters are addressed and that the Council's assets are also an asset to the community.

## 8.3 Environment and Sustainability Implications

8.3.1 The Maintenance Service should ensure that work is undertaken to ensure Council properties are energy efficient. It also plans for future work which will be carried out. Energy efficient homes help the environment and the household costs for tenants.

8.3.2 The Council's stock contributes to the provision of affordable housing. The provision of affordable housing is a key contribution towards ensuring sustainable communities and this is reflected in the Developing Healthier Communities priority of the North Warwickshire Sustainable Communities Strategy 2009-2026.

#### 8.4 Human Resources Implications

8.4.1 This report shows that good progress has been made over the term of the Asset Management Plan to improve the condition and safety of the Council's stock. Nonetheless new regulatory requirements for both oversight and building safety require a reconsideration of the decision to suspend the position of Maintenance Manager and transfer their duties to the Director of Housing. Putting the role back in place will enhance the Division's technical resource and ability to address the needs of the stock, will improve the capacity available to refurbish the stock and build new homes as well as giving a clear and competent focus on building safety. It is recommended that recruitment to this role is progressed during 2023. Any significant amendments to the job description will be reported to the Special Sub Group.

8.4.2 The Housing Direct Works Team has been reliable, efficient and productive during challenging times over the last 3 years. This includes the pandemic period but also significant constraints on tradesmen resource and costs of materials. Over the last year there has been an improvement in end to end times for response repairs and in void turn around times. There has been much less reliance on contractors compared with previous years to support the work of the team and this has provided better value for money for tenants. This is partly due to the agreement for two Labourers in the team to act into different roles – one a Plasterer and one a multi trade decorator (including tackling mould conditions). Given their success it is proposed that these roles be made permanent and to improve the range of the team further it is recommended that two additional multi trade tradesmen are included in the establishment so that planned works can be undertaken on garage sites and to provide a fascia replacement programme.

8.4.3 Rather than seeking an external resource it is proposed that the condition survey is undertaken by an experienced Surveyor from the contracts team who will be supported by the Contracts' Administrator. A small remuneration is suggested for the latter, by way of an Honorarium, because some of the tasks required are different to their current role and previously a Condition Surveyor has been paid at Grade 8. A casual contract will be put in place to back fill some of the tasks completed by the Administrator to allow them to engage with the stock condition survey work.

8.4.4 The Social Housing (Regulation) Bill states an intention to review the professional training and development qualifications for housing staff – including senior staff. The Government has set up a working group to explore the relevance and value of professional qualifications and consider best

practice – including for delivering support to customers with mental health issues. The emphasis is on the competency of staff.

8.4.5 Following agreement by the Special Sub Group two Apprentices have been appointed. One Plumber and one Electrician.

## 8.5 Legal Implications

8.5.1 The Council must meet legal requirements for managing gas and electrical installations, health and safety, building regulations, the statutory Right to Repair.

8.5.2 Following the Grenfell Tower fire extensive additional legislation referred to above has been introduced in relation to building safety. In particular the Council's obligations have been enhanced by the Building Safety 2022 and new Fire Safety Regulations which apply from 23 January 2023 and have implications for buildings in multi occupation.

8.5.3 The Council also has duties under the Landlord and Tenant Act 1985 to ensure its buildings are not in disrepair, including maintaining installations for heating space and water, and to consult with leaseholders about proposed repairs which are deemed qualifying works. If Council fails to meet its repairing obligations under the 1985 Act it can be liable to pay damages to the tenant for any harm suffered, may be ordered by the Court to remedy any defects and may also have to pay the tenant's legal costs. Further, if the Council fails to maintain the structure of buildings causing damage to a leaseholder's property, the Council can be liable to pay damages for their losses.

8.5.4 The legal requirement to consult with leaseholders about qualifying works contains two main steps. The first is a written notice of intention. The second is written notification about the estimates / tenders received. Where appropriate the Council will seek a dispensation from the Leasehold Valuation Tribunal for the second stage however, this will only be granted if good reason can be shown to dispense with it.

8.5.5 As well as being accountable to Councillors and tenants the Council's housing services are expected to meet the requirements of the Housing Regulator. The Maintenance Service requirements are set out in the 'Home Standard'. This states that a Registered Provider should:

With regard to quality of accommodation:

- Continue to maintain at least the decent homes standard after December 2010
- Meet the standards of design and quality that applied to the home when it was built if they are higher than the Decent Homes Standard
- Consider whether the locally agreed standard can be more than the Decent Homes Standard (the continuing need for energy efficient homes is a factor here)

With regard to repairs and maintenance:

- Provide a cost effective repairs and maintenance service
- Respond to tenants' needs, offer choice and have the objective of completing repairs and improvements right first time
- Meet all statutory requirements for health and safety of occupants

8.5.6 Systems of work in the Response Repairs team must adhere to the 'Right to Repair' legislation and require the Council to proactively address the condition of properties. This legislation has been enhanced recently by the Homes (Fitness for Habitation) Act 2018 since 2019 by introducing an implied covenant that premises are fit for habitation at time of letting and during the term of the tenancy. Crucially it allows tenants to challenge their landlord directly in Court. The Act sets out that a property could be deemed unfit (if it is defective and not reasonably suited for occupation) due to issues such as disrepair, instability, damp & mould growth, excess cold, crowding and spacing, lighting and noise. There is an exception if the tenant has caused the issue by not acting in a tenant like manner.

8.5.7 A significant amount of health and safety legislation and regulation applies to the work of the Housing Maintenance Service. This including gas (annual servicing and works), Legionella management, Asbestos management, fire safety (especially in communal areas), electrical installations (programmes and works), working at heights and manual handling. The CDM requirements underpin all of the work undertaken in both teams and having clear and robust risk assessments and method statements in place is critical. Staff must be given suitable training and information to meet health and safety requirements and to be competent in them as they undertake their roles.

8.5.8 The Social Housing (Regulation) Bill sets out intentions for a new regulatory regime for all social housing landlords. When this becomes law the Council will have to make any changes necessary to meet its specific requirements which may vary further during the Parliamentary process.

8.5.9 The introduction of this additional Building Safety legislation is in response to Dame Judith Hackitt's Independent Review which identified four broad concerns with regard to complex buildings:

- Ignorance – of current regulations and guidance
- Indifference – a culture of doing things quickly and cheaply
- Lack of clarity of roles and responsibilities – which results in lack of accountability
- Inadequate regulatory oversight and enforcement tools – the size & complexity of the project not informing the way it is overseen by the regulator

concluding that this indicates significant issues to be resolved in the culture of construction companies and procurement practices.

This new legislation will however impose specific safety requirements in all types of buildings and therefore apply to the Council's services in relation to all housing stock.

## 8.6 Equality Implications

8.6.1 The provision of affordable housing is a positive contribution towards equality objectives by providing opportunities particularly for younger people and families to access affordable housing in the borough. The Council's services for its tenants aim to provide equal access for all and to be able to tailor services to meet particular needs.

## 8.7 Risk Management Implications

8.7.1 The age of its stock and health and safety requirements mean that it is important to be able to take a more proactive approach to managing the Council's assets.

8.7.2 This report sets out the current position and requests funding to invest in important programmes of work that have been delivered over the last few years. During this financial year there will be a wider review of the Council's assets with an intended outcome of proposing programmes of work which ensure they are maintained to a safe and decent standard.

The Contact Officer for this report is Angela Coates (719369).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

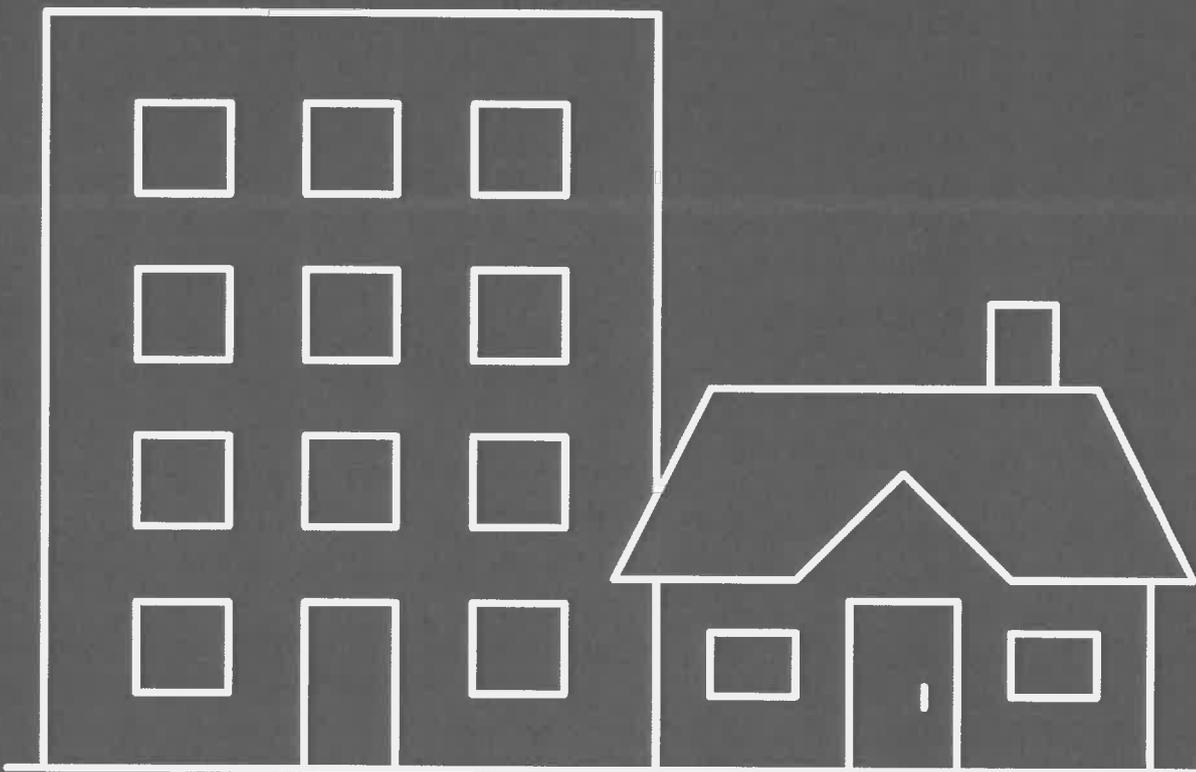
Background Paper No	Author	Nature of Background Paper	Date
Asset Management Plan 2018 - 2021	Director of Housing	Council Strategy	2018
Tenant Satisfaction Measures	Regulator of Social Housing	Government Regulation	2022
Housing Annual Review Ombudsman Complaints	Housing Ombudsman	Government Regulation	2021



Regulator of  
Social Housing

Appendix A

September 2022



# Tenant satisfaction measures

A summary of our requirements

# About tenant satisfaction measures

The Regulator of Social Housing is creating a new system for assessing how well social housing landlords in England are doing at providing good quality homes and services. In addition to introducing revised consumer standards, this will involve a set of tenant satisfaction measures (TSMs) that social housing landlords must report on. People will be able to use these measures to understand how well landlords are doing.

This document presents the final set of TSMs and a summary of the regulator's requirements for them.

Another document presents a summary of the key areas of feedback we received in the consultation and sets out our decision on the final Tenant Satisfaction Measures Standard and accompanying documents. This is called the [Consultation on the introduction of Tenant Satisfaction Measures Decision Statement](#).

## Will this apply to me?

The tenant satisfaction measures will cover all kinds of rented social housing in England where the landlord is registered with us (a 'registered provider').

Some, but not all, of the tenant satisfaction measures (see page 6) will also cover shared ownership homes.

## Why are these changes happening?

In 2020, the government published [The charter for social housing residents – social housing white paper](#), which sets out ways to improve things for people living in social housing. Some of these are for the Regulator of Social Housing to do. Our document [Reshaping consumer regulation: our principles and approach](#) describes the steps we are taking.

One of those steps is bringing in a set of tenant satisfaction measures. These measures should:

- let tenants see how well their landlord is doing
- give us an idea of which landlords might need to improve things for their tenants.

## How we developed the tenant satisfaction measures and what happens next with them



### What are we trying to achieve?

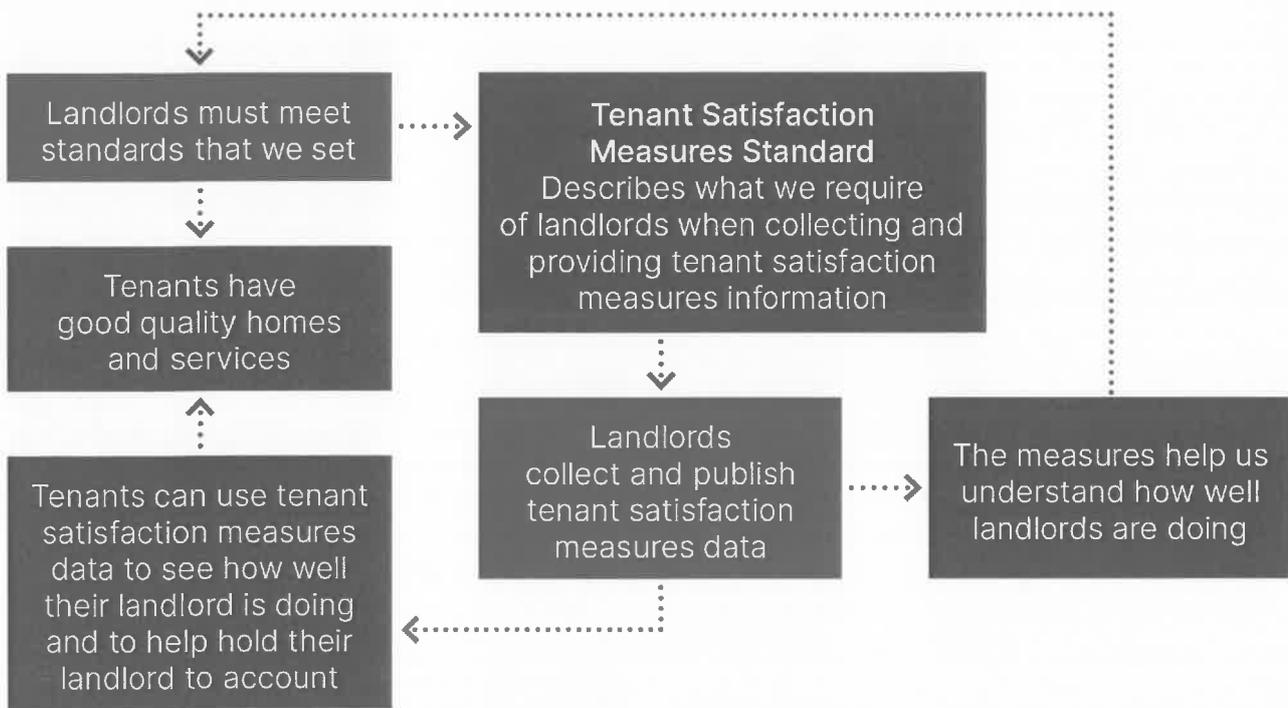
Tenant satisfaction measures are intended to make landlords' performance more visible to tenants, and help tenants hold their landlords to account.

The Social Housing White Paper stated that we need to design the measures carefully.

Looking at each measure on its own, it should be clear what it tells you about the landlord. Tenants should also be able to use it to compare landlords.

Looking at all the measures together, they should also work as a package to show how well a landlord is doing in some key areas.

# How will tenant satisfaction measures work?



Coming up with what to measure has only been one part of our work on tenant satisfaction measures. We have also published:

- a TSM standard that requires landlords to collect, process and publish the information needed for the measures
- a set of requirements that tells landlords how they must collect and publish the information, so that different landlords' information is consistent and can be compared
- guidance about the submission of TSM information to the regulator and how we will use the data we receive.

## More detailed information

More detail about the tenant satisfaction measures and our TSM requirements can be found in the following documents on our website [here](#):

- TSM Standard
- Tenant Satisfaction Measures: Technical Requirements
- Tenant Satisfaction Measures: Tenant Survey Requirements
- Guidance about the submission of Tenant Satisfaction Measures data to the regulator

# Our approach

We want the changes we are making to:

- make a meaningful difference to tenants
- be possible for landlords to carry out
- be something we can regulate.

To help achieve this, we think that as far as possible, all the tenant satisfaction measures should be relevant, accurate, responsive, deliverable and linked to our objectives.

## Relevant

The tenant satisfaction measures should provide relevant information. This means:

- letting tenants see how their landlord is performing
- telling us about how well landlords are meeting relevant standards.

## Accurate

The measures should be well defined and it should be possible to double-check the results. They should make it possible to compare different landlords, and should make it difficult for landlords to make themselves look better than they really are.

## Responsive

The measures should only measure things the landlord is actually responsible for. They should not accidentally encourage landlords to do anything that makes things worse for their tenants.

## Deliverable

The measures should not be too expensive or complicated to put into practice, either for us or for landlords.

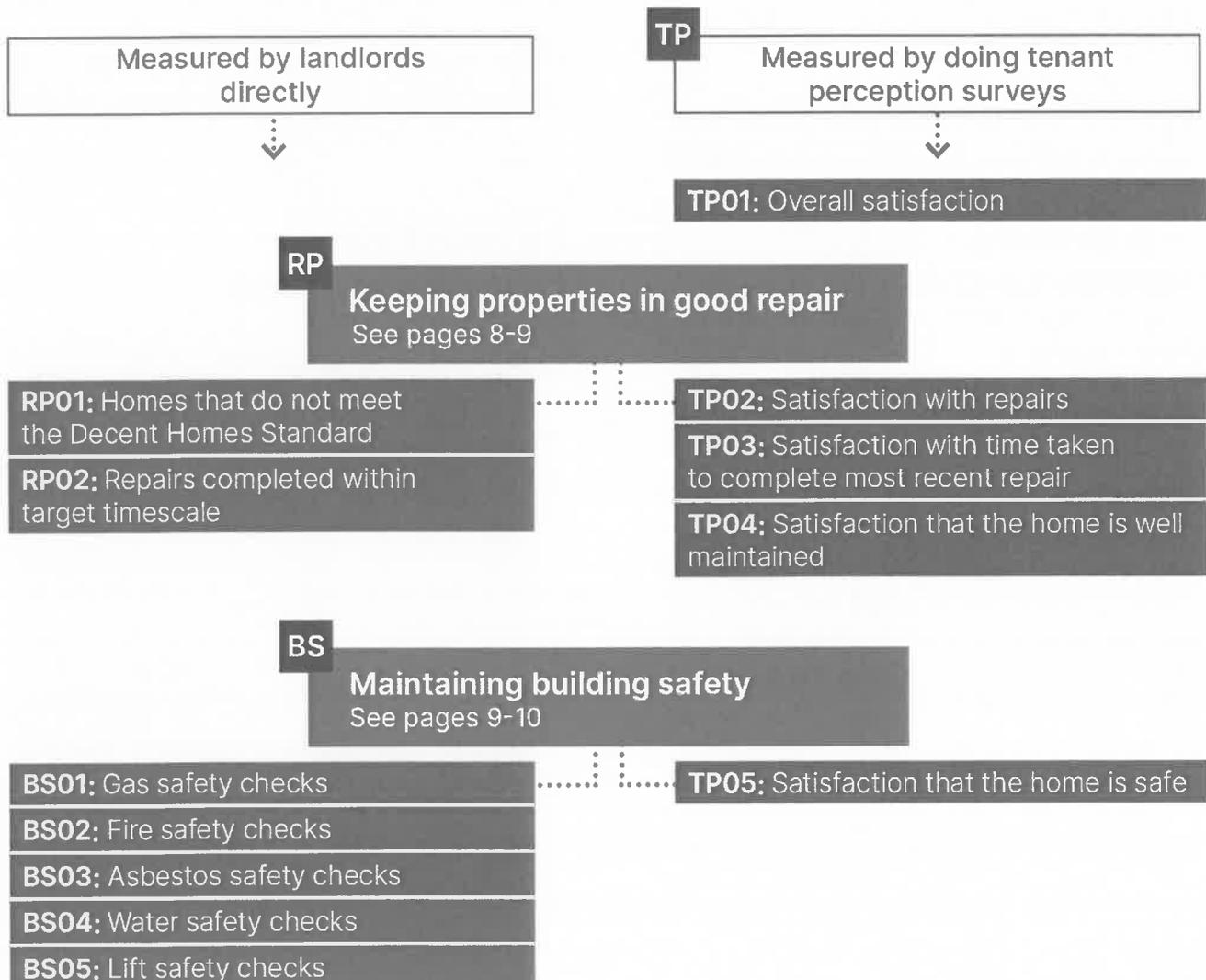
## Linked to our objectives

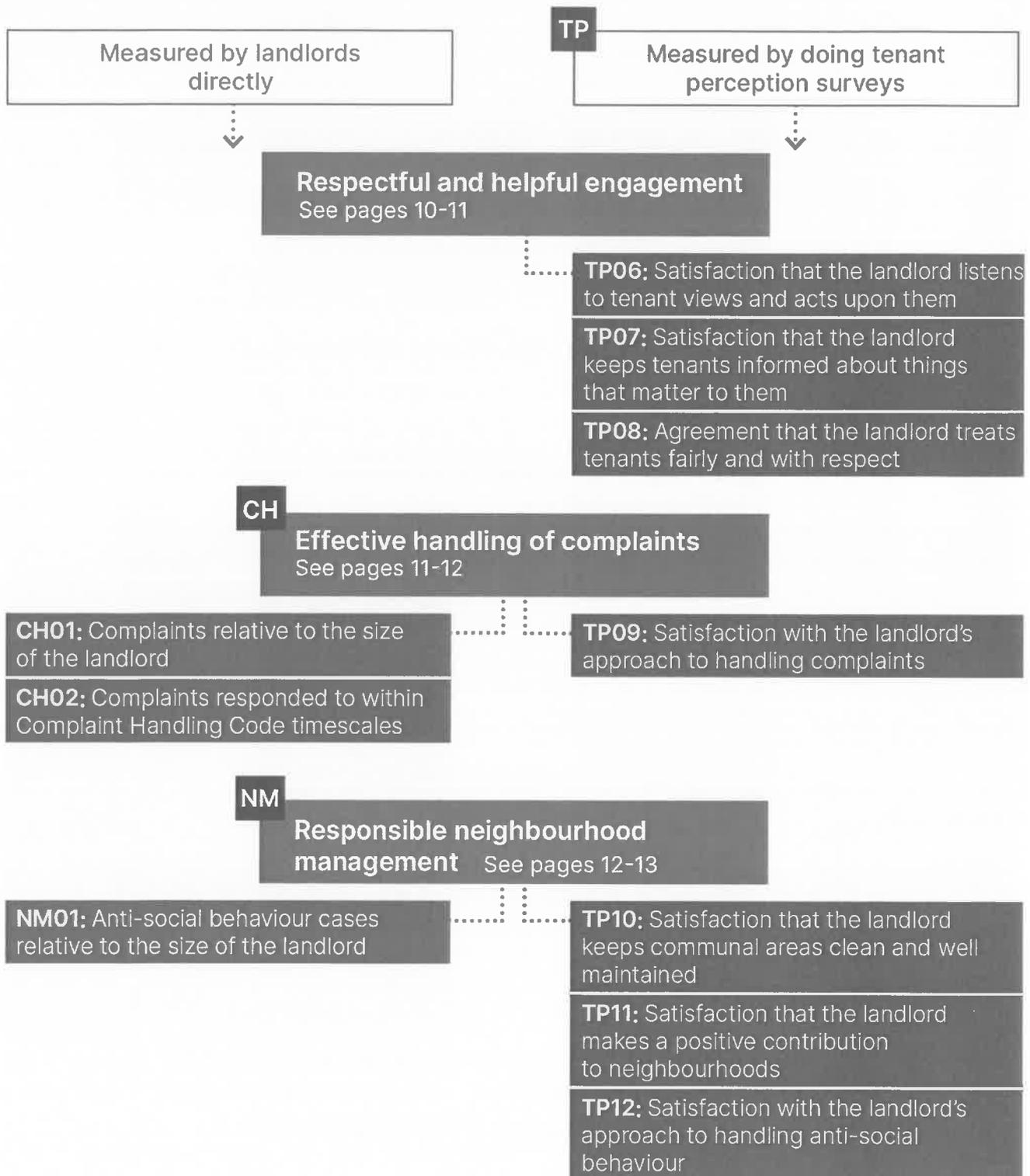
There should be a clear link between the measures and the objectives we are trying to achieve as a regulator. The data we ask landlords to provide should help us to meet those objectives.

# The tenant satisfaction measures

There are 22 tenant satisfaction measures, covering five themes. 10 of these will be measured by landlords directly, and 12 will be measured by landlords carrying out tenant perception surveys.

You can read the full definitions of the tenant satisfaction measures in [Tenant Satisfaction Measures: Technical Requirements](#).





\* There are two additional measures that were proposed in *The charter for social housing residents – social housing white paper*, which are:

- Electrical safety checks
- Percentage of communal areas meeting the required standard.

The government is reviewing these areas separately at the moment. We will decide on the next steps for these measures when the government has finished its work. We will ask for views about any proposals we make for these measures at a later date.

# Overall satisfaction

## **TP01: Overall satisfaction**

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*Taking everything into account, how satisfied or dissatisfied are you with the service provided by your landlord?*

This measure will be based on the percentage of tenants who say they are satisfied.

# Keeping properties in good repair

## **TP02: Satisfaction with repairs**

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*Has your landlord carried out a repair to your home in the last 12 months?*

*If yes, how satisfied or dissatisfied are you with the overall repairs service from your landlord over the last 12 months?*

This measure will be based on the percentage of tenants who say they are satisfied.

## **TP03: Satisfaction with time taken to complete most recent repair**

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*Has your landlord carried out a repair to your home in the last 12 months?*

*If yes, how satisfied or dissatisfied are you with the time taken to complete your most recent repair after you reported it?*

This measure will be based on the percentage of tenants who say they are satisfied.

## **TP04: Satisfaction that the home is well-maintained**

Measured by a tenant perception survey

All tenant perception surveys must include this question:

*How satisfied or dissatisfied are you that your landlord provides a home that is well-maintained?*

This measure will be based on the percentage of tenants who say they are satisfied.

#### RP01: Homes that do not meet the Decent Homes Standard

Measured by: landlords' management information

This measure will be based on the percentage of a landlord's homes that do not meet the Decent Homes Standard. This is a government document describing conditions that social homes should meet.

#### RP02: Repairs completed within target timescale

Measured by: landlords' management information

This measure will be based on the percentage of repairs the landlord has done within the target time they have set for themselves. As part of this measure, landlords will have to make these target times public.

This will measure both emergency and non-emergency repairs requested by tenants. Repairs planned by the landlord will not be included.

**Shared ownership** homes will not be included in these five tenant satisfaction measures as repairs to these homes are the shared owner's responsibility, not the landlord's.

## Maintaining building safety

#### TP05: Satisfaction that the home is safe

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*Thinking about the condition of the property or building you live in, how satisfied or dissatisfied are you that your landlord provides a home that is safe?*

This measure will be based on the percentage of tenants who say they are satisfied.

## Safety checks

The following five measures will be based on the number of individual homes that are covered by relevant safety checks. Not all homes require all checks.

#### BS01: Gas safety checks

Measured by: landlords' management information

This measure will be based on the percentage of homes that have had all the necessary gas safety checks.

### **BS02: Fire safety checks**

Measured by: landlords' management information

This measure will be based on the percentage of homes in buildings that have had all the necessary fire risk assessments.

### **BS03: Asbestos safety checks**

Measured by: landlords' management information

This measure will be based on the percentage of homes in buildings that have had all the necessary asbestos management surveys or re-inspections.

### **BS04: Water safety checks**

Measured by: landlords' management information

This measure will be based on the percentage of homes that have had all the necessary legionella risk assessments. Legionella is a bacteria that can make people ill if it gets into water supplies.

### **BS05: Lift safety checks**

Measured by: landlords' management information

This measure will be based on the percentage of homes in buildings where the communal passenger lifts have had all the necessary safety checks.

## **Respectful and helpful engagement**

### **TP06: Satisfaction that the landlord listens to tenant views and acts upon them**

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*How satisfied or dissatisfied are you that your landlord listens to your views and acts upon them?*

This measure will be based on the percentage of tenants who say they are satisfied.

**TP07:** Satisfaction that the landlord keeps tenants informed about things that matter to them

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*How satisfied or dissatisfied are you that your landlord keeps you informed about things that matter to you?*

This measure will be based on the percentage of tenants who say they are satisfied.

**TP08:** Agreement that the landlord treats tenants fairly and with respect

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*To what extent do you agree or disagree with the following?  
"My landlord treats me fairly and with respect."*

This measure will be based on the percentage of tenants who say they agree.

## Effective handling of complaints

**TP09:** Satisfaction with the landlord's approach to handling of complaints

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*Have you made a complaint to your landlord in the last 12 months?  
If yes, how satisfied or dissatisfied are you with your landlord's approach to complaints handling?*

This measure will be based on the percentage of tenants who say they are satisfied.

**CH01:** Complaints relative to the size of the landlord

Measured by: landlords' management information

This measure will be based on the number of complaints the landlord receives for each 1,000 homes they own.

## **CH02:** Complaints responded to within Complaint Handling Code timescales

Measured by: landlords' management information

This measure will be based on the percentage of complaints the landlord responds to within the times set by the Housing Ombudsman's Complaint Handling Code. All social housing landlords have to follow this Code.

The Housing Ombudsman is an independent organisation that tenants can ask to look at complaints about social housing landlords.

[Find out what the Complaint Handling Code says](#)

## Responsible neighbourhood management

### **TP10:** Satisfaction that the landlord keeps communal areas clean and well-maintained

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*Do you live in a building with communal areas, either inside or outside, that your landlord is responsible for maintaining?*

*If yes, how satisfied or dissatisfied are you that your landlord keeps these communal areas clean and well-maintained?*

This measure will be based on the percentage of tenants who say they are satisfied.

### **TP11:** Satisfaction that the landlord makes a positive contribution to neighbourhoods

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*How satisfied or dissatisfied are you that your landlord makes a positive contribution to your neighbourhood?*

This measure will be based on the percentage of tenants who say they are satisfied.

**TP12:** Satisfaction with the landlord's approach to handling anti-social behaviour

Measured by: tenant perception survey

All tenant perception surveys must include this question:

*How satisfied or dissatisfied are you with your landlord's approach to handling anti-social behaviour?*

This measure will be based on the percentage of tenants who say they are satisfied.

Not every tenant will have reported a formal anti-social behaviour case to their landlord, but we require landlords to ask this question of everyone being surveyed.

**NM01:** Anti-social behaviour cases relative to the size of the landlord

Measured by: landlords' management information

This measure will be based on the number of anti-social behaviour cases opened for each 1,000 homes the landlord owns, including the number of cases that involve hate incidents.

# The tenant satisfaction measures standard

The Regulator of Social Housing sets standards that all social housing landlords must meet. In certain circumstances where a landlord does not meet one of these standards, we may take action.

We are introducing a new standard that describes what we expect and require of landlords when it comes to tenant satisfaction measures.

Among other things, this standard will require landlords to collect and publish their tenant satisfaction measures results.

Landlords must publish their results every year in a way that tenants can easily access and understand.

It also goes into more detail about:

- when landlords should collect and send us the information
- the accuracy and quality of information we will expect

You can read the TSM Standard, in full, on our website [here](#).

# Landlords' responsibilities

## Tenant perception surveys

Landlords will be responsible for running tenant perception surveys to collect data for tenant satisfaction measures TP01–TP12.

Landlords with 1,000 or more homes will have to run the survey every year. Landlords with fewer than 1,000 homes will have the option of running it every year or every two years.

Landlords will be able to survey all their tenants (a 'census survey'). Landlords with many homes will also have the option of surveying only some of their tenants. Landlords who choose this option will have to follow rules we have set about how many tenants they survey and how to randomly select who gets surveyed. Our rules mean that the results will be similar to what they would be if they surveyed all tenants.

Landlords will be allowed to run the survey by post, by phone, face to face, online, or however is best for their tenants. They will have to:

- say at the start of the survey roughly how long it will take to complete

- let tenants know that the survey will be used for tenant satisfaction measures
- include the 12 tenant perception survey questions exactly as we have written them.

Landlords will be allowed to include their own questions as well as the 12 required ones.

Landlords will be responsible for making sure their survey results are meaningful. This includes getting enough responses and avoiding carrying out surveys in ways that might stop certain groups of tenants from taking part.

Landlords will need to check whether the mix of people who responded is similar to the mix of people living in their homes. If they see a big difference, they will need to check their survey results to make sure they are accurate. In order to be able to do this, landlords will need to have up to date information on the characteristics of their tenants such as their age, gender, ethnicity etc.

When they publish their tenant satisfaction measures results, landlords will also have to report how they carried out their tenant perception survey, including how many responses they had and any other issues that may affect the results.

## Protecting privacy

Any information tenants provide to help their landlords calculate their tenant satisfaction measures results will be covered by privacy and data protection laws. Landlords will be responsible for making sure they (and any companies they employ to work with the information) are following these laws.

This is important, not just because of the law, but because tenants need to be comfortable giving honest answers to tenant perception surveys. Protecting tenants' privacy and confidentiality helps with this.

## Reporting results

Our requirements mean that all social housing landlords will have to publish their performance on tenant satisfaction measures for their tenants every year.

Landlords with 1,000 or more homes will also have to submit their data to us.

Landlords will be responsible for making sure they have calculated the results accurately.

All landlords will have to report the results of the tenant satisfaction measures for their whole organisation. If they think that it is useful for their tenants, landlords will also be able to publish the results for specific neighbourhoods, specific local authorities or other groups of homes.

# Making use of the measures

## How we will use the measures

To understand what sort of job landlords are doing for their tenants, we will look at tenant satisfaction measures data alongside other sources of information. This will help us with our regulation of social housing.

The measures might help us spot areas where we need to follow up with a particular landlord to make sure they are meeting our standards.

## What we will make public

We will publish the results of tenant satisfaction measures for all landlords with 1,000 or more homes.

These results will come out once a year.

You can read our guidance about how landlords provide tenant satisfaction measures information to us, and how we will use it, on our website [here](#).

# Our impact assessments

The Regulatory Impact Assessment looks at the costs and benefits of introducing tenant satisfaction measures for us, for landlords and for tenants. The Equality Impact Assessment looks at what effects introducing the measures might have on

members of groups that are protected by equality laws. We have used these assessments to inform our requirements. You can read both of these documents on our website [here](#).

# About us

The Regulator of Social Housing regulates registered providers of social housing in England. We want the social housing sector to be viable, efficient, well governed, and able to deliver homes that meet a range of needs.

Registered providers of social housing include:

- housing associations, co-operatives and other non-profit organisations
- profit-making organisations
- local authorities.

We regulate social housing in two main ways.

- Economic regulation: helping to make sure registered providers of social housing are financially viable, properly managed and provide value for money.
- Consumer regulation: helping to make sure social housing tenants have quality, well managed housing, and can hold their landlords to account.

We set standards for all registered providers of social housing. In certain circumstances, we may take action if a provider breaches these standards.

## Contact us

**Email:** [enquiries@rsh.gov.uk](mailto:enquiries@rsh.gov.uk)

**Call:** 0300 124 5225

**Write to:**

Regulator of Social Housing  
Level 2  
7-8 Wellington Place  
Leeds  
LS1 4AP



Regulator of  
Social Housing

[gov.uk/government/organisations/  
regulator-of-social-housing](http://gov.uk/government/organisations/regulator-of-social-housing)

North Warwickshire Borough Council

Housing Landlord Services

**We want to hear what you have to say**

The Council is committed to providing quality housing services. To do this we need to know what is working well and what we need to do to improve.

**Feedback**

Our teams want to provide a good service.

If we do something well it is great to have your feedback so that we know that we are on track and working to your expectations. It is also great for staff to know that their efforts are appreciated. We share compliments with the people concerned.

If we act in a manner that causes you a concern we would also like to have your feedback. Hearing from you will allow us to understand what is important to you and to improve our service.

How to have your say

- On our website
- By e-mail to [complaintsandcompliments@northwarks.gov.uk](mailto:complaintsandcompliments@northwarks.gov.uk)
- By phone to 01827 715341
- In writing
- Using this form

**Complaints**

Our complaints procedure reflects the Housing Ombudsman's Complaint Handling Code and the good practice guidance for complaint handling by the Local Government and Social Care Ombudsman.

A complaint is defined as an expression of dissatisfaction about the standard of the service we have provided. It is when the action or lack of action has resulted in service failure. This includes:

- Services delivered directly by the Council or its contractor
- The standard or quality of the service
- Failure to follow policy or procedure
- Staff behaviours

Generally the following are not dealt with as complaints:

- An initial or follow up request for service
- An information request
- An insurance claim or a matter which is subject to legal proceedings

We will act fairly when investigating a complaint. Investigating officers will seek to carefully consider all of the available information, act independently with an open mind and keep the matter confidential as far as possible.

We will use information from complaints to improve our services and we will consider trends to inform changes which may be required to our systems of work.

We will follow our published procedure to endeavour to resolve a complaint.

### **Quick Resolution**

If the member of staff considering the complaint feels that it can be resolved quickly, to the customer's satisfaction, they will act to do so in 5 working days. The process will be overseen and recorded by the Performance and Quality Officer.

If the complaint cannot be resolved in this short timescale a formal complaint investigation will be initiated.

### **Stage 1 Formal Complaint Investigation**

A complaint will be investigated by an officer that has not previously been involved in the case.

We will note and acknowledge the complaint in five working days.

Our aim is to investigate and make a decision within 10 working days from receipt of complaint. If this is not possible an explanation will be provided and an alternative date not longer than 20 working days.

The Director of Housing will investigate the complaint and respond or appoint an officer of appropriate seniority to do so. The process will be overseen and recorded by the Chief Executive's Team.

If we need to seek further information from you in order to fully understand your complaint we will contact you.

### **Stage 2 Review of Decision**

If a complainant is not satisfied with the explanation and resolution of their complaint they can ask for the matter to be reviewed.

Our aim is to make a decision within 20 working days from the request to escalate the complaint. If this is not possible an explanation will be provided and an alternative date not longer than a further 10 working days will be proposed.

The Chief Executive will investigate the complaint and respond or appoint an officer of appropriate seniority to do so. The process will be overseen and recorded by the Chief Executive's Team.

A response to a complaint will address all of the points raised by the complainant and provide clear reasons for any decisions, referencing the relevant policy, service standard, law and good practice where appropriate.

In our communications we will clearly state the stage at which the complaint is being dealt with, the outcome of the complaint, the reasons for any decisions made, details of any remedy offered, outstanding actions and information about how to escalate the matter if dissatisfied.

### **Housing Ombudsman**

We will endeavour to resolve your complaint to your satisfaction. If you decide that we are not doing so you can contact the Housing Ombudsman at any stage to seek advice and assistance.

Full details of the Housing Ombudsman service can be found on their website - [www.housing-ombudsman.org.uk](http://www.housing-ombudsman.org.uk)

Their e-mail is [info@housing-ombudsman.org.uk](mailto:info@housing-ombudsman.org.uk)

Their telephone number is 0300 111 3000

Address – PO Box 152 Liverpool L33 7W

Some housing related complaints can be considered by the Local Government and Social Care Ombudsman. More information about this can be found on their website.

[www.lgo.org.uk](http://www.lgo.org.uk)

Telephone 0300 061 0614

### **Learning from Complaints**

We will use information from complaints to reflect on our systems of work and how we behave towards our customers. In doing so we will encourage teams to use them to understand how our service is received.

The Housing Division provides summary reports and trend assessments for Councillors and tenants to consider.

Information about complaints and compliments will be provided in our Annual Report.

Damp, Condensation and Mould  
North Warwickshire Borough Council Approach

### General

We support our tenants and act so that they live in homes in which there is no damp or mould growth. This means that we act to tackle the causes of damp, mould and condensation. We provide information to tenants about the importance of ventilation and warm homes. We also encourage tenants to report concerns about damp and mould to us so that we can tackle the causes.

Our planned programmes of work ensure homes meet the Decent Homes Standard criteria for a property:

- That it meets the current statutory minimum standard for housing\*\*
- It is in a reasonable state of repair
- It has reasonably modern facilities and services
- It provides a reasonable degree of thermal comfort

We note the guidance warns that a common hazard could be excess cold and have programmes of work and support for tenants in place to address this. Programmes are planned in accordance with budget availability over a 5 year period and reviewed annually.

### Early Intervention

Our planned programme works include activity which provides for energy efficient homes. Works improve the energy efficiency ratings of properties and we use the ratings to direct future programmes:

- ✓ External wall insulation
- ✓ Double glazed windows
- ✓ Removing latent defects that are causing damp
- ✓ Efficient gas, electric and air source heating pump heating systems
- ✓ New roofs
- ✓ Improving loft insulation
- ✓ Rewires & electrical upgrades include providing efficient ventilation fans

We check for damp and mould when properties become vacant & address the causes where found:

- ✓ Improving/ replacing a damp proof course
- ✓ Improving loft insulation
- ✓ Providing energy efficient ventilation fans

We provide information to tenants:

- ✓ Comprehensive information leaflet
- ✓ Personal advice and support during assessment visits
- ✓ Information in our news letters

We use home visits to encourage awareness and reporting of damp and mould:

- ✓ Electricians check & encourage use of ventilation fans
- ✓ Tenancy Services Officers report concerns to the maintenance service
- ✓ Tradesmen report concerns to their Supervisor

### Responding to Tenants Concerns

We always respond promptly when a tenant reports an issue of damp, mould or condensation. Our conditions of tenancy insist that tenants report repairs and concerns to

us. When they do so with a concern about damp, mould and/ or condensation a Surveyor visits to do an assessment.

#### Assessment

Surveyors lead on the assessment but will seek support as required. A technical Surveyor visits within 10 working days of a report about concerns by a tenant.

- ✓ The Surveyor assesses the evidence of damp noticed by the tenant.
- ✓ Following the assessment we will discover the cause of the problem – if necessary by seeking a specialist company to visit
- ✓ The assessment will take into account the household's personal (including medical) circumstances
- ✓ We will return as many times as is required until we are satisfied the problem is eradicated

#### Interventions

The Surveyor will arrange for an intervention:

- ✓ Works to repair/ install a damp proof course
- ✓ Improving latent defects – such as cold bridging, floor construction
- ✓ Roof, gutter repairs
- ✓ Identifying and repairing leaks
- ✓ Arranging for energy efficiency measures
- ✓ Overhaul or replacement of ventilation fans
- ✓ Provision of specialist ventilation to address condensation
- ✓ Specialist treatment to remove mould spores
- ✓ Improving loft insulation

#### Major Works

Sometimes major works are required to address the cause of damp. In these instances we support tenants to move out temporarily and provide compensation. The policy which supports this is attached at Appendix A.

#### Procedures

When a concern is reported an inspection is raised for a Surveyor to visit.

Following an assessment visit findings and actions are documented.

Interventions are raised as job orders against the property.

\*\*As described in the Housing Health and Safety Rating System & reflected in the Housing Act 2004

“Any residential premises should provide a safe and healthy environment for any potential occupier or visitor”

- Consider hazards in a home & likelihood to cause harm
- 3 of the physiological hazards are damp & mould growth and excess cold

## Agenda Item 7

### Resources Board

30 January 2023

#### Report of the Director (Housing)

#### Private Sector Shared Services & HEART Partnership

### 1 Summary

- 1.1 The Council has a shared service with Nuneaton and Bedworth Borough Council to deliver its private sector housing condition oversight and enforcement duties. The Warwickshire HEART partnership delivers grants for adaptations and provides for contractors to undertake the work. A contract is in place to underpin the partnership. This report informs the Board about the current position for both services.

#### **Recommendation to the Resources Board**

- a That the progress of the HEART shared service review be noted, that the Council agrees to enter into a further contractual partnership for 5 years from 1 April 2023 and that authority is delegated to the Director of Housing in consultation with the Head of Legal Services to determine the final contract terms;**
- b That it is Recommended to Council that all functions to be exercised by the HEART shared service be delegated to Nuneaton and Bedworth Borough Council so that its officers have all necessary powers to perform those functions;**
- c That the work undertaken by the Private Sector Housing shared service be noted; and**
- d That the change to providing resources into the Private Sector shared service team and the growth bid of £45,000 be agreed.**

### 2 Consultation

- 2.1 Not relevant to this report.

### 3 Background

- 3.1 The Council has two shared service contracts which deliver services for housing in the private sector. The HEART shared service was established in March 2017 and the private sector housing shared service was established in April 2019.
- 3.2 The private sector housing contract is between the Council and Nuneaton and Bedworth Borough Council. Nuneaton and Bedworth Borough Council provide the service on behalf of both Councils. The HEART contract is between the 5

Warwickshire Districts and Boroughs and Warwickshire County Council. Nuneaton and Bedworth Borough Council is the host for the service.

- 3.3 The Housing Act 2004 and other legislation set out requirements on local housing authorities about housing conditions in their district. Requirements include dealing with dwellings that fail to meet the minimum standard for housing, oversight and licensing of Houses in Multiple Occupation, licencing for mobile homes sites, the need for provision of assistance with housing renewal and the need to assist with the adaptation of dwellings for disabled persons. Operational matters to deliver these requirements are undertaken by the two shared services.

#### 4 HEART Shared Service Review

- 4.1 Members will recall that the aim of the Business Case for the **Home Environment Assessment and Response Team (HEART)** service is:

“To provide customers with the advice and information to help them make the right choice, and provide practical help to deliver the right housing solution when they want it”

and the vision for the shared service is:

“To be the service of choice for advice, assistance and interventions to adapt or improve the home environment to enable activities of daily living and protect and improve the health, safety and wellbeing of residents to prevent, reduce or delay greater needs arising.”

- 4.2 A review of the HEART partnership was reported to the Board at its meeting in January 2021. The HEART Board has acted to deliver against the review recommendations.
- 4.3 In March 2022 the Department for Levelling Up, Housing and Communities and Department of Health and Social Care published guidance for ‘Disabled Facilities Grant delivery’. The Guidance sets out the legal framework for grants and encourages Local Authorities to act in partnership to improve their services. Arrangements for HEART anticipated most of the best practice encouraged in the Guidance. The professional body for Home Improvement Agencies is Foundations. They delivered the report for Government and their Chief Executive Officer is the independent Chair for the HEART Board. The relationship enables a positive two way exchange on how best to deliver these important services. There has been significant progress to bring 6 Authorities together to provide for one, holistic service for customers. To underpin this progress and look forward to a further contractual partnership from April 2023 the HEART Board:

Agreed a new Business Case in 2022 which sets out the ambition of the partnership and how it will serve customers who require adaptations to remain independent at home. This is attached at Appendix A. The Business Case demonstrates the need to continue with the partnership arrangements.

...

Has reviewed how service performance information is provided and reported to enable barriers to be accounted for and resolved

Is delivering new case management software for the service to improve efficiency by reducing duplication and providing the team with user friendly systems as well as improved performance reporting tools

Is developing an HR Protocol that supports the requirements of the service whilst reflecting conditions of employment in 6 different organisations

Is considering how to improve the capture and utilisation of customer satisfaction feedback

Has agreed with the Host authority that capital funds can be used to support the revenue staff costs so that it can provide better resources to deliver more adaptations. From April 2023 this will enable the Board to consider a restructure of the team.

Has reviewed the Housing Assistance Policy which sets out how mandatory and discretionary funding will be provided to support residents in obtaining the assistance they require for the adaptations they need.

4.4 The level of partnership working to deliver Disabled Facility Grants and adaptations was commended as sector leading when it was implemented. It remains largely unique in its level of integration. Nuneaton and Bedworth Borough Council are willing to continue as the host authority from April 2023 for a further 5 years. The partnership authorities are committed to continuing to deliver and develop HEART. It is recommended as part of this report that North Warwickshire Borough Council continue to be part of the contract.

4.5 The majority of grant funded adaptations are stairlifts, level access showers and ramps. During the first two quarters of this year 15 major adaptations were delivered at a total value of £217,632. Social care equipment is also provided by the service. Home improvement services are delivered as part of the holistic home assessment service offer as well as home safety grants. The overall satisfaction rate for the service during this year to date is 100% for respect and dignity and 99.5% for responsiveness. These satisfaction rates are positive however waiting list times continue to be a concern and a critical matter for the Board to resolve is providing a staff structure that has the capacity to meet increased demand for the service.

## **5 Private Sector Housing Shared Service**

5.1 The Nuneaton/North Warwickshire Private Sector shared service is largely reactive. The service acts on reports (usually by tenants) about the poor condition of private sector tenancies and ensures Houses in Multiple Occupation meet the standards required by regulations. It also undertakes licence inspections of mobile home sites.

- 5.2 There are 34 Houses in Multiple Occupation in the Borough. Each of these is actively monitored by the Private Sector Housing team to ensure that they are safe and meet regulatory standards.
- 5.3 During the first two quarters of this year the team acted on 19 requests for service by private rented sector tenants. They had cause to serve one enforcement notice. Usually landlords respond positively to contact by the team when their tenant has raised a concern. The assessment of condition is based on the Housing Health and Safety Rating System for hazards.
- 5.4 The Board will be aware of the significant press interest about the death of child who lived in a housing association property that had mould growth conditions over a long period. The Department for Levelling Up, Housing and Communities has asked Local Authorities to account for their activity and intervention into private sector house conditions. The Council's initial reply is attached at Appendix B for information. Further information by way of a completed questionnaire will be submitted by 27<sup>th</sup> January 2023. There are challenges and pressures on this service which will need to be met. The changes to funding and staffing proposed below start to anticipate how resources are deployed to meet them. One of the matters to be resolved is how the service can be facilitated to be more proactive.
- ...
- 5.5 Whilst most of the work of the shared service is reactive the partnership has been successful in attracting funding to help private owners to improve the efficiency of their homes over the last two years. This has allowed some owners to take up grant funding to install measures such as external wall insulation. There are different funding schemes available which provide different levels of intervention. To date we have engaged with Local Authority Delivery (LAD) and Home Upgrade Grant (HUG). We were successful in attracting funding from LAD 1 and LAD2 with spend being on social housing although there was provision for private sector properties. Schemes to deliver funding for LAD3 and HUG1 are underway. These are for the private sector only and provide different type of funding. The new funding stream from 2023 is HUG 2 and this is particularly advantageous for areas with no gas mains. There is also an intention to engage with ECO4 which has interventions provided by utility companies. The mechanisms for delivery are prescribed and subject to detailed reporting and take up is slow in the private sector. Nonetheless it is important for the Council to engage with these opportunities and promote them with residents. Staff employed by Nuneaton and Bedworth Borough Council are delivering LAD 3 and HUG 1 grants. We are currently considering how to engage with and deliver HUG 2 grants.
- 5.6 The Building Research Establishment (BRE) report information shared a in the previous report to Board stated there were over 29,000 dwellings in North Warwickshire. 74% owner occupied. 12% offered for private rent and 14% social rented.
- 5.7 The research report offered data from modelling based on a desk top consideration of information available from Energy Performance Certificates, reports about the condition of properties and household income. From this information it estimated that that 4,218 dwellings in the private sector had

Category 1 Housing Health and Safety Rating hazards. This equates to about 17% of properties. It includes 605 dwellings in the private rented sector. The modelling estimates that this is 9% of private sector dwellings and 7.2% of private rented dwellings in the Borough are estimated to have an Energy Performance Certificate rating below band E.

- 5.8 The percentage of private rented sector tenancies in the Borough which have an Energy Performance Certificate at E, F and G is slightly higher than the national average. It should be noted since 1 April 2018 it became unlawful for landlords to grant a new tenancy or renew an existing tenancy for a property that does not reach the minimum energy efficiency standard with a rating of band E.
- 5.9 The condition of their property is the responsibility of the owners however the Council can offer means tested interventions through the HEART service or, if a tenant is concerned about the condition of their tenancy, enforcement action can be taken if it does not meet the required standards.
- 5.10 Grant funding means that private owners in the Borough will be able to access funding to provide measures to improve the energy efficiency of their homes.

## **6 Report Implications**

### **6.1 Financial and Value for Money**

- 6.1.1 Government continues to provide funding for Disabled Facilities Grants which meet the mandatory scheme. Councils can also provide discretionary grants as appropriate and set out in an agreed policy statement. The grant award for North Warwickshire for 2022/2023 is £771,304. At 31<sup>st</sup> October 2022 the capital funding available to the Council to spend on adaptations in the private sector was £1.385m. In addition, the Housing Revenue Account provides a budget of £191,280 annually for adaptations required in the Council's own stock. To fund an extension adaptation during this year the budget was increased to £261,280. At the Resources Board on 7<sup>th</sup> November further funding of £130,000 was agreed for two further extensions to meet Tenants' needs increasing the budget to £391,280.
- 6.1.2 The grant provision is part of Government Better Together funding which is paid to the County Council. The mandatory grant is given directly to the Boroughs and Districts from the County Council and supports the provision of Disabled Adaptation Grants however it is not ring fenced entirely for that provision and, when a formal policy statement is agreed, it can be used for home improvement grants and to support hospital discharge arrangements. The joint Housing Financial Assistance Policy provides a clear framework for spending the grant. This is being reviewed and it is proposed that given the level of grant available in reserves both stairlifts and ramps be provided without the need for a mandatory means test.
- 6.1.3 The requirements for the Better Care Fund are set out in the Government's "Integration and Better Care Fund planning requirements for 2017-19". Adherence to these requirements is overseen by the Health and Well Being Board.

- 6.1.4 The Council employs one member of staff (a Housing Assessment Officer) as part of the HEART structure.
- 6.1.5 Charges are applied for inspections and enforcement activity for the private sector housing service. In 2019 when the shared service was implemented the Council agreed to pay Nuneaton and Bedworth Borough Council £33,000 to deliver its private sector housing legal obligations. Nuneaton and Bedworth Borough Council have told the Director of Housing that this is not sufficient to cover the level of service required. It does not cover the costs of a full time Environmental Health Officer which, with on costs, is in the region of £49,000.
- 6.1.6 Two changes are proposed to the funding of the private sector housing team as part of this report. The first is to adjust the funding for the financial year 2022 -2023 to account for actual costs, inflation and agreed pay rises. This is because staff recruitment issues meant that the service had to use agency staff and staff costs increased as a consequence. An additional payment of up to 20% is expected in addition to the charge of the £34,000 due for 2022/2023. The second change would be from 1<sup>st</sup> April 2023 and would be reflected in an amended shared service agreement. It is proposed that North Warwickshire Borough Council employs an Environmental Health Officer directly to work in the shared service team to deliver the service for this area. This model of seconding staff into a shared service reflects that used in HEART. It allows for greater accountability for the service locally whilst providing management cover and resilience. The additional resource should also help the service to be more proactive. Whether this model is agreed or we continue to simply purchase services from Nuneaton as part of the service level agreement in future years the cost of the shared service will be in the region of £75,000 if the Council responds positively to their request for full cost recovery. It was expected that this revised charge might have been implemented in this financial year so some funding was included in the Council's contingency provision in the budget. This is a growth bid and would cover the costs of a directly employed Environmental Health Officer for the Borough as well as a percentage of the management costs for the service. Nuneaton has suggested that the costs are based on population size with a third paid by North Warwickshire however it is proposed that around 20% of management costs are covered given that there is a smaller private rented sector in this Borough whilst recognising how senior staff will contribute to proactive work.
- 6.1.7 There is an opportunity to cover some of our costs with fees and charges made for the services provided. These have been reviewed recently and are shown in the relevant report for fees and charges to the Community and Environment Board. Charges can be made for licensing activity to mobile home sites and Houses in Multiple Occupation as well as penalty charges. As mentioned above, the use of the provision currently in the contingency for the remaining cost would mean there is no impact on the Council's overall financial position.
- 6.1.8 Funding for staff/ administrative support for Green Homes initiatives is provided as part of the overall funding package. To date £23,000 has been

provided for HUG and £28,500 for LAD 3 and is funding the team resource used by Nuneaton to deliver the grant and works.

## **6.2 Legal and Human Rights Implications**

- 6.2.1 The legislation regarding Disabled Facilities Grants is principally contained in the Housing Grants, (Construction and Regeneration Act 1996) and the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. Formal guidance on delivery was provided in March 2022 by the Department for Levelling Up, Housing and Communities and Department of Health and Social Care published guidance for 'Disabled Facilities Grant delivery' which local authorities must consider in exercising its functions under this legislation.
- 6.2.2 The partnership arrangements ensure that all the Local Authorities involved can contribute to the Care Act 2014 principle of universal assessment of need.
- 6.2.3 The shared service provisions must comply with Section 101 of the Local Government Act 1972 and the Local Government (Arrangements for the Discharge of Functions) (England) Regulations 2012 specifically, in addition to any contractual arrangements between the authorities concerned, the Council must delegate the relevant functions to the host authority so that officers appointed to deliver the services may lawfully exercise those functions. Only Full Council may delegate functions to another local authority. Accordingly, if Board agrees to renew the current arrangement, it will also need to recommend that Council delegates these functions accordingly. The requirement to review and affirm these delegations is further emphasised by the implementation of additional legislation since the arrangements were initially made.
- 6.2.4 The "Integration and Better Care Fund planning requirements document for 2017 -19" explicitly states that the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 enables authorities to use specific funding for wider purposes and it invites Council to act to use the funding to improve delivery and reduce bureaucracy involved in the grant application process.
- 6.2.5 The work undertaken by the Private Sector Housing Team is regulated by the Housing Act 2004 and the Landlord and Tenant Act 1985 which has been updated in the Homes (Fitness for Human Habitation) Act 2018, along with various regulations made under those and other Acts. The Council must ensure that any arrangements for the shared service properly delegate those powers to the authority carrying out that role.
- 6.2.6 Both shared services will have specific contracts in place to govern their activity. Both will be reviewed to meet service challenges from 1<sup>st</sup> April 2023.

## **6.3 Environment and Sustainability Implications**

- 6.3.1 By supporting people to be able to live independently the Council is contributing directly towards the developing healthier communities' priority of the Health and Well Being Strategy.

6.3.2 Improvements to the HEART and continued delivery of this service should provide our customers with consistent information, advice and adaptations that will assist in improving their quality of life.

#### 6.4 Equality Implications

6.4.1 The aim of the HEART is to improve the delivery of the Disabled Facilities Grants service both in quality and timescales and offer a holistic assessment which is much more than just delivering adaptations. This should result in a positive impact for people with disabilities and other service users as defined under the protected characteristics in the Equality Act 2010.

6.4.2 The service aims to improve the quality of life and social justice for residents in the north of the County so it is much closer to that enjoyed by the rest of Warwickshire it also aims to provide a choice of housing to meet the needs of the residents of the Borough. In addition, we are working in partnership to improve health and reduce health inequalities for residents in the Borough

#### 6.5 HR Implications

6.5.1 If the proposal is agreed to second a directly employed Environmental Health Officer into the shared service team the post will reflect the job duties and job description used for other members of the team. The job will be evaluated and included in the establishment. The terms and conditions of the member of staff will reflect those used for other Council employees.

#### 6.6 Risk Management

6.6.1 The Council requires the grant funding provided by Government to deliver its mandatory duties to provide Disabled Facilities Grants. The use of grant for wider purposes could put the funding for this specific duty at risk. However, this is recognised in the partnership documentation and the service will always act to provide funding for mandatory grants.

The Contact Officer for this report is Angela Coates (719369).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
Disabled Facilities Grant delivery – Guidance for Local Authorities	DLUHC & Department of Health and Social Care	Government Guidance	2022



# Home Environment Assessment & Response Team

HEART: Helping you Live Independently at Home

## Updated Business Case

Document Title:	An Updated Business Case for the Home Environment Assessment & Response Team (HEART) Service through a shared agreement.
Description:	This updated business case is to provide a partnership structure for the Home Environment Assessment & Response Team (HEART) Service delivered by the 5 District & Borough Councils and the County Council through a shared service agreement.
Authors:	Angela Coates and Rachel Frondigoun
Contact:	Angela Coates
Status:	
Date:	
Rights. Protective marking	

## 1. Introduction

- 1.1 The HEART service is an integrated service approach between social care and housing which focuses on the customer and their carers to deliver the right practitioner at the right time with the right solution to provide for home adaptations. This enables the customer to have choice and control to manage their own lives and maintain their abilities in daily activities within their home that is safe and warm and enable delivery without delay.
- 1.2 This model of integrated delivery is accepted as 'Best Practice' and reflects the ambitions of the 2021 Social Care White Paper 'People at the Heart of Care'.

## 2. Background

- 2.1 The Councils in Warwickshire have been working together to improve services to deliver home adaptations for 10 years. In 2017 the HEART shared partnership was forged involving all the Councils. The central aim of the partnership was to bring together housing and occupational therapy in an integrated team which delivers Home Improvement Agency services and housing adaptations for disabled and older people in Warwickshire. This has been achieved.
- 2.2 In 2021 the HEART Management Board carried out a strategic review to consider the focus and the direction of HEART services to ensure they reflect the requirements of all partners now and in the future. This review recommended, and the Board agreed, that the Business Case should be updated to reflect changing priorities and focus the service to ensure effective delivery of the Disabled Facilities Grant (DFG) allocation and Care Act outcomes for partners.
- 2.3 The primary aim of the service continues to be to support people through housing interventions to remain living independently in their own homes for as long as they wish, and it is safe for them to do so.
- 2.4 The service has created a customer focused service delivery model which brings together the different professions from each of the organisations. It created an innovative role of a Housing Assessment Officer which combines the skills of an Occupational Therapy Assistant and a Housing Caseworker to do the non-complex customer work and link together existing services within a service model that involves working together to deliver holistic housing assessment and appropriate solutions. The purpose HEART is to ensure that this is not a process done to a customer but a process which works with and for the customer:  
  
**“To provide customers with the advice and information to help them make the right choice, and provide practical help to deliver the right housing solution when they want it”**
- 2.5 The approach of HEART is tailored to focus on and support the customer and carers to identify their own needs and preferred solutions e.g. advice and information, equipment, housing options, adaptations, telecare, falls prevention strategies. The

service works in partnership with the person needing their services, and all other parties providing support, if necessary over the long term, to achieve an improvement in the quality of the individual's life.

- 2.6 The HEART service also provides a tenure neutral assessment process, providing Occupational Therapy housing assessments for residents regardless of tenure. This includes Local Authority Tenants who are not eligible for Disabled Facilities Grants.
- 2.7 At its inception, as well as acting pragmatically to establish new team structures and systems of work, the HEART partnership created a joint Financial Assistance Policy to provide consistent access to interventions across the County. This was underpinned by the development of a framework of contractors to deliver the approved works. Reflecting the ambition of the partnership HEART has also developed a designated hospital discharge liaison service which acts directly with acute hospitals to assist with preventing delays when housing is an issue.
- 2.8 The HEART service has delivered significant improvement in the customer journey and delivery times but there have been challenges for the service in delivering effective services due to increased demand, the Pandemic and other issues which were identified by the Board reviews of the service. Therefore, the Board requires the service to focus the delivery of the service onto effective delivery of aids and adaptations funded by the Disabled Facility Grant Government allocation and ensuring all outcomes are effectively recorded.
- 2.9 The majority of services across England are still not pursuing an integrated systems approach and are delivering Home Improvement Agency (HIA) and housing adaptations through the 'traditional' silo working practices, with professional boundaries and convoluted processes of work between the Occupational Therapy service and Housing departments. This is not something that any partners wish to see a return to in Warwickshire.
- 2.9.1 As the HEART service has become established the pressures on both health and social care services have increased, particularly in the last 12 months because of the Pandemic. The population is ageing, the prevalence of chronic health conditions increasing, survival rates at birth and major trauma with advances in medical technology are greater, and demand for support and adaptations is increasing. The Government remains committed to supporting the delivery of the Disabled Facility Grant, with the 2021 Social Care White Paper making the following commitments to the Grant arrangements:
- Total National Budget allocation would remain at the current £570million per year from 2022-23 to 2024-25
  - Funding for a new service to make minor repairs and changes in people's homes (the details of this are still to be confirmed)
  - Publishing updated guidance to advise local authorities how they can effectively and efficiently deliver DFG (this is expected to recommend a more joined-up approach reflecting the HEART model.
  - Consultation on increasing the DFG limit
  - Consultation on reviewing the allocation formula for DFG funding to local authorities

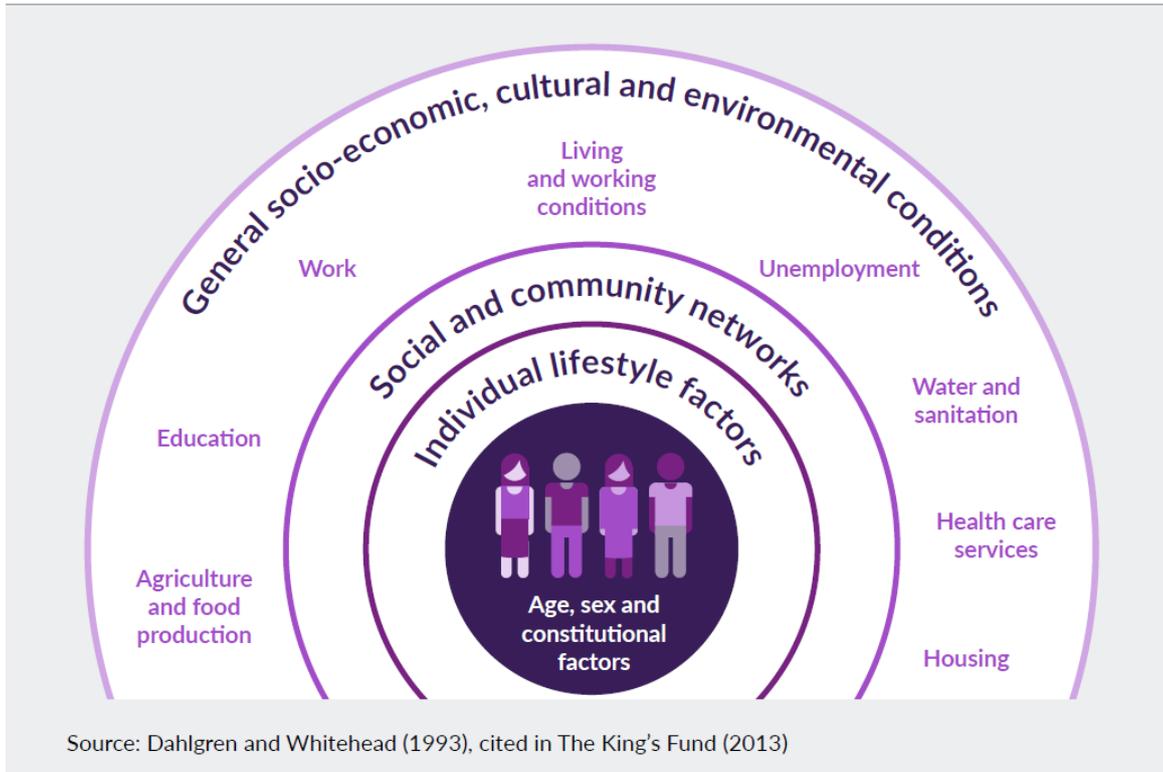
- Consultation on revising the DFG means test including how best to align it to the social care charging reforms.
- 2.10 The Government has published new DFG Guidance which is in line with the HEART service purpose and states that “adapting a home environment can help sustain or enable independent living, privacy, confidence and dignity for individuals and their families”.<sup>1</sup> The guidance outlines both strategic and operational best practice and the HEART Service and its Board are committed to following these wherever practicable to deliver the most effective and efficient service for all residents of Warwickshire.
- 2.11 The commitment of partners across the 6 organisations has enabled the partnership to develop and mature to deliver best practice models of working. The first few years of the partnership were used to establish radically new systems of work and a new policy direction. The service transformation achieved across Warwickshire is accepted as an exemplar of Best Practice. There is a desire from Partners to build on this moving forward.
- 2.12 The key principles<sup>2</sup> used to ensure the HEART service is meeting people’s needs and wishes are:
- The service is driven by the customer’s and /or carer needs and personal goals;
  - The focus is on proactive solutions and self-management;
  - The importance of having an integrated service delivering one customer pathway with a single access point for the service;
  - A multi-agency multi-skilled team;
  - Ensure workforce, training and core skills reflect modern day requirement;
  - Leadership should encourage us to do things differently; and
  - Performance metrics must truly reflect the experience for the customer and the carer and drive improvement.
  - Reported performance metrics must reflect the requirements of all Commissioners
- 2.13 The report ‘A vision for population health – Towards a Healthier Future’ by The Kinds Fund published in November 2018 suggested that health is impacted by many different factors as shown in the diagram below:

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<sup>1</sup> <https://www.gov.uk/government/publications/disabled-facilities-grant-dfg-delivery-guidance-for-local-authorities-in-england>

<sup>2</sup> Adapted from Commission for Improving Urgent Care for Older People March 2016 [www.nhsconfed.org](http://www.nhsconfed.org)

**Figure 1** What affects our health?



Source: Dahlgren and Whitehead (1993), cited in The King's Fund (2013)

The report cites that “there is now a wealth of evidence that the **wider determinants of health** are the most important driver of health. In addition to income and wealth, these determinants include education, housing, transport and leisure”<sup>3</sup>.

- 2.14 Good housing is essential to health and well-being, with the effects of poor housing cost the NHS over £2 billion every year. Housing plays a crucial role in supporting other determinants such as educational attainment, employment prospects and social interaction. There is evidence that Occupational Therapy and housing-related preventative services prevent or defray much larger housing, health and social care costs as well as improving quality of life<sup>4</sup>.
- 2.15 In the 2011 census, 38,815 residents in Warwickshire that have a long term limiting illness stated it limited their activities a lot and this is projected to rise to 63,944 in 2037<sup>5</sup>. An estimated two-thirds of those who have reached pensionable age have at least two chronic conditions<sup>6</sup> and 850,000 people in the UK are living with dementia<sup>7</sup>.
- 2.16 Warwickshire Insights<sup>8</sup>, using 2011 Census also identified that the expected age profile within Warwickshire is expected to change between 2020 and 2043 with the percentage of the population expected to be over 65 increasing from 20.8% to 24.5% in that period.

<sup>3</sup> <https://www.kingsfund.org.uk/publications/vision-population-health>

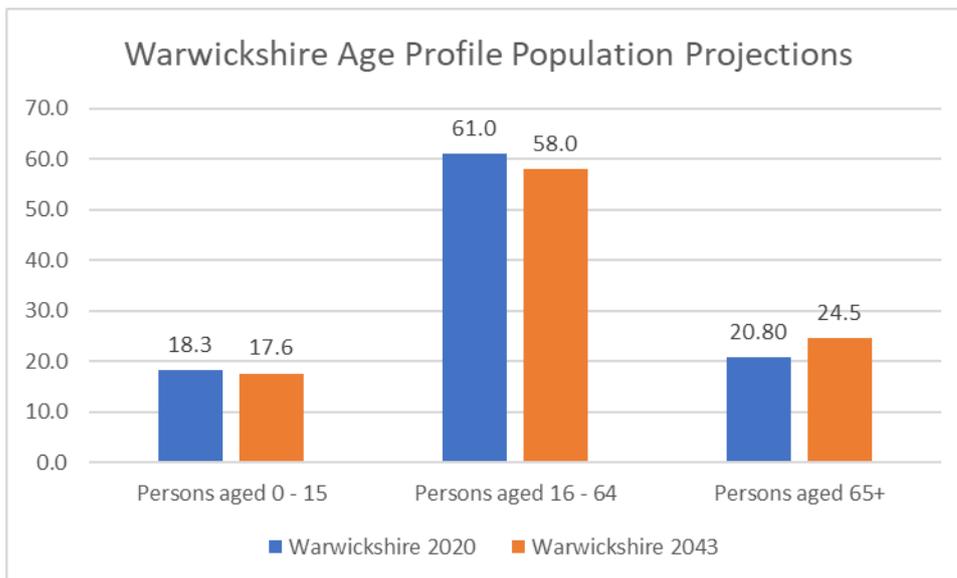
<sup>4</sup> Heywood, F. Turner, L. (2007), *Better outcomes, lower costs – Implications for health and social care budgets of investment in housing adaptations, improvements and equipment: a review of the evidence.*

<sup>5</sup> Warwickshire Observatory, (2015) *Quality of Life in Warwickshire 2014/15*

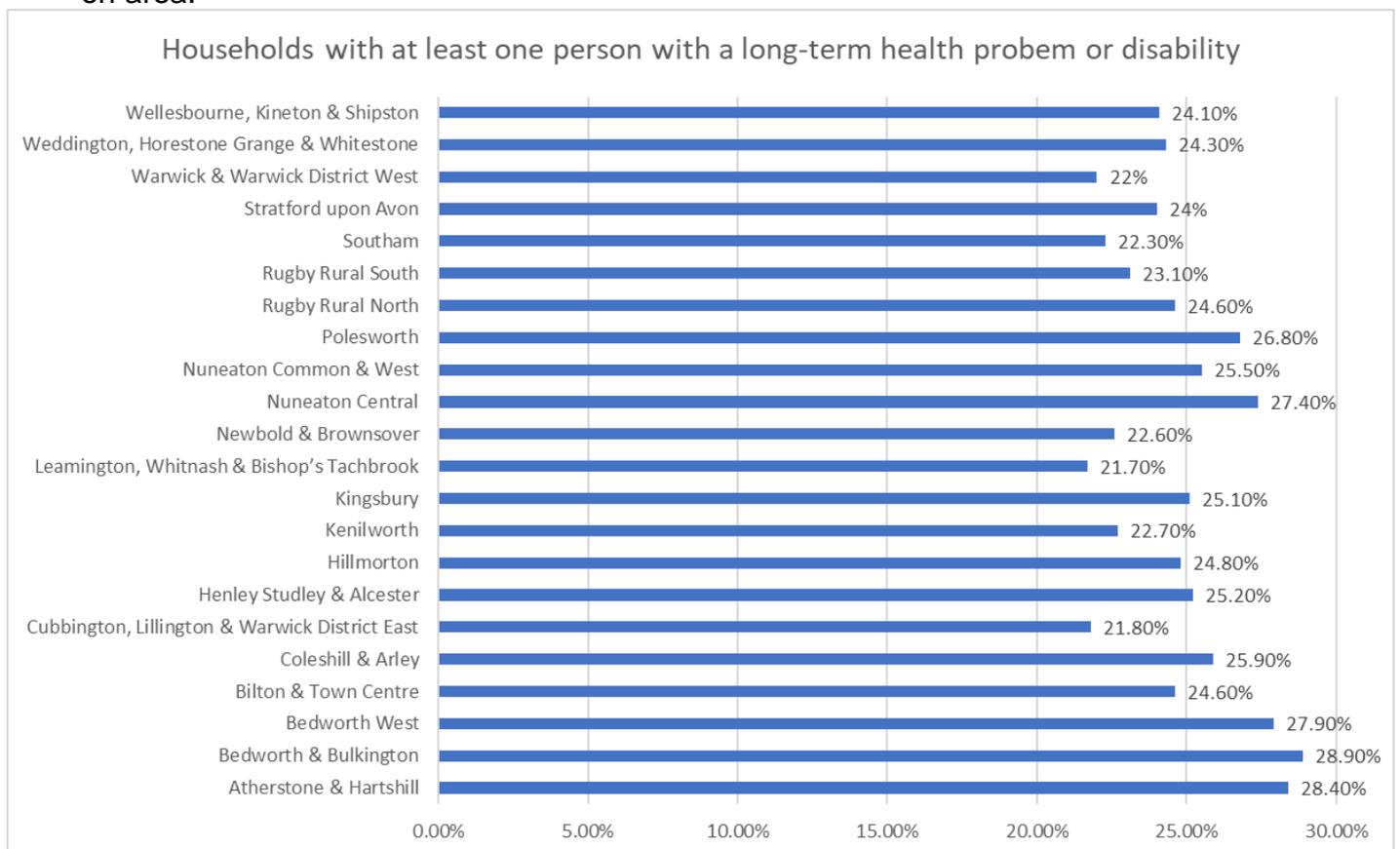
<sup>6</sup> cited in Nolte, E. Knal, C. McKee, M. (2008) *Managing chronic conditions*

<sup>7</sup> Age UK (2015) *Later Life in United Kingdom.*

<sup>8</sup> <https://data.warwickshire.gov.uk>



2.17 The Joint Strategic Needs Assessment<sup>9</sup> also indicates that from the 2011 Census across Warwickshire the level of household with someone with at least one person with a long-term health problem or disability is between 21.7% and 28.9% depending on area.



2.18 The benefits to the wider public purse, including the health and social care economy, of carrying out rapid adaptation interventions are widely documented. Examples cited include handrails to the main stairs, which cost in the region of £200 can save health costs of around £930 and if the falls risk is removed this increases to around

<sup>9</sup> <https://data.warwickshire.gov.uk/jsna-profiles/>

£1,250<sup>10</sup>. The installation of adaptations can also significantly reduce the level of Hospital “bed blocking” which represents a potential saving of between £1,750 and £3,000 per week for an acute bed<sup>11</sup>. Moreover, inappropriate hospital stays for frail older people are dangerous and debilitating.

2.19 Demands for adaptations has been accelerated by changes in social policy and medical advances which have allowed people of all ages, with varying levels of disabilities and complex needs, to lead more independent lives in the community<sup>12</sup>. The Care Act 2014 made significant changes to the requirements for social care, but did not replace the Housing Grants, Construction & Regeneration Act 1996 which is the primary legislation which outlines and the responsibilities for the provision of DFG’s. The Care Act introduced many reforms including:

- Establishing a statutory “well-being principle.”
- A duty to prevent, delay or reduce needs for care and support.
- An expanded duty to assess the needs of carers.
- Integrating service provision and combining and aligning processes.

2.20 The Better Care Fund in Warwickshire, known as “Warwickshire Cares Better Together” and managed by the Health and Wellbeing Board has enabled the profile of HEART and its services to be raised more widely and provides further opportunities to ensure that DFG contributes to the wider prevention and wellbeing agenda. The 2021 Social Care White Paper confirmed the Government’s commitment to a national allocation of £570m until 2024-25 and in 2021-22 Warwickshire authorities combined DFG allocation was £5,124,786. It is important to note that the Government has committed to consulting on the current allocation formula so at the current time there is no guarantee that the Warwickshire authorities’ allocations will remain at the same level for the entire award period.

2.21 The customer pathway, for the HEART service is committed to only including only those steps that are of value to the customer and has the ambition to ensure that:

- Initial customer assessment happens at the first point of contact with the service. This allows for information to be shared with the customer and prioritisation.
- All the team members’ skills are developed to ensure they can identify the necessary provide housing solutions.
- The role of Housing Assessment Officer enables the functional ability of the person and the conditions of their home environment to be assessed and modified accordingly on a single visit.
- There is a streamlined proportionate assessment process which includes the relevant sharing of information between all partners to maximise the benefits to customers.
- There is a portfolio of core interventions that are delivered by all practitioners from the delivery of minor and major adaptations through to advice on fall prevention and other home safety issues as well as arranging for equipment for daily living, and signposting to other services for specialist support.

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<sup>10</sup> Building Research Trust, (2010) *The Real Cost of Poor Housing & Homes and ageing in England*.

<sup>11</sup> Georghiou, T. and Bardsley, M. (2014) *Exploring the Cost of Care at the End of Life*.

<sup>12</sup> Home Adaptations Consortium, (Oct 2013), *Home Adaptations for Disabled People*.

- There is resilience within the service.
- Continuous improvement is promoted by monitoring key performance indicators which reflect whole service delivery.

2.22 The delivery of the HEART service enables people to live more independently at home, for longer. It also reduces the risk of 'crisis' events, like serious falls. This therefore improves health, wellbeing, and independence. These services have been shown to reduce demand on long term and acute services. However, the "one-off" nature of much of the work makes tracking of longer-term outcomes less easy to achieve. Although there is well-researched evidence base supporting the belief that adaptations can reduce the need for more costly interventions, there are no established structural links between DFG budgets and the statutory beneficiaries of their preventative outcomes<sup>13</sup>. The service is committed to exploring options for measuring wider health and social value outcomes from its services in the future.

2.23 The primary focus for HEART is the delivery of adaptations and other works funded by the DFG. Dealing with DFG's and adaptations under Section 24 of the Housing Grants, Construction and Regeneration Act 1996 requires a local housing authority which is not a social services authority to consult the social services authority when deciding whether to approve applications for a DFG, in order to satisfy itself that works are necessary and appropriate to meet the needs of the disabled occupant. The formation of HEART and the single team approach means that in Warwickshire there is no separation of this duty to 'consult' from the assessment process and once a person needs have been assessed their adaptation can proceed without delay.

2.24 The Service will continue to develop practitioners with the skills and capabilities to enable the provision of appropriate interventions, minimising risk to customers and their carers, deliver 'right first time' outcomes which achieve the aims of the HEART Service.

2.25 The outcomes for the HEART Service moving forward can be identified as follows:

#### Primary Outcomes

1. To enable customers with multiple and complex conditions to maximise their potential and live in their chosen home environment.
2. To improve quality of life for older and disabled people and their carers.
3. To be proactive and avoid where possible, crisis situations for customers and carers regarding managing in their chosen home environment.
4. To improve living conditions by reducing hazards in the home.

#### Secondary Outcomes

1. To reduce pressure on other expensive services e.g. residential homes, hospitals, and home care by postponing the need or reducing the amount of care and support required.
2. To promote positive health and well-being styles of living and falls prevention.
3. To reduce demand elsewhere in the housing, health and care system.
4. To prevent hospital admissions and/or facilitate timely hospital discharges.
5. To contribute to Strategic Priorities of Partners and Government including:

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<sup>13</sup> Home Adaptations Consortium, (Oct 2013), *Home Adaptations for Disabled People*.

- Integration & Partnership working.
- New legislative requirements
- Safety, Well-being & Prevention.
- Preventing & Facilitating hospital discharges.
- Better outcomes for customers & carers in their home environment<sup>14</sup>.

### 3. Customer / Carer Feedback

- 3.1 It is important to hear and listen to customer and carer views to enable the service to improve the quality and experience. The customer survey currently conducted by the HEART service is not solely related to the provision of a Grant but all interventions provided to the customer by the service.
- 3.2 There are 6 key themes to the customer survey which are:
- **Respect and Dignity**
  - **Communication**
  - **Responsiveness**
  - **Reliability**
  - **Contractors**
  - **Overall experience**
- 3.3 The most recent (Quarter 4 2021/2022) customer satisfaction information is set out in the table below:

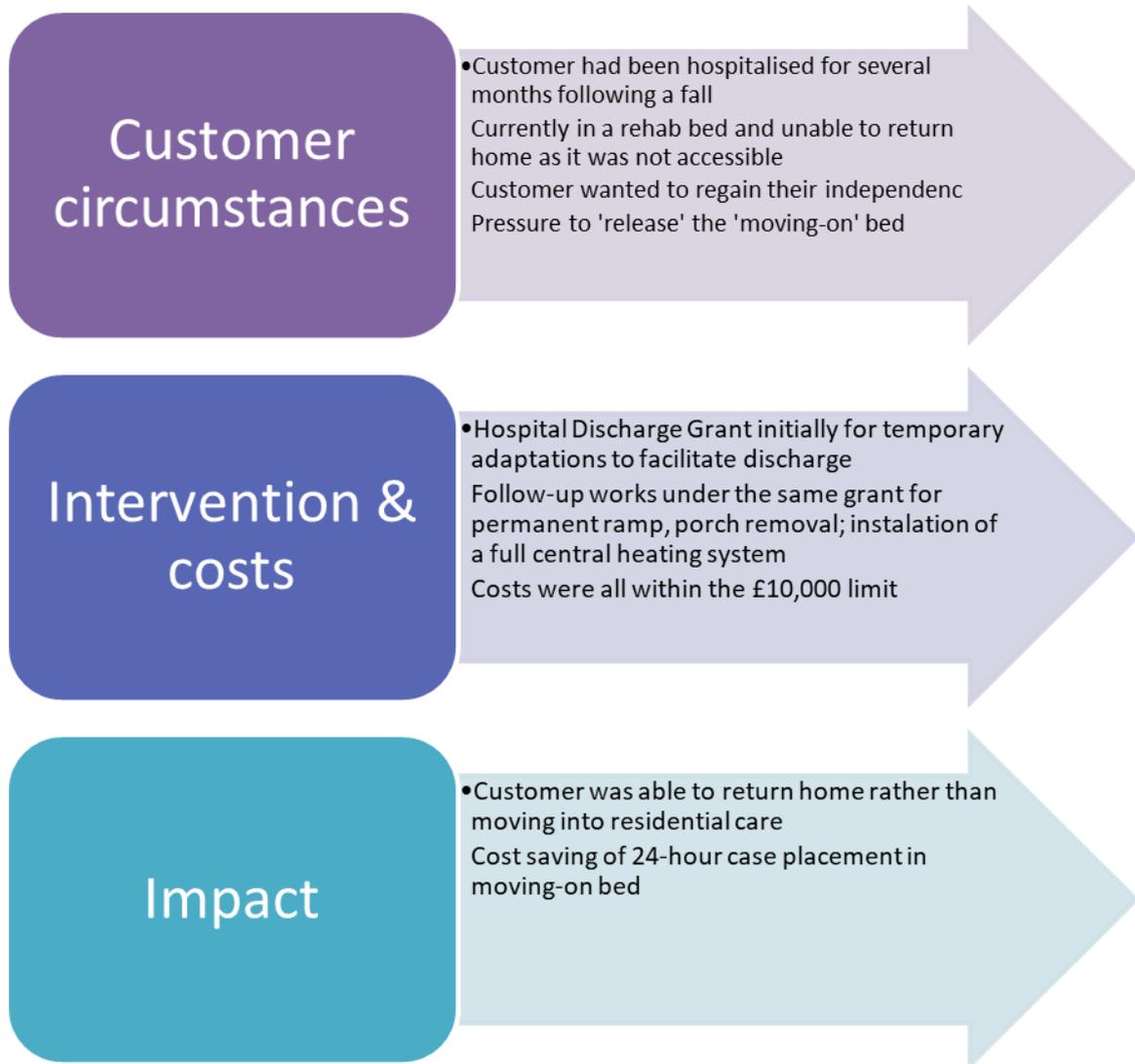
Key Theme	Satisfaction Survey Outcome
Respect & dignity	100%
Communication	100%
Responsiveness	100%
Reliability	100%
Contractors	96%
Overall Experience	100%
Quality of work of contractors	84.5%

- 3.4 It is acknowledged that whilst the current customer survey provides detailed and holistic feedback it is demanding on limited resources to complete. Therefore the service will work to develop new more agile and potentially 'lighter touch' ways to collect customer feedback on the services it provides.

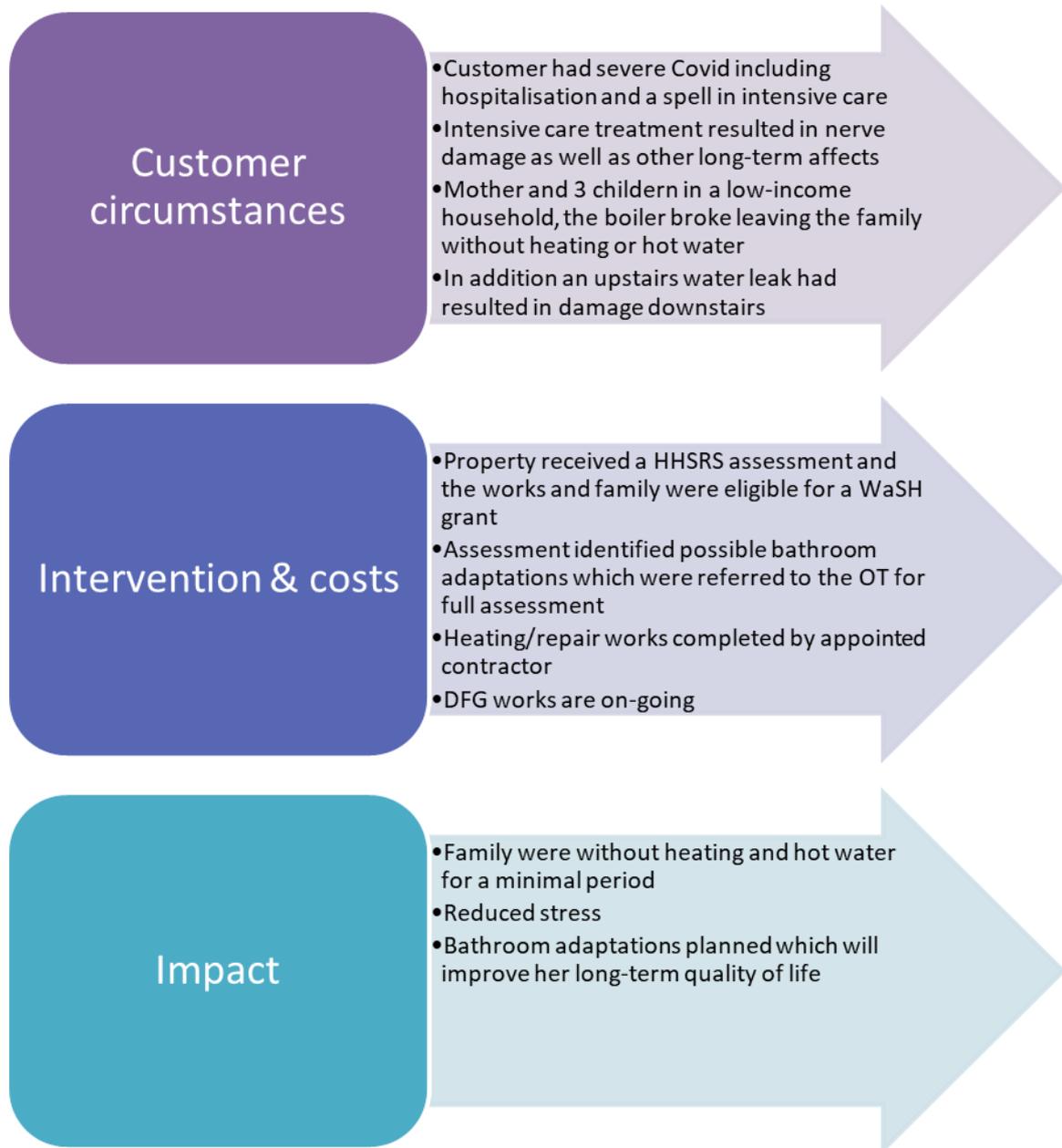
<sup>14</sup> Public Health, Social Care & NHS Outcomes Frameworks for 2015-16.

## Case Studies

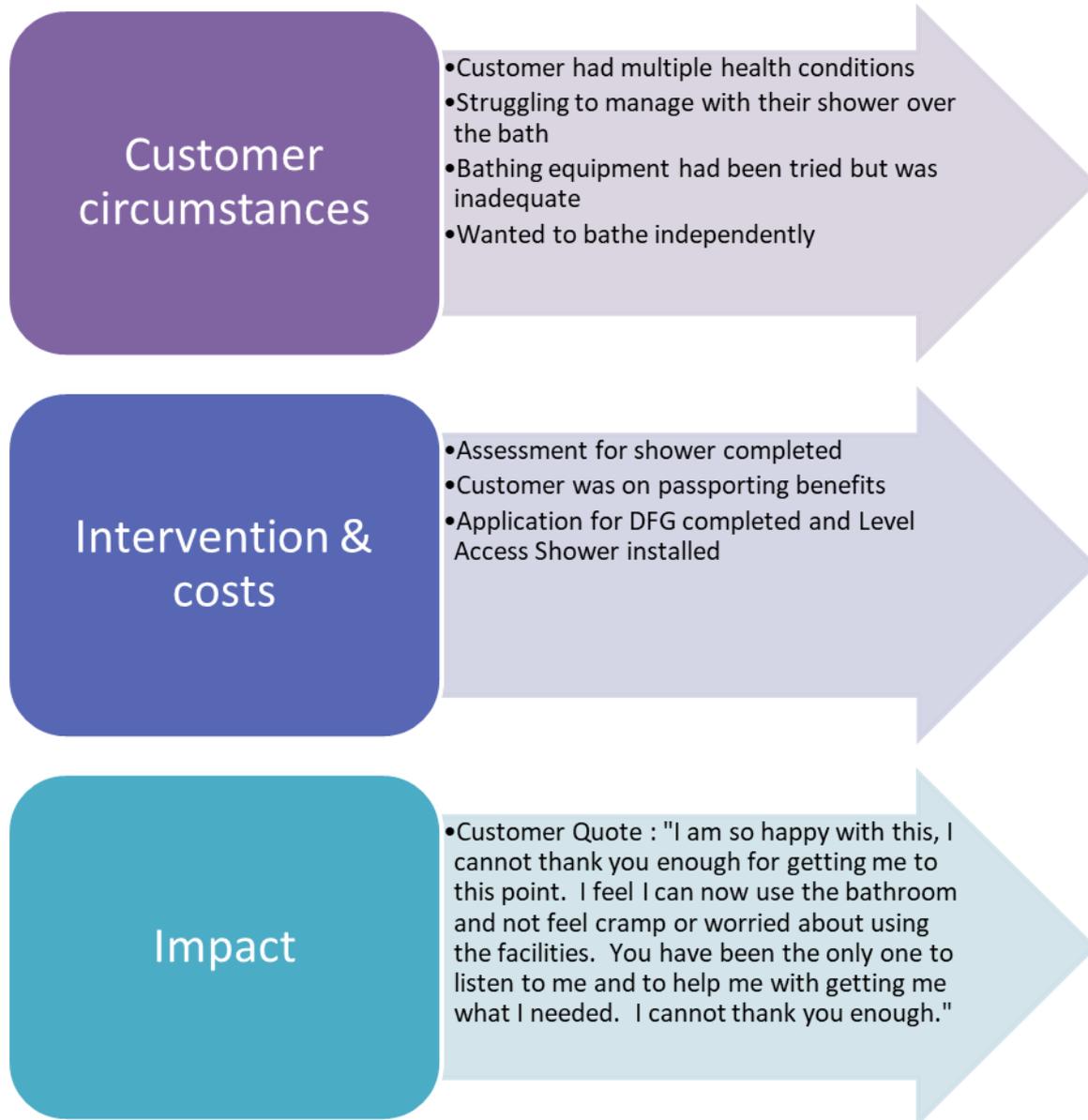
### Case Study 1 – Hospital Discharge



## Case Study 2 - WaSH Grant

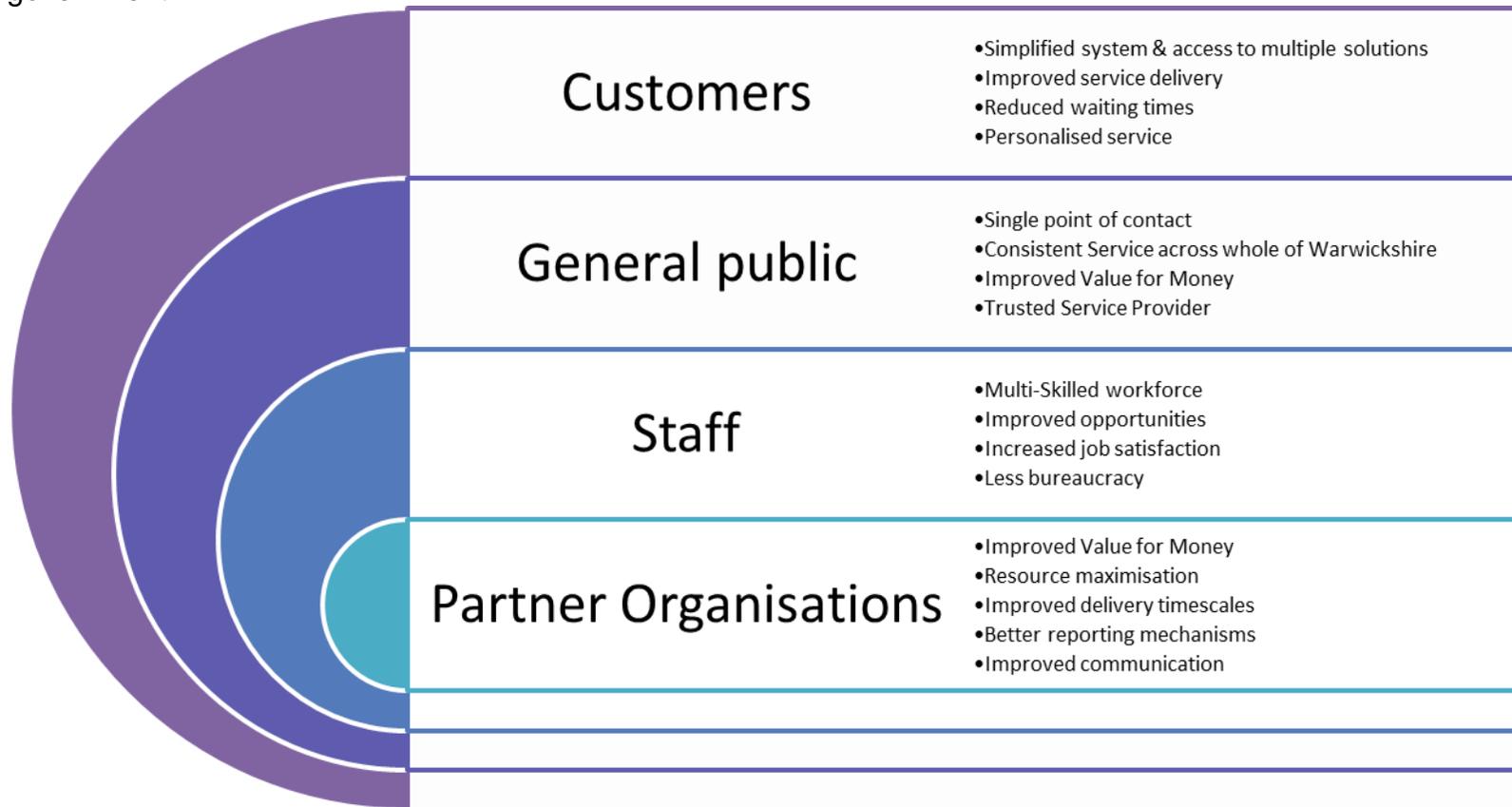


## Case Study 3 - DFG



## 4. Benefits

4.1 A successful service contributes to and links to the key objectives of all partners and this updated Business Case proposes the HEART service as the continuing delivery model. The customer, carers, the communities and organisations will benefit in many different ways given the unique delivery of this innovative seamless service that spans the two tiers of local government.



4.2 The multi-disciplinary team developed within the HEART service has enabled staff to enhance their knowledge and skills which, in turn, delivers significant additional benefits in prevention and promoting physical and mental wellbeing.

4.3 The HEART service's primary ambition is to fully commit and spend the DFG allocation through the provision of DFG grants and other housing assistance measures and associated works. However, it is also the appropriate service to incorporate:

- Physical and Mental wellbeing advice
- Advice regarding preventing falls
- Identification of 'Cold Home' and other Category 1 HHSRS Hazards
- Proportionate strengths-based needs assessments under the Care Act 2014
- Promoting Design for Dementia – positive actions and solutions in the home.
- Promotion of enabling techniques.

4.4 The additional benefits of providing these services are:

- Compliance with Falls: assessment and prevention of falls in older people<sup>15</sup> and a 'Falls in older people' assessment after a fall to help prevent further falls<sup>16</sup>
- Supporting the challenge on Dementia.
- Embedding of 'Enabling' techniques so that carers are 'enablers' rather than 'doers' which promotes customer independence and can prevent or delay increased formal care services.
- Increased choice & control, dignity and respect, kindness, and compassion.

## 5. Performance Data

5.1 The HEART performance data is comprehensive. Whilst useful it is recognised that the complexity of multiple ICT systems and differing requirements of partners have resulted in reporting which does not assist decision making and which is time consuming for the Host to produce.

5.2 The HEART Management Board have committed to streamlining the Performance reporting requirements and the updated agreed requirements are included in [Appendix 2](#).

<sup>15</sup> NICE clinical guideline 161; June 2013

<sup>16</sup> NICE Quality standard 86; March 2015.

## 6. Business Requirement

6.1 To deliver the HEART service:

### **In Scope**

The HEART Service Matrix detailed in Appendix 1, and a shared partnership agreement between all the Local Authorities.

### **Out of Scope**

There is the future opportunity for all or some of the “out of scope” additional or service enhancements to be brought into scope if they do not distract from the core delivery of Disabled Facilities Grants and adaptations and funding is available.

6.2 The HEART service was established as a shared service with a lead authority reflected in a contractual arrangement and the proposal is to retain this model of delivery for 5 years from 1<sup>st</sup> April 2023.

## 7 Objectives and Outcomes of HEART

7.1 The objectives of HEART remain as outlined in the first Business Case as:

- Better customer outcomes by improving the customer experience.
- Improve delivery of Disabled Facilities Grants & adaptations
- Utilise resources in an effective & efficient manner to deliver a quality co-ordinated service around the customer and carer.
- Promote effective working within and between Social Care, Housing and Health.
- Create consistency in practice and ensure adoption of best practice.
- Create a culture that encourages and promotes customer independence, respect & dignity, wellbeing and falls prevention.
- Achieve long term savings by ensuring effective use of resources.

7.2 The HEART Service will continue as:

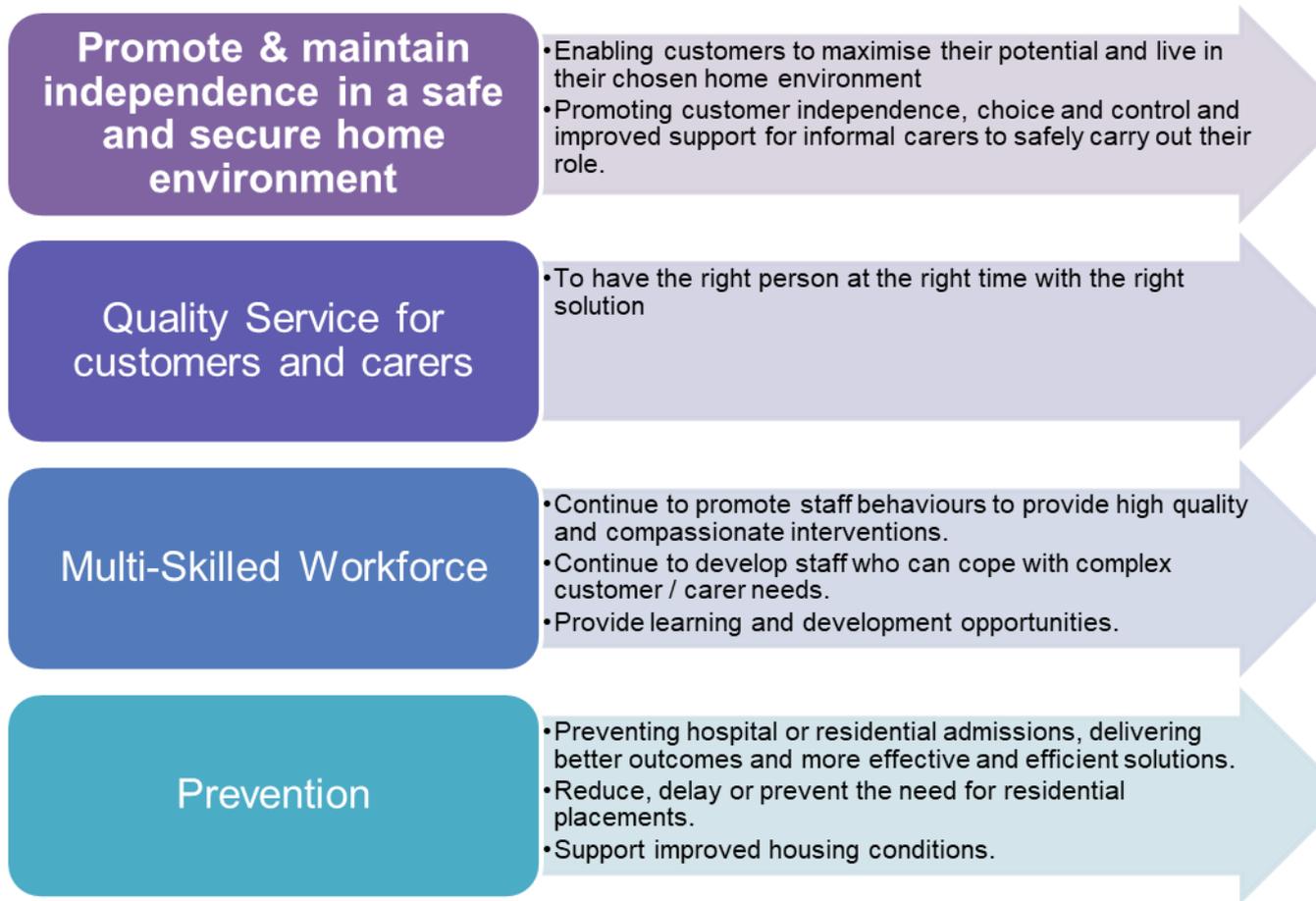
Shared Service Specification Statement	
Shared Service Vehicle	Host Authority
Governance	Governance Board comprising senior managers from each partner.  Single management team.
Host Authority	Nuneaton and Bedworth Borough Council.
Functions to be provided by host	Organisational and support functions.
Support functions not to be provided	Specialist social care legal advice.

by host	
Spirit of partnership	Support and shared endeavour to improve and develop – avoid a contractor / commissioner relationship.
Constraints	<p>Each partner will not receive a disproportionate financial risk.</p> <p>WCC staff to be within a single management structure.</p> <p>Service to deliver the agreed HEART Service Matrix.</p> <p>Competence and capacity assessment necessary from host organisation.</p>

7.3 The HEART Management Board will keep these objectives and outcomes under review and seek to improve and extend arrangements when it is appropriate to do so in order to enhance the opportunity to sustain the wellbeing of our customers.

## 8 Benefits and Outcomes

8.1 The continuation of the HEART Service delivery model is expected to deliver the following benefits and outcomes for the service users of Warwickshire:



**9 Governance**

9.1 The partners have an established Management Board with a Terms of Reference which reflects its remit as set out in the Shared Service Agreement. The work of the Board needs to be supported by specialists from Human Resources, I.T. and Legal Services as required. At times these specialist services will be invited to attend the Board to provide advice and guidance. In general:

1. The Management Board shall consist of the Authorised Representatives of each of the Councils or their authorised substitutes.
2. The Board will receive reports about the performance of the service and Business Plan, Budget, the potential growth of the Shared Service, and any other reports as it may reasonably require from time to time assessing the effectiveness of the Shared Service.
3. Determine and take such action as it considers desirable and necessary to promote the Shared Service and to procure the expansion of the Shared Service where it considers that this would be beneficial.
4. Determine any disputes or differences that arise between the Councils concerning the interpretation and effect of any of the provisions of this Agreement.

5. The Board will meet on a Quarterly basis, with specific task-based sub-groups / leads meeting with the Service Manager as required.

## 9.2 HEART Service Structure

The structure of the service is currently designed to take account a whole of Warwickshire service with teams allocated on a north and south basis for operational purposes. This structure will be reviewed as required to ensure that it remains fit for purpose and provides the required staffing support to deliver the objectives set by the Board for HEART.

## 9.3 Human Resources

All staff are currently seconded on their existing terms and conditions (unless they were being seconded into an entirely different role) and are hosted and line managed by NBBC.

## 9.4 Service Provision

The HEART Service will provide customers and carers with the advice and information to help them make the right choice and provide practical help to deliver the right housing solution when they want it. This is detailed in the service matrix Appendix 1.

# 10 Financial Considerations

10.1 When HEART was created the finances to provide for Disabled Facilities Grants were constrained. They were dependent on a Grant to District and Boroughs from Government and the ability of each Council to supplement that Grant provision from their General Fund. The financial context for Disabled Facilities Grants has changed over the time that HEART has been developing. It is recognised that Grant provision and the delivery of adaptations for customers contributes to the wider prevention and wellbeing agenda.

10.2 As stated previously the 2021 Social Care White Paper confirmed the Government's commitment to a national allocation of £570m until 2024-25. In 2021-22 Warwickshire authorities combined DFG allocation was £5,124,786. Nonetheless whilst the Government has committed to consulting on the current allocation formula so at the current time there is no guarantee that the Warwickshire authorities' allocations will remain at the same level for the entire award period.

10.3 The Financial requirements for the shared service are set out in the shared service agreement. The main considerations are summarised here. Reports about budget provision for both revenue and capital are submitted to the Management Board quarterly. The capital Grant funding is not pooled.

10.4 The HEART service operates with aligned revenue budgets. Partners will continue to act as employers of the staff who will be working in the shared service and will have:

- a separate cost centre for their shared service staff.
- the net budget for the cost centre will represent each partner's General Fund cost including the associated costs.

10.5 The Host:

- Holds the budgets for the pooled parts of the service.
- Requires other authorities to pay to the host the contributions determined for this part of the overall service, in a timely fashion to be agreed.
- Will also pay into this service their contribution.
- Ensures that the pool cost centre will have a net budget of zero.
- Ensures any overspend / underspend will be subject to the agreed arrangements in the shared service agreement
- Arranges for charging between the Host and the Partners for HEART costs - the host will issue quarterly invoice of the agreed contributions to be paid by partners.

10.6 Oversight is provided by the Management Board:

- All partners have an officer responsible for authorising and forecasting on spend against the shared service that is incurred in their authority. This person is the Board representative.
- The Board receives regular reports on the overall financial position, with reasons for variances and recommendations for management action.
- The final budget structure and annual budget forms part of the agreement and makes clear exactly which costs reside with which partner and how this translates into contributions on the shared service.
- The budget provision and any changes are agreed annually in November

10.7 As part of their commitment to a tenure neutral assessment process (providing Occupational Therapy housing assessments for residents regardless of tenure) the County Council funds the Occupational Therapy assessment part of the service and makes contributions to the home improvement agency aspect of the service. These are countywide allocations. The Districts and Boroughs contributions are aligned to activity.

10.8 The contribution to the service from the Districts and Boroughs is based upon a 15% fee of the DFG allocation/available budget. The fee level will be reviewed annually to ensure that it is adequate to fund the service

required by Partners. The Board are committed to ensuring that the HEART service is equipped to deliver an effective and efficient service which offers good quality services to residents and value for money to the Partner authorities.



## **Home Environment** Assessment & Response Team

HEART: Helping you Live Independently at Home

## Appendix 1 HEART Service Matrix

### HEART Service Description and Specification

This specification describes the services which are provided by HEART on behalf of all Partner authorities and also identifies the priorities for the service whilst placing the customer's needs at the centre.

#### Service Outline

All customers contacting HEART will receive assistance based upon their identified request. The triage and assessment process will also be proportionate to identify other needs appropriate to the service for which HEART may either be able to provide direct support or make referrals to assist the customer to live independently at home.

#### 1. Request for Adaptation

##### Assessment of Individual in their Home

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- Proportionate consideration of activities in Daily Living Assessment relevant to the request or needs
- Triage to identify possible housing issues, include Home Environment Needs if necessary
- Consider mobility around the home/ falls risks
- Financial eligibility check for funding assistance

#### 2. Request for Assistance

##### Assessment of their Home Environment

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- Home Environment Assessment
- Consider mobility around the home/ falls risks
- Identification and consideration of adverse house conditions and health hazards, relating to available policy interventions or signpost if appropriate.
- Financial eligibility check for funding assistance

#### 3. Other issues

##### Based on identified needs/requests

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- Alternative accommodation assessment

## Interventions

The Host will deliver the core services considering 3 levels of intervention based upon identified needs and customer requests. The following indicates of the types of intervention included within each level of support.

The Host will provide the interventions to residents irrespective of funding streams but will respect a person's right to choose the provider of an intervention following and assessment unless access to that intervention is conditional on a particular provider being used.

Intervention Level	Intervention Type
<b>Level 1 – Information and Advice</b>	Verbal, written, leaflets and electronic (web) information and advice.
	Information about local and national services.
	Demonstration of equipment and referral to the retail market
	Signposting to local and national services.
<b>Level 2 – Direct Provision by HEART</b>	Professional support from Housing Assessment Officers & Occupational Therapists <ul style="list-style-type: none"> <li>• Assessment of need for adaptations</li> <li>• Assess need for equipment</li> <li>• Housing suitability reports</li> <li>• Support /assessments for social housing moves</li> <li>• Home environment assessment</li> <li>• Assessment for complex cases &amp; adaptations for children</li> <li>• Home environment assessments</li> <li>• Home suitability reports</li> <li>• Technical Services               <ul style="list-style-type: none"> <li>○ Support with construction and technical matters</li> </ul> </li> </ul>
	Direct provision of:

	<ul style="list-style-type: none"> <li>• Activities of Daily Living Equipment</li> <li>• Minor Adaptations)</li> <li>• Grab Rails &amp; Stair Rails</li> </ul>
	<p>Major Adaptations:</p> <ul style="list-style-type: none"> <li>• Level Access Shower</li> <li>• Ramps</li> <li>• Door Widening</li> <li>• Property Extensions</li> <li>• Internal Reconfiguration</li> <li>• Lift Installations</li> <li>• Conversions</li> <li>• Other adaptations as appropriate</li> </ul> <p>Including appropriate assessment of needs and casework support, including financial assessments, to prepare full DFG and other funding applications.</p> <p>Technical supervision of specifications and completion of works as required</p>
	<p>Minor Property Works (where eligible for Financial Assistance Policy assistance):</p> <p>Minor repairs &amp; alterations to assist independence and well being</p> <p>Includes technical specification of works as required and casework support to carry out the required works.</p>
	<p>Major Property Works (where eligible for HAP assistance):</p> <ul style="list-style-type: none"> <li>• Technical assessment to identify works required to eradicate Category 1 Hazards in accordance with Housing Health and Safety Rating System criteria</li> <li>• Technical supervision of works</li> <li>• Casework support to carry out the required works.</li> </ul>
	<p>Other services:</p> <ul style="list-style-type: none"> <li>• Procurement of Building Contractors and management of the</li> </ul>

	<p>framework contracts</p> <ul style="list-style-type: none"> <li>• Support for clients who wish to self-fund works within the scope of the assessed needs of the customer and the capabilities and charging structure of the service</li> <li>• Charity funding applications in support of Mandatory DFG applications where additional funding is required</li> <li>• Identification of possible benefit eligibility and referral to support for applications to be made</li> <li>• Falls risk reduction action plan</li> </ul>
<b>Level 3 – Referrals made to external provision</b>	Retail model through Integrated Community Equipment and Support Service (ICESS)
	Referrals to Social housing and their building contractors
	Referrals for Assistive Technology Equipment
	Building contractors not procured by the service for bespoke work.
	Handy person (not procured by service)
	Private Sector Enforcement
	Specialist services

## Appendix 2 – HEART Board Reporting Requirements

### Measuring Performance & Budget

The following outlines the information which would be reported to the HEART Board at its quarterly meetings.

In addition to this framework there will be operational/management KPIs for the Host service to report and information to enable the DELTA return to be completed. The assumption is that these will be captured as a matter of course and can be included in the standard report if necessary. The current Government required DELTA return are included at the end of the Appendix for information purposes.

### HEART Service Demand

- Total Enquiries by referral source (*these will be grouped due to the number of sources*)
- Waiting list for assessment (*this includes all cases waiting for the assessment by the Housing Assessment Officer or Occupational Therapist by Local Authority area and county wide – both allocated and not allocated will be included in the definition*)

- Total assessments completed by Housing Assessment Officer & Occupational Therapist by Local Authority area and county-wide

## Adaptations Delivery

### All to be reported by Local Authority Area and HEART Service overall on a Quarterly Basis

1. Number & Value of Grants Approved (by quarter & incl. YtD figure)
2. Number & Value of Grants Completed (by Quarter & incl. YtD figure)
3. End to End Times by work type & overall (by Quarter & incl. YtD figure)
4. Cancellation Rates (incl. reason breakdown)
5. Average cost of adaptation (overall & by type)
6. End to end times to be shown in stages so that any blockages can be clearly identified

End to end times would be based on works completion date not case closed. Case closed dates will be recorded but not used for indicator reporting.

Target end-to-end timescales for DFG/ adaptation delivery are calculated in calendar days. This is because they reflect past reporting and enable tracking and comparison. They are also more relevant to customers and easier to calculate. The definition document will include when the process starts (enquiry received by HEART) and when it ends (works signed off date).

The proposed work types are:

- Stairlifts
- Ramps
- Level Access Showers
- Property extensions
- Complex cases

Performance outturns will be used to set improvement targets for the service and will reflect on the national Guidance for timescales for overall DFG delivery. The benchmark targets will be agreed annually by the Board.

If a client requires more than one adaptation the report will show the first adaptation to be completed. It is noted that this may not be a reflection of the whole customer journey. This is a constraint of the current recording IT system and may be improved when the new system is live.

## Equipment

Number of Social Care equipment items provided by type by Local Authority area and County-wide

Some equipment items to be grouped together for ease of reporting – proposal to be included in the definitions document

## Home Safety

Number of Home Safety Interventions provided by Local Authority area and county-wide

## House Condition Interventions

Type (e.g. heating, repairs), number and value completed by Local Authority area and county-wide

## Advice and assistance

- Number of advice and assistance responses by type
- Number of referrals onto other organisations

## Other Assistance

- Hospital Discharge urgent Interventions. Number & Value Completed by Local Authority area and county-wide

## Other & Social Value Indicators

- Complaints and Compliment recording
- Customer Satisfaction survey results

## Local authority adaptations activity

The number of referrals made to Local Authorities for adaptations in Council stock

Number of Local Authority adaptation completions

End to end times for LA completions by Local Authority area (*referral to HEART to completion of works*)

Spend on works completed in Local Authority properties (*The service to confirm what additional information would be needed on the completion notification to enable this to be reported*)

## Annual Report

The Service will produce an annual report to provide detailed analysis of the performance of the service over the year and identify areas for improvement and of good practice. It will be provided in an agreed format for consideration by the HEART Board and an alternative for publication.

The annual report will include analysis of customer surveys and added value measures as well as analysis of spend against budget and against wider population information to enable the Board to support future service planning. (*A template for this to be developed and agreed during 2022-23 to ensure an agreed consistent format*)

## Delta return info

1	Total number of home adaptation / housing assistance policy interventions of all type provided in the year and funded from DFG allocation
2	Total number of beneficiaries of mandatory and discretionary, housing related support and interventions paid for by means of the local DFG allocation
3	Number of formal applications received for home adaptations
4	Number of formal applications approved for home adaptations
5	Number of grants completed
6	Number of grants approved where the applicant had an assessed financial contribution following a means test
7	Total value of applicants' assessed financial contributions (following a means test) for all grants approved
8	Number of grants completed for people aged 17 or less
9	Number of grants completed for people of pension age
10	Number of grants completed for working age adults
11	Number of grants completed which cost £5,000 or less
12	Number of grants completed which cost £5,001 - £15,000
13	Number of grants completed which cost £15,001 to £29,999
14	Number of grants completed which cost £30,000 or more
15	Number of grants completed for owner occupiers
16	Number of grants completed for RP/HA tenants
17	Total number of home adaptations completed for council tenants using HRA funding
18	Number of grants completed for occupants living in privately rented accommodation
19	Number of grants completed in year for people from a Black and/or minority ethnic background
20	For all grants processed, what was the average number of working days between assessment and receipt of formal application
21	For all grants approved, what was the average number of working days between the date of receipt of formal application and date of approval
22	For all grants completed, what was the average number of working days between the date of approval and the certified date of installing the adaptations
23	Total receipt from DFG local land charges redeemed? This data would be provided by the L/A
24	Total number of local land charges issued against properties This data would be provided by the L/A
25	Number of DFGs where payment was deferred
26	Total full-time equivalent staff (FTE) of OTs in your authority working specifically on DFGs
27	Total full-time equivalent of Trusted Assessors in your authority working on DFGs
28	Total number of home adaptations completed for common parts – not recorded



**North Warwickshire  
Borough Council**

Department for Levelling Up Housing & Communities  
Fry Building  
2 Marsham Street  
London  
SW1P 4DF  
FAO Director, Private Rented Sector & Leasehold

**Appendix B**

**Angela Coates** BA Hons MCIH  
**Director(Housing)**

The Council House  
South Street  
Atherstone  
Warwickshire  
CV9 1DE

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Website : [www.northwarks.gov.uk](http://www.northwarks.gov.uk)  
This matter is being dealt with by: Angela Coates  
30 November 2022

Dear Sirs,

I refer to your letter of 25<sup>th</sup> November 2022. The Council's Corporate Management Team has considered its contents and that of the letter from the Secretary of State, the Rt Hon. Michael Gove MP dated 19<sup>th</sup> November 2022.

I can confirm that the Council has received and will 'pick up' the request set out in your correspondence.

The Council commissioned a stock modelling report from the Building Research Establishment in 2020. This is a change from the stock condition surveys we have undertaken historically however the modelling information that the report provides supports our understanding of the house conditions in our area. The research report offers data from modelling based on information available from Energy Performance Certificates. We reported the findings to Councillors when it was received but the timing, due to COVID restrictions and constraints, for subsequent action has necessarily been delayed. We are now working closely with our Private Sector Housing shared service partner to consider how best to act on the findings of the report. Whilst the research data does not directly correlate with damp and mould hazards our intention is to consider it alongside other data sources to assist us to have a particular direction to tackle conditions of damp and mould. We are likely to need additional resource to act on the research data. Whilst we are committed to action to help improve housing stock in our area we have other pressures on our General Fund and Councillors will make decisions on resources accordingly.

Whilst the circumstances to service delivery by COVID restrictions have been constraining the Council has acted to provide grant opportunities to the private sector owners to improve the energy efficiency of their homes. We have done this independently and in conjunction with our shared service partner, Nuneaton and Bedworth Borough Council. The Council initially received funding from BEIS to offer grant to private owners and is now working in partnership with the Midlands Net Zero Hub to offer funding for energy efficiency measures as part of LAD3 and HUG1. A bid has been made for this Council for HUG2. Whilst owner occupiers are taking up the funding opportunities offered we would like to note that private landlords are not doing so. Our view is that this is because of the funding contribution they are expected to make to attract the grant.

Our teams seek opportunities to be proactive in dealing with housing conditions and to offer support and information for residents. For example, the Warwickshire HEART (Home Environment Assessment and Response Team) delivers Disabled Facilities Grants and adaptations to residents however an integral part of the assessment process is to consider the condition of the whole house. This means that if the team are asked to provide a stair lift, for example, when they visit the property they will also assess house conditions and if an intervention is required because of disrepair or an energy efficiency measure can be provided a service will be offered. Our Housing Assistance Policy, which sets out grant arrangements, allows for discretion in offering funding for specific interventions. In conjunction with colleagues in Public Health We have recently revamped information provided for our residents about how they can prevent damp and mould in their home and promoted how we can assist. Our Financial Inclusion Team is undertaking extensive activity to support residents with the cost of living increases. We have concerns that a reluctance to put heating on due to rising costs will increase the prevalence of damp and mould in properties that otherwise might have been avoided.

The BRE reported indicated that there are around 3000 private rented properties in North Warwickshire. We have complaint information and will provide details of that for the full response. Nonetheless reports to the Private Sector Housing team from tenants are not high in numbers. Very few relate to Category 1 Hazards. We have not had cause to serve any civil penalty notices or prosecute any landlords. Often Private Rented Sector tenants do not complain to the Local Authority for fear of losing their tenancy with the service of a no fault notice. We are aware that Government is considering this issue and would support changes nationally to offer better protection for tenants so that they can raise concerns without fear of reprisal.

We recognise that the Secretary of State is specifically concerned with disrepair relating to damp and mould. We will further consider how we can deliver promotional activities both anonymously and identifiable to help seek general stock information and support those who are suffering from conditions of damp and mould. How we resource follow up activity to investigate and enforce and educate and monitor will be discussed with Councillors. We would note that an inspection or improvement notice does not necessarily solve the problem with the bulk of the work taking place after the investigation and/or notice.

The Council, with its shared service partner, will use its best endeavours to complete the response you require in the format provided by the Local Government Association. We note that as we do not yet know what the format is we cannot confirm whether we will have all of the information required. As indicated we have our research report and we can analyse reports made by tenants however obtaining specific information about conditions of damp and mould in the general housing stock will require further consideration and resource. If there is limited information on damp and mould hazards, which we note did not score highly under HHSRS, our ability to make the assessment and detailed remedial plans and accord with the Secretary of States ambition to focus on conditions of damp and mould will be constrained.

I hope that this information is helpful. Please let me know if you require anything further at this stage.

Yours sincerely,

Angela Coates, Director of Housing

**Agenda Item No 8**

**Resources Board**

**30 January 2023**

**Report of the Chief Executive, Corporate Director - Streetscape, Corporate Director - Resources and Director of Housing**

**General Fund Fees and Charges 2023/24**

**1 Summary**

- 1.1 This report covers the fees and charges for 2022/23 and the proposed fees and charges for 2023/24.

**Recommendation to the Board**

**That the schedule of fees and charges for 2023/24, set out in the report be accepted.**

**2 Introduction**

- 2.1 At its meeting held in October 2022, the Executive Board agreed the budget strategy for 2023/27, which included an allowance for price increases of 4%.

**3 Fees and Charges proposed for 2023/24**

- ... 3.1 Attached at Appendix A for the Board's consideration are details of present and proposed fees and charges for the financial year 2023/24. The amounts shown have already been included in the revenue estimates for 2023/24.
- 3.2 No increases have been applied to failure to notify a change to a Council Tax single person discount and full register of electors' fees, as these charges are statutory and so not set by the Council.
- 3.3 Court summons costs, parking and parking penalties charges have been kept the same as in 2022/23. The remaining fees and charges have generally been increased by 4% (rounded).

## 4 Report Implications

### 4.1 Finance and Value for Money Implications

4.1.1 This will contribute to the achievement of income targets, which are contained within the Corporate Director – Resources’ report on the General Fund estimates 2023/24 presented elsewhere within the agenda for this meeting.

4.1.2 Those fees which are set by law or for which the law prescribes a maximum amount are identified on Appendix A as being subject to statutory control and may not be exceeded. Where a fee is not fixed by law or limited by law to a particular amount the Council must exercise its discretion reasonably and consider the impact of any increased charges on those who will be affected by them.

### 4.2 Risk Management

4.2.1 Changes to fees and charges may impact on the level of demand. However, this has been considered in proposing the revised charges.

The Contact Officer for this report is Nigel Lane (719371).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**NORTH WARWICKSHIRE BOROUGH COUNCIL**  
**RESOURCES BOARD**  
**FEES AND CHARGES FROM 1 APRIL 2023**

	<b>2022/2023 TOTAL CHARGE £</b>	<b>2023/2024 TOTAL CHARGE £</b>	<b>VAT RATING</b>
<b>REGISTER OF ELECTORS (statutory)</b>			
a) Paper form	10.00+ 5.00 per 1,000 names or part thereof plus postage	10.00+ 5.00 per 1,000 names or part thereof plus postage	Outside Scope
b) Charge per full register in paper form	260.00 plus postage	260.00 plus postage	"
c) Data form	20.00+ 1.50 per 1,000 names	20.00+ 1.50 per 1,000 names	"
d) Charge per full register in data form	95.00	95.00	"
e) Overseas electors-paper form	10.00+ 5.00 per 1,000 names or part thereof plus postage	10.00+ 5.00 per 1,000 names or part thereof plus postage	"
<b>FAILURE TO NOTIFY A CHANGE TO A COUNCIL TAX SINGLE PERSON DISCOUNT (Statutory)</b>			
	70.00	70.00	Outside Scope

**NORTH WARWICKSHIRE BOROUGH COUNCIL**

**RESOURCES BOARD**

**FEES AND CHARGES FROM 1 APRIL 2023**

	<b>2022/2023 TOTAL CHARGE £</b>	<b>2023/2024 TOTAL CHARGE £</b>	<b>VAT RATING</b>
<b>PAY AND DISPLAY PARKING CHARGES</b>			
Monday to Saturday (between 08.00 to 18.00)			
Up to 2 hours	Free	Free	Standard
Up to 3 hours	2.00	2.00	Standard
Up to 4 hours	2.50	2.50	Standard
Over 4 hours	3.00	3.00	Standard
Monday to Saturday (between 08.00 to 18.00) - Atherstone Memorial Hall car park only			
Up to 2 hours	Free	Free	Standard
Up to 3 hours	1.50	1.50	Standard
Up to 4 hours	2.00	2.00	Standard
Over 4 hours	2.50	2.50	Standard
Monday to Saturday (between 18.00 and 8.00)	Free	Free	Standard
Sunday (All day)	Free	Free	Standard
Monday to Saturday (between 08.00 to 18.00)			
Blus badge holders (upto 3 hours)	Free	Free	Standard
Blus badge holders (upto 4 hours)	2.50	2.50	Standard
Blus badge holders (Over 4 hours)	3.00	3.00	Standard
Blue badge holders - Monday to Saturday (between 18.00 and 8.00)	Free	Free	Standard
Blue badge holders - Sunday (All day)	Free	Free	Standard
Season Tickets - for a period of 3 months (valid in all Long Stay car parks)	150.00	150.00	Standard
Please check website for other restrictions			
<b>CAR PARKING PENALTIES (Lower Level)</b>			
If paid within 7 days	25.00	25.00	Outside Scope
If paid after 7 days	50.00	50.00	"
If paid following service of a charge certificate	75.00	75.00	"
<b>CAR PARKING PENALTIES (Higher Level)</b>			
If paid within 7 days	35.00	35.00	Outside Scope
If paid after 7 days	70.00	70.00	"
If paid following service of a charge certificate	105.00	105.00	"
<b>STATEMENTS OF ACCOUNT (per copy)</b>	13.50	14.00	Outside Scope
<b>INSPECTION AND COPYING OF BACKGROUND PAPERS UNDER SECTION 100H OF THE LOCAL GOVERNMENT ACT 1972</b>			
a) Inspection of background papers to a part 1 report per item of business	3.20	3.30	Outside Scope
b) Photocopying of background papers to a part 1 report per copy	0.10	0.10	"
minimum charge	0.50	0.50	"
<b>COURT COSTS</b>			
Summons Costs (Council Tax and NDR)	100.00	100.00	Outside Scope
<b>PROVISION OF CCTV IMAGES TO THIRD PARTIES</b>			
Requests taking up to 1 hour of officer time	69.80	73.00	Standard
Requests taking over 1 hour of officer time	138.60	144.00	"

## Agenda Item No 9

### Resources Board

30 January 2023

#### Report of the Corporate Director - Resources

#### General Fund Revenue Estimates 2023/24 - Services Recharged Across All Boards

## 1 Summary

- 1.1 This report covers the revised budget for 2022/23 and an estimate of expenditure for 2023/24, together with forward commitments for 2024/25, 2025/26 and 2026/27.

### Recommendation to the Board

- a To accept the revised budget for 2022/23; and
- b To accept or otherwise vary the Estimates of Expenditure for 2023/24, as submitted, for them to be included in the budget to be brought before the meeting of the Executive Board on 13 February 2023.

## 2 Introduction

- 2.1 In consultation with other Directors, the Corporate Director – Resources has prepared an estimate of net expenditure for 2023/24 and this, together with a revised budget for 2022/23, appears in Appendices A and B. To provide a more complete picture of the spending pattern of the service, the actual figures for 2021/22 are shown.

- 2.2 At its meeting in September 2022, the Executive Board agreed the budget strategy for 2023-2027, which required savings of £2.55 million over a four-year period. This required budget savings of £1.9 million in 2023/24 with additional savings of £100,000 in 2024/25 and £550,000 in 2025/26. A savings target was not included for 2026/27 at that time. Some limited growth was built into the strategy in specific areas.

- 2.3 Directors were asked to identify areas where savings could be made, either by a reduction in expenditure or through the generation of additional income.

2.4 A subjective analysis of the Board's requirement is shown below:

	<b>Original Budget 2022/23 £</b>	<b>Revised Budget 2022/23 £</b>	<b>Original Budget 2023/24 £</b>
Employee Costs	8,097,070	8,093,570	8,772,700
Premises	494,260	527,090	686,360
Supplies and Services	1,019,640	1,048,520	1,059,670
Transport	636,400	674,170	713,210
Miscellaneous Expenditure	-	500	-
Earmarked Reserves	(42,820)	(42,820)	(46,920)
<b>Gross Expenditure</b>	<b>10,204,550</b>	<b>10,301,030</b>	<b>11,185,020</b>
Income	(266,900)	(244,820)	(250,490)
<b>Net Controllable Expenditure</b>	<b>9,937,650</b>	<b>10,056,210</b>	<b>10,934,530</b>
Recharged to Other Services	(11,918,620)	(11,984,160)	(13,146,490)
Departmental Support	25,610	25,610	30,320
Central Support Charges	1,539,040	1,539,040	1,760,380
Capital Charges	416,320	416,320	421,260
<b>Net Expenditure</b>	<b>-</b>	<b>53,020</b>	<b>-</b>

2.5 The Council values all of its assets using a five-year rolling programme, and this can affect the level of capital charges that are made to services and can therefore significantly affect the net service cost. Therefore, changes in net service expenditure that are as a result of increases or decreases in capital charges are shown below net operating expenditure in the following pages.

### 3 Comments on the 2022/23 Revised Budget

3.1 Due to staff shortages in the Financial Services team, a full review of the 2022/23 budget was not undertaken, as the recharging mechanism is time consuming and it was felt better to concentrate the team on the 2023/24 estimates. However specific areas of change were reviewed to arrive at a reasonable revised estimate for the year. These included: the impact of the higher pay award on employee expenditure, transport estimates due to increases in maintenance costs and fuel, and utility costs at the council house and depot due to the volatility in the utility markets.

3.2 The revised budget shown above to be recharged across all Boards for 2022/23 is estimated to be £12,037,180; an increase of £118,560 on the approved provision. This increase doesn't include the additional pay award costs as these are included elsewhere. They are brought into the budget alongside in year savings from staff turnover which have been reflected in the revised vacancy factor. Both of these amounts are contained within the Corporate Director - Resources report on the General Fund Revenue Estimates 2023/24 Summary presented elsewhere on the agenda.

3.3 The variation of £118,560 shown above includes an increase in transport costs of £53,150, an increase in utility costs at the council house and depot of £32,830 and an increase in professional fees on Customer Services of £10,500 relating to the out of hours call handling service now provided by Warwick District Council. In addition, a reduction in income of £22,080 from legal work and from partners using the Council House has also been included.

3.4 The increase in transport costs has been recharged out to services, but the other additional costs have been left unallocated, as the recharge mechanism for these would be time consuming to complete.

#### **4 Comments on the 2023/24 Estimates**

4.1 The 2023/24 estimates have been prepared, taking into account the following assumptions:

- A 4% pay award from 1 April 2023;
- Increases of 100% in electricity costs and 300% in gas costs, with increases on other premise costs between 3-5%;
- Inflationary increases of 3% in supplies and services; and
- An increase in income to reflect the increases included in the fees and charges report elsewhere on this agenda

4.2 The original budget to be recharged across all Boards for 2023/24 is estimated to be £13,146,490; an increase of £1,109,310 on the 2022/23 revised budget and an increase of £1,227,870 on the 2022/23 original budget. The main variations from the revised estimate are set out below.

4.3 Employee costs have increased by £679,130. Of this increase the additional pay award for 2022/23 amounted to £377,970, with £301,160 relating primarily to the increase included for the 2023/24 pay award and any required increments within the pay-scales.

4.4 Premise costs have increased by £159,270, with £156,070 of the increase relating to gas and electricity budgets.

4.5 Supplies and Services expenditure has increased by £11,150. In addition to general inflationary increases, there are increased software costs relating to the new financial management system and an increase in the corporate subscriptions needed for the Development Control service. However these increases have been offset by reductions in printing and postal costs.

4.6 Transport costs have increased by £39,040. In addition to normal inflationary increases, additional provision has been made for fuel, insurance and overheads.

4.7 Income has increased by £5,670, as the reduction in rental income at the Council House is not expected to continue.

4.8 Departmental and Central Support charges have increased by £226,050 due to pay award and increments, increased accommodation costs and some higher recharges from Information Services. The recharges from Information Services include the additional support being provided to implement planning, environmental health and financial systems.

## 5 Risks to Services

5.1 The key risks to the budgetary position of the Council from services covered by this report are:

- Higher pay awards than have been included in the budget and ongoing forecasts
- Additional increases in pension contribution rates above those already included
- Continued volatility in utility markets (electricity, gas and water)
- Changes in legislation that affect service delivery and/or software requirements
- Above inflation increases in vehicle replacements and running costs
- Increased insurance costs at the next contract renewal, above those assumed.

5.2 A risk analysis of the likelihood and impact of the risks identified above are included in Appendix C.

...

## 6 Future Year Forecasts

6.1 In order to assist with medium-term financial planning, Members are provided with budgets for the three years following 2023/24. The table below provides a subjective summary for those services reporting to this Board:

	<b>Forecast Budget 2024/25 £</b>	<b>Forecast Budget 2025/26 £</b>	<b>Forecast Budget 2026/27 £</b>
Employee Costs	9,116,230	9,386,080	9,663,520
Premises	710,730	732,400	754,930
Supplies and Services	1,086,800	1,112,050	1,138,730
Transport	725,620	740,240	755,480
Earmarked Reserves	(48,480)	(49,690)	(50,940)
<b>Gross expenditure</b>	<b>11,590,900</b>	<b>11,921,080</b>	<b>12,261,720</b>
Income	(260,510)	(270,340)	(280,570)
<b>Net Expenditure</b>	<b>11,330,390</b>	<b>11,650,740</b>	<b>11,981,150</b>
Recharged to other Services	(13,626,010)	(13,998,630)	(14,382,760)
Departmental Support	31,560	32,460	33,390
Central Support Charges	1,842,800	1,894,170	1,946,960
Capital Charges	421,260	421,260	421,260
<b>New Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>

6.2 The forecasts given above have used a number of assumptions, which include pay awards of 4% in 2024/25 and 3% in 2025/26 and 2026/27, increases in premises costs of 3-5%, increases in supplies and services of 3% in 2024/25 and 2% in 2025/26 and 2026/27. In total, the amount recharged to services is expected to increase by 3.4% in 2024/25, 2.7% in 2025/26 and 2.7% in 2026/27.

6.3 These forecasts are built up using current corporate and service plans. Where additional resources have already been approved, these are also included. However, these forecasts will be amended to reflect any amendments to the estimates, including decisions taken on any further corporate or service targets.

## 7 Report Implications

### 7.1 Finance and Value for Money Implications.

7.1.1 As detailed in the body of the report.

### 7.2 Environment and Sustainability Implications

7.2.1 Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of essential services.

### 7.3 Risk Management Implications

7.3.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

The Contact Officer for this report is Nigel Lane (7192371).

## Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
RESOURCES BOARD (RECHARGED)  
SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2021/2022 £</b>	<b>Approved Budget 2022/2023 £</b>	<b>Revised Budget 2022/2023 £</b>	<b>Original Budget 2023/2024 £</b>
Various	Chief Executive	211,248	226,620	226,620	243,330
Various	Corporate Director - Resources	909,723	1,092,930	1,092,930	1,181,000
Various	Chief Executive - Other Services	1,124,120	1,230,970	1,245,360	1,385,550
Various	Corporate Director Resources - Community Services	1,374,749	1,371,350	1,381,850	1,519,950
Various	Director of Housing	1,950,314	1,912,320	1,912,320	1,986,230
Various	Corporate Director Streetscape	838,172	1,053,530	1,053,530	1,130,610
Various	Director of Leisure and Community Development	404,844	596,780	596,780	633,580
3006-3039	Building Maintenance Fund	232,397	232,670	232,670	248,100
3040-3041	Council Offices	149,448	183,380	217,070	322,900
3043	Central Telephones	18,658	11,030	11,030	11,390
3045	Recruitment	28,370	25,200	25,200	25,950
3046	Printing and Stationery	54,514	42,040	42,040	30,190
3047	Training	9,432	84,250	84,250	84,510
3048	Depot and Stores	81,034	83,660	90,490	141,730
3110	Postal Services	35,696	55,060	55,060	30,000
3226	Central Services	330,372	-	-	-
3290	Information Services	755,576	760,430	760,430	882,400
3291	Procurement	48,665	99,990	99,990	109,980
3292	Staff Welfare	20,552	26,730	26,730	27,420
3300	Transport Management Account	766,979	848,710	901,860	939,710
	<b>Net Controllable Expenditure</b>	<b>9,344,863</b>	<b>9,937,650</b>	<b>10,056,210</b>	<b>10,934,530</b>
	<b>Recharged to Services</b>	<b>(11,000,991)</b>	<b>(11,918,620)</b>	<b>(11,984,160)</b>	<b>(13,146,490)</b>
	<b>Departmental Support</b>	<b>20,657</b>	<b>25,610</b>	<b>25,610</b>	<b>30,320</b>
	<b>Central Support</b>	<b>1,308,335</b>	<b>1,539,040</b>	<b>1,539,040</b>	<b>1,760,380</b>
	<b>Capital</b>	<b>325,911</b>	<b>416,320</b>	<b>416,320</b>	<b>421,260</b>
	<b>Resources Board (Recharged) Total</b>	<b>(1,225)</b>	<b>-</b>	<b>53,020</b>	<b>-</b>

**VARIOUS - CHIEF EXECUTIVE - DIRECT**

This includes the Chief Executive and the Management Team Support Unit budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	207,765	222,350	222,350	238,800
Supplies and Services	3,138	3,820	3,820	4,080
Transport Related Expenditure	345	450	450	450
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>211,248</b>	<b>226,620</b>	<b>226,620</b>	<b>243,330</b>
Recharged to Services	(248,226)	(265,450)	(265,450)	(277,350)
Central Support	35,584	36,550	36,550	30,320
Capital Charges	1,394	2,280	2,280	3,700
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - CORPORATE DIRECTOR- RESOURCES**

This includes the Corporate Director-Resources, Valuer, Financial Services, Human Resources and Internal Audit.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	729,973	907,300	907,300	969,170
Supplies and Services	125,464	183,810	183,810	210,010
Transport Related Expenditure	-	1,820	1,820	1,820
Earmarked Reserves	39,930	-	-	-
<b>GROSS EXPENDITURE</b>	<b>895,367</b>	<b>1,092,930</b>	<b>1,092,930</b>	<b>1,181,000</b>
GROSS INCOME	14,356	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>909,723</b>	<b>1,092,930</b>	<b>1,092,930</b>	<b>1,181,000</b>
Recharged to Services	(1,095,920)	(1,326,920)	(1,326,920)	(1,451,030)
Central Support	179,237	202,230	202,230	233,600
Capital Charges	6,960	31,760	31,760	36,430
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - CHIEF EXECUTIVE - OTHER SERVICES**

This includes Policy, Democratic Services, Legal Services, Forward Planning, Heritage and Conservation, Environmental Health and Development Control budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	1,054,098	1,203,150	1,203,150	1,337,110
Supplies and Services	102,684	57,070	57,070	64,830
Transport Related Expenditure	1,696	6,140	6,140	5,130
Earmarked Reserves	(23,515)	(8,000)	(8,000)	(8,000)
<b>GROSS EXPENDITURE</b>	<b>1,134,963</b>	<b>1,258,360</b>	<b>1,258,360</b>	<b>1,399,070</b>
GROSS INCOME	(10,843)	(27,390)	(13,000)	(13,520)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>1,124,120</b>	<b>1,230,970</b>	<b>1,245,360</b>	<b>1,385,550</b>
Recharged to Services	(1,258,954)	(1,424,170)	(1,438,560)	(1,594,190)
Central Support	115,797	169,040	169,040	185,160
Capital Charges	17,813	24,160	24,160	23,480
<b>NET EXPENDITURE</b>	<b>(1,224)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - CORPORATE DIRECTOR RESOURCES - COMMUNITY SERVICES**

This includes the Revenues and Benefits and Customer Contact budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	1,303,039	1,247,560	1,247,560	1,371,120
Supplies and Services	188,471	212,360	222,860	239,930
Transport Related Expenditure	123	3,300	3,300	3,300
Earmarked Reserves	(34,820)	(34,820)	(34,820)	(38,920)
<b>GROSS EXPENDITURE</b>	<b>1,456,813</b>	<b>1,428,400</b>	<b>1,438,900</b>	<b>1,575,430</b>
GROSS INCOME	(82,064)	(57,050)	(57,050)	(55,480)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>1,374,749</b>	<b>1,371,350</b>	<b>1,381,850</b>	<b>1,519,950</b>
Recharged to Services	(1,659,618)	(1,743,370)	(1,743,370)	(1,919,810)
Central Support	244,964	320,710	320,710	351,820
Capital Charges	39,904	51,310	51,310	48,040
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>10,500</b>	<b>-</b>

**VARIOUS - DIRECTOR OF HOUSING**

This includes Housing Strategy, Management and Maint, Private Sector Housing and CCTV budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	2,274,027	1,837,750	1,837,750	1,907,780
Supplies and Services	65,692	64,930	64,930	69,280
Transport Related Expenditure	1,394	9,640	9,640	9,170
Miscellaneous Expenditure	(5,761)	-	-	-
Earmarked Reserves	(385,038)	-	-	-
<b>GROSS EXPENDITURE</b>	<b>1,950,314</b>	<b>1,912,320</b>	<b>1,912,320</b>	<b>1,986,230</b>
GROSS INCOME	-	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>1,950,314</b>	<b>1,912,320</b>	<b>1,912,320</b>	<b>1,986,230</b>
Recharged to Services	(2,197,332)	(2,208,620)	(2,208,620)	(2,350,710)
Central Support	215,047	256,020	256,020	324,770
Capital Charges	31,971	40,280	40,280	39,710
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - CORPORATE DIRECTOR STREETScape**

This includes the Corporate Director - Streetscape, Transport, Waste Management and Streetscape and Facilities Management budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	820,805	1,042,250	1,042,250	1,118,230
Supplies and Services	24,472	15,400	15,400	17,010
Transport Related Expenditure	3,297	8,310	8,310	8,300
<b>GROSS EXPENDITURE</b>	<b>848,574</b>	<b>1,065,960</b>	<b>1,065,960</b>	<b>1,143,540</b>
GROSS INCOME	(10,402)	(12,430)	(12,430)	(12,930)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>838,172</b>	<b>1,053,530</b>	<b>1,053,530</b>	<b>1,130,610</b>
Recharged to Services	(943,820)	(1,198,500)	(1,198,500)	(1,288,940)
Central Support	95,065	128,710	128,710	139,070
Capital Charges	10,583	16,260	16,260	19,260
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>VARIOUS - DIRECTOR OF LEISURE AND COMMUNITY DEVELOPMENT</b>
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This includes the Director of Leisure and Community Development, Leisure Centres, Landscape Management and Community Development budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	395,217	585,370	585,370	620,460
Supplies and Services	8,594	8,460	8,460	9,330
Transport Related Expenditure	1,033	2,950	2,950	3,790
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>404,844</b>	<b>596,780</b>	<b>596,780</b>	<b>633,580</b>
Recharged to Services	(477,338)	(689,710)	(689,710)	(744,320)
Central Support	60,406	80,200	80,200	97,460
Capital Charges	12,088	12,730	12,730	13,280
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3006 to 3039 - BUILDING MAINTENANCE FUND**

Many services make a contribution into the Building Maintenance Fund each year which then enables the service to draw from the fund for any repairs and maintenance work which may be required to their buildings throughout the year.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	52,853	49,840	49,840	59,100
Premises Related Expenditure	148,803	182,670	182,670	188,840
Supplies and Services	1,020	160	160	160
Earmarked Reserves	29,721	-	-	-
<b>GROSS EXPENDITURE</b>	<b>232,397</b>	<b>232,670</b>	<b>232,670</b>	<b>248,100</b>
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>232,397</b>	<b>232,670</b>	<b>232,670</b>	<b>248,100</b>
Recharged to Services	(249,440)	(245,650)	(245,650)	(263,130)
Central Support	17,043	12,980	12,980	15,030
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3040 to 3041- COUNCIL OFFICES**

This budget covers all operational expenditure which relates to the two civic offices in Atherstone - The Council House and Old Bank House.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	84,315	85,800	85,800	96,190
Premises Related Expenditure	226,741	243,320	269,320	373,850
Supplies and Services	12,952	23,460	23,460	21,420
<b>GROSS EXPENDITURE</b>	<b>324,008</b>	<b>352,580</b>	<b>378,580</b>	<b>491,460</b>
GROSS INCOME	(174,560)	(169,200)	(161,510)	(168,560)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>149,448</b>	<b>183,380</b>	<b>217,070</b>	<b>322,900</b>
Recharged to Services	(346,265)	(345,850)	(343,850)	(536,000)
Central Support	87,907	92,950	92,950	143,520
Capital Charges	108,910	69,520	69,520	69,580
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>35,690</b>	<b>-</b>

**KEY PERFORMANCE INDICATORS**

Area of Council Offices (m2)	3,967	3,967	3,967	3,967
Expenditure per square metre	£87.29	£87.18	£86.68	£135.11

**3043 - CENTRAL TELEPHONES**

All central telephone costs are included in this cost centre.

DESCRIPTION	ACTUALS 2021/2022	APPROVED BUDGET 2022/2023	REVISED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024
Employee Expenditure	7,170	-	-	-
Supplies and Services	11,488	11,030	11,030	11,390
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>18,658</b>	<b>11,030</b>	<b>11,030</b>	<b>11,390</b>
Recharged to Services	(19,311)	(20,010)	(20,010)	(20,590)
Central Support	653	970	970	1,190
Capital Charges	-	8,010	8,010	8,010
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>KEY PERFORMANCE INDICATORS</b>				
Number of phones	190	190	190	190
Expenditure per phone line	£ 101.64	£ 105.32	£ 105.32	£ 108.37

**3045 - RECRUITMENT**

Costs relating to the recruitment of staff are collected on a centrally held budget and then allocated to services.

DESCRIPTION	ACTUALS 2021/2022	APPROVED BUDGET 2022/2023	REVISED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024
Employee Expenditure	23,005	17,820	17,820	18,350
Supplies and Services	5,365	7,380	7,380	7,600
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>28,370</b>	<b>25,200</b>	<b>25,200</b>	<b>25,950</b>
Recharged to Services	(30,733)	(28,080)	(28,080)	(29,510)
Central Support	2,363	2,880	2,880	3,560
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3046 - PRINTING AND STATIONERY**

This cost centre covers all the printing and stationery costs of the Council which are then allocated to individual services.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	34,966	-	-	-
Supplies and Services	19,548	42,810	42,810	30,190
<b>GROSS EXPENDITURE</b>	<b>54,514</b>	<b>42,810</b>	<b>42,810</b>	<b>30,190</b>
GROSS INCOME	-	(770)	(770)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>54,514</b>	<b>42,040</b>	<b>42,040</b>	<b>30,190</b>
Recharged to Services	(66,534)	(87,320)	(87,320)	(50,330)
Central Support	8,755	42,670	42,670	17,600
Capital Charges	3,265	2,610	2,610	2,540
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3047 - TRAINING**

All the training costs of the Council, both in-house and external, are contained within this cost centre and then allocated to individual services.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	5,987	80,830	80,830	80,830
Supplies and Services	3,445	3,420	3,420	3,680
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>9,432</b>	<b>84,250</b>	<b>84,250</b>	<b>84,510</b>
Recharged to Services	(62,744)	(148,430)	(148,430)	(132,490)
Central Support	52,188	62,140	62,140	46,060
Capital Charges	1,124	2,040	2,040	1,920
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3048 - DEPOT AND STORES**

The costs of providing the Sheepy Road depot and stores in Atherstone are charged here and allocated to users of the service.

DESCRIPTION	ACTUALS 2021/2022	APPROVED BUDGET 2022/2023	REVISED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024
Employee Expenditure	10,202	10,030	10,030	12,080
Premises Related Expenditure	63,886	67,770	74,600	123,140
Supplies and Services	6,946	5,860	5,860	6,510
<b>GROSS EXPENDITURE</b>	<b>81,034</b>	<b>83,660</b>	<b>90,490</b>	<b>141,730</b>
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>81,034</b>	<b>83,660</b>	<b>90,490</b>	<b>141,730</b>
Recharged to Services	(100,372)	(97,640)	(97,640)	(161,300)
Central Support	15,140	10,590	10,590	16,150
Capital Charges	4,198	3,390	3,390	3,420
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>6,830</b>	<b>-</b>

**KEY PERFORMANCE INDICATORS**

Area of Depot and Stores (m2)	3,224	3,224	3,224	3,224
Expenditure per square metre	£ 31.13	£ 30.29	£ 30.29	£ 50.03

**3110 - POSTAL SERVICES**

Costs relating to the dispatch of post are charged to this centrally held budget before being allocated to services.

DESCRIPTION	ACTUALS 2021/2022	APPROVED BUDGET 2022/2023	REVISED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024
Employee Expenditure	6,520	-	-	-
Supplies and Services	28,941	55,120	55,120	30,000
Earmarked Reserves	235	-	-	-
<b>GROSS EXPENDITURE</b>	<b>35,696</b>	<b>55,120</b>	<b>55,120</b>	<b>30,000</b>
GROSS INCOME	-	(60)	(60)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>35,696</b>	<b>55,060</b>	<b>55,060</b>	<b>30,000</b>
Recharged to Services	(60,676)	(81,490)	(81,490)	(34,370)
Central Support	24,980	26,430	26,430	4,370
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3226 - CENTRAL SERVICES**

The costs of the central administration function.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	323,844	-	-	-
Supplies and Services	6,528	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>330,372</b>	<b>-</b>	<b>-</b>	<b>-</b>
Recharged to Services	(388,784)	-	-	-
Central Support	48,278	-	-	-
Capital Charges	10,134	-	-	-
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3290 - INFORMATION SERVICES**

This budget includes all the costs of providing an information technology service to all users within the Council, which are then allocated to services.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	544,600	554,810	554,810	670,010
Supplies and Services	210,976	205,220	205,220	211,990
Transport Related Expenditure	-	400	400	400
<b>GROSS EXPENDITURE</b>	<b>755,576</b>	<b>760,430</b>	<b>760,430</b>	<b>882,400</b>
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>755,576</b>	<b>760,430</b>	<b>760,430</b>	<b>882,400</b>
Recharged to Services	(870,289)	(955,990)	(955,990)	(1,101,260)
Central Support	39,105	49,380	49,380	72,870
Capital Charges	75,609	146,180	146,180	145,990
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**KEY PERFORMANCE INDICATORS**

Number of PCs & Devices	430	430	430	430
Expenditure per PC & Device	£ 2,023.93	£ 2,223.23	£ 2,223.23	£ 2,561.07

**3291 - PROCUREMENT**

The costs associated with the core procurement service, involved in corporate procurement contracts such as stationery, photocopying, telephony and agency labour.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	47,047	98,370	98,370	108,170
Supplies and Services	1,618	1,500	1,500	1,690
Transport Related Expenditure	-	120	120	120
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>48,665</b>	<b>99,990</b>	<b>99,990</b>	<b>109,980</b>
Recharged to Services	(80,549)	(114,900)	(114,900)	(146,780)
Central Support	30,525	13,020	13,020	34,800
Capital Charges	1,359	1,890	1,890	2,000
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3292 - STAFF WELFARE**

Budget provision for clothing, optician charges, occupational health fees and subsistence.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	1,083	1,570	1,570	1,570
Supplies and Services	19,265	23,160	23,160	23,850
Transport Related Expenditure	204	2,000	2,000	2,000
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>20,552</b>	<b>26,730</b>	<b>26,730</b>	<b>27,420</b>
Recharged to Services	(21,277)	(27,750)	(27,750)	(28,600)
Central Support	725	1,020	1,020	1,180
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3300 to 3999 - TRANSPORT**

The costs of providing and maintaining the Council's transport fleet.

DESCRIPTION	ACTUALS 2021/2022	APPROVED BUDGET 2022/2023	REVISED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024
Employee Expenditure	154,122	152,270	148,770	163,730
Premises Related Expenditure	72	500	500	530
Supplies and Services	112,381	94,670	113,050	96,720
Transport Related Expenditure	480,066	601,270	639,040	678,730
Miscellaneous	2,000	-	500	-
Earmarked Reserves	18,490	-	-	-
<b>GROSS EXPENDITURE</b>	<b>767,131</b>	<b>848,710</b>	<b>901,860</b>	<b>939,710</b>
GROSS INCOME	(152)	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>766,979</b>	<b>848,710</b>	<b>901,860</b>	<b>939,710</b>
Recharged to Services	(822,809)	(908,770)	(961,920)	(1,015,780)
Departmental Support	20,657	25,610	25,610	30,320
Central Support	34,573	30,550	30,550	41,850
Capital Charges	600	3,900	3,900	3,900
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Risk Analysis

	<b>Likelihood</b>	<b>Potential impact on Budget</b>
Higher pay awards than included in the budget	Medium	High
Additional increase in pension contribution rates	Low	Low
Higher than anticipated rises in utility costs	Medium	Medium
Changes in legislation affecting service delivery and/or software requirements	Medium	Low
Above inflation increases in vehicle replacement and running costs	Medium	Medium
Increased insurance costs	Medium	Medium

## Agenda Item No 10

### Resources Board

30 January 2023

Report of the  
Corporate Director - Resources

General Fund Revenue Estimates  
2023/24 - Services Remaining  
within the Board

#### 1 Summary

- 1.1 This report covers the revised budget for 2022/23 and an estimate of expenditure for 2023/24, together with forward commitments for 2024/25, 2025/26 and 2026/27.

#### **Recommendation to the Board**

- a To accept the revised budget for 2022/23; and**
- b To accept or otherwise vary the Estimates of Expenditure for 2023/24, as submitted, for them to be included in the budget to be brought before the meeting of the Executive Board on 13 February 2023.**

#### 2 Introduction

- 2.1 In consultation with other Directors, the Corporate Director - Resources has prepared an estimate of net expenditure for 2023/24 and this, together with a revised budget for 2022/23, appears in Appendices A and B. To provide a more complete picture of the spending pattern of the service the actual figures for 2021/22 are shown.

- 2.2 At its meeting in October 2022, the Executive Board agreed the budget strategy for 2023-2027, which required savings of £2.55 million over a four-year period. This required budget savings of £1.9 million in 2023/24 with additional savings of £100,000 in 2024/25 and £550,000 in 2025/26. A savings target was not included for 2026/27 at that time. Some limited growth was built into the strategy in specific areas.

- 2.3 Directors were asked to identify areas where savings could be made, either by a reduction in expenditure or through the generation of additional income.

2.4 A subjective analysis of the Board's requirement is shown below:

	<b>Approved Budget 2022/23 £</b>	<b>Revised Budget 2022/23 £</b>	<b>Original Budget 2023/24 £</b>
Employee Costs	1,270,460	1,339,960	1,331,940
Premises	231,220	192,790	203,110
Supplies and Services	533,300	822,920	662,040
Transport	12,050	5,400	12,050
Transfer Payments	9,191,190	8,318,970	8,318,970
Miscellaneous Expenditure	259,360	260,790	278,960
Earmarked Reserves	(143,810)	(171,310)	(187,180)
<b>Gross Expenditure</b>	<b>11,353,770</b>	<b>10,769,520</b>	<b>10,619,890</b>
Income	(10,451,450)	(9,646,260)	(9,501,280)
<b>Net Controllable Expenditure</b>	<b>902,320</b>	<b>1,123,260</b>	<b>1,118,610</b>
Recharged to Other Services	(266,890)	(308,910)	(286,480)
Departmental Support	967,470	967,470	1,030,270
Central Support	905,490	922,290	1,138,340
Capital Charges	242,030	241,890	229,490
<b>Net Expenditure</b>	<b>2,750,420</b>	<b>2,946,000</b>	<b>3,230,230</b>

2.5 The Council values all of its assets using a five-year rolling programme, and this can affect the level of capital charges that are made to services and can subsequently significantly affect the net service cost. Therefore, changes in net service expenditure that are as a result of increases or decreases in capital charges are shown below net operating expenditure in the following pages.

### 3 **Comments on the 2022/23 Revised Budget**

3.1 The revised budget for 2022/23 is estimated to be £2,946,000; an increase of £195,580 on the approved position. The main variations are given below.

3.2 **Cost of Democratic Services** **(£5,530)**

3.2.1 Transport and travel costs have reduced as activity has been limited during the year. This has been offset slightly by a rise in members allowances.

3.3 **Council Tax Collection** **£115,220**

3.3.1 Debt recovery action was put on hold by the Authority due to the pandemic and therefore summons and liability orders were not issued. Recovery action has recommenced but there will be limited court action until other recovery routes have been fully used. As a result, income from the recovery of legal costs reduced. This has been slightly offset by savings due to lower spend on bailiffs and legal costs.

- 3.4 Finance Miscellaneous (€15,200)**
- 3.4.1 Some additional grant funding has been received towards the costs of benefits work and the issue of pavement licences.
- 3.5 Corporate and Democratic Core €124,250**
- 3.5.1 Legal costs of €120,490 were incurred in dealing with the oil protests earlier this year. In addition, there was an increase in the corporate subscription paid to the West Midlands Combined Authority.
- 3.6 The Pavilions Industrial Estate, Holly Lane (€8,360)**
- 3.6.1 There has been a small increase in costs, but this has been more than offset by rent reviews which have increased the expected income from the site.
- 3.7 Innage Park Industrial Estate €10,580**
- 3.7.1 The increase relates to a reduction in rent income of €8,900 as a result of revised occupancy levels. There are also some small increases on business rates, insurance and utility costs.
- 3.8 Homeless Persons (€2,210)**
- 3.8.1 Accommodation costs and business rates have increased, and there is a small reduction in rental income. However these have been more than offset by some additional grant received.
- 3.9 Rent Allowances €39,960**
- 3.9.1 The increase relates to the reduced recovery of rent allowance overpayments, as recovery was generally put on hold during the pandemic. Recovery work is underway, but only a part year's recovery has been undertaken.
- 3.10 Housing Benefit Administration & Rent Rebates €18,430**
- 3.10.1 The increase relates to the reduced recovery of housing benefit overpayments, as recovery was generally put on hold during the pandemic. Recovery work is underway, but only a part year's recovery has been undertaken.
- 3.11 Council Tax Support (€3,160)**
- 3.11.1 The improvement is due to some additional administration grant funding received.
- 3.12 Car Parks (€61,150)**
- 3.12.1 Expected increases in business rates as a result of the move to charging have not been needed, although an increase in the equipment budget has been required. This has reduced expenditure by €35,860. In addition, income is €25,290 higher than estimated.

**3.13 CCTV** **£4,860**

3.13.1 Employee costs have increased due to the pay award.

**4 Comments on the 2023/24 Estimates**

4.1 The 2023/24 estimates have been prepared, taking into account the following assumptions:

- A 4% pay award from 1 April 2023;
- Increases of 100% in electricity costs and 300% in gas costs, with increases on other premise costs between 3-5%;
- Inflationary increases of 3% in supplies and services; and
- An increase in income to reflect the increases included in the fees and charges report elsewhere on this agenda.

4.2 The estimated budget for 2023/24 is £3,230,230 an increase of £479,810 on the 2022/23 approved budget, and an increase of £284,230 on the revised 2022/23 budget. The main reasons for variations from the revised budget are set out below.

**4.3 Cost of Democratic Services** **£56,800**

4.3.1 Employee costs have increased by £30,970 due to changes in the Democratic Services team. Supplies and services and transport costs have increased as some budgets have been reinstated in anticipation of a resumption of normal activity. Member allowances have risen by more than the pay award as an additional allowance has been added for the Vice Chair of the Executive Board.

**4.4 Election Expenses** **£92,130**

4.4.1 Provision for the Borough elections in May 2023 has been included.

**4.5 Non-Domestic Rates** **(£24,720)**

4.5.1 NDR collection costs have improved with employee costs reducing by £23,900 as changes to allocations from the revenues team have led to more time being shown within departmental support. In addition, there has been a reinstatement of legal cost income to reflect a full years recovery action, offset by expenditure on legal costs and bailiffs.

**4.6 Council Tax Collection** **(£113,710)**

4.6.1 The improvement is due to the reinstatement of the legal fee income budget for a full years recovery action. This has been partly offset by the reinstatement of some associated expenditure budgets.

**4.7 Finance Miscellaneous** **£15,200**

4.7.1 The grant received in the revised budget is not expected to continue.

- 4.8 **Compensation and Pension Increases** **(£34,830)**
- 4.8.1 The Council makes an annual payment to the Warwickshire Pension Fund towards the pension deficit. Following the 2022 valuation, the annual contribution to be paid in 2023/24 is less than the contribution in 2022/23.
- 4.9 **Corporate and Democratic Core** **(£114,400)**
- 4.9.1 Legal costs relating to the oil protest have been removed.
- 4.10 **Coleshill Shops and Flats** **£69,440**
- 4.10.1 The sale of the shops and flats will remove the net income received by the Council. The reduction in borrowing costs to fund capital works previously identified is included elsewhere.
- 4.11 **The Pavilions Industrial Estate, Holly Lane** **(£4,910)**
- 4.11.1 The improvement relates to additional rent income as a result of planned rent reviews.
- 4.12 **Innage Park Industrial Estate** **(£17,290)**
- 4.12.1 The improvement relates to additional rent income as a result of planned rent reviews and a reduction in contribution to the Building Maintenance Fund. However potential increases in the lease costs for Phase 2 of the estate have not built into the figures.
- 4.13 **Homeless Persons** **£20,460**
- 4.13.1 The increase reflects the additional staff cost of £11,480 allocated to homeless activities due to the pay award, with the balance due to inflation, particularly utilities.
- 4.14 **Customer Contact** **(£33,860)**
- 4.14.1 The reduction relates to a change in the allocations of the Customer Services team, which are now all shown within Departmental Support.
- 4.15 **Rent Allowances** **(£24,960)**
- 4.15.1 The improvement is due to the reinstatement of income from the recovery of housing benefit overpayments for Rent Allowances and continued good performance on subsidy reimbursement.
- 4.16 **Housing Benefit Administration and Rent Rebates** **(£35,510)**
- 4.16.1 The improvement is due to the reinstatement of income from the recovery of housing benefit overpayments for Rent Rebates and continued good performance on subsidy reimbursement.

- 4.17 **Council Tax Support** **£159,710**
- 4.17.1 The increase in costs is due to a reallocation of staff time of £86,600 to council tax support and the removal of the administration grant from the service budget. Grant of £72,550 will be received in 2023/24 but has now been rolled into Revenue Support Grant.
- 4.18 **Car Parking** **£4,250**
- 4.18.1 A one-off reduction of £3,000 for promotional activities in 2022/23 has been reinstated, with inflation accounting for the remaining increase.
- 4.19 **CCTV** **(£22,470)**
- 4.19.1 The budget in 2023/24 now reflects the cost of the equipment to the Council, after the contribution from the Town Council has been deducted.
- 4.20 **Departmental and Central Support** **£278,850**
- 4.20.1 Departmental support has risen by £62,800 and central support by £216,050. These costs have increased due to pay awards, reallocation of staff time and as a result of the higher costs of the council house with utility increases included. In addition, there have been greater allocations to the corporate and democratic core budget.
- 5 **Income**
- 5.1 Changes in the levels of fees and charges for services under the responsibility of this Board are covered in another report on tonight's agenda. Income on fees and charges is expected to contribute to the achievement of income targets.
- 6 **Risks to Services**
- 6.1 The key risks to the budgetary position of the Council from services under the control of this Board are:
- Increases in homelessness, which adds to the cost of the service;
  - Increases in vacancies at industrial estates that will impact on the level of rental income the Council receives and the amount of business rates that the Council is liable for;
  - A higher level of maintenance on property assets and car parks, over and above that which is budgeted for. Some of this may be driven by changes in legislation;
  - An increase in the level of Local Authority error made in processing benefit payments could lead to a loss of subsidy;
  - The effect of planned Government changes in how benefits services are delivered and the structure of benefit payments;
  - A fall in the level of recovery of Housing Benefit overpayments would impact on the level of expenditure borne by the Council;
  - Above inflation increases to contracts and continued volatility in utility markets.
- 6.2 A risk analysis of the likelihood and impact of the risks identified above are included in Appendix C.

## 7 Future Year Forecasts

- 7.1 In order to assist with medium-term financial planning, Members are provided with budget forecasts for the three years following 2023/24. The table below provides a subjective summary for those services reporting to this Board:

	<b>Forecast Budget 2024/25 £</b>	<b>Forecast Budget 2025/26 £</b>	<b>Forecast Budget 2026/27 £</b>
Employee Costs	1,342,220	1,380,990	1,420,900
Premises	211,400	217,780	224,360
Supplies and Services	584,970	600,460	611,930
Transport	12,050	12,050	12,050
Transfer Payments	8,318,970	8,318,970	8,318,970
Miscellaneous	290,020	298,640	307,510
Earmarked Reserves	(194,020)	(199,180)	(204,500)
<b>Gross Expenditure</b>	<b>10,565,610</b>	<b>10,629,710</b>	<b>10,691,220</b>
Income	(9,498,000)	(9,522,630)	(9,537,260)
<b>Net Controllable Expenditure</b>	<b>1,067,610</b>	<b>1,107,080</b>	<b>1,153,960</b>
Recharged to Other Services	(302,510)	(308,530)	(317,010)
Departmental Support	1,071,290	1,100,000	1,129,570
Central Support	1,203,410	1,25,050	1,265,830
Capital Charges	229,490	229,490	229,490
<b>Net Expenditure</b>	<b>3,269,290</b>	<b>3,363,090</b>	<b>3,461,840</b>

- 7.2 The forecasts given above have used a number of assumptions, which include pay awards of 4% in 2024/25 and 3% in 2025/26 and 2026/27; increases in premises costs by 3-5%, increases in contracts and general increases in supplies and services of 3% in 2024/25 and 2% increase in 2025/26 and 2026/27. In total, net expenditure is expected to increase by 1.2% in 2024/25, 2.9% in 2025/26, and 2.9% in 2026/27. The removal of election costs in 2024/25 has reduced the overall increase.
- 7.3 These forecasts are built up using current corporate and service plans. Where additional resources have already been approved, these are also included. However, these forecasts will be amended to reflect any amendments to the estimates, including decisions taken on any further corporate or service targets.

## 8 Report Implications

### 8.1 Finance and Value for Money Implications

- 8.1.1 As detailed in the body of the report.

### 8.2 Environment and Sustainability Implications

- 8.2.1 Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of essential services.

### 8.3 Risk Management Implications

8.3.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

The Contact Officer for this report is Nigel Lane (719371).

#### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
RESOURCES BOARD (REMAINING)  
SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2021/2022 £</b>	<b>Approved Budget 2022/2023 £</b>	<b>Revised Budget 2022/2023 £</b>	<b>Original Budget 2023/2024 £</b>
3000	Cost of Democratic Services	364,878	369,760	364,230	421,030
3001	Election Expenses	7,880	5,620	7,990	100,120
3002	Registration of Electors	31,296	28,000	28,000	28,620
3003	Non Domestic Business Rates	954	(32,770)	(31,350)	(56,070)
3004	Council Tax Collection	264,571	87,080	202,300	88,590
3050	Finance Miscellaneous	(638,363)	-	(15,200)	-
3051	Compensation and Pension Increases	335,174	345,000	344,100	309,270
3052	Assisted Car Purchase	(289)	(180)	(180)	(120)
3054	Electricity at Work	24,491	19,300	19,300	20,270
3059	Finance Unused Land	3,592	790	790	1,210
3060	Corporate and Democratic Core	161,801	78,730	202,980	88,580
3061	Unallocated Central Support Services	(508)	120,610	120,470	122,110
3065	Coleshill Shops and Flats	(66,664)	(70,700)	(69,440)	-
3067	The Pavilions, Holly Lane	(68,300)	(80,360)	(88,720)	(93,630)
3068	Carlyon Road Industrial Estate	(130,227)	(130,170)	(131,150)	(131,300)
3069	Innage Park Industrial Estate	(218,323)	(226,290)	(215,710)	(233,000)
3079	Maya Bar & Restaurant	(17,046)	(18,830)	(18,750)	(18,880)
3080	Football Stadium	475	-	1,120	-
3084	Homeless Persons	88,436	77,050	74,840	95,300
3085	Meadow House Young People Support	(14,677)	-	-	-
3086	Homeless Project Watling Street Dordon	-	-	-	-
3089	Public Conveniences	40,678	2,580	1,600	-
3094	Customer Contact	39,659	35,540	35,540	1,680
3097	Rent Allowances	99,027	7,760	47,720	22,760
3098	Housing Benefit Administration and Rent Rebates	(23,268)	46,740	65,170	29,660
3101	Council Tax Support	31,088	61,140	57,980	217,690
3102	Car Parks	76,773	117,070	55,920	60,170
5008	Private Sector Housing Assistance	27,616	37,180	37,180	40,490
5035	CCTV	6,971	21,670	26,530	4,060
5036	Community Support	177,775	-	-	-
72**	Covid	22,643	-	-	-
	<b>Net Controllable Expenditure</b>	<b>628,113</b>	<b>902,320</b>	<b>1,123,260</b>	<b>1,118,610</b>
	<b>Recharged to Services</b>	<b>(271,520)</b>	<b>(266,890)</b>	<b>(308,910)</b>	<b>(286,480)</b>
	<b>Departmental Support</b>	<b>916,459</b>	<b>967,470</b>	<b>967,470</b>	<b>1,030,270</b>
	<b>Central Support</b>	<b>1,150,970</b>	<b>905,490</b>	<b>922,290</b>	<b>1,138,340</b>
	<b>Capital</b>	<b>208,368</b>	<b>242,030</b>	<b>241,890</b>	<b>229,490</b>
	<b>Resources Board (Remaining) Total</b>	<b>2,632,390</b>	<b>2,750,420</b>	<b>2,946,000</b>	<b>3,230,230</b>

**3000 - COST OF DEMOCRATIC SERVICES**

This budget represents the costs of members allowances and expenses along with officer time spent providing advice and support to councillors.

DESCRIPTION	ACTUALS	APPROVED	REVISED	ORIGINAL
	2021/2022	BUDGET 2022/2023	BUDGET 2022/2023	BUDGET 2023/2024
Employee Expenditure	107,522	83,370	83,500	114,470
Premises Related Expenditure	-	400	-	420
Supplies and Services	13,018	15,580	15,540	16,130
Transport Related Expenditure	50	12,050	5,400	12,050
Members Allowances	244,288	258,360	259,790	277,960
<b>GROSS EXPENDITURE</b>	<b>364,878</b>	<b>369,760</b>	<b>364,230</b>	<b>421,030</b>
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>364,878</b>	<b>369,760</b>	<b>364,230</b>	<b>421,030</b>
Recharged to Services	(75,590)	(69,230)	(80,650)	(85,350)
Central Support	177,432	176,940	176,940	230,650
Capital Charges	23,437	19,290	19,290	19,230
<b>NET EXPENDITURE</b>	<b>490,157</b>	<b>496,760</b>	<b>479,810</b>	<b>585,560</b>

**Contributes to corporate priorities :**

- Responsible financial and resource management
- Creating safer communities
- Protecting our countryside and heritage
- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities
- Supporting employment and business

**3001 - ELECTION EXPENSES**

The Council is responsible for the proper staging of elections at a local & national level held within its area. The costs of the various elections are reimbursed by the bodies to whom they relate. Borough Council elections take place ever four years with the next being due in May 2023.

DESCRIPTION	ACTUALS	APPROVED	REVISED	ORIGINAL
	2021/2022	BUDGET 2022/2023	BUDGET 2022/2023	BUDGET 2023/2024
Employee Expenditure	2,250	-	-	-
Supplies and Services	5,630	5,620	7,990	100,120
<b>GROSS EXPENDITURE</b>	<b>7,880</b>	<b>5,620</b>	<b>7,990</b>	<b>100,120</b>
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>7,880</b>	<b>5,620</b>	<b>7,990</b>	<b>100,120</b>
Departmental Support	10,498	10,620	10,620	13,000
Central Support	6,594	6,180	6,180	6,230
<b>NET EXPENDITURE</b>	<b>24,972</b>	<b>22,420</b>	<b>24,790</b>	<b>119,350</b>

**Contributes to corporate priority :**

- Promoting sustainable and vibrant communities

<b>3002 - REGISTRATION OF ELECTORS</b>				
This budget shows the cost of maintaining an up-to-date register of electors. There is a statutory duty to ensure that all proper steps are taken to maintain a register of those persons eligible to vote at elections.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	5,547	1,570	1,570	1,570
Supplies and Services	33,021	39,260	40,390	41,690
Transport	81	-	-	-
Earmarked Reserves	(5,951)	(11,250)	(12,380)	(13,000)
<b>GROSS EXPENDITURE</b>	<b>32,697</b>	<b>29,580</b>	<b>29,580</b>	<b>30,260</b>
GROSS INCOME	(1,401)	(1,580)	(1,580)	(1,640)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>31,296</b>	<b>28,000</b>	<b>28,000</b>	<b>28,620</b>
Departmental Support	25,806	29,660	29,660	40,600
Central Support	3,100	10,570	10,570	5,700
Capital Charges	-	3,300	3,300	3,300
<b>NET EXPENDITURE</b>	<b>60,203</b>	<b>71,530</b>	<b>71,530</b>	<b>78,220</b>
<b>Contributes to corporate priorities :</b>				
<b>- Promoting sustainable and vibrant communities</b>				
<b>KEY PERFORMANCE INDICATORS</b>				
Number of registered electors	49,503	49,761	49,309	50,100
Cost per registered elector	£1.22	£1.44	£1.45	£1.56

<b>3003 - NON DOMESTIC BUSINESS RATES</b>				
The Borough Council collects non domestic rates from businesses in its area, pays 50% to the government and 10% to the County Council. From the Borough share of 40%, we pay a tariff which goes to top up other LA's who don't collect enough rates. We can keep a proportion of any rates collected above a baseline funding level. The rateable value of non-domestic property is fixed in most cases by an independent valuation officer. All non-domestic property is revalued every five years. The Council is a member of the Coventry and Warwickshire Business Rate Pool.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	95,572	65,910	65,910	42,010
Supplies and Services	38,735	17,570	14,780	18,170
Earmarked Reserves	(12,500)	-	-	-
<b>GROSS EXPENDITURE</b>	<b>121,807</b>	<b>83,480</b>	<b>80,690</b>	<b>60,180</b>
GROSS INCOME	(120,853)	(116,250)	(112,040)	(116,250)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>954</b>	<b>(32,770)</b>	<b>(31,350)</b>	<b>(56,070)</b>
Departmental Support	87,781	90,990	90,990	128,470
Central Support	30,290	14,100	14,100	14,730
Capital Charges	5,376	6,630	6,630	6,630
<b>NET EXPENDITURE</b>	<b>124,401</b>	<b>78,950</b>	<b>80,370</b>	<b>93,760</b>
<b>Contributes to corporate priority :</b>				
<b>- Responsible financial and resource management</b>				
<b>KEY PERFORMANCE INDICATORS</b>				
Business Rate Collection Rate	97.55%	99.00%	99.00%	99.00%
Number of NDR properties	2,433	2,416	2,446	2,473
Cost per NDR property	£51.13	£32.68	£32.86	£37.91

**3004 - COUNCIL TAX COLLECTION**

The Council is responsible for levying and collecting the council tax from taxpayers within its area on behalf of not only itself but also Warwickshire County Council, the Police Authority and parish councils. The council tax is the only major source of revenue for local authorities which is determined locally. The tax is levied on the basis of the valuation of the property.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	218,702	182,010	182,010	182,220
Supplies and Services	45,869	40,200	32,290	41,500
<b>GROSS EXPENDITURE</b>	<b>264,571</b>	<b>222,210</b>	<b>214,300</b>	<b>223,720</b>
GROSS INCOME	-	(135,130)	(12,000)	(135,130)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>264,571</b>	<b>87,080</b>	<b>202,300</b>	<b>88,590</b>
Departmental Support	183,246	208,650	208,650	216,600
Central Support	43,152	24,030	24,030	12,720
Capital Charges	10,507	13,250	13,250	13,250
<b>NET EXPENDITURE</b>	<b>501,476</b>	<b>333,010</b>	<b>448,230</b>	<b>331,160</b>

**Contributes to corporate priority :**  
**- Responsible financial and resource management**

**KEY PERFORMANCE INDICATORS**

Council Tax Collection Rate	95.21%	98.20%	98.00%	98.00%
Number of households	29,208	29,127	29,476	29,637
Cost per household	£17.17	£11.43	£15.21	£11.17

**3050 - FINANCE MISCELLANEOUS**

Some items of income and expenditure do not relate to a specific service and are recorded here.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	124	-	-	-
Supplies and Services	24	-	-	-
Miscellaneous Expenditure	(1,256)	-	-	-
Earmarked Reserves	110,047	-	-	-
<b>GROSS EXPENDITURE</b>	<b>108,939</b>	<b>-</b>	<b>-</b>	<b>-</b>
GROSS INCOME	(747,302)	-	(15,200)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(638,363)</b>	<b>-</b>	<b>(15,200)</b>	<b>-</b>
Central Support	443	510	510	580
<b>NET EXPENDITURE</b>	<b>(637,920)</b>	<b>510</b>	<b>(14,690)</b>	<b>580</b>

<b>3051 - COMPENSATION AND PENSION INCREASES</b>				
Additional contributions made to Warwickshire County Council in respect of the superannuation scheme.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	335,174	345,000	344,100	309,270
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>335,174</b>	<b>345,000</b>	<b>344,100</b>	<b>309,270</b>
Recharged to Services	(70,140)	(71,870)	(87,160)	(74,620)
Central Support	846	1,150	1,150	1,270
<b>NET EXPENDITURE</b>	<b>265,880</b>	<b>274,280</b>	<b>258,090</b>	<b>235,920</b>
<b>Contributes to corporate priority :</b>				
<b>- Responsible financial and resource management</b>				

<b>3052 - ASSISTED CAR PURCHASE</b>				
Interest paid by staff on car loans they have received.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	65	-	-	-
<b>GROSS EXPENDITURE</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>-</b>
GROSS INCOME	(354)	(180)	(180)	(120)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(289)</b>	<b>(180)</b>	<b>(180)</b>	<b>(120)</b>
Central Support	379	510	510	640
<b>NET EXPENDITURE</b>	<b>90</b>	<b>330</b>	<b>330</b>	<b>520</b>

<b>3054 - ELECTRICITY AT WORK</b>				
To carry out testing of all electrical appliances in public buildings.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	5,311	-	-	-
Premises Related Expenditure	19,180	19,300	19,300	20,270
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>24,491</b>	<b>19,300</b>	<b>19,300</b>	<b>20,270</b>
Departmental Support	5,043	4,770	4,770	7,520
Central Support	552	800	800	970
<b>NET EXPENDITURE</b>	<b>30,086</b>	<b>24,870</b>	<b>24,870</b>	<b>28,760</b>
<b>Contributes to corporate priority :</b>				
<b>- Responsible financial and resource management</b>				

<b>3059 - FINANCE UNUSED LAND</b>				
Any unallocated income or expenditure related to unused land owned by the Council.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	44	-	-	-
Premises Related Expenditure	1,549	790	790	1,210
Supplies and Services	2,000	-	-	-
<b>GROSS EXPENDITURE</b>	<b>3,592</b>	<b>790</b>	<b>790</b>	<b>1,210</b>
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>3,592</b>	<b>790</b>	<b>790</b>	<b>1,210</b>
Central Support	298	380	380	460
<b>NET EXPENDITURE</b>	<b>3,891</b>	<b>1,170</b>	<b>1,170</b>	<b>1,670</b>
<b>Contributes to corporate priority :</b>				
<b>- Responsible financial and resource management</b>				

<b>3060 - CORPORATE AND DEMOCRATIC CORE</b>				
<p>Corporate management primarily relates to officer time which provides the infrastructure of the Council, therefore allowing services to be provided. More specifically these include the functions of the Chief Executive, maintaining statutory registers, providing non-service specific information and dealing with government returns. Additionally it includes preparing the statement of accounts and the management of corporate resources, along with external audit fees and bank charges.</p>				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	91,916	-	-	-
Supplies and Services	76,314	78,730	202,980	88,580
<b>GROSS EXPENDITURE</b>	<b>168,231</b>	<b>78,730</b>	<b>202,980</b>	<b>88,580</b>
GROSS INCOME	(6,430)	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>161,801</b>	<b>78,730</b>	<b>202,980</b>	<b>88,580</b>
Recharged to Services	(125,790)	(125,790)	(141,100)	(126,510)
Central Support	796,848	566,530	591,880	712,450
Capital Charges	13,056	13,290	13,150	13,680
<b>NET EXPENDITURE</b>	<b>845,915</b>	<b>532,760</b>	<b>666,910</b>	<b>688,200</b>
<p><b>Contributes to corporate priority :</b>  <b>- Responsible financial and resource management</b></p>				

<b>3061 - UNALLOCATED CENTRAL SUPPORT SERVICES</b>				
<p>Some central support expenditure is allocated here until recharged to services, this includes training, recruitment and staff welfare. In addition central support expenditure that relates to no specific services is recharged to this budget.</p>				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	(508)	146,180	146,040	147,680
Supplies and Services	-	-	-	-
Income	-	(25,570)	(25,570)	(25,570)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(508)</b>	<b>120,610</b>	<b>120,470</b>	<b>122,110</b>
Central Support	5,806	33,040	24,490	63,230
Capital Charges	-	50	50	-
<b>NET EXPENDITURE</b>	<b>5,298</b>	<b>153,700</b>	<b>145,010</b>	<b>185,340</b>

**3065 - COLESHILL SHOPS AND FLATS**

This budget relates to 7 shops and 5 flats located in High Street Coleshill (2 of the flats are occupied as Housing Revenue Account properties). They form an integral part of a conservation and redevelopment scheme in High Street/Church Hill which was carried out some years ago.

DESCRIPTION	ACTUALS 2021/2022	APPROVED BUDGET 2022/2023	REVISED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024
Employee Expenditure	371	-	-	-
Premises Related Expenditure	3,568	3,690	3,810	-
<b>GROSS EXPENDITURE</b>	<b>3,939</b>	<b>3,690</b>	<b>3,810</b>	<b>-</b>
GROSS INCOME	(70,603)	(74,390)	(73,250)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(66,664)</b>	<b>(70,700)</b>	<b>(69,440)</b>	<b>-</b>
Central Support	3,418	4,680	4,680	-
<b>NET EXPENDITURE</b>	<b>(63,246)</b>	<b>(66,020)</b>	<b>(64,760)</b>	<b>-</b>

**Contributes to corporate priority :**

- Responsible financial and resource management
- Supporting employment and business

**KEY PERFORMANCE INDICATORS**

Occupancy rate	100%	100%	100%	0%
Number of shops	7	7	7	0
Annual income per shop	-£10,086	-£10,627	-£10,464	£0

<b>3067 - THE PAVILIONS, HOLLY LANE</b>				
These 8 industrial units were constructed by the Council to provide local employment opportunities.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	450	-	-	-
Premises Related Expenditure	3,124	2,970	4,110	3,490
Supplies and Services	390	390	390	400
<b>GROSS EXPENDITURE</b>	<b>3,964</b>	<b>3,360</b>	<b>4,500</b>	<b>3,890</b>
GROSS INCOME	(72,265)	(83,720)	(93,220)	(97,520)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(68,300)</b>	<b>(80,360)</b>	<b>(88,720)</b>	<b>(93,630)</b>
Central Support	3,631	4,440	4,440	9,890
<b>NET EXPENDITURE</b>	<b>(64,669)</b>	<b>(75,920)</b>	<b>(84,280)</b>	<b>(83,740)</b>
<b>Contributes to corporate priority :</b>				
- Responsible financial and resource management				
- Supporting employment and business				
<b>KEY PERFORMANCE INDICATORS</b>				
Occupancy rate	100%	100%	100%	100%
Number of units	8	8	8	8
Annual income per unit	(£9,033)	(£10,465)	(£11,653)	(£12,190)

<b>3068 - CARLYON ROAD INDUSTRIAL ESTATE</b>				
This budget relates to 8 small industrial units plus a further 8 plots of industrial land let on a long lease.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	364	-	-	-
Premises Related Expenditure	6,723	6,790	7,080	7,690
Supplies and Services	110	110	110	110
<b>GROSS EXPENDITURE</b>	<b>7,198</b>	<b>6,900</b>	<b>7,190</b>	<b>7,800</b>
GROSS INCOME	(137,425)	(137,070)	(138,340)	(139,100)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(130,227)</b>	<b>(130,170)</b>	<b>(131,150)</b>	<b>(131,300)</b>
Central Support	4,258	4,870	4,870	10,490
<b>NET EXPENDITURE</b>	<b>(125,969)</b>	<b>(125,300)</b>	<b>(126,280)</b>	<b>(120,810)</b>
<b>Contributes to corporate priority :</b>				
- Responsible financial and resource management				
- Supporting employment and business				
<b>KEY PERFORMANCE INDICATORS</b>				
Occupancy rate	100%	100%	100%	100%
Number of units / plots	16	16	16	16
Annual income per unit / plot	(£8,589)	(£8,567)	(£8,646)	(£8,694)

<b>3069 - INNAGE PARK INDUSTRIAL ESTATE</b>				
This development covers 39 small industrial units plus 2 units which are used as offices.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	1,300	-	-	-
Premises Related Expenditure	27,854	28,600	30,280	22,650
Supplies and Services	590	590	590	610
<b>GROSS EXPENDITURE</b>	<b>29,744</b>	<b>29,190</b>	<b>30,870</b>	<b>23,260</b>
GROSS INCOME	(248,067)	(255,480)	(246,580)	(256,260)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(218,323)</b>	<b>(226,290)</b>	<b>(215,710)</b>	<b>(233,000)</b>
Central Support	15,183	17,540	17,540	20,070
Capital Charge	121,000	121,000	121,000	121,000
<b>NET EXPENDITURE</b>	<b>(82,140)</b>	<b>(87,750)</b>	<b>(77,170)</b>	<b>(91,930)</b>
<b>Contributes to corporate priority :</b>				
- Responsible financial and resource management				
- Supporting employment and business				
<b>KEY PERFORMANCE INDICATORS</b>				
Occupancy rate	95%	100%	98%	98%
Number of units and offices	41	41	41	41
Annual income per unit/office	(£6,050)	(£6,231)	(£6,014)	(£6,250)

<b>3079 - MAYA BAR AND RESTAURANT</b>				
A restaurant leased to a private operator and is situated adjacent to the Atherstone football stadium.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	90	-	-	-
Premises Related Expenditure	1,144	1,170	1,250	1,120
<b>GROSS EXPENDITURE</b>	<b>1,234</b>	<b>1,170</b>	<b>1,250</b>	<b>1,120</b>
GROSS INCOME	(18,280)	(20,000)	(20,000)	(20,000)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(17,046)</b>	<b>(18,830)</b>	<b>(18,750)</b>	<b>(18,880)</b>
Central Support	783	980	980	1,090
<b>NET EXPENDITURE</b>	<b>(16,263)</b>	<b>(17,850)</b>	<b>(17,770)</b>	<b>(17,790)</b>
<b>Contributes to corporate priority :</b>				
<b>- Responsible financial and resource management</b>				

<b>3080 - FOOTBALL STADIUM</b>				
The Football Stadium is leased to RRUBA Ltd on a full repairing and maintaining lease.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Premises	475	-	1,120	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>475</b>	<b>-</b>	<b>1,120</b>	<b>-</b>
<b>NET EXPENDITURE</b>	<b>475</b>	<b>-</b>	<b>1,120</b>	<b>-</b>
<b>Contributes to corporate priority :</b>				
<b>- Improving leisure and wellbeing opportunities</b>				

<b>3084 - HOMELESS PERSONS</b>				
The Council has a duty to provide a service for homeless applicants. It includes an out of hours service and extends in some cases, to the provision of temporary accommodation.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	97,953	85,000	85,000	96,480
Premises Related Expenditure	19,741	19,330	20,300	31,760
Supplies and Services	144,744	66,550	106,870	68,600
Transport Related Expenditure	66	-	-	-
Miscellaneous Expenditure	1,677	-	-	-
Earmarked Reserves	89,711	(84,690)	(129,090)	(92,970)
<b>GROSS EXPENDITURE</b>	<b>353,892</b>	<b>86,190</b>	<b>83,080</b>	<b>103,870</b>
GROSS INCOME	(265,456)	(9,140)	(8,240)	(8,570)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>88,436</b>	<b>77,050</b>	<b>74,840</b>	<b>95,300</b>
Departmental Support	38,483	44,290	44,290	43,790
Central Support	6,735	7,280	7,280	8,610
Capital Charges	1,699	1,090	1,090	1,090
<b>NET EXPENDITURE</b>	<b>135,353</b>	<b>129,710</b>	<b>127,500</b>	<b>148,790</b>
<b>Contributes to corporate priorities :</b>				
- Improving leisure and wellbeing opportunities				
- Promoting sustainable and vibrant communities				

<b>3089 - PUBLIC CONVENIENCES</b>				
From April 2022, the public conveniences in Atherstone will be closed.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	17,979	110	110	-
Premises Related Expenditure	2,641	950	1,290	-
Supplies and Services	490	1,520	200	-
Earmarked Reserves	19,532	-	-	-
<b>GROSS EXPENDITURE</b>	<b>40,643</b>	<b>2,580</b>	<b>1,600</b>	<b>-</b>
GROSS INCOME	35	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>40,678</b>	<b>2,580</b>	<b>1,600</b>	<b>-</b>
Departmental Support	7,335	6,950	6,950	-
Central Support	1,834	2,030	2,030	-
Capital Charges	1,739	12,820	12,820	-
<b>NET EXPENDITURE</b>	<b>51,586</b>	<b>24,380</b>	<b>23,400</b>	<b>-</b>
<b>Contributes to corporate priorities :</b>				
- Improving leisure and wellbeing opportunities				

<b>3085 - MEADOW HOUSE YOUNG PEOPLE SUPPORT</b>				
The scheme has six self contained, furnished flats and provides supported accomodation to young parents.				
<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Premises Related Expenditure	568	-	-	-
Supplies and Services	15,006	-	-	-
Earmarked Reserves	571	-	-	-
<b>GROSS EXPENDITURE</b>	<b>16,144</b>	<b>-</b>	<b>-</b>	<b>-</b>
GROSS INCOME	(30,820)	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(14,677)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET EXPENDITURE</b>	<b>(14,677)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contributes to corporate priorities :</b>				
<b>- Improving leisure and wellbeing opportunities</b>				
<b>- Promoting sustainable and vibrant communities</b>				

<b>3086 - HOMELESS PROJECT WATLING STREET DORDON</b>				
The scheme provides support to single men, veterans and ex-offenders to prevent homelessness.				
<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	-	-	-	-
Premises Related Expenditure	4,892	4,430	5,140	12,420
Supplies and Services	63,126	57,590	42,690	72,300
Transport Related Expenditure	-	-	-	-
Earmarked Reserves	(51,778)	(47,870)	(29,840)	(81,210)
<b>GROSS EXPENDITURE</b>	<b>16,240</b>	<b>14,150</b>	<b>17,990</b>	<b>3,510</b>
GROSS INCOME	(16,240)	(14,150)	(17,990)	(3,510)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contributes to corporate priorities :</b>				
<b>- Improving leisure and wellbeing opportunities</b>				
<b>- Promoting sustainable and vibrant communities</b>				

<b>3094 - CUSTOMER CONTACT</b>				
To provide a single point of contact for the public for all Council services.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	39,659	35,190	35,190	1,320
Supplies and Services	-	350	350	360
<b>GROSS EXPENDITURE</b>	<b>39,659</b>	<b>35,540</b>	<b>35,540</b>	<b>1,680</b>
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>39,659</b>	<b>35,540</b>	<b>35,540</b>	<b>1,680</b>
Departmental Support	79,028	25,340	25,340	45,230
Central Support	2,193	1,440	1,440	1,760
<b>NET EXPENDITURE</b>	<b>120,881</b>	<b>62,320</b>	<b>62,320</b>	<b>48,670</b>
<b>Contributes to corporate priorities :</b>				
<b>- Promoting sustainable and vibrant communities</b>				

<b>3097 - RENT ALLOWANCES</b>				
Rent allowances are payable to tenants in accommodation other than provided by the Borough Council. These are largely reimbursed by the Department for Work and Pensions.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	102,703	84,250	84,250	99,290
Supplies and Services	14,487	75,910	75,910	75,910
Transfer Payments	4,744,576	4,742,780	4,380,370	4,380,370
<b>GROSS EXPENDITURE</b>	<b>4,861,766</b>	<b>4,902,940</b>	<b>4,540,530</b>	<b>4,555,570</b>
GROSS INCOME	(4,762,739)	(4,895,180)	(4,492,810)	(4,532,810)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>99,027</b>	<b>7,760</b>	<b>47,720</b>	<b>22,760</b>
Departmental Support	105,349	124,920	124,920	122,170
Central Support	7,167	6,900	6,900	2,410
Capital Charges	2,688	2,900	2,900	2,900
<b>NET EXPENDITURE</b>	<b>214,231</b>	<b>142,480</b>	<b>182,440</b>	<b>150,240</b>
<b>Contributes to corporate priority :</b>				
<b>- Promoting sustainable and vibrant communities</b>				
<b>KEY PERFORMANCE INDICATORS</b>				
Number of claimants	1,015	1,020	1,586	1,500
Rent Allowance per claimant	£4,674.46	£4,649.78	£2,761.90	£2,920.25
Cost of administration per claimant	£211.06	£139.69	£115.03	£100.16

<b>3098 - HOUSING BENEFIT ADMINISTRATION AND RENT REBATES</b>				
This budget includes expenditure and income relating to rent rebates given to council tenants.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	88,640	71,330	71,330	91,650
Supplies and Services	5,897	40,820	40,820	40,990
Transfer Payments	4,065,061	4,448,410	3,938,600	3,938,600
<b>GROSS EXPENDITURE</b>	<b>4,159,599</b>	<b>4,560,560</b>	<b>4,050,750</b>	<b>4,071,240</b>
GROSS INCOME	(4,182,866)	(4,513,820)	(3,985,580)	(4,041,580)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(23,267)</b>	<b>46,740</b>	<b>65,170</b>	<b>29,660</b>
Departmental Support	94,112	115,980	115,980	122,520
Central Support	7,674	8,330	8,330	3,960
Capital Charges	1,466	1,720	1,720	1,720
<b>NET EXPENDITURE</b>	<b>79,985</b>	<b>172,770</b>	<b>191,200</b>	<b>157,860</b>
<b>Contributes to corporate priority :</b>				
<b>- Promoting sustainable and vibrant communities</b>				
<b>KEY PERFORMANCE INDICATORS</b>				
Number of claimants	1,138	900	965	1,000
Housing benefit per claimant	£3,572.11	£4,942.68	£4,081.45	£3,938.60
Cost of administration per claimant	£70.29	£191.97	£198.13	£157.86

<b>3101 - COUNCIL TAX SUPPORT</b>				
Local authorities were responsible for administering the council tax benefit scheme for central government until March 2013. Since April 2013, a Council Tax Support Scheme has been operating, which directly reduces the funding of the Council. Only the Administration costs of the schemes are shown here.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	187,215	118,900	118,900	205,500
Supplies and Services	20,023	11,630	11,630	12,190
<b>GROSS EXPENDITURE</b>	<b>207,238</b>	<b>130,530</b>	<b>130,530</b>	<b>217,690</b>
GROSS INCOME	(176,150)	(69,390)	(72,550)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>31,088</b>	<b>61,140</b>	<b>57,980</b>	<b>217,690</b>
Departmental Support	130,844	169,690	169,690	146,590
Central Support	6,719	2,540	2,540	2,900
Capital Charges	4,398	2,820	2,820	2,820
<b>NET EXPENDITURE</b>	<b>173,049</b>	<b>236,190</b>	<b>233,030</b>	<b>370,000</b>
<b>Contributes to corporate priority :</b>				
<b>- Responsible financial and resource management</b>				
<b>KEY PERFORMANCE INDICATORS</b>				
Number of claimants	4,849	4,400	4,329	4,400
Cost of administration per claimant	£35.69	£53.68	£53.83	£84.09

**3102 - CAR PARKS**

The Council maintains car parks throughout the Borough. From February 2022 charges will be introduced, although the first 2 hours will remain free.

<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	16,403	-	200	-
Premises Related Expenditure	52,404	142,800	98,320	102,080
Supplies and Services	24,432	64,380	72,800	77,980
Miscellaneous Expenditure	-	1,000	1,000	1,000
<b>GROSS EXPENDITURE</b>	<b>93,239</b>	<b>208,180</b>	<b>172,320</b>	<b>181,060</b>
GROSS INCOME	(16,466)	(91,110)	(116,400)	(120,890)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>76,773</b>	<b>117,070</b>	<b>55,920</b>	<b>60,170</b>
Departmental Support	38,197	37,150	37,150	42,050
Central Support	10,525	5,830	5,830	21,540
Capital Charges	1,289	25,620	25,620	25,620
<b>NET EXPENDITURE</b>	<b>126,786</b>	<b>185,670</b>	<b>124,520</b>	<b>149,380</b>

**Contributes to corporate priority :**

**- Responsible financial and resource management**

<b>5008 - PRIVATE SECTOR HOUSING ASSISTANCE</b>				
The Council awards minor grants targeted at the elderly and those in need to prevent further more serious and costly deterioration of unfit privately owned properties in the Borough and for Disabled Facilities Grants The government funds disabled facilities grants up to a limit, with the Council having to contribute the full 100% towards other private sector grants including Home Energy Grants to tackle fuel poverty.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	58,014	37,170	60,080	40,480
Supplies and Services	25	10	150,010	10
<b>GROSS EXPENDITURE</b>	<b>58,039</b>	<b>37,180</b>	<b>210,090</b>	<b>40,490</b>
GROSS INCOME	(30,423)	-	(172,910)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>27,616</b>	<b>37,180</b>	<b>37,180</b>	<b>40,490</b>
Departmental Support	40,235	45,250	45,250	46,160
Central Support	5,260	3,410	3,410	5,410
<b>NET EXPENDITURE</b>	<b>73,111</b>	<b>85,840</b>	<b>85,840</b>	<b>92,060</b>
<b>Contributes to corporate priority :</b>				
- Promoting sustainable and vibrant communities				
- Creating safer communities				
- Improving leisure and wellbeing opportunities				

<b>5035 - CCTV</b>				
The provision of a Closed Circuit Television scheme in Atherstone in conjunction with the Town Council and Warwickshire Police Force.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	7,203	14,470	61,770	-
Supplies and Services	1,100	16,490	6,580	6,390
Earmarked Reserves	27,493	-	-	-
<b>GROSS EXPENDITURE</b>	<b>35,796</b>	<b>30,960</b>	<b>68,350</b>	<b>6,390</b>
GROSS INCOME	(28,825)	(9,290)	(41,820)	(2,330)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>6,971</b>	<b>21,670</b>	<b>26,530</b>	<b>4,060</b>
Departmental Support	45,782	53,210	53,210	55,570
Central Support	266	480	480	580
Capital Charges	18,591	18,250	18,250	18,250
<b>NET EXPENDITURE</b>	<b>71,610</b>	<b>93,610</b>	<b>98,470</b>	<b>78,460</b>
<b>Contributes to corporate priority :</b>				
- Creating safer communities				

<b>5036 - COMMUNITY SUPPORT</b>				
A 7 day, 24 hour emergency alarm system was operated by the Council until July 2021.				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Employee Expenditure	203,086	-	-	-
Premises Related Expenditure	202	-	-	-
Supplies and Services	15,009	-	-	-
Transport Related Expenditure	(3,807)	-	-	-
<b>GROSS EXPENDITURE</b>	<b>214,490</b>	<b>-</b>	<b>-</b>	<b>-</b>
GROSS INCOME	(36,715)	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>177,775</b>	<b>-</b>	<b>-</b>	<b>-</b>
Departmental Support	24,720	-	-	-
Central Support	9,584	-	-	-
Capital Charges	3,120	-	-	-
<b>NET EXPENDITURE</b>	<b>215,199</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contributes to corporate priorities :</b>				
- Creating safer communities				
- Improving leisure and wellbeing opportunities				
- Promoting sustainable and vibrant communities				

<b>7203, 7204, 7205 &amp; 7207 - COVID</b>				
This budget shows additional expenditure incurred due to Covid support to departments with PPE, cleaning materials, equipment, hardware, software upgrades, and management activities				
<b>DESCRIPTION</b>	<b>ACTUALS 2021/2022</b>	<b>APPROVED BUDGET 2022/2023</b>	<b>REVISED BUDGET 2022/2023</b>	<b>ORIGINAL BUDGET 2023/2024</b>
Supplies and Services	22,643	-	-	-
<b>GROSS EXPENDITURE</b>	<b>22,643</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>22,643</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET EXPENDITURE</b>	<b>22,643</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contributes to corporate priorities :</b>				
- Creating safer communities				
- Improving leisure and wellbeing opportunities				
- Promoting sustainable and vibrant communities				

## Risk Analysis

	<b>Likelihood</b>	<b>Potential impact on Budget</b>
Increase in vacancies at the industrial estates, if there is a delay in economic recovery from the Covid-19 pandemic	Medium	Medium
Higher level of maintenance at Council properties, including car parks	Medium	Medium
Increase in the level of Local Authority error made in processing benefit payments	Low	Medium
The effect of Government changes in how benefits are administered and delivered	Medium	High
A fall in the level of recovery of overpayments	Medium	Medium
Above inflation increases to contracts	Medium	Medium
Increases in homelessness which add to costs	Low	Medium

## Agenda Item No 11

### Resources Board

30 January 2023

#### Report of the Corporate Director - Resources

#### General Fund Revenue Estimates 2023/24 – Summary

## 1 Summary

- 1.1 This report covers the revised budget for 2022/23 and an estimate of expenditure for 2023/24, together with forward commitments for 2024/25, 2025/26 and 2026/27.

### Recommendation to the Board

That the following items be recommended to the Executive Board for consideration in setting the Council Tax of the Borough Council:

- a The revised budget for 2022/23; and
- b To approve the schedule of expenditure requirements totalling £9,936,110 for 2023/24.

## 2 Introduction

- 2.1 This report summarises Board budgets and looks at the overall expenditure requirements of the Council. It should be noted that the Executive Board and Planning and Development Board have yet to consider their spending requirements, so these figures could alter. In addition, further small variations could be made to these forecasts before the final version for approval at Executive Board, to reflect any further changes that may be needed as circumstances continue to evolve.

## 3 The Council's Budget Requirement

- 3.1 The Council's budget requirements are summarised below. Details of individual Board requirements are shown in Appendices A – E.

...

	<b>Approved Budget 2022/23</b>	<b>Revised Budget 2022/23</b>	<b>Original Estimate 2023/24</b>
Net Service Expenditure	9,708,370	10,644,170	11,862,530
Use of Earmarked Reserves	-	(955,000)	-
Financing Adjustment	(722,510)	(886,260)	(766,420)
Investment Interest Income	(200,000)	(400,000)	(1,000,000)
Investment Income - MRF	(123,000)	(115,000)	(160,000)
<b>Net Expenditure Requirement</b>	<b>8,662,860</b>	<b>8,287,910</b>	<b>9,936,110</b>

- 3.2 The financing adjustment brings together other external charges for the use of capital, offset by notional capital charges incorporated within the spending services accounts.

#### 4 **Capital Charges**

- 4.1 In providing services, the Council makes use of a wide range of assets, including buildings, vehicles and computer systems. Each service budget is charged with an amount that represents the cost to the Council of providing that asset, in the form of depreciation.

#### 5 **The Council's 2022/23 Estimated out-turn**

- 5.1 The Council's revised net expenditure requirement for 2022/23 amounts to £8,287,910 which is £374,950 less than the approved estimate. The major changes in Board expenditure are set out below.

- 5.2 Refuse and recycling costs have increased significantly, with the main areas of change being employees and supplies and services. Employee costs have increased by £312,580 due to the increased pay award and a structural review undertaken in response to recruitment and retention difficulties. In addition, the use of agency staffing to cover staff absences and additional rounds exceeded vacancy savings within the service. Supplies and Services costs have increased by £143,330, largely due to further increases in the recycling disposal costs charged by external waste processing organisations.

£524,200

- 5.3 The cost of operating the leisure facilities has increased significantly as income has reduced by £161,040 as customers have not returned after the pandemic in the numbers anticipated. Premises costs have increased by £83,680, with £81,290 of this due to the increased costs on gas and electricity. In addition, employees costs have increased by £45,090 due to the higher than expected pay award and salary increments during the year. Supplies and Services costs have also increased by £21,770 due largely to increased costs relating to chemicals, software maintenance and licenses.

£303,900

- 5.4 Cesspool waste disposal costs have increased following changes to charging bands and the pricing structure operated by Severn Trent Water. In addition, income from cesspool collections has reduced as a result of a reduction in emptying's. This has been partly offset by reduced transport running costs and a saving on employee overtime.

£59,840

- 5.5 Reduced income from the recovery of legal costs was offset slightly by savings due to lower spend on bailiffs and legal costs. Reduced recovery of rent allowance and housing benefit overpayments increased the administration costs of benefits.

£173,610

- 5.6 Legal costs of £120,490 were incurred in dealing with the oil protests earlier this year. In addition, there was an increase in the corporate subscription paid to the West Midlands Combined Authority  
£124,250
- 5.7 Expected increases in business rates on car parks as a result of the move to charging have not been needed, although an increase in the equipment budget has been required. This has reduced expenditure by £35,860. In addition, car park income is £25,290 higher than estimated.  
(£61,150)
- 5.8 Following the adoption of the Local Plan, the work programme for future updates of the Local Development Framework have moved back, so the budget has been reduce to reflect the revisions.  
(£59,000)
- 5.9 There have been significant savings in year from vacancies, which have exceeded the vacancy factor included in the original budget.  
(£488,700)
- 5.10 The pay award for the year exceeded the amount included within the original budget.  
£377,970
- 5.11 An alternative method of financing will be recommended for refuse vehicle replacements and the borrowing included for work on the Shops and Flats at Coleshill is no longer needed. This has improved the financing adjustment as some borrowing included for 2022/23 has been removed.  
(£163,750)
- 5.12 Increases in the bank base rate during the year have led to improved interest rates available for investments, enabling additional investment income to be achieved.  
(£192,000)
- 5.13 The use of earmarked reserves approved by the Executive Board in October have been included in the revised budget.  
(£955,000)

## 6 The Council's 2023/24 Expenditure Requirement

- 6.1 The Council's net expenditure requirement for 2023/24 amounts to £9,936,110, which is £1,273,250 more than the approved estimate for 2022/23 and £1,648,200 more than the revised estimate. The main variations between the 2023/24 original budget and the 2022/23 revised budget are set out below.
- 6.2 The increase in Planning and Development is on Planning Control and relates to the reinstatement of professional fee budgets and pay awards. No increase in planning fees has been assumed.  
£126,010

- 6.3 The cost of refuse and recycling is expected to reduce as the additional agency costs for covering absences and vacancies due to recruitment difficulties in 2022/23 have been removed. In addition, disposal costs have reduced due to the move to the new Sherbourne facility when it becomes operational part way through the year.  
(£232,030)
- 6.4 The cost of running the leisure facilities has increased primarily due to the significant increase in utility costs of £400,780. In addition, employee costs have increased due to the pay award and associated costs and supplies and services costs have increased following the reinstatement of budgets for resaleable equipment and stock with the expectation of resuming some level of normal activity. These are partially offset by an increase in income of £40,350.  
£484,300
- 6.5 The costs attached to amenity cleaning, green space and grounds maintenance have increased by £85,050. These relate to pay awards and inflationary increases, with some of the additional costs relating to increases in utility costs at the pavilions.  
£85,050
- 6.6 The improvement in cost of council tax collection is due to the reinstatement of the legal fee income, offset by expenditure on legal costs and bailiffs. The expected improvement in recovery of benefit overpayments will reduce the cost of benefit administration.  
(£198,900)
- 6.7 Legal costs relating to the oil protest have been removed.  
(£120,490)
- 6.8 The sale of the shops and flats have reduced the net income received by the Council. The reduction in borrowing costs as capital work is no longer needed is included in the Asset Management Revenue Account.  
£69,440
- 6.9 The administration grant for Council Tax Support work will be received in 2023/24 but has now been rolled into the Revenue Support Grant, so is no longer shown in the service budget.  
£72,550
- 6.10 The Cost of Democratic Process budget has increased due to the reinstatement of some supplies and services and transport budgets in anticipation of some resumption of normal activity. In addition, election expenses have increased to cover the Borough Elections.  
£148,930
- 6.11 Support costs have increased, as provision has been made for those posts that were vacant in 2022/23, the payment of annual increments, and a pay award of 4%. The costs also include the increased accommodation charges.  
£662,380

6.12 The contingency has been increased to include some provision for an additional refuse round, the business rate increases which will impact on service budgets following the 2022 valuation and a small allowance for some additional costs in Information Services.

£189,310

6.13 A higher level of investment income is expected to be generated, as interest rates have increased and are expected to rise further. In addition, some additional investment will be received relating to the MRF. Although some of the increase is due to the HRA, the majority falls to the General Fund.

(£551,850)

6.14 The use of earmarked reserves agreed for 2022/23. has been taken out of the budget.

£955,000

## 7 Risks to the Council

7.1 The key risks to the overall budgetary position of the Council are highlighted below:

- A pay award of 4% has been assumed in preparing the budgets. Any settlement above or below this would affect the financial position of the Authority. A ½% variation would equate to £60,980.
- A vacancy factor has been included within the overall estimates. Should vacancies be less than expected, additional costs will be borne by the Authority.
- There are potential additional costs for the Council in carrying out its planning function. These relate to appeal costs and the potential loss of planning fees if the Council does not perform as required. In addition, any downturn in planning applications would impact on the fee income received.
- Council expenditure on housing benefit is significant, although the majority is recouped through grant. Any reduction in performance can lead to a loss of grant and/or increase in the non-recovery of overpayments. The continued transfer of housing benefit into the universal credit administered nationally could impact on council resources.
- A downturn in the current economic situation could have an impact on the industrial rent income that the Council can obtain. In addition, the NDR on vacant commercial properties will impact directly on the Council's costs.
- Legislation, as well as the economic situation, could also impact on other Council services such as Homelessness, with increased demand leading to additional expenditure.
- Further volatility in utility markets could add to service costs.

- Potential new duties, such as the weekly collection of food waste, could impact on the costs of the service, or require major service changes. Further reductions in income for recycling materials or increases in recycling disposal costs could add to the existing costs of the service.
- Limited budgetary provision is available for one off spending on areas such as public enquiries on planning, un-adopted roads and contaminated land issues.
- Deterioration of the Council's assets could require costly remedial action and could also impact on the ability of some services to generate income. Income generation could also be affected more widely by the current economic position. If leisure facility use does not recover as expected, there could be a significant impact on the income that the Council receives.

7.2 A risk analysis of the likelihood and impact of the risks identified above are included in Appendix F.

## 8 Future Years Forecasts

8.1 In order to assist with medium term financial planning, Members are provided with budget forecasts for the three years following 2023/24. The table below provides a summary:

	<b>Original Estimate 2024/25</b>	<b>Original Estimate 2025/26</b>	<b>Original Estimate 2026/27</b>
Net Service Expenditure	11,950,530	12,222,680	12,602,980
Financing Adjustment	(483,720)	(440,690)	(432,880)
Investment Interest Income	(823,000)	(644,000)	(620,000)
<b>Net Expenditure Requirement</b>	<b>10,643,810</b>	<b>11,137,990</b>	<b>11,550,100</b>

8.2 The forecasts given above have used a number of assumptions, which include pay awards of 4% in 2024/25 and 3% in 2025/26 and 2026/27, increases in premises of 3-5% each year, and contracts and general increases in supplies and services of 3% in 2024/25 and 2026/27. In total, net expenditure is expected to increase by 7.1% in 2024/25, 4.6% in 2025/26 and by 3.7% in 2026/27. These figures do not include any savings. Executive Board will need to decide on the level of savings required, when taking future financing decisions.

8.3 These forecasts are built up using current corporate and service plans. Where additional resources have already been approved, these are already included. However, these forecasts will be amended to reflect any amendments to the estimates, including any decisions taken on any further corporate or service targets.

## 9 Budget Consultation

9.1 Budget consultation will be carried out electronically for 2023/24, in place of a physical meeting for business ratepayers.

## 10 Report Implications

### 10.1 Finance and Value for Money Implications

10.1.1 As detailed in the body of the report.

### 10.2 Environment and Sustainability Implications

10.2.1 Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of essential services.

### 10.3 Risk Management Implications

10.3.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

### 10.4 Equality Implications

10.4.1 To ensure equality implications are identified and how they may affect different groups in the community equality assessments should be carried out when budgets are being assessed. This will ensure any negative impact is identified and revised as appropriate.

The Contact Officer for this report is Nigel Lane (719371).

## Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
COMMUNITY AND ENVIRONMENT BOARD  
SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Codes</b>	<b>Description</b>	<b>Actual 2021/2022 £</b>	<b>Approved Budget 2022/2023 £</b>	<b>Revised Budget 2022/2023 £</b>	<b>Original Budget 2023/2024 £</b>
3072	Polesworth Sport Centre	182,694	117,180	9,490	(3,390)
3073	Polesworth Gym Hub	43,357	-	197,340	228,330
3075	Coleshill Leisure Centre	356,579	285,450	327,610	417,680
3077	Atherstone Leisure Complex	492,977	341,640	518,680	852,180
3082-3	Memorial Hall	142,721	121,680	116,730	159,350
4002	Public Health (Commercial Pollution Control)	237,324	337,700	343,660	379,290
4003	Public Health (Domestic Pollution Control)	25,431	960	3,150	2,140
5000	Domestic Refuse Collection	865,971	688,490	866,570	818,190
5001	Streetscene Grounds Maintenance	63,573	21,240	62,450	40,950
5002	Trade Refuse Collection	(58,406)	(60,020)	(51,190)	(54,530)
5003	Cesspool Emptying	(7,706)	(57,670)	2,170	(20,190)
5004	Recycling	820,902	712,150	1,049,440	865,790
5005	Animal Control	32,935	10,290	12,910	12,690
5006	Abandoned Vehicles	2,804	2,240	3,950	3,470
5010	Amenity Cleaning	576,616	558,080	540,650	598,250
5013	Unadopted Roads	13,874	8,050	8,050	8,290
5014	Flooding And Land Drainage	3,706	-	-	-
5015	Street Furniture	3,576	1,380	1,900	1,440
5016	Atherstone Market	3,219	1,900	2,100	2,770
5019	Green Space Budget	410,105	448,060	455,210	504,160
5021	Public Health (Control of Disease) Act 1984 Burials	4,163	1,670	1,670	1,720
5023	Consultation	1,362	4,740	4,740	4,880
5025	Corporate Policy	57,213	49,190	49,190	20,110
5030	Rural Regeneration	23,819	37,980	37,980	42,450
5034	Landscape	10,982	10,780	11,110	11,440
5040	Marketing and Market Research	2,491	8,930	15,310	7,970
5044	Support to Voluntary Organisations	58,863	56,430	35,550	35,710
5055	Community Development Health Improvement	53,490	42,550	42,620	45,940
5056	Community Development Safer Communities	55,769	61,810	61,810	65,760
5064	QE - Artificial Grass Pitch	(5,740)	(10,610)	(10,610)	(11,590)
7361	England's Rural Heart LEADER Partnership	4,406	-	-	-
72**	Covid-19	77,214	-	-	-
<b>Sub Total</b>	<b>Net Controllable Expenditure</b>	<b>4,556,285</b>	<b>3,802,270</b>	<b>4,720,240</b>	<b>5,041,250</b>
<b>Sub Total</b>	<b>Departmental Support</b>	<b>586,260</b>	<b>702,590</b>	<b>702,590</b>	<b>847,930</b>
<b>Sub Total</b>	<b>Central Support</b>	<b>591,447</b>	<b>628,100</b>	<b>628,100</b>	<b>755,560</b>
<b>Sub Total</b>	<b>Capital</b>	<b>2,189,548</b>	<b>888,950</b>	<b>888,940</b>	<b>889,760</b>
<b>Sub Total</b>	<b>Net Expenditure</b>	<b>7,923,539</b>	<b>6,021,910</b>	<b>6,939,870</b>	<b>7,534,500</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
ALCOHOL AND GAMBLING LICENSING COMMITTEE  
SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2021/2022 £</b>	<b>Approved Budget 2022/2023 £</b>	<b>Revised Budget 2022/2023 £</b>	<b>Original Budget 2023/2024 £</b>
4000	Licensing Authority	(23,759)	(51,030)	(54,470)	(54,430)
4019	Gambling Act Authority	(8,094)	(9,660)	(8,380)	(9,080)
<b>Sub Total</b>	<b>Net Controllable Expenditure</b>	<b>(31,852)</b>	<b>(60,690)</b>	<b>(62,850)</b>	<b>(63,510)</b>
<b>Sub Total</b>	<b>Departmental Support</b>	<b>30,627</b>	<b>37,170</b>	<b>37,170</b>	<b>39,650</b>
<b>Sub Total</b>	<b>Central Support</b>	<b>15,984</b>	<b>4,070</b>	<b>4,070</b>	<b>6,170</b>
4000	Licensing Authority	-	-	-	-
4019	Gambling Act Authority	-	-	-	-
<b>Sub Total</b>	<b>Capital Charges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>Net Expenditure</b>	<b>14,759</b>	<b>(19,450)</b>	<b>(21,610)</b>	<b>(17,690)</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
LICENSING COMMITTEE (TAXI & GENERAL) SUMMARY  
SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2021/2022 £</b>	<b>Approved Budget 2022/2023 £</b>	<b>Revised Budget 2022/2023 £</b>	<b>Original Budget 2023/2024 £</b>
4001	Licences and Registration	(7,549)	(8,710)	(8,830)	(4,460)
4008	Hackney Carriages	(11,466)	(15,680)	(16,930)	(4,740)
<b>Sub Total</b>	<b>Net Controllable Expenditure</b>	<b>(19,015)</b>	<b>(24,390)</b>	<b>(25,760)</b>	<b>(9,200)</b>
<b>Sub Total</b>	<b>Departmental Support</b>	<b>15,747</b>	<b>62,690</b>	<b>62,690</b>	<b>64,860</b>
<b>Sub Total</b>	<b>Central Support</b>	<b>25,738</b>	<b>3,620</b>	<b>3,620</b>	<b>7,320</b>
4000	Licensing Authority	-	-	-	-
4001	Licences and Registration	-	-	-	-
4008	Hackney Carriages	-	-	-	-
4019	Gambling Act Authority	-	-	-	-
<b>Sub Total</b>	<b>Capital Charges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>Net Expenditure</b>	<b>37,600</b>	<b>41,920</b>	<b>40,550</b>	<b>62,980</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
RESOURCES BOARD (REMAINING)  
SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2021/2022 £</b>	<b>Approved Budget 2022/2023 £</b>	<b>Revised Budget 2022/2023 £</b>	<b>Original Budget 2023/2024 £</b>
3000	Cost of Democratic Services	364,878	369,760	364,230	421,030
3001	Election Expenses	7,880	5,620	7,990	100,120
3002	Registration of Electors	31,296	28,000	28,000	28,620
3003	Non Domestic Business Rates	954	(32,770)	(31,350)	(56,070)
3004	Council Tax Collection	264,571	87,080	202,300	88,590
3050	Finance Miscellaneous	(638,363)	-	(15,200)	-
3051	Compensation and Pension Increases	335,174	345,000	344,100	309,270
3052	Assisted Car Purchase	(289)	(180)	(180)	(120)
3054	Electricity at Work	24,491	19,300	19,300	20,270
3059	Finance Unused Land	3,592	790	790	1,210
3060	Corporate and Democratic Core	161,801	78,730	202,980	88,580
3061	Unallocated Central Support Services	(508)	120,610	120,470	122,110
3065	Coleshill Shops and Flats	(66,664)	(70,700)	(69,440)	-
3067	The Pavilions, Holly Lane	(68,300)	(80,360)	(88,720)	(93,630)
3068	Carlyon Road Industrial Estate	(130,227)	(130,170)	(131,150)	(131,300)
3069	Innage Park Industrial Estate	(218,323)	(226,290)	(215,710)	(233,000)
3079	Maya Bar & Restaurant	(17,046)	(18,830)	(18,750)	(18,880)
3080	Football Stadium	475	-	1,120	-
3084	Homeless Persons	88,436	77,050	74,840	95,300
3085	Meadow House Young People Support	(14,677)	-	-	-
3086	Homeless Project Watling Street Dordon	-	-	-	-
3089	Public Conveniences	40,678	2,580	1,600	-
3094	Customer Contact	39,659	35,540	35,540	1,680
3097	Rent Allowances	99,027	7,760	47,720	22,760
3098	Housing Benefit Administration and Rent Rebate	(23,268)	46,740	65,170	29,660
3101	Council Tax Support	31,088	61,140	57,980	217,690
3102	Car Parks	76,773	117,070	55,920	60,170
5008	Private Sector Housing Assistance	27,616	37,180	37,180	40,490
5035	CCTV	6,971	21,670	26,530	4,060
5036	Community Support	177,775	-	-	-
72**	Covid	22,643	-	-	-
	<b>Net Controllable Expenditure</b>	<b>628,113</b>	<b>902,320</b>	<b>1,123,260</b>	<b>1,118,610</b>
	<b>Recharged to Services</b>	<b>(271,520)</b>	<b>(266,890)</b>	<b>(308,910)</b>	<b>(286,480)</b>
	<b>Departmental Support</b>	<b>916,459</b>	<b>967,470</b>	<b>967,470</b>	<b>1,030,270</b>
	<b>Central Support</b>	<b>1,150,970</b>	<b>905,490</b>	<b>922,290</b>	<b>1,138,340</b>
	<b>Capital</b>	<b>208,368</b>	<b>242,030</b>	<b>241,890</b>	<b>229,490</b>
	<b>Resources Board (Remaining) Total</b>	<b>2,632,390</b>	<b>2,750,420</b>	<b>2,946,000</b>	<b>3,230,230</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
RESOURCES BOARD (RECHARGED)  
SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2021/2022 £</b>	<b>Approved Budget 2022/2023 £</b>	<b>Revised Budget 2022/2023 £</b>	<b>Original Budget 2023/2024 £</b>
Various	Chief Executive	211,248	226,620	226,620	243,330
Various	Corporate Director - Resources	909,723	1,092,930	1,092,930	1,181,000
Various	Chief Executive - Other Services	1,124,120	1,230,970	1,245,360	1,385,550
Various	Corporate Director Resources - Community Services	1,374,749	1,371,350	1,381,850	1,519,950
Various	Director of Housing	1,950,314	1,912,320	1,912,320	1,986,230
Various	Corporate Director Streetscape	838,172	1,053,530	1,053,530	1,130,610
Various	Director of Leisure and Community Development	404,844	596,780	596,780	633,580
3006-3039	Building Maintenance Fund	232,397	232,670	232,670	248,100
3040-3041	Council Offices	149,448	183,380	217,070	322,900
3043	Central Telephones	18,658	11,030	11,030	11,390
3045	Recruitment	28,370	25,200	25,200	25,950
3046	Printing and Stationery	54,514	42,040	42,040	30,190
3047	Training	9,432	84,250	84,250	84,510
3048	Depot and Stores	81,034	83,660	90,490	141,730
3110	Postal Services	35,696	55,060	55,060	30,000
3226	Central Services	330,372	-	-	-
3290	Information Services	755,576	760,430	760,430	882,400
3291	Procurement	48,665	99,990	99,990	109,980
3292	Staff Welfare	20,552	26,730	26,730	27,420
3300	Transport Management Account	766,979	848,710	901,860	939,710
	<b>Net Controllable Expenditure</b>	<b>9,344,863</b>	<b>9,937,650</b>	<b>10,056,210</b>	<b>10,934,530</b>
	<b>Recharged to Services</b>	<b>(11,000,991)</b>	<b>(11,918,620)</b>	<b>(11,984,160)</b>	<b>(13,146,490)</b>
	<b>Departmental Support</b>	<b>20,657</b>	<b>25,610</b>	<b>25,610</b>	<b>30,320</b>
	<b>Central Support</b>	<b>1,308,335</b>	<b>1,539,040</b>	<b>1,539,040</b>	<b>1,760,380</b>
	<b>Capital</b>	<b>325,911</b>	<b>416,320</b>	<b>416,320</b>	<b>421,260</b>
	<b>Resources Board (Recharged) Total</b>	<b>(1,225)</b>	<b>-</b>	<b>53,020</b>	<b>-</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
PLANNING AND DEVELOPMENT BOARD  
SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2021/2022 £</b>	<b>Approved Budget 2022/2023 £</b>	<b>Revised Budget 2022/2023 £</b>	<b>Original Budget 2023/2024 £</b>
4009	Planning Control	(51,273)	(61,680)	(87,240)	15,220
4010	Building Control	36,924	35,900	35,200	36,260
4012	Conservation and Built Heritage	52,009	44,580	44,580	48,150
4014	Local Land Charges	(62,735)	(45,080)	(30,140)	(43,500)
4018	Street Naming and Numbering	(51)	(5,830)	(5,830)	(6,160)
<b>Sub Total</b>	<b>Net Controllable Expenditure</b>	<b>(25,126)</b>	<b>(32,110)</b>	<b>(43,430)</b>	<b>49,970</b>
<b>Sub Total</b>	<b>Departmental Support</b>	<b>108,166</b>	<b>156,890</b>	<b>156,890</b>	<b>148,130</b>
<b>Sub Total</b>	<b>Central Support</b>	<b>154,748</b>	<b>127,400</b>	<b>127,400</b>	<b>145,090</b>
<b>Sub Total</b>	<b>Capital Charges</b>	<b>1,481</b>	<b>16,390</b>	<b>16,390</b>	<b>16,390</b>
<b>Total</b>	<b>Planning and Development Board Total</b>	<b>239,268</b>	<b>268,570</b>	<b>257,250</b>	<b>359,580</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
EXECUTIVE BOARD SUMMARY  
SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2021/22 £</b>	<b>Approved Budget 2022/2023 £</b>	<b>Revised Budget 2022/2023 £</b>	<b>Original Budget 2023/2024 £</b>
2000	Housing Strategic Service Review	5,296	-	-	-
2001	Outreach and Access to Services	55,630	2,300	2,300	-
2002	Corporate Communications	50,894	62,050	53,210	63,390
2003	Community Strategy	58,905	43,970	43,970	49,630
2007	Emergency Planning	7,720	6,160	3,050	6,260
2009	North Warwickshire Local Development Framework	224,505	276,560	217,560	288,410
5050	Support to Parishes	7,452	-	-	-
<b>Sub Total</b>	<b>Net Controllable Expenditure</b>	<b>410,402</b>	<b>391,040</b>	<b>320,090</b>	<b>407,690</b>
<b>Sub Total</b>	<b>Departmental Support</b>	<b>157,870</b>	<b>204,340</b>	<b>204,340</b>	<b>145,500</b>
<b>Sub Total</b>	<b>Central Support</b>	<b>149,531</b>	<b>167,230</b>	<b>167,230</b>	<b>102,140</b>
<b>Sub Total</b>	<b>Capital Charges</b>	<b>4,793</b>	<b>9,870</b>	<b>9,870</b>	<b>-</b>
<b>Total</b>	<b>EXECUTIVE BOARD TOTAL</b>	<b>722,595</b>	<b>772,480</b>	<b>701,530</b>	<b>655,330</b>

## RISK ANALYSIS

	Likelihood	Potential Impact on Budget
A pay award above the level estimated in the budget	Medium	High
Changes to waste collection regulations, such as weekly collection of food waste, which add to service costs	High	Medium
Deteriorating condition of assets, particularly the Leisure Centres, and further economic and market pressure affecting the generation of income	High	High
The Emergency Planning budget may be insufficient to cover the costs of any major local emergency	Low	High
A need for public enquiries into planning developments and the implications of losing planning appeals, resulting in appellant costs awarded against the Council or the loss of planning income	Medium	Medium
Decline in planning applications leading to a reduction in planning income	Medium	Medium
Applications not dealt with within 26 weeks, resulting in full refund to applicant.	Low	Medium
Increase in vacancies at the industrial estates	Medium	Medium
Higher level of maintenance at Council properties	Medium	Medium
Increase in the level of Local Authority error made in processing benefit payments	Low	Medium
Significant increase in workload due to an increase in non payment of Council Tax and / or Business Rates	Medium	Medium
A fall in the level of recovery of overpayments	Medium	Medium
Above inflation increases to contracts	Medium	Medium
Additional increase in pension contribution rates	Low	Low
Higher than anticipated rises in utility costs	Low	Medium
Changes in legislation affecting service delivery and/or software requirements	Medium	Low
Above inflation increases in vehicle fuel	Medium	Medium
Increased insurance costs	Medium	Medium
A reduction in the fee income from some licences received by the council due to a downturn in the economy or changing public demand	Low	Low

**1 Summary**

- 1.1 This report covers the revised budget for 2022/23 and an estimate of expenditure for 2023/24, together with forward commitments for 2024/25, 2025/26 and 2026/27.

**Recommendation to the Board**

- a To accept the revised estimate for 2022/23;**
- b To increase rent by 7% in 2022/23 in line with the social rent policy set by the government;**
- c To approve the proposed fees and charges for 2023/24 as set out in Appendix D;**
- d To approve the service charges for the cleaning of communal areas, as detailed in Appendix E, from April 2023;**
- e To approve the service charges for window cleaning, as detailed in Appendix F, from April 2023; and**
- f To accept the Estimates of Expenditure for 2023/24, as submitted.**

**2 Introduction**

- 2.1 In consultation with other officers, the Corporate Director – Resources has prepared an estimate of net expenditure for 2023/24 and this, together with a revised budget for 2022/23, appears in Appendix A. To provide a more complete picture of the spending pattern of the service, the actual figures for 2021/22 are shown.

**3 Comments on the 2022/23 Revised Budget**

- 3.1 The revised budget for 2022/23 shows an expected deficit of £532,100; which is £507,650 worse than the approved budget deficit of £24,450. The main variations are given overleaf.

**3.2 Management Services** **£59,370**

3.2.1 The costs within general Management Services have increased by £58,960 due to a number of cost pressures. There has been an increase in the recharge to the Housing Revenue Account for External Audit fees, bank charges and Members Allowances. In addition pension and building insurance costs have increased, as well as a greater requirement for professional fees relating to the increased Housing Ombudsman annual subscription and professional advice relating to tenancy issues.

3.2.2 Flats and community centres have been affected by an increase of £34,470 in utility costs. An allowance for council tax on void properties held in the Rent Collection budget has been reduced by £20,800 and legal costs reduced by £6,210.

**3.3 Revenue Funding of Capital Expenditure** **£548,260**

3.3.1 Additional revenue funding of £487,290 is needed to support the capital programme for the HRA, as some large projects are needed on blocks of flats and all costs are being inflated in the current economic climate.

3.3.2 The Revenue Account cannot afford to fund all capital expenditure, so additional borrowing of £4.7m will be needed to enable the capital programme to be carried out. This will add £60,970 to revenue costs in 2022/23.

**3.4 Garage Rents** **£9,720**

3.4.1 The reduction in rental income is due to a higher than expected level of voids.

**3.5 Gross Rents and Provision for Bad Debts** **(£99,170)**

3.5.1 The provision for bad Debts has been reduced from 2% to 1% of gross rents. This has been partially offset by a decrease in rental income due to a higher level of void properties and delays in the construction and subsequent letting of the new build properties in Atherstone.

**3.5 Interest on Balances** **(£32,550)**

3.5.1 The rise in interest rates has enabled the Council to achieve greater investment income, and this increase relates to the balances held by the HRA.

**4 Rent Setting**

4.1 The Welfare Reform and Work Act 2016 enables the Government to set rent policy. In October 2017 the Government announced a new long term policy on social rents to allow authorities to increase rents by CPI + 1% for a period of at least 5 years. This policy came into effect on 1 April 2020.

4.2 CPI at September 2022 was 8.8% (the appropriate month of the previous year, identified in the policy), which with the additional 1%, would equate to a

rent increase from 1 April 2023 of 9.8%. When the policy was implemented, CPI rises at this level were not envisioned, so the decision has been taken to limit the rent rises that social landlords can use to a maximum of 7%.

- 4.3 The effect on this authority's rent figures for 2023/24 is that the average rent increase will be £6.38 per week (7.0%), although individual rent changes will vary from increases of £5.18 to £11.75 per week.
- 4.4 The impact of the new rent policy had been built into the 30 year Business Plan detailed in Appendix H, but has been amended to reflect the revised position in 2023/24.

## 5 **Comments on the 2023/24 Estimates**

5.1 The Housing Revenue Account has been prepared, taking into account the following assumptions:

- A 4% pay award from 1 April 2023;
- A 100% and 300% rise in utility costs, with other premise costs increasing between 3 and 5%;
- To adopt the government policy of a maximum 7% increase for all rents.

5.2 The estimated balance on the Housing Revenue account at 1 April 2023 is £1,102,845, which is lower than the £1,634,945 balance at the start of 2022/23. Looking in greater detail at the coming year, the budget for 2022/23 shows an expected surplus of £39,300.

5.3 **Repairs Fund** **£150,270**

5.3.1 The contribution to the Repairs Fund has been calculated with an inflationary increase of 3%, adjusted for the assumed sale of 20 council houses and the addition of 6 new properties in Long Street/Coleshill Road Atherstone. In addition, there are increases in departmental and central support relating to pay awards, and some increased premise costs relating to the use of the depot.

5.4 **Management Services** **£304,920**

5.4.1 A major increase in the Management services budget relates to pay awards, increments and inflation.

5.4.2 The other major change has been the increase of £127,900 in utility costs at the flats and community centres.

5.5 **Revenue Funding of Capital Expenditure** **(£84,730)**

5.5.1 Direct revenue funding of capital has reduced by £370,050. External borrowing repaid has increased by £90,000 and £350,000 new borrowing will be taken out. Interest on borrowing has increased by £195,320.

**5.6 Interest on Balances (€134,510)**

5.6.1 The interest earned has increased due to the improved interest rates available.

**5.7 Gross Rents (€815,200)**

5.7.1 There is an increase in council house rental income to reflect the rent increase of 7% and the full year effect of the addition of 6 new build properties in Coleshill Road Atherstone. This has been partially offset by the expected sale of 20 Council houses.

**6 Housing Repairs Fund**

6.1 The HRA makes an annual contribution to the Repairs Fund. Part of the contribution is set aside for the day to day maintenance, with the remainder used for planned maintenance work. The fund covers payments to both Housing Direct Works and outside contractors. Approximately 59% of the current workload is completed by Housing Direct Works (see Appendix B).

6.2 A balance is usually maintained on the Housing Repairs Fund, which is used to meet fluctuations in the timing of repair work.

**7 Housing Direct Works**

7.1 Estimates for Housing Direct Works (HDW) have been prepared for 2023/24, along with the revised position for 2022/23, and these are attached as Appendix C.

**7.2 Revised Estimate 2022/23**

7.2.1 Net controllable expenditure has reduced by €14,380. Although the pay award has increased employee costs by €27,260, and transport costs have increased by €9,400, these have been more than offset by reduced costs of €17,140 on materials and additional income of €33,900 from work undertaken on the general fund and capital works.

**7.3 Estimate for 2023/24**

7.3.1 The net controllable expenditure has increased by €83,550. Employee costs and departmental support have increased with the effect of the pay award and increments. Increases in transport and other costs relate to inflation.

**8 Fees and Charges**

8.1 There is only an increase for Allotment Rents in the proposed fees and charges, so that users of facilities are not discouraged. The detailed list of fees and charges is attached as Appendix D to the report.

## 9 Service Charges

- 9.1 There is a requirement for service charges to be paid by those tenants who actually receive specific services. NWBC makes specific charges for window cleaning and cleaning costs of communal areas in blocks of flats. The current and proposed charges are attached in Appendices E and F. There is a small increase of £0.27 per week proposed for the cleaning of communal areas, to reflect the increase in expenditure anticipated. There are small reductions ranging between £0.05 to £0.60 per week planned decreases in the window cleaning service charge to reflect the retendering of the Window Cleaning contract.
- 9.2 The Council also makes a service charge to the lease holders of flats that have been sold under the Right to Buy legislation. This reflects the actual costs of management and maintenance.

## 10 Four Year HRA Forecast – 2023/24 to 2026/27

- 10.1 A detailed four year estimate has been developed, to cover the medium term position of the HRA. This is summarised in the table below, with some additional detail given in Appendix G.

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Management and Maintenance	6,256	6,445	6,580	6,725
Interest on borrowing	1,612	1,769	1,733	1,697
Repayment of borrowing	2,400	2,400	2,500	2,650
Capital expend funded by revenue	3,282	3,232	3,316	3,401
<b>Total Expenditure</b>	<b>13,550</b>	<b>13,846</b>	<b>14,129</b>	<b>14,473</b>
Income	(13,404)	(13,732)	(14,038)	(14,390)
Interest on Balances	(185)	(143)	(110)	(105)
<b>Total Income</b>	<b>(13,589)</b>	<b>(13,875)</b>	<b>(14,148)</b>	<b>(14,495)</b>
(Surplus)/Deficit on the year	(39)	(29)	(19)	(22)
<b>Balance at 31 March</b>	<b>(1,142)</b>	<b>(1,171)</b>	<b>(1,190)</b>	<b>(1,212)</b>

- 10.2 The figures show an increase in level of balances at the end of 2026/27, which feeds into the 30-year business plan detailed in section 11 of this report.

## 11 30 Year HRA Business Plan

- 11.1 As management of the housing stock is a long-term requirement, a business plan has been put together for 30 years, although expenditure is difficult to predict so far in advance. This has been updated as part of the estimates process and the revised business plan is attached as Appendix H.
- 11.2 In updating the business plan, a number of assumptions have been made:
- New build will be brought back into the plan when it is affordable;
  - Management and maintenance costs have been assumed for the new properties, together with rental income;
  - The additional receipts that the Council is able to use for new build will continue;

- Right to Buy Sales will continue at 20 per annum for the next 3 years then reduce to 15 dwellings per year of the plan;
- Rents will continue to increase at an assumed 2% (CPI) + 1% in 2024/25 onwards.
- Total temporary borrowing of £21.050m between year 1 (2022/23) through to year 11 (2032/33) will be taken out, which can be repaid in years 12 (2033/34) to 17 (2038/39).

11.3 The expected position on the Housing Revenue Account at the end of the 30 years is a surplus of £88.171 million. This is after funding capital expenditure of £190.988 million, with £32.364 million of that funding set aside for new build schemes or other improvement schemes. Borrowing of £45 million will also have been repaid.

11.4 However the expected surplus is less than £10 million until the end of year 18.

## 12 Risks to the Business Plan

12.1 In addition to the new payments detailed above, the expected surplus on the Business Plan is dependent on adherence to the assumptions used in the forecast. Varying these would impact on the achievement of a surplus. The key risks to the budgetary position of the Housing Revenue Account include:

- The potential ongoing impact of sustaining rent income levels with the changes economic conditions;
- The requirement on the Council to meet statutory housing needs and support tenants to sustain their tenancies as well as manage them in moving on as secure tenancies are replaced with flexible ones;
- A change in interest rates, if funds need to be borrowed externally;
- Any extension of the rent cap which reduces the rent levels assumed in the Business Plan, as this could impact significantly on the expected surpluses;
- More attractive Right to Buy conditions could encourage higher sales;
- The requirements of an ageing stock and the need to meet the Decent Homes Standard are likely to continue to increase the demand for capital works. Work to keep the Council's assets in good condition will be prioritised and accommodated within existing budgets;
- Any reduction in the performance of Housing Direct Works will put pressure on the Council to use external contractors and therefore will impact on the level of expenditure;
- The impact of the Social Housing White Paper which sets out the Government's intention to change and strengthen the regulatory framework in conjunction with enhancing the roles of the Regulator and Housing Ombudsman alongside the Building Safety Regulator.

12.2 A risk analysis of the likelihood and impact of the risks identified above are included in Appendix I.

...

12.3 The aim is to maintain a minimum working balance in the region of £750,000. The Housing Revenue Account was expected to go below this in 2022/23 but the revised estimate avoids this. Future years increase the balance held. The Council can continue with services at current levels over the next four years,

although further new build will not be affordable at this time. The service will still need to demonstrate value for money and rent collection rates will have to remain at the current level to remain sustainable.

### 13 Report Implications

#### 13.1 Finance and Value for Money Implications

13.1.1 As above.

#### 13.2 Environment and Sustainability Implications

13.2.1 Operating in line with the Business Plan will ensure the long-term sustainability of the Housing Revenue Account.

#### 13.3 Equality Implications

13.3.1 The impact of Universal Credit on Council tenants and income collections has previously been reported to Resources Board. Work being undertaken will help to inform the Council's understanding of the impacts from the rent restructuring changes and the increases being applied. Monitoring of the impacts will be carried out as any changes are implemented.

#### 13.4 Risk Management Implications

13.4.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

#### 13.5 Legal Implications

13.5.1 The Council may not budget for a deficit in the housing revenue account.

The Contact Officer for this report is Nigel Lane (719371).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**HOUSING REVENUE ACCOUNT**

<b>Actual 2021/22</b>	<b>DESCRIPTION</b>	<b>APPROVED BUDGET 2022/23 £</b>	<b>REVISED BUDGET 2022/23 £</b>	<b>ORIGINAL BUDGET 2023/24 £</b>
	<b>EXPENDITURE</b>			
55,510	Provision for Bad Debts ( 2% per anum)	241,890	120,730	128,880
	<b>Repairs Fund</b>			
339,363	Departmental Support Services	360,680	360,680	390,650
147,344	Central Support Services	155,390	178,330	222,770
2,880,063	Contribution to Fund	2,891,320	2,891,200	2,967,060
	<b>Management</b>			
639,550	General Administration	597,780	656,740	695,910
324,571	Housing Registration & Lettings	315,930	316,310	325,390
404,939	Tenancy & Estates Management	412,300	407,000	436,040
413,280	Rent Collection & Arrears	404,810	379,440	429,130
46,335	Tenant Participation	52,290	46,640	49,750
12,709	New-build properties	14,160	14,660	15,230
340,229	Flats & Communal Centres	349,230	383,070	554,890
19,660	Laundries	18,860	20,440	22,380
17,173	Cesspools and Management of Shops	16,550	16,980	17,480
	<b>Debt Management</b>			
1,459,614	Interest on Loans (as per Business Plan)	1,405,570	1,416,540	1,611,860
2,250,000	Revenue set aside (as per Business Plan)	2,260,000	2,310,000	2,400,000
	<b>Capital</b>			
3,790,376	Revenue funding of capital spending on existing stock	1,885,080	3,153,440	3,282,490
1,255,070	Revenue funding of capital spending on new build	1,280,170	499,100	-
<b>14,395,786</b>	<b>Gross Expenditure</b>	<b>12,662,010</b>	<b>13,171,300</b>	<b>13,549,910</b>
	<b>INCOME</b>			
43,524	Service Charges - Leaseholders	43,320	44,470	44,470
22,975	Service Charges - Window Cleaning	22,400	21,450	15,760
45,429	Service Charges - Cleaning & Caretaking	48,640	48,610	54,600
281,778	Garage Rents	307,400	297,680	297,680
102,913	Shop Rents	102,940	103,570	103,570
10,000	Interest on Balances	18,220	50,770	185,280
202,347	Pensions reserve	-	-	-
11,660,587	Gross Rents (less voids Rev 1.05% Orig onward 1%)	12,094,640	12,072,650	12,887,850
<b>12,369,553</b>	<b>Gross Income</b>	<b>12,637,560</b>	<b>12,639,200</b>	<b>13,589,210</b>
<b>2,026,233</b>	<b>(Surplus)/Deficit for Year</b>	<b>24,450</b>	<b>532,100</b>	<b>(39,300)</b>
(3,661,178)	Revenue Fund balance at start of year	(605,348)	(1,634,945)	(1,102,845)
(1,634,945)	Revenue Fund balance at end of year	(580,898)	(1,102,845)	(1,142,145)
141	Average no. of properties (other)	156	154	161
2,453	Average no. of properties (other)	2,423	2,428	2,408

**Appendix B**

**HOUSING REPAIRS FUND**

£

<b>Balance at 1 April 2022</b>	<b>1,448,230</b>
Contribution 2022/23	3,430,210
Expected Use of Fund - Housing Direct Works	(1,706,270)
Expected Use of Fund - Other Contractors	(1,184,930)
Expected Use of Fund - Departmental and Central Support	(539,010)
<b>Balance at 1 April 2023</b>	<b>1,448,230</b>
Contribution 2023/24	3,580,480
Expected Use of Fund - Housing Direct Works	(1,836,870)
Expected Use of Fund - Other Contractors	(1,130,190)
Expected Use of Fund - Departmental and Central Support	(613,420)
<b>Balance at 1 April 2024</b>	<b>1,448,230</b>

<b>1500 - 1507 - HOUSING DIRECT WORKS</b>				
<b>DESCRIPTION</b>	<b>ACTUALS</b>	<b>APPROVED</b>	<b>REVISED</b>	<b>ORIGINAL</b>
	<b>2021/22</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>
		<b>2022/23</b>	<b>2022/23</b>	<b>2023/24</b>
Employee Expenditure	1,001,814	907,420	934,680	995,830
Supplies & Services	447,283	464,200	447,060	465,670
Transport	95,265	100,690	110,090	115,660
Miscellaneous Expenditure	-	-	-	
<b>GROSS EXPENDITURE</b>	<b>1,544,362</b>	<b>1,472,310</b>	<b>1,491,830</b>	<b>1,577,160</b>
GROSS INCOME	(15,361)	(10,770)	(44,670)	(46,450)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>1,529,001</b>	<b>1,461,540</b>	<b>1,447,160</b>	<b>1,530,710</b>
Departmental Support	133,351	142,700	142,700	153,330
Central Support Services	90,784	111,390	111,390	146,290
Capital Charges	4,406	3,680	3,680	3,940
<b>Net Costs to Repairs Fund</b>	<b>1,757,542</b>	<b>1,719,310</b>	<b>1,704,930</b>	<b>1,834,270</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL****HOUSING****FEES AND CHARGES FROM 1 APRIL 2023**

	2022/23	2022/23		2023/24	2023/24	
	NET	NET	VAT	NET	NET	VAT
	CHARGE	CHARGE	RATING	CHARGE	CHARGE	RATING
	£	£		£	£	
<b>COMMUNAL CENTRES</b>						
	<b>Voluntary</b>	<b>Private</b>		<b>Voluntary</b>	<b>Private</b>	
	<b>Groups</b>			<b>Groups</b>		
<b>Communal Centres</b>						
Use of lounge (per 2 hours)	5.00	10.00	Exempt	5.00	10.00	Exempt
Use of kitchen	1.00	2.00	"	1.00	2.00	"
<b>Purpose Built Community Centres</b>						
Use of lounge (per 2 hours)	7.50	15.00	Exempt	7.50	15.00	Exempt
Use of kitchen	1.50	3.00	"	1.50	3.00	"
<b>Multi-Purpose Centres</b>						
Use of lounge (per 2 hours)	10.00	20.00	Exempt	10.00	20.00	Exempt
Use of kitchen	2.00	4.00	"	2.00	4.00	"
	<b>NET</b>	<b>VAT</b>	<b>TOTAL</b>	<b>NET</b>	<b>VAT</b>	<b>TOTAL</b>
	<b>CHARGE</b>	<b>RATING</b>	<b>CHARGE</b>	<b>CHARGE</b>	<b>RATING</b>	<b>CHARGE</b>
			<b>20% VAT</b>			<b>20% VAT</b>
	£		£	£		£
<b>GUEST BEDROOMS</b>						
Per night	1.00	Exempt	1.00	1.00	Exempt	1.00
Per week	7.00	"	7.00	7.00	"	7.00
<b>ALLOTMENT RENT</b>						
Waverton Avenue, Warton	3.40	Exempt	3.40	3.50	Exempt	3.50
<b>GARAGE PLOTS</b>						
Bracebridge Road, Lister Road & St.George's Road, Atherstone						
NWBC council house tenants	26.00	Exempt	26.00	26.00	Exempt	26.00
Others	26.25	Incl. VAT at Standard Rate	31.50	26.25	Incl. VAT at Standard Rate	31.50
<b>COUNCIL OWNED GARAGES</b>						
NWBC council house tenants	7.58	Exempt	7.58	7.58	Exempt	7.58
Others	7.58	Incl. VAT at	9.10	7.58	Incl. VAT at	9.10

**Proposed Cleaning Service Charges per week**

Appendix E

Name of Scheme	Cost Per Property	Cost per week (48 wks)	Cost Per Property	Cost per week (48 wks)
	2022/23	2022/23	2023/24	2023/24
	£	£	£	£
Alder Court and Heather Atherstone	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Alexandra Court, Atherstone	105.15	<b>2.19</b>	118.11	<b>2.46</b>
St Benedicts Close, Atherstone	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Welcome Street, Atherstone	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Arden Forest Estate, Ridge Lane	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Church Road/Long Street,Dordon	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Chancery Court, Chapel End	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Gramer Court, Mancetter	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Monument View/Sycamore Ave Polesworth	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Abbey Green Court, Polesworth	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Jubilee Court, Kingsbury	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Drayton Court, Hartshill	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Eastlang Road, Fillongley	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Hudson/Wall Avenue, Coleshill	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Digby Road & Clinton Road, Coleshill	105.15	<b>2.19</b>	118.11	<b>2.46</b>
George Road, Water Orton	105.15	<b>2.19</b>	118.11	<b>2.46</b>
Church Hill Coleshill	105.15	<b>2.19</b>	118.11	<b>2.46</b>

**Proposed Window Cleaning Charges per Week from April 2023**

Appendix F

Name of Scheme	Cost Per Property	Cost per Week (48)	Cost Per Property	Cost per Week (48)
	2022/23	2022/23	2023/24	2023/24
	£	£	£	£
Alder Court and Heather Atherstone	40.58	<b>0.85</b>	38.00	<b>0.79</b>
Alexandra Court, Atherstone	28.37	<b>0.59</b>	25.09	<b>0.52</b>
St Benedicts Close, Atherstone	33.81	<b>0.70</b>	30.17	<b>0.63</b>
Welcome Street, Atherstone	55.49	<b>1.16</b>	51.11	<b>1.06</b>
Arden Forest Estate, Ridge Lane	32.51	<b>0.68</b>	27.26	<b>0.57</b>
Church Road, Dordon	58.75	<b>1.22</b>	35.06	<b>0.73</b>
Long Street, Dordon	56.18	<b>1.17</b>	35.00	<b>0.73</b>
St Leonards Close, Dordon	40.39	<b>0.84</b>	30.12	<b>0.63</b>
Chancery Court, Chapel End	48.02	<b>1.00</b>	34.15	<b>0.71</b>
Gramer Court, Mancetter	38.15	<b>0.79</b>	28.96	<b>0.60</b>
Joseph Cadman Court	46.82	<b>0.98</b>	31.29	<b>0.65</b>
Monument View/Sycamore Ave Polesworth	55.08	<b>1.15</b>	34.82	<b>0.73</b>
Abbey Green Court, Polesworth	36.41	<b>0.76</b>	28.22	<b>0.59</b>
Jubilee Court, Kingsbury	44.26	<b>0.92</b>	30.91	<b>0.64</b>
Oldbury View, Hartshill	59.30	<b>1.24</b>	37.00	<b>0.77</b>
Drayton Court, Hartshill	37.16	<b>0.77</b>	28.38	<b>0.59</b>
Eastlang Road, Fillongley	49.71	<b>1.04</b>	36.00	<b>0.75</b>
Hudson/Wall Avenue, Coleshill	60.11	<b>1.25</b>	36.00	<b>0.75</b>
Stewart Court, Arley	0.00	<b>0.00</b>	9.67	<b>0.20</b>
Digby Road, Coleshill	60.69	<b>1.26</b>	36.56	<b>0.76</b>
Clinton Road, Coleshill	69.36	<b>1.45</b>	40.44	<b>0.84</b>
Delves Cresent, Wood End	57.22	<b>1.19</b>	36.00	<b>0.75</b>
George Road, Water Orton	62.42	<b>1.30</b>	36.44	<b>0.76</b>
Church Hill Coleshill	62.42	<b>1.30</b>	36.71	<b>0.76</b>

**HOUSING REVENUE ACCOUNT**

DESCRIPTION	ORIGINAL BUDGET 2023/24 £	ORIGINAL BUDGET 2024/25 £	ORIGINAL BUDGET 2025/26 £	ORIGINAL BUDGET 2026/27 £
<b>EXPENDITURE</b>				
Provision for Bad Debts	128,880	131,890	134,940	138,180
<b>Repairs Fund</b>				
Departmental Support Services	390,650	406,830	418,780	431,090
Central Support Services	222,770	226,900	232,570	238,490
Contribution to Fund	2,967,060	3,038,090	3,077,300	3,120,530
<b>Management</b>				
General Administration	695,910	720,180	714,670	734,350
Housing Register & Lettings	325,390	338,250	370,660	381,100
Tenancy & Estate Management	436,040	453,340	466,080	479,220
Rent Collection & Arrears	429,130	445,080	456,710	468,680
	-	-	-	-
Tenant Participation	49,750	51,570	52,930	54,320
New-build properties	15,230	15,720	16,080	16,440
Flats & Communal Centres	554,890	576,250	597,310	619,200
Laundries	22,380	23,100	23,590	24,090
Cesspools and Management of Shops	17,480	18,020	18,460	18,890
<b>Debt Management</b>				
Interest on Loans (as per Business Plan)	1,611,860	1,768,950	1,732,590	1,697,390
Revenue set aside (as per Business Plan)	2,400,000	2,400,000	2,500,000	2,650,000
<b>Capital</b>				
Capital Spend (as per Business Plan)	3,282,490	3,232,040	3,316,370	3,401,510
Capital Spend - New Build and Reserve	-	-	-	-
<b>Gross Expenditure</b>	<b>13,549,910</b>	<b>13,846,210</b>	<b>14,129,040</b>	<b>14,473,480</b>
<b>INCOME</b>				
Service Charges - Leaseholders	44,470	44,470	44,470	44,470
Service Charges - Window Cleaning	15,760	16,080	16,400	16,730
Service Charges - Cleaning & Caretaking	54,600	55,690	56,800	57,940
Garage Rents	297,680	323,340	323,340	349,000
Shop Rents	103,570	103,570	103,570	103,570
Interest on Balances	185,280	143,030	109,500	105,470
Gross Rents (less voids @ 1%)	12,887,850	13,189,110	13,493,820	13,818,370
<b>Gross Income</b>	<b>13,589,210</b>	<b>13,875,290</b>	<b>14,147,900</b>	<b>14,495,550</b>
<b>(Surplus)/Deficit for Year</b>	<b>(39,300)</b>	<b>(29,080)</b>	<b>(18,860)</b>	<b>(22,070)</b>
Revenue Fund balance at start of year	(1,102,845)	(1,142,145)	(1,171,225)	(1,190,085)
Revenue Fund balance at end of year	(1,142,145)	(1,171,225)	(1,190,085)	(1,212,155)
Average no. of properties (other)	161	167	168	170
Average no. of properties (other)	2,408	2,388	2,368	2,351

APPENDIX H

HRA 30 Year Business Plan - 2022/23 to 2051/52

30 year total	SELF FINANCING Operating Account	HRA	2022/23 to 2026/27 £000	2027/28 to 2031/32 £000	2032/33 to 2036/37 £000	2037/38 to 2041/42 £000	2042/43 to 2046/47 £000	2047/48 to 2051/52 £000
<b>-568,835</b>	<b>Gross income</b>		<b>-68,154</b>	<b>-77,454</b>	<b>-87,513</b>	<b>-98,775</b>	<b>-111,405</b>	<b>-125,534</b>
	<b>Expenditure</b>							
110,844	Management (incl DME)		12,941	15,066	17,045	19,286	21,819	24,687
142,857	Maintenance		18,201	20,156	22,313	24,692	27,308	30,187
5,467	Bad debt provision		655	744	840	949	1,071	1,208
<b>259,168</b>	<b>Operating expenditure</b>		<b>31,797</b>	<b>35,966</b>	<b>40,198</b>	<b>44,927</b>	<b>50,198</b>	<b>56,082</b>
<b>-309,667</b>	<b>Net Cost of Services</b>		<b>-36,357</b>	<b>-41,488</b>	<b>-47,315</b>	<b>-53,848</b>	<b>-61,207</b>	<b>-69,452</b>
23,746	Interest payments		8,228	7,886	5,743	1,889	0	0
-15,988	Interest received		-592	-536	-557	-1,339	-4,086	-8,878
<b>-301,909</b>	<b>Net operating expenditure</b>		<b>-28,721</b>	<b>-34,138</b>	<b>-42,129</b>	<b>-53,298</b>	<b>-65,293</b>	<b>-78,330</b>
45,240	Revenue set aside (debt repayment)		12,260	18,530	4,200	10,250	0	0
0	New Borrowing and Repayments		-12,400	-8,050	15,150	5,300	0	0
168,498	Direct revenue financing (RCCO fund cap Prog)		29,284	23,539	22,574	26,299	30,745	36,055
<b>-88,171</b>	<b>In year (surplus)/deficit</b>		<b>423</b>	<b>-119</b>	<b>-205</b>	<b>-11,449</b>	<b>-34,548</b>	<b>-42,275</b>
	HRA reserve b/fwd (-ve = Surplus)		-1,635	-1,212	-1,331	-1,535	-12,984	-47,532
	HRA reserve c/fwd (-ve = Surplus)		-1,212	-1,331	-1,535	-12,984	-47,532	-89,807
	<b>CAPITAL PROGRAMME</b>							
<b>158,624</b>	<b>Expenditure (Cap spend with Inflation)</b>		<b>27,774</b>	<b>19,619</b>	<b>21,092</b>	<b>25,051</b>	<b>29,751</b>	<b>35,337</b>
<b>32,364</b>	<b>New Build</b>		<b>6,662</b>	<b>7,466</b>	<b>4,991</b>	<b>4,718</b>	<b>4,423</b>	<b>4,104</b>
0	Financed by...							
10,222	Allowable debt from receipts		2,419	1,657	1,609	1,561	1,512	1,464
12,268	RTB receipts and other resources		2,733	1,889	1,900	1,909	1,916	1,921
168,498	Direct revenue financing		29,284	23,539	22,574	26,299	30,745	36,055
<b>190,988</b>	<b>Total financing</b>		<b>34,436</b>	<b>27,085</b>	<b>26,083</b>	<b>29,769</b>	<b>34,173</b>	<b>39,440</b>

## Risk Analysis

	Likelihood	Potential impact on Budget
Change in interest rates	Medium	Medium
Reduction in rent levels	Medium	Medium
Increase in capital expenditure	Medium	Medium
An increase in the demand for repairs	Medium	Medium
Reduction in Housing Direct Works performance	Low	Medium
Asbestos removal	Medium	Medium
The impact of the Social Housing White paper	High	Medium

## Agenda Item No 13

### Resources Board

30 January 2023

#### Report of the Corporate Director - Resources

#### Capital Programme 2022/23 to 2025/26

### 1 Summary

- 1.1 This report identifies changes to the Council's 2022/23 capital programme and proposals for schemes to be included within the Council's capital programme over the next three years.

#### Recommendation to the Board

- a To support the changes to the 2022/23 revised capital programme;
- b To support the proposed three-year capital programme, which includes the growth areas, set out in appendix A;
- c To support the proposed vehicle replacement schedule, shown in Appendix B.

### 2 Introduction

- 2.1 The Council has a shortfall of capital resources when compared against potential capital schemes. As a result, schemes considered to be non-essential were not included in the three-year capital programme for 2022/23 to 2024/25 approved last February. There is still a shortfall as expected resources have remained at a similar level, so the same approach will be required for setting the capital programme for 2023/24 to 2025/26.

### 3 2022/23 Revised Capital Programme

- 3.1 The table below summarises the overall change in the 2022/23 revised capital programme with the main movements explained below:

	<b>2022/23 Approved</b>	<b>Additions/ (Reductions)</b>	<b>2022/23 Revised</b>
HRA (Housing)	10,204,161	(351,121)	9,853,040
General Fund (Housing)	733,050		733,050
General Fund (Other Services)	7,620,230	(1,854,004)	5,766,226
<b>Total</b>	<b>18,557,441</b>	<b>(2,205,125)</b>	<b>16,352,316</b>

- 3.2 The revised budget for the HRA housing programme has been reduced by £364,811 as the replacement of vehicles has been deferred. The associated budget provision has been moved into 2023/24. Staffing costs on HRA projects will increase by £13,690 in the year.
- 3.3 Within the General Fund programme, provision for Disabled Discrimination Adaptations and the structural maintenance programme of car parks has been moved into 2023/24. Replacement of street cleaning and horticulture vehicles also been moved into 2023/24.
- 3.4 Provision for work on the shops and flats at High Street Coleshill has been taken out of the programme, following the decision to sell the properties, whilst additional provision has been added in for Innage Park. The replacement of the refuse vehicles has taken place, with a small amount of budget not required so this has been taken out.
- 3.5 Within Information Services, the additional work involved in implementing the environmental health, planning and finance systems have had an impact on other planned work. Allocations for web development and uninterruptible power have been moved back into 2023/24, with work on the telephone system moving back to 2024/25. No further work is expected on computer hardware and software and this has been taken out of the programme.

#### **4 Updating the Approved Capital Programme**

- 4.1 A number of schemes relating to this Board were included in the 2022/23 to 2024/25 approved capital programme and these are detailed in Appendix A, including any 2025/26 allocations. The timing of schemes has been reviewed and updated where required.
- 4.2 The remaining schemes relating to this Board, which are considered non-essential at this time, have been excluded from the proposed programme.

#### **5 Growth Bids Included in the Proposed Capital Programme**

- 5.1 A number of growth areas have been identified and these are included within the proposed capital programme set out at Appendix A. Some detail on these is provided in the following paragraphs.
- 5.2 The extensive structural work to the flats at Abbey Green Court was included last year for 2023/24, as extensive leaseholder consultation is required. This was originally expected to cost £3 million but with the cost increases being experienced in the building sector, is now expected to cost £4 million.
- 5.3 The rest of the HRA programme is also affected by cost increases and this has been built into the revised figures included.
- 5.4 There has been an increase in the capital requirement for the Sherbourne Material Recycling Facility of £3.056m as a result of negative movements in

the exchange rate for sterling pounds to Canadian dollars, the currency that the equipment manufacturer is paid in; and additional costs due to changes to scope for civils which has resulted in a delay in the timeline. Of the total cost, the Council's share is 4.67% which equates to £142,720, which will be added to the existing commercial loan already provided. This has been included in the 2023/24 programme.

## **6 Vehicle Replacement Schedule**

6.1 Appendix B identifies vehicles that require replacement over the 3-year capital programme covered in this report.

6.2 The replacement schedule will be reviewed on a regular basis to ensure that it is still relevant and the actual lifespan of the vehicles will be carefully reviewed and monitored so that vehicles are only replaced when it becomes essential or there is a clear economic benefit.

## **7 Report Implications**

### **7.1 Finance and Value for Money Implications**

7.1.1 In terms of the overall capital programme, the bids for schemes included in Appendix A of this report will be collated into an overall programme which will be submitted to the Executive Board for final approval in February.

7.1.2 Due to the surplus of schemes to the capital resources available, Members of this Board should be aware that if schemes not currently approved are to be moved into the recommended capital programme, other approved schemes need to be reduced or deleted, or additional resources obtained. If this is not possible, borrowing will be needed.

### **7.2 Environment and Sustainability Implications**

7.2.1 Capital investment is required if the Council is to maintain and enhance both its assets and the quality and consistency of its services to the community.

### **7.3 Risk Management Implications**

7.3.1 The risks associated with the failure to undertake the proposed schemes are taken into account in assessing whether the schemes are essential or non-essential.

### **7.4 Equality Implications**

7.4.1 Public authorities are required to have due regard to the aims of the general equality duty when making decisions and when setting policies. Under the general duties public authorities, in the exercise of their functions, must have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations within the protected characteristics. In the case of the capital programme the Council is required to ensure that as far

as it is reasonably practicable, it has taken appropriate steps to ensure compliance with the provisions of the Equality Act. Failure to do so could result in limiting access to services provided from our buildings and facilities by disabled people and the potential for legal challenges being taken against the Council.

## 7.5 Links to Council's Priorities

7.5.1 The capital projects proposed for inclusion will contribute to providing easier access to Council services, particularly through the internet and working with our tenants to maintain and improve our housing stock and providing affordable housing in the right places.

The Contact Officer for this report is Sue Garner (719374).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**1) HRA 3 Year Capital Programme 2023/24 to 2025/26**
**Appendix A**

Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
		2023/24	2024/25	2025/26	3 Year Programme
Electrics	A scheduled programme to replace consumer units and to bring wiring in Council properties up to date.	600,000	309,000	315,180	1,224,180
Staffing	Housing officers who deliver the capital programme to Council properties.	309,580	322,240	331,550	963,370
Kitchens and Bathrooms	Replacement programme to ensure these facilities meet the Decent Homes Standard.	600,000	618,000	630,360	1,848,360
Heating	To replace heating systems which are at the end of their component life time, can't be repaired or to provide for controllable systems to meet the Decent Homes Standard.	500,000	515,000	525,300	1,540,300
Windows	Programmes of window and door replacements to address older installations that are not energy efficient and those that are defective.	250,000	257,500	262,650	770,150
Fire Doors	A programme of inspection and replacement to ensure fire doors are effective	200,000	206,000	210,120	616,120
Energy Saving Measures	External Wall Insulation and Loft Insulation programmes to ensure properties meet the necessary levels for energy usage.	250,000	257,500	262,650	770,150
Adaptations	Undertake adaptations to properties to improve accessibility in accordance with recommendations from social care assessors.	200,000	206,000	210,120	616,120
Roofing	To replace roofs (flat or pitched) which do not meet the Decent Homes Standard and cannot be repaired to extend their use.	400,000	412,000	420,240	1,232,240
Improvement works for blocks of flats - external and common areas	In 2019 we started a rolling priority programme of remedial works to blocks of flats. The works will deal with blocks of flats that require extensive structural repairs.	4,250,000	618,000	630,360	5,498,360
Replacement of DLO Vehicles	Replacement as per the vehicle replacement schedule.	429,710	-	-	429,710
Replacement of Housing Inspectors Vehicles	Replacement as per the vehicle replacement schedule.	43,260	-	-	43,260
Replacement of Neighbourhood Warden Vehicles	Replacement as per the vehicle replacement schedule.	-	-	-	-
Multi Trade Contract	To cover a range of capital works including remedial work following fire risk assessments and schemes for garages and sheltered scheme communal rooms as well as external works and structural works.	300,000	360,500	367,710	1,028,210
<b>TOTAL HRA EXPENDITURE</b>		<b>8,332,550</b>	<b>4,081,740</b>	<b>4,166,240</b>	<b>16,580,530</b>

## 2) General Fund 3 Year Capital Programme 2023/24 to 2025/26

Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
		2023/24	2024/25	2025/26	3 Year Programme
Decent Homes Grants and Works (Private Sector)	Assistance with repairs and replacements targeted at vulnerable households on a means tested basis to prevent deterioration and associated health effects.	20,000	20,000	20,000	60,000
Computer hardware and software, purchase and replacement	To continue to provide PC's that meet the requirements of the increasingly complex software that is used to deliver Council services and back office functions. This budget includes the renewal of the Microsoft Software licenses.	35,000	35,000	35,000	105,000
ICT Infrastructure Development	To further develop the network and hardware structures to ensure that the Council's aspirations of home and mobile working and self service delivery are possible.	20,000	20,000	20,000	60,000
Network Infrastructure	Replacement of the existing network infrastructure.	-	50,000		50,000
Telephone System	Replacement of the existing telephone system.		20,000		20,000
Server Virtualisation				50,000	50,000
Backing Up	Primarily used at two levels; the day to day use of the recovery of lost data or damaged systems that need to be rolled back to a previous state. The major use is in the event of fire or theft where the backups we hold would be used to restore systems.	20,000	-	-	20,000
Mobile Devices	Due to Covid the Council has greatly increased the use of mobile devices over and above the use of PC's and laptops. 100 devices will have to be replaced on a 4 year cycle. This will also be used to replace the Housing direct works equipment.	10,000	5,000	5,000	20,000
Web Development (Internet, Intranet and Extranets)	To review and assess systems to ensure they still meet user needs and replace if required.	50,000	-	-	50,000
Payment Management System	Upgrade to Payment Management System to meet new encryption standards and introduce contactless payments.	15,000		15,000	30,000
Uninterruptable Power Supply	A large 'battery' which ensures power to all systems. This supply is unaffected by power cuts etc.	10,000	-	-	10,000

Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
		2023/24	2024/25	2025/26	3 Year Programme
Refurbishment of Council Owned Buildings	To carry out necessary improvements to all council owned property.	-	50,000	-	50,000
Disabled Discrimination Adaptations	To undertake work where appropriate to improve access to and around our facilities for disabled users of the service.	120,000	-	-	120,000
Car Parking in Coleshill		400,000	-	-	400,000
Electrical upgrade at Old Bank House	The electrical system at OBH is almost 30 years old and will be in need of updating to comply with current legislation.	75,000	-	-	75,000
Materials Recycling Facility	The Council is now a full partner in a project to develop a local authority owned and operated MRF. The Facility is to provide guaranteed capacity to process all recyclable material collected by the partner authorities over a 20 year period.	142,720	-	-	142,720
Structural Maintenance Programme of Car Parks and Unadopted Roads	A detailed analysis of the councils car parks and unadopted roads has been carried out and has identified that the thickness of many of the surfaces is below the required levels.	245,000	-	-	245,000
Replacement of Pool Vehicles	Replacement as per the vehicle replacement schedule.	29,000	-	-	29,000
Replacement of Refuse Vehicles	Replacement as per the vehicle replacement schedule.	-	375,000	-	375,000
Replacement of Cesspool Vehicles	Replacement as per the vehicle replacement schedule.	139,000	-	-	139,000
Replacement of Street Cleaning Vehicles	Replacement as per the vehicle replacement schedule.	219,650	171,670	-	391,320
Replacement of Horticulture Vehicles	Replacement as per the vehicle replacement schedule.	323,550	46,340	8,370	378,260
Replacement of Leisure Services Vehicles	Replacement as per the vehicle replacement schedule.	17,810	-	-	17,810
Capital Salaries - Management	General Fund staffing.	19,090	19,820	20,360	59,270
<b>TOTAL GENERAL FUND EXPENDITURE</b>		<b>1,910,820</b>	<b>812,830</b>	<b>173,730</b>	<b>2,897,380</b>
<b>TOTAL PROGRAMME</b>		<b>10,243,370</b>	<b>4,894,570</b>	<b>4,339,970</b>	<b>19,477,910</b>

**Vehicle Renewal Schedule 2023/24 to 2025/26**

**Appendix B**

<u>Registration</u>	<u>Vehicle type</u>	<u>Purchase Date</u>	<u>Expected Life</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>
<b>Pool Vehicle</b>						
KV08 KWL	Ford Connect	17/03/2008	7 Years	£5,000		
RX11 FVA	Land Rover Breakdown Vehicle	16/05/2011	10 years	£24,000		
<b>Refuse Vehicles</b>						
KT65 CZZ	Ford Ranger	05/03/2016	7 Years		£33,000	
FJ18 NRK	Daf 16T Narrow RCV	01/04/2018	7 Years		£171,000	
FJ18 NRF	Daf 16T Narrow RCV	01/04/2018	7 Years		£171,000	
<b>Cesspool</b>						
BV16 AFO	DAF Tanker	19/04/2016	7 Years	£139,000		
<b>Street Cleansing</b>						
KU13 UET	Ford Transit 260	04/03/2013	7 Years	£32,000		
FH63 GRK	Ford Transit 350	22/01/2014	7 Years	£26,900		
LG65 GGF	CX201 Compact Sweeper	25/02/2016	5 Years	£104,350		
ET66 HJG	Ford Transit 260	25/01/2017	8 Years	£24,000		
LL69 YFW	Road Sweeper	19/12/2019	5 Years		£171,670	
KV08 KVV	Ford Transit 260	01/04/2008	7 Years	£19,590		
KM59 XZW	Ford Fiesta Van	21/01/2010	7 Years	£12,810		
<b>DLO Vehicles</b>						
EY66 KXA	Transit Custom 2.2 Tdci	08/09/2016		£20,910		
KV08 KWM	Transit Dropside	01/04/2008	7 Years	£29,170		
KV08 KWA	Transit Dropside	01/04/2008	7 Years	£29,170		
KN11 NCC	Transit	31/05/2011	7 Years	£21,540		
KX65 WXM	Ford Transit 270	01/09/2015	7 Years	£20,600		
KX65 WXP	Ford Transit 270	01/09/2015	7 Years	£20,600		
KX65 WXT	Ford Transit 270	01/09/2015	7 Years	£20,600		
EA65 MBO	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,640		
EK65 XTR	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,640		
EK65 ZSN	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,640		
EA65 LZE	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,640		
EK65 ZSE	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,640		
EK65 XTS	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,640		
EK65 ZRL	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,640		
EY66 KTT	Transit Custom 2.2	09/09/2016		£22,000		
EK65 ZPX	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,640		
EY66 KJY	Transit Custom 2.3	09/09/2016		£22,000		
EY66 KXC	Transit Custom 2.4	09/09/2016		£22,000		
KP16 RCZ	Ford Transit 350	29/03/2016	7 Years	£36,000		
<b>Housing Inspector Vehicles</b>						
KX58 WZV	Connect SWB 220	05/09/2008	7 Years	£14,420		
KM59 XZV	Fiesta Van	21/01/2010	7 Years	£14,420		
KM59 XYZ	Fiesta Van	21/01/2010	7 Years	£14,420		
<b>Horticulture Vehicles</b>						
EA65 MEV	Transit H2 2.2T	17/11/2015	7 Years	£24,980		
EK65 ZNZ	Transit H2 2.2T	17/11/2015	7 Years	£24,980		
EA65 LZJ	Transit H2 2.2T	17/11/2015	7 Years	£24,980		
Unregistered	Kubota Mower GZD21 zero t	03/08/2015	5 Years	£14,840		
KS57 PNO (Lorna)	Ford Fiesta 1.3 Van	14/02/2008	7 Years	£12,200		
FH63 GWP	Ford Transit 350	22/01/2014	7 Years	£26,900		

**Vehicle Renewal Schedule 2023/24 to 2025/26**

**Appendix B**

<u>Registration</u>	<u>Vehicle type</u>	<u>Purchase Date</u>	<u>Expected Life</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>
BX65 VYL	Kubota Tractor	22/09/2015	7 Years	£28,840		
EK65 XTE	Transit H2 2.2T	17/11/2015	7 Years	£24,980		
EK65 ZPU	Transit H2 2.2T	17/11/2015	7 Years	£24,980		
WX65 CDV	Ransome Highway Mower	01/02/2016	5 Years	£40,340		
WX65 CDY	Ransome Highway Mower	01/02/2016	5 Years	£40,340		
BX66 OXA	Kubota Mower	01/03/2018	5 Years	£27,300		
BX21 NRJ	Kubota Mower	01/06/2020	5 Years		£22,890	
Unregistered	Kubota Mower	01/06/2020	5 Years		£15,320	
Trailers			1 Year	£7,890	£8,130	£8,370
<b>Leisure Vehicles</b>						
KR09 AUN	Ford Transit 260	03/07/2009	7 Years	£17,810		
HRA Total				£472,970	£0	£0
General Fund				£729,010	£593,010	£8,370
<b>Grand Total</b>				<b>£1,201,980</b>	<b>£593,010</b>	<b>£8,370</b>

## **Agenda Item No 14**

### **Resources Board**

**30 January 2023**

#### **Report of the Corporate Director - Streetscape**

#### **Review of Parking**

### **1 Summary**

- 1.1 This report updates Members on the outcomes of the implementation of CPE and the changes to the Council's off-street Parking places Order which took effect in February 2022. The report also sets out some of the next steps in relation to on-street and off-street parking in the Borough over the coming months.

#### **Recommendation to the Board**

- a) That Members note the contents of the report**

### **2 Consultation**

- 2.1 The information contained within this report has been reviewed by the Parking Task & Finish Group.

### **3 Background**

- 3.1 In February 2022 Civil Parking Enforcement was implemented across the Borough of North Warwickshire and responsibility for the regulation of on-street parking in the main urban areas of North Warwickshire passed from the Police to Warwickshire County Council. At the same time, in consultation with WCC and in anticipation of the impact which CPE would have on off-street parking, North Warwickshire Borough Council introduced a new Parking Places Order and associated Schedules to cover parking in the Council's off-street car parks.
- 3.2 For the first time, the changes implemented put in place parking charges for stays of over two hours in the Council's car parks. In order to help manage the new arrangements, Pay & Display machines were installed alongside a phone app (RingGo) along with new signage and an expanded programme of monitoring and enforcement.
- 3.3 The aim of the revised Parking Places Order and Schedule(s) was to ensure that the effective capacity of the car parks was increased to cope with the anticipated shift from on-street to off-street parking. The new PPO &

Schedule(s) also brought in new rules for EV charging and established discounted season tickets for regular car park users.

- 3.4 This report reviews the impact of the changes on both on-street and off-street parking behaviour and how that has developed over time. It also sets out some of the next steps due to be taken by the Borough and County Councils over the coming months in relation to parking.

#### 4 **Occupancy Rates & Parking Demand**

- 4.1 A review of car parking in Atherstone undertaken in 2009 observed that peak weekday demand was at 88% of off-street capacity while on-street parking consistently exceeded capacity (and the designated waiting limits). 70 on-street spaces are provided in Atherstone. The review estimated 50 vehicles would effectively be displaced if on-street parking restrictions were enforced

- 4.2 A further review undertaken in 2016/17 reported that weekday demand was shown to exceed capacity at Cattle Market (Atherstone's main long stay car park). Memorial Hall (medium stay) was, at times, at or near capacity midweek. Sheepy Road (Atherstone's other main long stay car park) was at or near capacity weekdays and weekends as was Station Street. Woolpack Way was also near capacity in the week during the middle of the day (85% to 90% full). Woolpack Way, as the main short stay car park in the town was be expected to take the bulk of any displaced parking from Long Street once Civil Parking Enforcement was implemented.

- 4.3 Given the anticipated displacement of on-street parking to off-street following the implementation of CPE, long-stay off-street car parking occupancy levels had been estimated (based on previous usage) at 100% for Cattle Market, Church Hill and Water Orton and 93% for Sheepy Road. Recent usage surveys (carried out in November 2022) have observed lower occupancy levels:

- Cattle Market – 54%
- Church Hill – 60%
- Water Orton – 35%
- Sheepy Road – 78% (90%, Tue – Fri)

- 4.4 One of the principal reasons for introducing the new Parking Places Order and revised Schedule(s) was to ensure that the impact of the implementation of Civil Parking Enforcement on on-street parking was managed through greater effective capacity in the Council's off-street car parks. The variable charging and waiting times set out in the revised schedule were designed to make sufficient parking capacity available at peak times in both short stay and long stay car parks. The evidence so far is that the approach adopted by the Borough Council has been effective in achieving those objectives.

- 4.5 Parking Enforcement Officers also report regular capacity available in Woolpack Way and on-street.

## 5 How Off-Street Visits Are Paid For

- 5.1 In total, during the period from April to November there have been 287,738 visits to NWBC off-street car parks. That is an average of 35,967 per month. The vast majority of stays do not incur a charge. For example, in November there were 37,679 parking visits of which 3,908 were paid for. This means that around 90% of all car park stays were free of charge to the user.
- 5.2 In the initial weeks of the new system, most tickets (free or charged) were obtained using the Pay & Display (P&D) machines in the Council car parks. The Council has encouraged the use of the RingGo app and since April, the share of bookings obtained through the RingGo app against those from P&D machines has evened out as more people adopt and use the new technology.
- 5.3 During the same period, 95% of free tickets were obtained from P&D machines while 56% of paid tickets were purchased via the RingGo app.

## 6 Actual Ticket Income v. Forecast

- 6.1 Ahead of the implementation of off-street parking charges, income calculations based on anticipated usage were estimated as follows:
- 1 hour free - £166,250 per annum
  - 2 hours free - £71,000 per annum
- 6.2 The Council opted for a 2 hour free period in all car parks (where applicable). In the financial year to date (April to November incl.) the total ticket income (all sources) was £58,793. This would equate to a full year income of £96,000. The Council has sold 30 season tickets (which offer a 30% discount for regular long-stay users) which would equate to c.£10,800 per annum, this is included in the full year income of £96,000 above. Income from Penalty Charge Notices (PCNs) had proven more difficult to estimate ahead of implementation due to the move from a totally free to a partially charged-for service. Based on income from previous years the estimated income from PCNs was between £26k and £70k per annum. Between April and November, the Council received £12,119 which is equivalent to an annual PCN income of £16,170. This is significantly less than forecast but is reflective of the estimated drop in income due to the longer free period adopted by the Council. The Council's contractor has recently begun sending cases, that have not been paid, to the TEC (Traffic Enforcement Centre) to obtain orders to recover the penalty – so fine income from PCNs should increase as a result.
- 6.3 All income taken together, will give a total estimated annual income to the Council from off-street parking of £112,170 which, while significant, is still below the cost of providing the service.

## **7 Civil Parking Enforcement (On-Street)**

- 7.1 Civil Parking Enforcement is undertaken by Warwickshire County Council. Between February and November, the County Council's on-street parking contractor carried out 22,960 inspection visits at various locations throughout the Borough. A total of 2,345 PCNs were issued (i.e. 10% of all inspections resulted in the issuing of a PCN). This figure (as a percentage of total visits) has fallen significantly since CPE was implemented in February 2022. In the first two months after Civil Parking Enforcement was introduced, the number of PCNs issued was 959 (24% of all inspections) with 729 issued in February alone (49.5% of inspections). This indicates that CPE has led to much better observation of on-street parking regulations since the scheme was introduced.
- 7.2 The impact of CPE on the worst affected areas has been significant as illustrated below:
- Church Hill, Coleshill – 76% PCNs in February, 20% PCNs in October
  - Church Street, Atherstone – 38% PCNs in February, 0% PCNs in October
  - Coleshill Street, Atherstone – 129% PCNs in February, 17% PCNs in October
  - High Street, Coleshill – 29% PCNs in February, 16% PCNs in October (PCNs issued at a steady rate of ~29/month since February)
  - Long Street, Atherstone – 80% PCNs in February, 8% PCNs in October (PCNs issued at a steady rate of ~50/month since February)
  - Market Street, Atherstone – 131% PCNs in February, 18% PCNs in October (PCNs issued at a steady rate of ~15/month since February)

## **8 Next Steps**

- 8.1 In the weeks following the implementation of Civil Parking Enforcement several immediate issues were identified. As a result, Warwickshire County Council is currently in the process of introducing TROs in relation to:
- High Street, Coleshill (north of Green Man crossroads) - Revocation of Limited Waiting
  - Long Street, Dordon - Revocation of Limited Waiting
  - Sheepy Road, Atherstone - Double Yellow Lines
  - Birmingham Road, Water Orton - Limited Waiting Restrictions
  - Bridge Street, Polesworth - Double Yellow Lines
  - Church Street, Coleshill - Disabled Bay
- 8.2 In addition to the Traffic Regulation Orders already in the process of being amended, informal consultation will begin soon in those areas most affected by displacement parking with a view to introducing residents' parking schemes and associated restrictions/TROs where appropriate.

- 8.3 North Warwickshire Borough Council is in the process of increasing off-street parking capacity, initially through the remodelling of Cattle Market car park in Atherstone with designs currently being finalised. This will also enable the Borough Council to roll out further EV charging and officers are currently in discussions with potential EV charging providers.

## **9 Report Implications**

### **9.1 Finance and Value for Money Implications**

- 9.1.1 The annual cost of operating the Council's off-street car parks was estimated to be £236,690 for 2022/23. Based on income figures from April to November, the Council estimates total annual receipts of £112,170. Leaving the net budget for car parking of £124,520

### **9.2 Legal and Risk Management Implications**

- 9.2.1 The implemented changes have tightened up some areas of enforcement and reflect present day and anticipated car park usage and management more accurately, thus reducing the risk of PCN appeals. PCNs have also reduced proportionately since the changes to off-street parking have been introduced and a broader enforcement operation across on-street and off-street parking has been in place.
- 9.2.2 Charges for use of off street parking places may be varied by a simplified notice process rather than a variation of the Order itself, provided no other change is proposed in relation to the substance of the Order. Where other changes are proposed the Council must go through a more detailed variation process.

### **9.3 Environment, Climate Change and Sustainability Implications**

- 9.3.1 Private vehicle journeys will continue to be a mainstay of the region's transport system over the coming decade and beyond. A well-managed and adequately resourced parking service is essential in small market towns such as Atherstone, Coleshill and Polesworth and in their surrounding villages. Well managed off-street car parks should aim to provide sufficient parking capacity to reduce idling times and unnecessary or abortive journeys. Sufficient parking should also be provided near other, more sustainable transport hubs. Finally, the transition from ICE vehicles to EV and other ULEV (Ultra Low Emissions Vehicles) needs to be supported. The new PPO and associated Schedule(s) is designed to support these aims sustainably.

The Contact Officer for this report is Richard Dobbs (719440)