

To: Deputy Leader and Members of the Resources Board

Councillors Symonds, Chambers, Davey, Deakin, Dirveiks, Farrow, Hayfield, D Humphreys, Simpson and Singh

For the information of other Members of the Council

For general enquiries please contact Democratic Services on 01827 719221 or via email – 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

25 JANUARY 2021

The Resources Board will meet on Monday 25 January 2021 at 6.30pm via Teams. An email invite will be sent to all Members and the meeting will be live streamed on the Council's YouTube channel, accessible from the home page of the Council's website or at <https://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 9 November 2020 – 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. Questions should be submitted by 9.30am two working days prior to the meeting. Participants are restricted to five minutes each.

PLEASE BE AWARE THAT THIS MEETING WILL BE TAKING PLACE REMOTELY.

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@northwaarks.gov.uk or telephone 01827 719221/719226.

Once registered to speak, 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 may need to mute the sound on YouTube when they speak on the phone to prevent feedback).

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

- 6 **General Fund Fees and Charges 2021/22** – Report of the Corporate Director – Streetscape, Corporate Director – Resources and Director of Housing

The report covers the fees and charges for 2020/21 and the proposed fees and charges for 2021/22.

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

- 7 **General Fund Revenue Estimates 2021/22 – Services Recharged Across All Boards** – Report of the Corporate Director - Resources

Summary

This report covers the revised budget for 2020/21 and an estimate of expenditure for 2021/22, together with forward commitments for 2022/23, 2023/24 and 2024/25.

The Contact Officer for this report is Nadeem Afzal (719444)

8 General Fund Revenue Estimates 2020/21 – Services Remaining within the Board – Report of the Corporate Director - Resources

Summary

This report covers the revised budget for 2020/21 and an estimate of expenditure for 2021/22, together with forward commitments for 2022/23, 2023/24 and 2024/25.

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

9 General Fund Revenue Estimates 2021/22 – Summary – Report of the Corporate Director – Resources

Summary

This report covers the revised budget for 2018/19 and an estimate of expenditure for 2021/22, together with forward commitments for 2022/23, 2023/24 and 2024/25.

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

10 Countywide Homelessness Strategy – Report of the Director of Housing

Summary

This report provides the Board with a draft of a homelessness strategy for Warwickshire to consider.

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

11 HEART and Private Sector Shared Services – Report of the Director of Housing

Summary

The HEART shared service 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 a recent review of the shared service and provides an update about activity in the Private Sector Shared Service.

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

- 12 **Housing Revenue Account Estimates 2021/22 and Rent Review** – Report of the Corporate Director – Resources

Summary

The report covers the revised budget for 2020/21 and an estimate of expenditure for 2021/22, together with forward commitments for 2022/23, 2023/24 and 2024/25.

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

- 13 **Asset Management Plan and Housing Maintenance Stock** – 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 and informs the Board about the challenges posed by an ageing stock profile and implications from the Social Housing White Paper.

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

- 14 **Capital Programme 2020/21 to 2023/24** – Report of the Corporate Director – Resources

Summary

This report identifies changes to the Council's 2020/21 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 Daniel Hogan (719337)

- 15 **Customer Contact / Reception Service** – Report of the Corporate Director

This report proposes changes to the operation of the Council's reception service and area.

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

- 16 **Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 202/22** – Report of the Corporate Director – Resources

Summary

This report outlines the Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Investment Strategy for 2021/22.

The Contact Officer for this report is Daniel Hogan (719337)

17 **Sheepy Road Football Ground** – Report of the Corporate Director (Streetscape)

This report proposes that the Council enters into a Tenancy at Will with Atherstone Town Community Football Club in respect of its use of the Football Ground, Sheepy Road Atherstone.

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

18 **Exclusion of the Public and Press**

Recommendation:

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.

19 **Confidential Extract of the minutes of the Resources Board held on 8 September 2020** – copy herewith to be approved as a correct record and signed by the Chairman.

20 **Borough Care Report** – Report of the Director of Housing

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

21 **Adaptation at a Property in Atherstone** – Report of the Director of Housing

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

22 **High Street, Coleshill** – Report of the Corporate Director (Streetscape)

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

STEVE MAXEY
Chief Executive

NORTH WARWICKSHIRE BOROUGH COUNCIL

**MINUTES OF THE
RESOURCES BOARD**

9 November 2020

Present: Councillor Symonds in the Chair

Councillors Chambers, Davey, Deakin, Farrow, Hayfield, D Humphreys, Osborne, Simpson and Singh.

An apology for absence was received from Councillor Dirveiks (Substitute Osborne).

Councillors D Clews, T Clews, Lees, Moss and D Wright were also in attendance.

17 Disclosable Pecuniary and Non-Pecuniary Interests

None were declared at the meeting.

18 Minutes of the Resources Board held on 8 September 2020

The minutes of the Resources Board held on 8 September 2020, copies having been previously circulated, were approved as a correct record and signed by the Chairman.

19 Internal Audit Half-Yearly Report 2020-21

The Corporate Director – Resources detailed the progress of the Council's Internal Audit function against the agreed plan of work for the year and proposed changes as a result of the COVID-19 pandemic. A summary of the work completed by the Council's Counter Fraud Officer was also given.

Resolved:

- a That the progress against the approved plan as detailed at Appendices A and B of the report of the Corporate Director – Resources and the work of the Counter Fraud Officer be noted; and**
- b That the proposed changes to the Internal Audit Plan for 2020-21 be approved.**

20 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April September 2020**

Members were informed of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to September 2020.

Resolved:

That the report be noted.

21 **Homelessness Service**

The Director (Housing) provided the Board with information about the Council's homelessness service and how it was addressing the housing needs of applicants.

Resolved:

- a That the current national and local position with regard to homelessness applications be noted; and**
- b That the use of additional support services referred to in the report of the Director (Housing), which meet the needs of homeless applicants, be commended and supported.**

22 **Capital Programme 2020/21 Period 6 Update**

The Corporate Director – Resources updated Members on the progress of the 2020/21 Capital Programme in terms of expenditure up to the end of September 2020.

Resolved:

- a That a virement of £215,000 from Remedial Works to Flats to the Disabled Facility Adaptation budget be approved; and**
- b That a virement of £100,000 from Remedial Works to Flats to the Multi Trade budget be approved.**

23 General Fund Budgetary Control Report 2020/21 Period Ended 30 September 2020

The Corporate Director – Resources detailed revenue expenditure and income for the period from 1 April 2020 to 30 September 2020. The 2020/21 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.

24 Housing Revenue Account Budgetary Control Report 2020/2021 Period Ended 30 September 2020

The Corporate Director – Resources reported on the total Housing Revenue Account revenue expenditure and income for the period from 1 April to 30 September 2020.

Resolved:

That the report be noted.

25 Treasury Management Update 2020/21

The Corporate Director – Resources detailed the Treasury Management activity for the period up to the end of September 2020.

Resolved:

That the report be noted.

26 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.

27 **Confidential Extract of the Minutes of the Resources Board held on 8 September 2020**

The confidential extract of the minutes of the Resources Board held on 8 September 2020, copies having been previously circulated, were approved as a correct record and signed by the Chairman.

28 **Procurement of Contracts**

The Director of Housing provided the Board with information about the procurement of a contract in relation to repairs to council properties.

Resolved:

- a **That the Director of Housing be authorised to negotiate a contract in relation to repairs to council properties; and**
- b **That, subject to a price being negotiated that is value for money, the Planned Investment Manager undertake the necessary leasehold consultation in advance of the appointment of the contractor.**

Agenda Item No 6

Resources Board

25 January 2021

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

General Fund Fees and Charges 2021/22

1 Summary

- 1.1 The report covers the fees and charges for 2020/21 and the proposed fees and charges for 2021/22.

Recommendation to the Board

That the schedule of fees and charges for 2021/22, set out in the report be accepted.

2 Introduction

- 2.1 At its meeting held in September 2020, the Executive Board agreed the budget strategy for 2021/25, which included an allowance for price increases of 2%.

3 Fees and Charges proposed for 2021/22

- ... 3.1 Attached at Appendix A for the Board's consideration are details of present and proposed fees and charges for the financial year 2021/22. The amounts shown have already been included in the revenue estimates for 2021/22.

- 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 penalties and Borough Care charges have been kept the same as in 2020/21. The remaining fees and charges have generally been increased by 2% (rounded).

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 The pricing structure contained within this report is expected to generate additional income of £310.

- 4.1.2 This will contribute to the achievement of income targets, which are contained within the Corporate Director - Resources report on the General Fund estimates

2021/22 presented elsewhere within the agenda for this meeting. A 1% change in income generated by services reporting to this Board would result in an increase or decrease in income of £160.

4.1.3 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 Nadeem Afzal (719444).

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 2021

	2020/2021 TOTAL CHARGE £	2021/2022 TOTAL CHARGE £	VAT RATING
REGISTER OF ELECTORS (statutory)			
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	"
FAILURE TO NOTIFY A CHANGE TO A COUNCIL TAX SINGLE PERSON DISCOUNT (Statutory)			
	70.00	70.00	Outside Scope

NORTH WARWICKSHIRE BOROUGH COUNCIL

RESOURCES BOARD

FEES AND CHARGES FROM 1 APRIL 2021

	2020/2021 TOTAL CHARGE £	2021/2022 TOTAL CHARGE £
PARKING PENALTIES		
If paid within 7 days	25.00	25.00
If paid after 7 days	50.00	50.00
STATEMENTS OF ACCOUNT (per copy)	12.90	13.20
INSPECTION AND COPYING OF BACKGROUND PAPERS UNDER SECTION 100H OF THE LOCAL GOVERNMENT ACT 1972		
a) Inspection of background papers to a part 1 report per item of business	3.00	3.10
b) Photocopying of background papers to a part 1 report per copy	0.10	0.10
minimum charge	0.50	0.50
COURT COSTS		
Summons Costs (Council Tax and NDR)	100.00	100.00
BOROUGH CARE		
Charges for service users (per week)	4.20	4.20
PROVISION OF CCTV IMAGES TO THIRD PARTIES		
Requests taking up to 1 hour of officer time	67.00	68.40
Requests taking over 1 hour of officer time	133.80	135.90

**VAT
RATING**

Outside Scope
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Outside Scope

Outside Scope

"
"

Outside Scope

Incl VAT at
Standard Rate

Standard
"

Agenda Item No 7

Resources Board

25 January 2021

Report of the Corporate Director - Resources

General Fund Revenue Estimates 2021/22 - Services Recharged Across All Boards

1 Summary

- 1.1 This report covers the revised budget for 2020/21 and an estimate of expenditure for 2021/22, together with forward commitments for 2022/23, 2023/24 and 2024/25.

Recommendation to the Board

- a To accept the revised budget for 2020/21; and
- b To accept or otherwise vary the Estimates of Expenditure for 2021/22, as submitted, for them to be included in the budget to be brought before the meeting of the Executive Board on 15 February 2021.

2 Introduction

- 2.1 In consultation with other Directors, the Corporate Director – Resources has prepared an estimate of net expenditure for 2021/22 and this, together with a revised budget for 2020/21, appears in Appendices A and B. To provide a more complete picture of the spending pattern of the service, the actual figures for 2019/20 are shown.
- ...
- 2.2 At its meeting in September 2020, the Executive Board agreed the budget strategy for 2021-2025, which required savings of £2.30 million over a four year period. This required budget savings of £700,000 in 2021/22 with additional savings of £800,000 in 2022/23 and £800,000 in 2023/24. A savings target was not included for 2024/25 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:

	Approved Budget 2020/21 £	Revised Budget 2020/21 £	Original Budget 2021/22 £
Employee Costs	8,562,280	8,565,230	8,836,420
Premises	488,810	488,810	493,680
Supplies and Services	928,320	960,670	933,080
Transport	639,650	590,210	633,870
Miscellaneous Expenditure	-	500	-
Earmarked Reserves	(8,000)	(8,000)	(8,000)
Gross Expenditure	10,611,060	10,597,420	10,889,050
Income	(247,380)	(247,580)	(255,590)
Net controllable Expenditure	10,363,680	10,349,840	10,633,460
Recharged to Other Services	(12,285,020)	(12,269,760)	(12,557,720)
Departmental Support	21,490	21,490	22,030
Central Support Charges	1,478,920	1,478,920	1,482,720
Capital Charges	420,930	419,510	419,510
Net Expenditure	-	-	-

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 2020/21 Revised Budget**

3.1 The revised budget to be recharged across all Boards for 2020/21 is estimated to be £12,269,760; a decrease of £15,260 on the approved provision. The main reason for the decrease is lower fuel costs, which have been partly offset by a one-off increase in vehicle repairs and maintenance costs.

3.2 In year savings from staff turnover have been reflected in the revised vacancy factor, which is contained within the Corporate Director - Resources report on the General Fund Revenue estimates 2021/22 Summary presented elsewhere within the agenda for this meeting.

4 **Comments on the 2021/22 Estimates**

4.1 The 2021/22 estimates have been prepared, taking into account the following assumptions:

- A 2% pay award from 1 April 2021;
- An increase in income to reflect the increases included in the fees and charges report elsewhere on this agenda;

- Savings of £34,820 have been incorporated into the estimates being considered and are shown in Appendix C.

4.2 The original budget to be recharged across all Boards for 2021/22 is estimated to be £12,557,720; an increase of £287,960 on the 2020/21 revised budget and an increase of £272,700 on the 2020/21 original budget. The main variations from the revised estimate are set out below.

4.3 **Employee** costs have increased by £271,190 and the main variations are as follows:

	£
The impact of the budgeted pay award	167,810
Increases in national insurance, apprenticeship levy and superannuation costs due to the pay award and increments	56,030
Restructures, grade changes and change in hours as a result of the Housing Maintenance restructure, and reinstatement of vacant positions	34,670
Budgeted salary increments	13,780
Inflationary increases on Training budgets	1,680
Inflationary increases on Employers liability insurances	1,060
Reduction in Lease car lump sum allowances	(7,010)
TOTAL	268,020

4.4 **Premises** costs have increased by £4,870 mainly from the following changes:

	£
Inflationary increases in the Building Maintenance Fund	3,580
Inflationary increases in depot and stores utilities costs, business rates and increase in the contribution from the depot budget to the building maintenance fund.	4,760
Reduction in Council Offices business rates partly offset by inflationary increases in utilities costs	(3,480)
TOTAL	4,860

4.5 **Supplies and Services and Transport costs** have increased by £16,070 which is due to inflationary increases in fuel and repairs and maintenance budgets and the reinstatement of the one-off reductions mentioned earlier.

4.6 **Income** has increased by £8,010 which is mainly due to additional income from Warwickshire Police due to their office move to the Council House and inflationary increases to income from Warwickshire County Council for the use of the Council House.

4.7 **Central Support and Capital Charges** have increased overall by £4,340 due to the pay award, a change in the work plan of Internal Audit and a change in the allocation of the Corporate Director Resources to Revenues and Benefits.

5 Risks to Services

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

- Additional increases in pension contribution rates above those already included
- Higher than anticipated rises in utility costs (electricity, gas and water)
- Changes in legislation that effect service delivery and/or software requirements
- Above Inflation increases in vehicle fuel
- Increased insurance costs, especially those relating to vehicles
- Termination of employment costs

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

...

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 2021/22. The table below provides a subjective summary for those services reporting to this Board:

	Forecast Budget 2022/23 £	Forecast Budget 2023/24 £	Forecast Budget 2024/25 £
Employee Costs	9,017,210	9,245,250	9,477,030
Premises	498,160	508,220	512,870
Supplies and Services	935,190	952,850	962,880
Transport	644,910	652,820	662,990
Gross expenditure	11,095,470	11,359,140	11,615,770
Income	(260,700)	(266,200)	(271,820)
Net Expenditure	10,834,770	11,092,940	11,343,950
Recharged to other Services	(12,783,910)	(13,077,830)	(13,361,070)
Departmental Support	22,460	23,010	23,580
Central Support Charges	1,507,170	1,542,370	1,574,030
Capital Charges	419,510	419,510	419,510
New Expenditure	-	-	-

6.2 The forecasts given above have used a number of assumptions, which include pay awards of 2% in 2022/23 to 2024/25, increases in contracts and general increases in supplies and services of 2% in 2023/24. In total, the amount recharged to services is expected to increase by 1.80% in 2022/23, 2.30% in 2023/24 and 2.17% in 2024/25.

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 Nadeem Afzal (719444).

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

Code	Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
Various	Chief Executive	207,314	211,340	211,340	220,390
Various	Corporate Director Resources	908,358	1,020,620	1,020,620	1,063,910
Various	Chief Executive - Other Services	1,098,979	1,102,310	1,102,310	1,111,510
Various	Corporate Director Resources - Community Services	1,396,379	1,486,740	1,486,740	1,501,810
Various	Director of Housing	2,230,943	2,325,130	2,325,130	2,446,350
Various	Corporate Director Streetscape	890,128	923,770	923,770	942,880
Various	Director of Leisure and Community Development	689,685	559,680	559,680	572,020
3006-3039	Building Maintenance Fund	226,164	226,380	226,380	231,250
3040-3041	Council Offices	189,161	188,030	188,030	181,430
3043	Central Telephones	16,176	17,700	17,700	18,100
3045	Recruitment	54,704	26,390	26,390	25,200
3046	Printing and Copying	65,248	68,930	68,930	71,230
3047	Training	19,324	82,840	82,840	84,200
3048	Depot and Stores	73,934	76,740	76,740	81,830
3110	Postage and Franking	66,447	69,890	69,890	70,050
3226	Central Services	256,536	278,710	278,710	286,290
3290	Information Services	767,856	765,600	765,600	786,140
3291	Procurement	75,815	75,200	75,200	74,300
3292	Staff Welfare	33,069	27,860	27,860	26,730
3300	Transport	822,081	829,820	815,980	837,840
	Net Controllable Expenditure	10,088,301	10,363,680	10,349,840	10,633,460
	Recharged to Services	(11,943,346)	(12,285,020)	(12,269,760)	(12,557,720)
	Departmental Support	22,082	21,490	21,490	22,030
	Central Support	1,466,658	1,478,920	1,478,920	1,482,720
	Capital	366,305	420,930	419,510	419,510
	Resources Board (Recharged) Total	-	-	-	-

Resources Board Summary

Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
Totals - Recharged Services	-	-	-	-
Totals - Services Remaining	3,947,836	3,124,140	3,393,880	3,273,590
Central Vacancy Factor	-	(234,000)	(315,000)	(210,000)
Resources Board Total	3,947,836	2,890,140	3,078,880	3,063,590

VARIOUS - CHIEF EXECUTIVE - DIRECT

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	202,435	206,540	206,540	215,670
Supplies and Services	4,328	3,920	3,920	3,870
Transport Related Expenditure	551	880	880	850
NET CONTROLLABLE EXPENDITURE	207,314	211,340	211,340	220,390
Recharged to Services	(243,138)	(246,650)	(246,650)	(259,110)
Central Support	33,807	33,070	33,070	36,480
Capital Charges	2,017	2,240	2,240	2,240
NET EXPENDITURE	-	-	-	-

VARIOUS - CORPORATE DIRECTOR RESOURCES

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	782,856	877,380	877,380	919,990
Supplies and Services	124,415	141,390	141,390	142,120
Transport Related Expenditure	1,107	1,850	1,850	1,800
GROSS EXPENDITURE	908,378	1,020,620	1,020,620	1,063,910
GROSS INCOME	(20)	-	-	-
NET CONTROLLABLE EXPENDITURE	908,358	1,020,620	1,020,620	1,063,910
Recharged to Services	(1,118,733)	(1,252,500)	(1,252,500)	(1,284,940)
Central Support	200,576	200,300	200,300	189,450
Capital Charges	9,799	31,580	31,580	31,580
NET EXPENDITURE	-	-	-	-

VARIOUS - CHIEF EXECUTIVE - OTHER SERVICES

This includes the Corporate Director-Environment, Policy, Democratic Services, Legal Services, Forward Planning, Heritage and Conservation, Environmental Health and Development Control budgets.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	1,037,411	1,079,900	1,079,900	1,086,920
Supplies and Services	82,661	50,650	50,650	53,980
Transport Related Expenditure	5,905	6,610	6,610	6,000
Miscellaneous Expenditure	-	-	-	-
Earmarked Reserves	(6,500)	(8,000)	(8,000)	(8,000)
GROSS EXPENDITURE	1,119,477	1,129,160	1,129,160	1,138,900
GROSS INCOME	(20,498)	(26,850)	(26,850)	(27,390)
NET CONTROLLABLE EXPENDITURE	1,098,979	1,102,310	1,102,310	1,111,510
Recharged to Services	(1,247,489)	(1,249,270)	(1,249,270)	(1,261,730)
Central Support	130,836	127,300	127,300	130,560
Capital Charges	17,674	19,660	19,660	19,660
NET EXPENDITURE	-	-	-	-

VARIOUS - CORPORATE DIRECTOR RESOURCES - COMMUNITY SERVICES

This includes the Revenues and Benefits and Customer Contact budgets.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	1,346,800	1,376,730	1,376,730	1,390,930
Supplies and Services	156,247	154,060	154,060	155,860
Transport Related Expenditure	3,332	4,490	4,490	4,490
Miscellaneous Expenditure	2	-	-	-
Earmarked Reserves	(4,209)	-	-	-
GROSS EXPENDITURE	1,502,172	1,535,280	1,535,280	1,551,280
GROSS INCOME	(105,793)	(48,540)	(48,540)	(49,470)
NET CONTROLLABLE EXPENDITURE	1,396,379	1,486,740	1,486,740	1,501,810
Recharged to Services	(1,708,343)	(1,790,110)	(1,790,110)	(1,831,690)
Central Support	265,500	254,570	254,570	281,080
Capital Charges	46,464	48,800	48,800	48,800
NET EXPENDITURE	-	-	-	-

VARIOUS - DIRECTOR OF HOUSING

This includes the Housing Strategy, Management and Maintenance, Private Sector Housing and Community Support budgets.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	2,158,978	2,244,130	2,244,130	2,367,150
Supplies and Services	76,560	69,090	69,090	67,290
Transport Related Expenditure	8,153	11,910	11,910	11,910
Earmarked Reserves	(12,419)	-	-	-
GROSS EXPENDITURE	2,231,272	2,325,130	2,325,130	2,446,350
GROSS INCOME	(329)	-	-	-
NET CONTROLLABLE EXPENDITURE	2,230,943	2,325,130	2,325,130	2,446,350
Recharged to Services	(2,534,864)	(2,622,050)	(2,622,050)	(2,740,210)
Central Support	268,126	257,680	257,680	254,620
Capital Charges	35,795	39,240	39,240	39,240
NET EXPENDITURE	-	-	-	-

VARIOUS - CORPORATE DIRECTOR STREETScape

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	836,675	910,870	910,870	931,170
Supplies and Services	45,134	17,120	17,120	15,870
Transport Related Expenditure	8,257	7,970	7,970	8,270
Miscellaneous Expenditure	62	-	-	-
Earmarked Reserves	-	-	-	-
GROSS EXPENDITURE	890,128	935,960	935,960	955,310
GROSS INCOME	-	(12,190)	(12,190)	(12,430)
NET CONTROLLABLE EXPENDITURE	890,128	923,770	923,770	942,880
Recharged to Services	(991,858)	(1,043,290)	(1,043,290)	(1,066,150)
Central Support	90,603	104,300	104,300	108,050
Capital Charges	11,127	15,220	15,220	15,220
NET EXPENDITURE	-	-	-	-

VARIOUS - DIRECTOR OF LEISURE AND COMMUNITY DEVELOPMENT

This includes the Director of Leisure and Community Development, Leisure Centres, Landscape Management and Community Development budgets.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	678,578	546,820	546,820	559,690
Supplies and Services	6,857	8,600	8,600	8,380
Transport Related Expenditure	4,128	4,260	4,260	3,950
Miscellaneous Expenditure	122	-	-	-
NET CONTROLLABLE EXPENDITURE	689,685	559,680	559,680	572,020
Recharged to Services	(772,732)	(651,110)	(651,110)	(659,100)
Central Support	74,242	77,920	77,920	73,570
Capital Charges	8,805	13,510	13,510	13,510
NET EXPENDITURE	-	-	-	-

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	46,060	47,130	47,130	48,420
Premises Related Expenditure	173,879	179,090	179,090	182,670
Supplies and Services	5,339	160	160	160
Earmarked Reserves	886	-	-	-
GROSS EXPENDITURE	226,164	226,380	226,380	231,250
GROSS INCOME	-	-	-	-
NET CONTROLLABLE EXPENDITURE	226,164	226,380	226,380	231,250
Recharged to Services	(247,030)	(245,040)	(245,040)	(249,440)
Central Support	20,866	18,660	18,660	18,190
NET EXPENDITURE	-	-	-	-

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	72,315	76,340	76,340	80,010
Premises Related Expenditure	243,457	247,030	247,030	243,550
Supplies and Services	28,355	22,950	22,950	23,360
Miscellaneous Expenditure	-	-	-	-
GROSS EXPENDITURE	344,127	346,320	346,320	346,920
GROSS INCOME	(154,966)	(158,290)	(158,290)	(165,490)
NET CONTROLLABLE EXPENDITURE	189,161	188,030	188,030	181,430
Recharged to Services	(368,643)	(355,610)	(355,610)	(350,330)
Central Support	96,854	98,080	98,080	99,400
Capital Charges	82,628	69,500	69,500	69,500
NET EXPENDITURE	-	-	-	-

KEY PERFORMANCE INDICATORS

Area of Council Offices (m2)	3,967	3,967	3,967	3,967
Expenditure per square metre	£92.93	£89.64	£89.64	£88.31

3043 - CENTRAL TELEPHONES

All the telephone costs and those of the fax machine are included in this cost centre.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	6,790	6,980	6,980	7,170
Supplies and Services	9,386	10,720	10,720	10,930
NET CONTROLLABLE EXPENDITURE	16,176	17,700	17,700	18,100
Recharged to Services	(25,252)	(26,460)	(26,460)	(26,920)
Central Support	622	750	750	810
Capital Charges	8,454	8,010	8,010	8,010
NET EXPENDITURE	-	-	-	-
KEY PERFORMANCE INDICATORS				
Number of phones	190	190	190	190
Expenditure per phone line	£ 132.91	£ 139.26	£ 139.26	£ 141.68

3045 - RECRUITMENT

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	47,776	17,470	17,470	17,820
Supplies and Services	6,928	8,920	8,920	7,380
NET CONTROLLABLE EXPENDITURE	54,704	26,390	26,390	25,200
Recharged to Services	(57,135)	(29,300)	(29,300)	(28,160)
Central Support	2,431	2,910	2,910	2,960
NET EXPENDITURE	-	-	-	-

3046 - PRINTING AND STATIONERY

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	30,206	28,400	28,400	29,180
Supplies and Services	35,855	41,980	41,980	42,800
GROSS EXPENDITURE	66,061	70,380	70,380	71,980
GROSS INCOME	(813)	(1,450)	(1,450)	(750)
NET CONTROLLABLE EXPENDITURE	65,248	68,930	68,930	71,230
Recharged to Services	(78,610)	(82,530)	(82,530)	(84,420)
Central Support	10,797	11,230	11,230	10,820
Capital Charges	2,565	2,370	2,370	2,370
NET EXPENDITURE	-	-	-	-

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	16,184	79,250	79,250	80,830
Supplies and Services	3,140	3,590	3,590	3,370
NET CONTROLLABLE EXPENDITURE	19,324	82,840	82,840	84,200
Recharged to Services	(74,378)	(140,520)	(140,520)	(143,210)
Central Support	53,550	55,660	55,660	56,990
Capital Charges	1,504	2,020	2,020	2,020
NET EXPENDITURE	-	-	-	-

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 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	8,653	8,950	8,950	9,190
Premises Related Expenditure	59,262	62,040	62,040	66,800
Supplies and Services	6,019	5,750	5,750	5,840
GROSS EXPENDITURE	73,934	76,740	76,740	81,830
GROSS INCOME	-	-	-	-
NET CONTROLLABLE EXPENDITURE	73,934	76,740	76,740	81,830
Recharged to Services	(96,638)	(96,360)	(96,360)	(103,030)
Central Support	14,462	16,240	16,240	17,820
Capital Charges	8,242	3,380	3,380	3,380
NET EXPENDITURE	-	-	-	-
KEY PERFORMANCE INDICATORS				
Area of Depot and Stores (m2)	3,369	3,369	3,369	3,369
Expenditure per square metre	£ 28.68	£ 28.60	£ 28.60	£ 30.58

3110 - POSTAL SERVICES

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	5,600	5,740	5,740	5,900
Supplies and Services	60,568	64,210	64,210	64,210
Earmarked Reserves	279	-	-	-
GROSS EXPENDITURE	66,447	69,950	69,950	70,110
GROSS INCOME	-	(60)	(60)	(60)
NET CONTROLLABLE EXPENDITURE	66,447	69,890	69,890	70,050
Recharged to Services	(89,024)	(95,280)	(95,280)	(95,720)
Central Support	22,577	25,390	25,390	25,670
NET EXPENDITURE	-	-	-	-

3226 - CENTRAL SERVICES

The costs of the central administration function.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	250,945	272,360	272,360	280,200
Supplies and Services	5,469	6,000	6,000	5,870
Transport Related Expenditure	122	350	350	220
NET CONTROLLABLE EXPENDITURE	256,536	278,710	278,710	286,290
Recharged to Services	(321,389)	(345,880)	(345,880)	(353,980)
Central Support	55,371	56,640	56,640	57,160
Capital Charges	9,482	10,530	10,530	10,530
NET EXPENDITURE	-	-	-	-

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	555,642	557,740	557,740	580,210
Supplies and Services	219,037	207,240	207,240	205,310
Transport Related Expenditure	856	620	620	620
Earmarked Reserves	-	-	-	-
GROSS EXPENDITURE	775,535	765,600	765,600	786,140
GROSS INCOME	(7,679)	-	-	-
NET CONTROLLABLE EXPENDITURE	767,856	765,600	765,600	786,140
Recharged to Services	(936,805)	(967,510)	(967,510)	(981,120)
Central Support	52,728	54,370	54,370	47,440
Capital Charges	116,221	147,540	147,540	147,540
NET EXPENDITURE	-	-	-	-

KEY PERFORMANCE INDICATORS

Number of PCs & Devices	334	334	334	334
Expenditure per PC & Device	£ 2,804.81	£ 2,896.74	£ 2,896.74	£ 2,937.49

3291 - PROCUREMENT

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	74,287	73,440	73,440	72,710
Supplies and Services	1,413	1,630	1,630	1,460
Transport Related Expenditure	115	130	130	130
NET CONTROLLABLE EXPENDITURE	75,815	75,200	75,200	74,300
Recharged to Services	(119,700)	(119,350)	(119,350)	(109,800)
Central Support	42,258	42,140	42,140	33,490
Capital Charges	1,627	2,010	2,010	2,010
NET EXPENDITURE	-	-	-	-

3292 - STAFF WELFARE

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	2,108	3,150	3,150	1,570
Supplies and Services	27,975	22,710	22,710	23,160
Transport Related Expenditure	2,986	2,000	2,000	2,000
NET CONTROLLABLE EXPENDITURE	33,069	27,860	27,860	26,730
Recharged to Services	(33,821)	(28,740)	(28,740)	(27,630)
Central Support	752	880	880	900
NET EXPENDITURE	-	-	-	-

3300 to 3999 - TRANSPORT

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	139,962	142,960	145,910	151,690
Premises Related Expenditure	600	650	650	660
Supplies and Services	126,798	87,630	119,980	91,860
Transport Related Expenditure	540,402	598,580	549,140	593,630
Miscellaneous	500	-	500	-
Earmarked Reserves	17,098	-	-	-
GROSS EXPENDITURE	825,360	829,820	816,180	837,840
GROSS INCOME	(3,279)	-	(200)	-
NET CONTROLLABLE EXPENDITURE	822,081	829,820	815,980	837,840
Recharged to Services	(877,764)	(897,460)	(882,200)	(901,030)
Departmental Support	22,082	21,490	21,490	22,030
Central Support	29,700	40,830	40,830	37,260
Capital Charges	3,901	5,320	3,900	3,900
NET EXPENDITURE	-	-	-	-

SAVINGS INCLUDED WITHIN 2021/2022

Description	2021/2022 £
Reduction in lease car lump sum allowances	7,010
Reduction in subsistence	50
Reduction in Disclosure and Barring Service checks	1,750
Reduction in journals and newspapers	1,050
Reduction in books	540
Reduction in business rates	4,940
Increase in Rent Income from Council House	7,200
Reduction in car lump sum allowances	1,240
Reduction in essential travel allowances	1,240
Reduction in Housing Assessment Officer hours	7,040
Rationalisation of two part time Accountancy Assistant posts	2,560
Reduction in provisions	200
Resources Recharged Total	34,820

Risk Analysis

	Likelihood	Potential impact on Budget
Additional increase in pension contribution rates	Low	Low
Higher than anticipated rises in utility costs	Medium	Low
Changes in legislation affecting service delivery and/or software requirements	Medium	Low
Above inflation increases in vehicle fuel	Medium	Medium
Increased insurance costs	Medium	Low
Termination of employment costs	Medium	Medium

Agenda Item No 8

Resources Board

25 January 2021

Report of the
Corporate Director - Resources

General Fund Revenue Estimates
2021/22 - Services Remaining
within the Board

1 Summary

- 1.1 This report covers the revised budget for 2020/21 and an estimate of expenditure for 2021/22, together with forward commitments for 2022/23, 2023/24 and 2024/25.

Recommendation to the Board

- a To accept the revised budget for 2020/21; and**
- b To accept or otherwise vary the Estimates of Expenditure for 2021/22, as submitted, for them to be included in the budget to be brought before the meeting of the Executive Board on 15 February 2021.**

2 Introduction

- 2.1 In consultation with other Directors, the Corporate Director - Resources has prepared an estimate of net expenditure for 2021/22 and this, together with a revised budget for 2020/21, appears in Appendices A and B. To provide a more complete picture of the spending pattern of the service the actual figures for 2019/20 are shown.
- 2.2 At its meeting in September 2020, the Executive Board agreed the budget strategy for 2021-2025, which required savings of £2.30 million over a four year period. This required budget savings of £700,000 in 2021/22 with additional savings of £800,000 in 2022/23 and £800,000 in 2023/24. A savings target was not included for 2024/25 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:

	Approved Budget 2020/21 £	Revised Budget 2020/21 £	Original Budget 2021/22 £
Employee Costs	1,671,990	1,747,310	1,752,220
Premises	162,060	159,920	152,900
Supplies and Services	373,590	736,740	536,550
Transport	27,800	18,140	28,320
Transfer Payments	11,146,500	10,150,050	10,150,050
Members Allowances	247,450	245,730	254,880
Earmarked Reserves	(63,350)	282,420	(133,230)
Gross Expenditure	13,566,040	13,340,310	12,741,690
Income	(12,639,290)	(12,149,810)	(11,699,020)
Net Controllable Expenditure	926,750	1,190,500	1,042,670
Recharged to Other Services	(255,120)	(249,130)	(258,760)
Departmental Support	1,084,270	1,084,270	1,114,790
Central Support	1,081,030	1,081,030	1,087,430
Capital Charges	287,210	287,210	287,460
Net Expenditure	3,124,140	3,393,880	3,273,590

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 2020/21 Revised Budget**

3.1 The revised budget for 2020/21 is estimated to be £3,393,880; an increase of £269,740 on the approved position. The main variations are given below.

3.2 **Cost of Democratic Services** **(£14,440)**

3.2.1 Telephone and hire of premises costs have reduced by £2,870 due to lower spend. There are also in year savings of £11,410 relating to provisions, stationery, conference fees, mayoral transport and Members Travel as these are not currently taking place due to the Covid-19 pandemic.

3.3 **Council Tax Collection** **£87,560**

3.3.1 Income from the recovery of legal costs has reduced by £90,000 This is because debt recovery action was put on hold by the Authority due to Covid-19 and therefore summons or liability orders had not been issued. Recovery action has recommenced, but the Council will work with customers where they are struggling with current payments due to Covid-19. This has been slightly offset by one-off savings of £2,440 due to lower spend on Bailiff's and legal costs as a result of the pandemic.

- 3.4 Compensation and Pension Increases £78,070**
- 3.4.1 The 2020/21 original budget included the expected reduction in costs from paying pension contributions in advance. The prepayment was due in April 2020 but given the uncertainty around finances and cash flow at that time, the decision was taken not to proceed. The increase of £80,000 reflects the loss of the expected reduction for the year. This has been partly offset by a reduction of £1,930 in pension compensation payments, relating to employees who no longer work for the Council.
- 3.5 Unallocated Central Support Services £29,510**
- 3.5.1 Savings anticipated in the original budget from the closure of Old Bank House have not been possible due to Covid-19. In addition, some of the savings from the new mobile phone contract have now been built into service budgets. The increase reflects the removal of the savings from Unallocated Central Support Services and allocation into the service budgets.
- 3.6 The Pavilions Industrial Estate, Holly Lane £3,770**
- 3.6.1 The increase is due to a one-off reduction in income because of a part year vacancy in the units.
- 3.7 Carlyon Road Industrial Estate £4,600**
- 3.7.1 The increase is due to a reduction in income as a result of a change in the rent review date of some of the units.
- 3.8 Innage Park Industrial Estate (£6,160)**
- 3.8.1 The improvement relates to additional rent income of £4,490 as a result of letting out an additional unit. There are also savings of £1,670 in electricity, water and sewerage, and business rates costs.
- 3.9 Public Conveniences (£4,910)**
- 3.9.1 The reduction is due to one-off savings in employee costs due to the closure of the public conveniences because of the Covid-19 pandemic.
- 3.10 Rent Allowances, and Rent Rebates and Administration £58,560**
- 3.10.1 There is a one-off reduction in income from the recovery of housing benefit overpayments of £128,580. This is because debt recovery action had been put on hold by the Authority due to Covid-19 and therefore liability orders or attachment of benefit orders had not been issued. The benefits team have also been dealing with a significant increase in Council Tax Support claims and change in circumstances forms due to Covid-19. This has been partially offset by a saving of £58,680 in Housing Rent Allowances and Rent Rebates due to a reduction in the net cost of benefits paid out and an improvement in the subsidy rate, and an improvement in the benefits administration grant of £11,980.

3.11 Council Tax Support **£3,060**

3.11.1 The increase is mainly due to a reduction in the Local Council Tax Support administration grant.

3.12 Private Sector Housing Assistance **£25,000**

3.12.1 The increase is mainly due to a one-off reduction in income of £25,000 in the revised budget, as no income is expected in 2020/21 from the HEART partnership. The surplus income from fees has been used during the year to support the staff establishment to meet an increase in demand for the service.

3.13 Meadow House Young People Support

3.13.1 In September 2019, the Council entered into a lease agreement with Bromford Housing Group for Meadow House for 3 years. The revised budget reflects the costs of the project which relate mainly to the lease payment made to Bromford Housing Group and some utilities costs. The costs for the project will be funded from rent due from the occupants and this has been reflected in the revised budget.

3.14 Homeless Project Watling Street Dordon

3.14.1 The Council received funding of £200,000 from Warwickshire County Council in April 2020 to support the Homeless project at Watling Street, Dordon. The project is for homeless single males identified as needing some support before going into their own tenancies, whether they are with the Council or another provider. Whilst there is a focus on veterans, it is available to all single males including civilians. The 5 bed property is leased from Cornerstone Partnership who are a social enterprise for affordable housing. The revised budget reflects the costs and funding of the project.

3.15 Additional Covid-19 Expenditure

3.15.1 Additional Covid-19 expenditure of £211,360 has been budgeted for services reporting to this Board. This expenditure covers the costs of Personal Protective Equipment, cleaning materials, equipment, hardware, software upgrades and Outbreak Management Activities. Covid-19 support grant of £148,760 and Outbreak Management grants of £62,600 has been budgeted to fund these costs.

4 Comments on the 2021/22 Estimates

4.1 The 2021/22 estimates have been prepared, taking into account the following assumptions:

- A 2% pay award from 1 April 2021;
- An increase in income to reflect the increases included in the fees and charges report elsewhere on this agenda;
- A reduction in benefits administration grant of 10%;
- Savings of £39,670 have been incorporated into the estimates being considered and are shown in Appendix C.

4.2 The estimated budget for 2021/22 is £3,273,590; an increase of £149,450 on the 2020/21 approved budget, and a decrease of £120,290 on the revised 2020/21 budget. The main reasons for variations from the revised budget are set out below. 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 under the pandemic continue to evolve.

4.3 Cost of Democratic Services £3,590

4.3.1 Employee costs have reduced by £15,520 due to the reduction in the Democratic Services Manager post. There are inflationary increases of £5,380 on Supplies and Services, transport and Members allowances budgets. An increase of £13,900 has been added to reinstate the one-off savings mentioned earlier in the report.

4.4 Council Tax Collection (£80,500)

4.4.1 The reduction is due to the reinstatement of the legal fee income budget as recovery action is expected to improve. This has been partly offset by the reinstatement of the one-off savings mentioned earlier in the report and increases in employee costs due to the pay award.

4.5 Compensation and Pension Increases £9,510

4.5.1 The increase is mainly due to changes in pensions payments to the Warwickshire County Council Pension Fund relating to the lump sum deficit contributions.

4.6 Unallocated Central Support Services £10,180

4.6.1 The increase is because savings relating to overtime, software maintenance and mobile phones have been removed from the Unallocated Central Support Services budget and been built into the central support service budgets they relate to.

4.7 The Pavilions Industrial Estate, Holly Lane (£5,250)

4.7.1 The improvement relates to additional rent income as a result of planned rent reviews and the removal of the one-off reduction in income mentioned earlier in the report.

4.8 Carlyon Road Industrial Estate (£5,280)

4.8.1 The improvement relates to additional rent income as a result of planned rent reviews.

4.9 Innage Park Industrial Estate (£33,970)

4.9.1 The improvement relates to additional rent income of £22,400 as a result of planned rent reviews and anticipated lettings on previously unlet units which were used by NWBC for bin storage, and a lower contribution to the Building Maintenance Fund of £3,560 as a result of lower repairs and maintenance. Business rates have reduced by £8,510 as non-domestic rates on these units will no longer be payable by NWBC.

- 4.10 **Public Conveniences** **£5,030**
- 4.10.1 The increase is mainly due to the reinstatement of the one-off savings in employee costs mentioned earlier in the report and the pay award increase.
- 4.11 **Customer Contact** **£21,020**
- 4.11.1 Income has reduced by £18,880 as Warwickshire County Council no longer require specific support from the customer services team and have therefore stopped their contribution towards staffing costs. Employee costs have increased by £2,130 due to the pay award increase and the reinstatement of one-off savings in the overtime budget.
- 4.12 **Rent Allowances and Housing Benefits Administration** **(£79,910)**
- 4.12.1 The improvement is due to the reinstatement of the income from the recovery of housing benefit overpayments for Rent Allowances and Rent Rebates. This has been partly offset by a general reduction of 10% in the administration grant and pay award increases.
- 4.13 **Council Tax Support** **£4,380**
- 4.13.1 Employee costs have increased due to the pay award.
- 4.14 **Car Parks** **£3,170**
- 4.14.1 The increase is due to inflationary increases in water and sewerage, business rates and car park maintenance budgets as well as the reinstatement of the income budget and car park management fees budget.
- 4.15 **Private Sector Housing Assistance** **(£31,020)**
- 4.15.1 Income of £25,000 from the HEART partnership has been re-introduced. Employee costs have reduced by £6,020 due to the reduction of some additional hours of a Housing Assessment Officer post.
- 4.16 **Community Support** **£27,140**
- 4.16.1 The increase is due to a reduction in Borough Care fee income of £10,200. This is due to declining customer numbers as customers go into care, move in with relatives or pass away. Employee costs have increased by £11,960 due to the pay award increase and increases of £4,970 due to the reinstatement of one-off savings in transport and stationery budgets.
- 4.17 **Departmental and Central Support Services** **£36,920**
- 4.17.1 Departmental costs have increased by £30,520 due to the pay award and staff increments within Customer Contact and Community Support, and an increase in the hours of a Housing Options Officer post.

4.17.2 Central Support has increased by £6,400 due to the pay award and a change in the work plan of Internal Audit.

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 vacancies at industrial estates and shops 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 (greater than that expected) would impact on the level of expenditure borne by the Council;
- Further reductions in benefit administration grant levels;
- Above inflation increases to contracts
- Further increases in the pension scheme deficit contributions;
- Effect of an ageing population on demand for Community Support services.

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

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 2021/22. The table below provides a subjective summary for those services reporting to this Board:

	Forecast Budget 2022/23 £	Forecast Budget 2023/24 £	Forecast Budget 2024/25 £
Employee Costs	1,787,120	1,830,640	1,872,920
Premises	155,010	155,220	157,390
Supplies and Services	540,560	550,040	463,500
Transport	28,150	28,680	29,170
Transfer Payments	10,150,050	10,150,050	10,150,050
Members Allowances	259,820	265,020	270,160
Earmarked Reserves	(135,050)	(76,800)	(78,420)
Gross Expenditure	12,785,660	12,902,850	12,864,770
Income	(11,678,270)	(11,630,180)	(11,617,340)

Net Controllable Expenditure	1,107,390	1,272,670	1,247,430
Recharged to Other Services	(256,640)	(259,840)	(263,770)
Departmental Support	1,132,290	1,158,340	1,182,970
Central Support	1,108,140	1,134,960	1,157,910
Capital Charges	287,460	287,720	287,720
Net Expenditure	3,378,640	3,593,850	3,612,260

7.2 The forecasts given above have used a number of assumptions, which include pay awards of 2% in 2022/23 to 2024/25, increases in contracts and general increases in supplies and services of 2% in 2023/24. In total, net expenditure is expected to increase by 3.21% in 2022/23, 6.37% in 2023/24, and 0.51% in 2024/25. The higher increase in 2023/24 is due to the inclusion of costs for the Borough elections.

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

Code	Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
3000	Cost of Democratic Services	329,631	368,730	354,290	357,880
3001	Election Expenses	88,698	5,400	5,400	5,510
3002	Registration of Electors	8,603	26,640	26,640	27,360
3003	Non Domestic Business Rates	(21,482)	(25,610)	(24,740)	(23,100)
3004	Council Tax Collection	134,807	71,240	158,800	78,300
3050	Finance Miscellaneous	(52,770)	-	-	-
3051	Compensation and Pension Increases	353,459	255,650	333,720	343,230
3052	Assisted Car Purchase	(303)	(280)	(400)	(350)
3054	Electricity at Work	16,671	18,920	18,920	19,300
3059	Finance Unused Land	211	700	700	720
3060	Corporate and Democratic Core	107,486	77,350	77,990	79,550
3061	Unallocated Central Support Services	(349)	63,240	92,750	102,930
3065	Coleshill Shops and Flats	(69,223)	(68,240)	(68,120)	(68,100)
3067	The Pavilions, Holly Lane	(81,869)	(84,780)	(81,010)	(86,260)
3068	Carlyon Road Industrial Estate	(127,393)	(130,850)	(126,250)	(131,530)
3069	Innage Park Industrial Estate	(175,795)	(194,900)	(201,060)	(235,030)
3070	Polesworth Workspace Units	(8,483)	(8,560)	(7,640)	(5,260)
3079	Maya Bar & Restaurant	(11,156)	(12,890)	(12,950)	(13,930)
3080	Football Stadium	9,729	-	-	-
3084	Homeless Persons	64,959	71,690	71,190	68,290
3085	Meadow House Young People Support	(1,417)	-	-	-
3086	Homeless Project Watling Street Dordon	-	-	-	-
3089	Public Conveniences	38,833	35,190	30,280	35,310
3094	Customer Contact	20,133	13,490	12,250	33,270
3097	Rent Allowances	159,705	(10,540)	27,440	(4,950)
3098	Housing Benefit Administration and Rent Rebates	(27,785)	68,160	88,740	41,220
3101	Council Tax Support	107,918	90,060	93,120	97,500
3102	Car Parks	51,811	50,940	48,960	52,130
5008	Private Sector Housing Assistance	36,290	16,350	41,350	10,330
5035	CCTV	3,155	(16,180)	(18,580)	(17,500)
5036	Community Support	231,369	245,830	248,710	275,850
72xx	Covid Related Expenditure	7,169	-	-	-
	Net Controllable Expenditure	1,192,612	926,750	1,190,500	1,042,670
	Recharged to Services	(249,840)	(255,120)	(249,130)	(258,760)
	Departmental Support	1,023,773	1,084,270	1,084,270	1,114,790
	Central Support	1,009,637	1,081,030	1,081,030	1,087,430
	Capital Charges	971,654	287,210	287,210	287,460
	Resources Board (Remaining) Total	3,947,836	3,124,140	3,393,880	3,273,590

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 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	72,676	90,910	90,880	75,360
Premises Related Expenditure	120	1,030	500	520
Supplies and Services	14,426	17,660	13,980	15,230
Transport Related Expenditure	1,131	11,680	3,200	11,890
Members Allowances	241,278	247,450	245,730	254,880
GROSS EXPENDITURE	329,631	368,730	354,290	357,880
GROSS INCOME	-	-	-	-
NET CONTROLLABLE EXPENDITURE	329,631	368,730	354,290	357,880
Recharged to Services	(78,420)	(79,020)	(77,480)	(76,580)
Central Support	168,923	198,460	198,460	194,270
Capital Charges	22,308	17,880	17,880	17,880
NET EXPENDITURE	442,442	506,050	493,150	493,450

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 and 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 every four years with the next being due in May 2023.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	942	-	-	-
Supplies and Services	87,756	5,400	5,400	5,510
GROSS EXPENDITURE	88,698	5,400	5,400	5,510
GROSS INCOME	-	-	-	-
NET CONTROLLABLE EXPENDITURE	88,698	5,400	5,400	5,510
Departmental Support	7,198	12,400	12,400	10,410
Central Support	6,644	7,750	7,750	7,430
NET EXPENDITURE	102,540	25,550	25,550	23,350

Contributes to corporate priority :

- Promoting sustainable and vibrant communities

3002 - REGISTRATION OF ELECTORS

This budget shows the cost of maintaining an up-to-date register of electors. There is a statutory duty on the Council to ensure that all proper steps are taken to maintain a register of those persons eligible to vote at elections.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	2,948	1,570	1,570	1,570
Supplies and Services	33,657	37,840	37,840	38,590
Transport	32	-	-	-
Earmarked Reserves	-	(11,250)	(11,250)	(11,250)
GROSS EXPENDITURE	36,637	28,160	28,160	28,910
GROSS INCOME	(28,034)	(1,520)	(1,520)	(1,550)
NET CONTROLLABLE EXPENDITURE	8,603	26,640	26,640	27,360
Departmental Support	24,914	29,440	29,440	25,590
Central Support	18,665	16,290	16,290	14,390
Capital Charges	-	3,300	3,300	3,300
NET EXPENDITURE	52,182	75,670	75,670	70,640

Contributes to corporate priorities :

- Promoting sustainable and vibrant communities

KEY PERFORMANCE INDICATORS

Number of registered electors	49,074	49,200	49,552	49,600
Cost per registered elector	£1.06	£1.54	£1.53	£1.42

3003 - NON DOMESTIC BUSINESS RATES

The Borough Council collects non domestic rates from businesses in its area, and 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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	82,623	73,850	73,850	75,810
Supplies and Services	131,468	15,790	30,860	17,330
Earmarked Reserves	(121,525)	-	(16,060)	-
GROSS EXPENDITURE	92,566	89,640	88,650	93,140
GROSS INCOME	(114,048)	(115,250)	(113,390)	(116,240)
NET CONTROLLABLE EXPENDITURE	(21,482)	(25,610)	(24,740)	(23,100)
Departmental Support	82,249	89,090	89,090	91,380
Central Support	22,797	24,190	24,190	28,430
Capital Charges	6,511	6,630	6,630	6,630
NET EXPENDITURE	90,075	94,300	95,170	103,340

Contributes to corporate priority :

- Responsible financial and resource management

KEY PERFORMANCE INDICATORS

Business Rate Collection Rate	99.36%	99.00%	99.00%	99.00%
Number of NDR properties	2,388	2,388	2,412	2,412
Cost per NDR property	£37.72	£39.49	£39.46	£42.84

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	187,487	172,780	172,780	177,180
Supplies and Services	11,643	33,460	31,020	36,120
Miscellaneous Expenditure	1,397	-	-	-
GROSS EXPENDITURE	200,527	206,240	203,800	213,300
GROSS INCOME	(65,720)	(135,000)	(45,000)	(135,000)
NET CONTROLLABLE EXPENDITURE	134,807	71,240	158,800	78,300
Departmental Support	185,671	202,660	202,660	200,820
Central Support	33,014	32,560	32,560	45,170
Capital Charges	12,726	13,250	13,250	13,250
NET EXPENDITURE	366,218	319,710	407,270	337,540

Contributes to corporate priority :
- Responsible financial and resource management

KEY PERFORMANCE INDICATORS

Council Tax Collection Rate	97.11%	98.00%	98.00%	98.00%
Number of households	28,574	28,740	28,720	28,920
Cost per household	£12.82	£11.12	£14.18	£11.67

3050 - FINANCE MISCELLANEOUS

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

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	(931)	-	-	-
Premises Related Expenditure	-	-	-	-
Supplies and Services	1,175	-	-	-
Miscellaneous Expenditure	(593)	-	-	-
Earmarked Reserves	94,999	-	97,080	-
GROSS EXPENDITURE	94,650	-	97,080	-
GROSS INCOME	(147,420)	-	(97,080)	-
NET CONTROLLABLE EXPENDITURE	(52,770)	-	-	-
Central Support	473	520	520	550
NET EXPENDITURE	(52,297)	520	520	550

3051 - COMPENSATION AND PENSION INCREASES

Additional contributions made to Warwickshire County Council in respect of the superannuation scheme.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	353,459	255,650	333,720	343,230
NET CONTROLLABLE EXPENDITURE	353,459	255,650	333,720	343,230
Recharged to Services	(70,020)	(70,440)	(69,540)	(71,030)
Central Support	862	1,070	1,070	1,050
NET EXPENDITURE	284,301	186,280	265,250	273,250

Contributes to corporate priority :
- Responsible financial and resource management

3052 - ASSISTED CAR PURCHASE

Interest on staff car loans

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	30	-	-	-
GROSS EXPENDITURE	30	-	-	-
GROSS INCOME	(333)	(280)	(400)	(350)
NET CONTROLLABLE EXPENDITURE	(303)	(280)	(400)	(350)
Central Support	155	170	170	470
NET EXPENDITURE	(148)	(110)	(230)	120

3054 - ELECTRICITY AT WORK

To carry out testing of all electrical appliances in public buildings.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	2,229	-	-	-
Premises Related Expenditure	14,442	18,920	18,920	19,300
Earmarked Reserves	-	-	-	-
NET CONTROLLABLE EXPENDITURE	16,671	18,920	18,920	19,300
Departmental Support	4,246	4,540	4,540	4,620
Central Support	616	690	690	670
NET EXPENDITURE	21,533	24,150	24,150	24,590

Contributes to corporate priority :

- Responsible financial and resource management

3059 - FINANCE UNUSED LAND

Any unallocated income or expenditure related to unused land owned by the Council.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	25	-	-	-
Premises Related Expenditure	186	700	700	720
Supplies and Services	-	-	-	-
GROSS EXPENDITURE	211	700	700	720
GROSS INCOME	-	-	-	-
NET CONTROLLABLE EXPENDITURE	211	700	700	720
Central Support	408	400	400	370
Capital Charge	3,000	-	-	-
NET EXPENDITURE	3,619	1,100	1,100	1,090

Contributes to corporate priority :

- Responsible financial and resource management

3060 - CORPORATE AND DEMOCRATIC CORE

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	39,021	-	-	-
Supplies and Services	72,415	77,350	77,990	79,550
GROSS EXPENDITURE	111,436	77,350	77,990	79,550
GROSS INCOME	(3,950)	-	-	-
NET CONTROLLABLE EXPENDITURE	107,486	77,350	77,990	79,550
Recharged to Services	(101,400)	(105,660)	(102,110)	(111,150)
Central Support	629,130	659,070	659,070	664,080
Capital Charges	12,458	12,740	12,740	12,990
NET EXPENDITURE	647,674	643,500	647,690	645,470

Contributes to corporate priority :

- Responsible financial and resource management

3061 - UNALLOCATED CENTRAL SUPPORT SERVICES

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	(349)	98,240	98,240	102,930
Supplies and Services	-	(35,000)	(5,490)	-
NET CONTROLLABLE EXPENDITURE	(349)	63,240	92,750	102,930
Central Support	20,935	36,520	36,520	35,440
Capital Charges	(128)	-	-	-
NET EXPENDITURE	20,458	99,760	129,270	138,370

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 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	149	-	-	-
Premises Related Expenditure	1,785	3,410	3,390	3,640
GROSS EXPENDITURE	1,934	3,410	3,390	3,640
GROSS INCOME	(71,157)	(71,650)	(71,510)	(71,740)
NET CONTROLLABLE EXPENDITURE	(69,223)	(68,240)	(68,120)	(68,100)
Central Support	3,123	3,710	3,710	3,750
Capital Charge	8,010	-	-	-
NET EXPENDITURE	(58,090)	(64,530)	(64,410)	(64,350)

Contributes to corporate priority :

- Responsible financial and resource management
- Supporting employment and business

KEY PERFORMANCE INDICATORS

Occupancy rate	100%	100%	100%	100%
Number of shops	7	7	7	7
Annual income per shop	-£10,165	-£10,236	-£10,216	-£10,249

3067 - THE PAVILIONS, HOLLY LANE

These 8 industrial units were constructed by the Council to provide local employment opportunities.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	189	-	-	-
Premises Related Expenditure	3,674	3,130	3,120	3,050
Supplies and Services	380	380	380	390
GROSS EXPENDITURE	4,243	3,510	3,500	3,440
GROSS INCOME	(86,112)	(88,290)	(84,510)	(89,700)
NET CONTROLLABLE EXPENDITURE	(81,869)	(84,780)	(81,010)	(86,260)
Central Support	4,620	4,010	4,010	3,950
Capital Charge	(6,500)	-	-	-
NET EXPENDITURE	(83,749)	(80,770)	(77,000)	(82,310)

Contributes to corporate priority :

- Responsible financial and resource management
- Supporting employment and business

KEY PERFORMANCE INDICATORS

Occupancy rate	100%	100%	100%	100%
Number of units	8	8	8	8
Annual income per unit	-£10,764	-£11,036	-£10,564	-£11,213

3068 - CARLYON ROAD INDUSTRIAL ESTATE

This budget relates to 8 small industrial units plus a further 8 plots of industrial land which are let on a long lease.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	157	-	-	-
Premises Related Expenditure	4,995	6,740	6,720	6,820
Supplies and Services	110	110	110	110
GROSS EXPENDITURE	5,262	6,850	6,830	6,930
GROSS INCOME	(132,655)	(137,700)	(133,080)	(138,460)
NET CONTROLLABLE EXPENDITURE	(127,393)	(130,850)	(126,250)	(131,530)
Central Support	4,180	4,610	4,610	4,580
Capital Charge	750	-	-	-
NET EXPENDITURE	(122,463)	(126,240)	(121,640)	(126,950)

Contributes to corporate priority :

- Responsible financial and resource management
- Supporting employment and business

KEY PERFORMANCE INDICATORS

Occupancy rate	100%	100%	100%	100%
Number of units / plots	16	16	16	16
Annual income per unit / plot	-£8,291	-£8,606	-£8,318	-£8,654

3069 - INNAGE PARK INDUSTRIAL ESTATE

This development covers 39 small industrial units plus 2 units which are used as offices.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	508	-	-	-
Premises Related Expenditure	41,680	38,610	36,940	25,360
Supplies and Services	8,284	580	580	590
GROSS EXPENDITURE	50,472	39,190	37,520	25,950
GROSS INCOME	(226,267)	(234,090)	(238,580)	(260,980)
NET CONTROLLABLE EXPENDITURE	(175,795)	(194,900)	(201,060)	(235,030)
Central Support	20,726	16,930	16,930	15,780
Capital Charge	111,750	164,000	164,000	164,000
NET EXPENDITURE	(43,319)	(13,970)	(20,130)	(55,250)

Contributes to corporate priority :

- Responsible financial and resource management
- Supporting employment and business

KEY PERFORMANCE INDICATORS

Occupancy rate	93%	93%	95%	100%
Number of units and offices	41	41	41	41
Annual income per unit/office	-£5,519	-£5,710	-£5,819	-£6,365

3070 - POLESWORTH WORKSPACE UNITS

These small workspace units were built with European financial aid and form part of the Polesworth Project. There are 8 units in all.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	136	-	-	-
Premises Related Expenditure	3,259	3,790	3,250	4,040
Supplies and Services	92	100	100	100
GROSS EXPENDITURE	3,487	3,890	3,350	4,140
GROSS INCOME	(11,970)	(12,450)	(10,990)	(9,400)
NET CONTROLLABLE EXPENDITURE	(8,483)	(8,560)	(7,640)	(5,260)
Central Support	3,109	3,160	3,160	3,400
Capital Charge	-	-	-	-
NET EXPENDITURE	(5,374)	(5,400)	(4,480)	(1,860)

Contributes to corporate priority :

- Responsible financial and resource management
- Supporting employment and business

KEY PERFORMANCE INDICATORS

Occupancy rate	100%	100%	75%	75%
Number of units	8	8	8	8
Annual income per unit	-£1,496	-£1,556	-£1,374	-£1,175

3079 - MAYA BAR AND RESTAURANT

A restaurant which is leased to a private operator and is situated adjacent to the Atherstone football stadium.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	42	-	-	-
Premises Related Expenditure	3,015	1,950	1,890	1,210
GROSS EXPENDITURE	3,057	1,950	1,890	1,210
GROSS INCOME	(14,213)	(14,840)	(14,840)	(15,140)
NET CONTROLLABLE EXPENDITURE	(11,156)	(12,890)	(12,950)	(13,930)
Central Support	1,492	1,230	1,230	930
Capital Charge	(10,000)	-	-	-
NET EXPENDITURE	(19,664)	(11,660)	(11,720)	(13,000)

Contributes to corporate priority :
- Responsible financial and resource management

3080 - FOOTBALL STADIUM

The Football Stadium is leased to RRUBA Ltd on a full repairing and maintaining lease.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Premises	120	-	-	-
Supplies and Services	9,609	-	-	-
NET CONTROLLABLE EXPENDITURE	9,729	-	-	-
Capital Charge	(127,000)	-	-	-
NET EXPENDITURE	(117,271)	-	-	-

Contributes to corporate priority :
- Improving leisure and wellbeing opportunities

3084 - HOMELESS PERSONS

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	81,406	81,030	81,030	81,260
Premises Related Expenditure	16,822	18,120	18,100	18,550
Supplies and Services	25,180	57,020	57,040	58,170
Transport Related Expenditure	240	-	-	-
Miscellaneous Expenditure	4,546	-	-	-
Earmarked Reserves	62,689	(71,600)	54,150	(81,450)
GROSS EXPENDITURE	190,883	84,570	210,320	76,530
GROSS INCOME	(125,924)	(12,880)	(139,130)	(8,240)
NET CONTROLLABLE EXPENDITURE	64,959	71,690	71,190	68,290
Departmental Support	27,991	31,990	31,990	41,490
Central Support	7,550	7,520	7,520	7,540
Capital Charges	(2,000)	1,090	1,090	1,090
NET EXPENDITURE	98,500	112,290	111,790	118,410

Contributes to corporate priorities :

- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities

3089 - PUBLIC CONVENIENCES

The Council maintains some public conveniences situated in Atherstone.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	13,157	9,440	4,310	9,700
Premises Related Expenditure	5,083	4,890	5,050	4,720
Supplies and Services	1,106	1,430	1,430	1,460
Earmarked Reserves	19,532	19,500	19,500	19,500
GROSS EXPENDITURE	38,878	35,260	30,290	35,380
GROSS INCOME	(45)	(70)	(10)	(70)
NET CONTROLLABLE EXPENDITURE	38,833	35,190	30,280	35,310
Departmental Support	6,177	6,600	6,600	6,720
Central Support	2,370	2,210	2,210	2,030
Capital Charges	395	12,820	12,820	12,820
NET EXPENDITURE	47,775	56,820	51,910	56,880

Contributes to corporate priorities :

- Improving leisure and wellbeing opportunities

3085 - MEADOW HOUSE YOUNG PEOPLE SUPPORT

The scheme has six self contained, furnished flats and provides supported accomodation to young parents.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	-	-	-	-
Premises Related Expenditure	-	-	530	540
Supplies and Services	14,453	-	29,320	29,910
Transport Related Expenditure	-	-	-	-
Earmarked Reserves	48	-	-	-
GROSS EXPENDITURE	14,501	-	29,850	30,450
GROSS INCOME	(15,918)	-	(29,850)	(30,450)
NET CONTROLLABLE EXPENDITURE	(1,417)	-	-	-
Recharged to Services	-	-	-	-
Central Support	-	-	-	-
Capital Charges	-	-	-	-
NET EXPENDITURE	(1,417)	-	-	-

Contributes to corporate priorities :

- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities

3086 - HOMELESS PROJECT WATLING STREET DORDON

The scheme provides support to single men, veterans and ex-offenders to prevent homelessness.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	-	-	-	-
Premises Related Expenditure	-	-	2,440	2,490
Supplies and Services	-	-	56,410	57,540
Transport Related Expenditure	-	-	-	-
Earmarked Reserves	-	-	141,150	(60,030)
GROSS EXPENDITURE	-	-	200,000	-
GROSS INCOME	-	-	(200,000)	-
NET CONTROLLABLE EXPENDITURE	-	-	-	-
Recharged to Services	-	-	-	-
Central Support	-	-	-	-
Capital Charges	-	-	-	-
NET EXPENDITURE	-	-	-	-

Contributes to corporate priorities :

- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities

3094 - CUSTOMER CONTACT

To provide a single point of contact for the public for all Council services.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	39,444	33,190	31,950	34,080
Supplies and Services	922	870	340	350
GROSS EXPENDITURE	40,366	34,060	32,290	34,430
GROSS INCOME	(20,233)	(20,570)	(20,040)	(1,160)
NET CONTROLLABLE EXPENDITURE	20,133	13,490	12,250	33,270
Departmental Support	59,955	84,770	84,770	88,150
Central Support	1,867	2,380	2,380	2,420
NET EXPENDITURE	81,955	100,640	99,400	123,840

Contributes to corporate priorities :
- Promoting sustainable and vibrant communities

3097 - RENT ALLOWANCES

Rent allowances are payable to tenants in accommodation other than that provided by the Borough Council. These are largely reimbursed by the Department for Work and Pensions.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	89,086	79,430	79,430	81,600
Supplies and Services	2,771	27,450	74,830	74,930
Transfer Payments	5,766,693	5,741,550	5,276,500	5,276,500
GROSS EXPENDITURE	5,858,550	5,848,430	5,430,760	5,433,030
GROSS INCOME	(5,698,845)	(5,858,970)	(5,403,320)	(5,437,980)
NET CONTROLLABLE EXPENDITURE	159,705	(10,540)	27,440	(4,950)
Departmental Support	113,073	110,660	110,660	114,900
Central Support	5,964	6,490	6,490	7,750
Capital Charges	3,256	2,900	2,900	2,900
NET EXPENDITURE	281,998	109,510	147,490	120,600

Contributes to corporate priority :
- Promoting sustainable and vibrant communities

KEY PERFORMANCE INDICATORS

Number of claimants	1,160	1,150	1,088	1,020
Rent Allowance per claimant	£4,971.29	£4,992.65	£4,849.72	£5,173.04
Cost of administration per claimant	£243.10	£95.23	£135.56	£118.24

3098 - HOUSING BENEFIT ADMINISTRATION AND RENT REBATES

This budget includes expenditure and income relating to rent rebates given to council tenants.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	76,657	68,070	68,070	69,930
Supplies and Services	2,042	57,200	41,170	41,250
Transfer Payments	4,736,225	5,404,950	4,873,550	4,873,550
GROSS EXPENDITURE	4,814,924	5,530,220	4,982,790	4,984,730
GROSS INCOME	(4,842,709)	(5,462,060)	(4,894,050)	(4,943,510)
NET CONTROLLABLE EXPENDITURE	(27,785)	68,160	88,740	41,220
Departmental Support	101,876	96,710	96,710	102,120
Central Support	6,598	6,930	6,930	8,080
Capital Charges	1,776	1,720	1,720	1,720
NET EXPENDITURE	82,465	173,520	194,100	153,140

Contributes to corporate priority :

- Promoting sustainable and vibrant communities

KEY PERFORMANCE INDICATORS

Number of claimants	1,072	1,100	983	900
Housing benefit per claimant	£4,418.12	£4,913.59	£4,957.83	£5,415.06
Cost of administration per claimant	£76.93	£157.75	£197.46	£170.16

3101 - COUNCIL TAX SUPPORT

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	174,521	152,740	152,740	156,930
Supplies and Services	4,880	8,800	9,770	9,960
GROSS EXPENDITURE	179,401	161,540	162,510	166,890
GROSS INCOME	(71,483)	(71,480)	(69,390)	(69,390)
NET CONTROLLABLE EXPENDITURE	107,918	90,060	93,120	97,500
Departmental Support	130,221	134,950	134,950	143,490
Central Support	5,927	13,450	13,450	6,500
Capital Charges	5,327	2,820	2,820	2,820
NET EXPENDITURE	249,393	241,280	244,340	250,310

Contributes to corporate priority :

- Responsible financial and resource management

KEY PERFORMANCE INDICATORS

Number of claimants	4,123	4,150	4,372	4,400
Cost of administration per claimant	£60.49	£58.14	£55.89	£56.89

3102 - CAR PARKS

The Council maintains car parks throughout the Borough. Parking is free on all car parks but some are subject to time restrictions.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	3,578	-	-	-
Premises Related Expenditure	55,356	60,490	58,090	61,650
Supplies and Services	11,227	10,250	6,650	10,380
Miscellaneous Expenditure	-	-	-	-
Earmarked Reserves	-	-	(2,150)	-
GROSS EXPENDITURE	70,161	70,740	62,590	72,030
GROSS INCOME	(18,350)	(19,800)	(13,630)	(19,900)
NET CONTROLLABLE EXPENDITURE	51,811	50,940	48,960	52,130
Departmental Support	36,935	42,090	42,090	43,190
Central Support	9,703	12,360	12,360	10,960
Capital Charges	260	1,330	1,330	1,330
NET EXPENDITURE	98,709	106,720	104,740	107,610

Contributes to corporate priority :

- Responsible financial and resource management

5008 - PRIVATE SECTOR HOUSING ASSISTANCE

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.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	54,939	59,740	63,390	35,330
Supplies and Services	24,616	-	-	-
Transport Related Expenditure	1,194	-	1,690	-
Earmarked Reserves	(13,273)	-	-	-
GROSS EXPENDITURE	67,476	59,740	65,080	35,330
GROSS INCOME	(31,186)	(43,390)	(23,730)	(25,000)
NET CONTROLLABLE EXPENDITURE	36,290	16,350	41,350	10,330
Departmental Support	73,367	43,900	43,900	43,560
Central Support	5,401	5,660	5,660	5,800
Capital Charges	889,827	-	-	-
NET EXPENDITURE	1,004,885	65,910	90,910	59,690

Contributes to corporate priority :

- Promoting sustainable and vibrant communities
- Creating safer communities
- Improving leisure and wellbeing opportunities

5035 - CCTV

The provision of a Closed Circuit Television scheme in Atherstone in conjunction with the Town Council and Warwickshire Police Force.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	7,985	-	-	-
Supplies and Services	12,329	16,290	16,530	18,170
Earmarked Reserves	15,450	-	-	-
GROSS EXPENDITURE	35,764	16,290	16,530	18,170
GROSS INCOME	(32,609)	(32,470)	(35,110)	(35,670)
NET CONTROLLABLE EXPENDITURE	3,155	(16,180)	(18,580)	(17,500)
Departmental Support	107,055	125,260	125,260	131,380
Central Support	9,533	1,210	1,210	330
Capital Charges	6,356	18,250	18,250	18,250
NET EXPENDITURE	126,099	128,540	126,140	132,460

Contributes to corporate priority :

- Creating safer communities

5036 - COMMUNITY SUPPORT

A 7 day, 24 hour emergency alarm and mobile warden service available to all residents aged 62 or over within the Borough, or those with a medical condition or disability. The scheme also provides some support for neighbouring authorities.

DESCRIPTION	ACTUALS 2019/2020	APPROVED BUDGET 2020/2021	REVISED BUDGET 2020/2021	ORIGINAL BUDGET 2021/2022
Employee Expenditure	491,541	495,350	495,350	507,310
Premises Related Expenditure	291	280	280	290
Supplies and Services	50,011	40,610	39,120	40,910
Transport Related Expenditure	15,935	16,120	13,250	16,430
Earmarked Reserves	(4,581)	-	-	-
GROSS EXPENDITURE	553,197	552,360	548,000	564,940
GROSS INCOME	(321,828)	(306,530)	(299,290)	(289,090)
NET CONTROLLABLE EXPENDITURE	231,369	245,830	248,710	275,850
Departmental Support	62,845	69,210	69,210	66,970
Central Support	14,852	11,480	11,480	11,310
Capital Charges	32,572	28,480	28,480	28,480
NET EXPENDITURE	341,638	355,000	357,880	382,610

Contributes to corporate priorities :

- Creating safer communities
- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities

KEY PERFORMANCE INDICATORS

Number of paying lifeline customers	1,544	1,500	1,423	1,400
Net expenditure per paying lifeline customer	£221.27	£236.67	£251.50	£273.29

7202-7208, 7211, 7214 COVID RELATED EXPENSES

This budget shows some of the additional expenditure incurred due to Covid-19 to support departments with purchasing PPE, cleaning materials, equipment, hardware, software upgrades, and Outbreak Management activities.

DESCRIPTION	ACTUALS	APPROVED	REVISED	ORIGINAL
	2019/2020	BUDGET 2020/2021	BUDGET 2020/2021	BUDGET 2021/2022
Employee Expenditure	-	-	-	-
Premises Related Expenditure	-	-	-	-
Supplies & Services	7,169	-	211,360	-
Transport Related Expenditure	-	-	-	-
Miscellaneous Expenditure	-	-	-	-
Earmarked Reserves	-	-	-	-
GROSS EXPENDITURE	7,169	-	211,360	-
GROSS INCOME	-	-	(211,360)	-
NET CONTROLLABLE EXPENDITURE	7,169	-	-	-
Departmental Support	-	-	-	-
Central Support Services	-	-	-	-
Capital Charges	-	-	-	-
NET EXPENDITURE	7,169	-	-	-

SAVINGS INCLUDED WITHIN 2021/22

Description	2021/22 £
Cost of Democratic Services - Reduction in hire of premises	530
Cost of Democratic Services - Reduction in telephone costs	2,340
Reduction in corporate subscriptions	180
Reduction in electricity costs	410
Reduction in business rates	8,740
Reduction in water and sewerage costs	800
Increase in Rent Income from Industrial Units	26,670
Resources Remaining Total	39,670

Risk Analysis

	Likelihood	Potential impact on Budget
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	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	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
Further reduction in administration grant	Medium	Low
Above inflation increases to contracts	Low	Low
Further increases in the pension scheme deficit	Medium	Low
Effect of an ageing population on demand for Community Support services	Medium	Low

Agenda Item No 9

Resources Board

25 January 2021

Report of the Corporate Director - Resources

General Fund Revenue Estimates 2021/22 – Summary

1 Summary

- 1.1 This report covers the revised budget for 2020/21 and an estimate of expenditure for 2021/22, together with forward commitments for 2022/23, 2023/24 and 2024/25.

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 2020/21; and**
- b To approve the schedule of expenditure requirements totalling £8,770,730 for 2021/22.**

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, Licensing Committee 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 under the pandemic 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.

...

	Approved Budget 2020/21	Revised Budget 2020/21	Original Estimate 2021/22
Net Service Expenditure	9,389,570	9,877,850	10,355,300
Covid-19 Grants	-	-	(441,420)
Use of Earmarked Reserves	-	(441,970)	(300,000)
Financing Adjustment	(716,190)	(841,690)	(763,150)
Investment Interest Income	(360,000)	(200,000)	(80,000)
Net Expenditure Requirement	8,313,380	8,394,190	8,770,730

- 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 2020/21 Estimated out-turn**

- 5.1 The Council's revised net expenditure requirement for 2020/21 amounts to £8,394,190 which is £80,810 more than the approved estimate. The major changes in Board expenditure are set out below.

- 5.2 There is a one-off reduction in Planning income of £200,000 due to a delay in larger applications as a result of the Covid-19 pandemic. Covid-19 grants of £125,630 for the loss of income have been included, but the amount that the Council has been able to claim from the Government doesn't cover all of the lost income. There are also savings of £7,760 in advertising, promotions and publicity costs.

£66,610

- 5.3 There is a reduction in the North Warwickshire Local Development Framework professional fees, as work which was originally scheduled for 2020/21 has been deferred to 2021/22 or later, due to the Covid-19 pandemic.

(£35,000)

- 5.4 There is a one-off saving in the printing and delivery costs of North Talk, partly offset by loss of advertising income, as the North Talk publication is not going to be produced in 2020/21.

(£13,940)

- 5.5 Within the leisure centres there is an increase of £292,620. This is because overall income has reduced by £315,820 due to the closure of leisure facilities for a major part of the year and limited service provision relating to Covid-19 regulations when able to open. Although Covid-19 grants for the loss of sales, fees and charges have been included, the amount that the Council has been able to claim from the Government doesn't cover all of the lost income. This has been partly offset by one-off savings in utilities and Supplies and Services costs.

£292,620

- 5.6 Within the Refuse and Recycling services employee costs have increased by £315,230 due to the use of more agency staff to cover additional rounds and staff absences as a result of Covid-19. Supplies and Services costs have increased by £243,150, due to an increase in the recycling disposal costs which have been charged by external waste processing organisations, and also due to increased volumes of recycling collected as a result of people working from home. Transport costs have reduced by £11,440 due to lower fuel costs, partially offset by increases in repairs and maintenance costs. Expected income

of £383,890 was foregone due to the decision to defer charging for green waste by a year. Although income from recycling credits, bin sales and additional clinical and bulky waste collections increased by £63,860, there has been a net loss of income of £320,030. The increase in costs and loss of income have been covered by the allocation of one off Covid-19 grant funding of £867,830 to the refuse and recycling services.

(£3,290)

- 5.7 Cesspool waste disposal costs have increased by £11,590 because Severn Trent Water changed its charging bands and pricing structure from April 2020. In addition, income from cesspool collections has reduced by £22,090 as a result of a reduction in emptying's and cancellations due to Covid-19. This has been partly offset by Covid-19 grant of £11,260 for the loss of the income.

£23,070

- 5.8 There is a one-off reduction in income from food export health certificates as a result of Covid-19 and lower exports. Income from pest control services has also reduced due to the loss of the Severn Trent Sewer Baiting contract and the Pest Control Officer vacancy. This has been partly offset by one-off savings in transport, equipment, poisons and traps and clothing budgets.

£16,240

- 5.9 Employee and transport costs within Amenity Cleaning have reduced due to one-off savings from vacancies, an operative working in Recycling to cover a shortfall caused by the pandemic and lower fuel costs.

(£23,180)

- 5.10 Within the Green Space budget, premise costs have reduced because the Council received a one-off refund of non-domestic rates for the Piccadilly Pavilion and one-off savings in electricity costs due to the lower use of the pavilions as a result of Covid-19 restrictions. The reduction in costs was partly offset by lower income from pitch bookings, due to pitch closures throughout the year as a result of the Covid-19 pandemic.

(£19,710)

- 5.11 Debt recovery action was put on hold by the Authority due to Covid-19. Summons or liability orders have not been issued, which reduced the income from the recovery of legal costs. Recovery action has recommenced, but the Council is continuing to work with customers where they are struggling with current payments due to Covid-19. The income loss has been slightly offset by one-off savings due to lower spend on Bailiff's and legal costs as a result of the pandemic.

£87,560

- 5.12 The 2020/21 original budget included the expected reduction in costs from paying pension contributions in advance. The prepayment was due in April 2020 but given the uncertainty around finances and cash flow at that time, the decision was taken not to proceed. The increase of £80,000 reflects the loss of the expected reduction for the year. This has been partly offset by a reduction of £1,930 in pension compensation payments, relating to employees who no longer work for the Council.

£78,070

- 5.13 There is a one-off reduction in income from the recovery of housing benefit overpayments because debt recovery action had been put on hold by the Authority due to Covid-19 and therefore liability orders or attachment of benefit orders had not been issued. The benefits team have also been dealing with a significant increase in Council Tax Support claims and change in circumstances forms due to Covid-19. This has been partially offset by savings in Housing Rent Allowances and Rent Rebates due to a reduction in the net cost of benefits paid out and an improvement in the subsidy rate, and benefits administration grant.

£58,560

- 5.14 A one-off reduction in Private Sector Housing Income as no income is expected in 2020/21 from the HEART partnership. The surplus income from fees has been used during the year to support the staff establishment to meet an increase in demand for the service.

£25,000

- 5.15 Savings from vacancies, as vacancies have exceeded the vacancy factor included in the original budget.

(£81,000)

- 5.16 The use of earmarked reserves has been budgeted to fund some of the increase in board expenditure.

(£441,970)

- 5.17 An improvement in the financing adjustment as prudential borrowing repayments on vehicle replacements was delayed, and the borrowing included for 2019/20 capital spend was reduced to match the funding decisions taken when the accounts were closed.

(£53,960)

- 5.18 A lower level of investment income is expected to be generated due to decreases in interest rates. Part of this relates to balances held by the HRA, so the General fund only retains a proportion of the decrease.

£88,460

6 The Council's 2021/22 Expenditure Requirement

- 6.1 The Council's net expenditure requirement for 2021/22 amounts to £8,770,730, which is £457,350 more than the approved estimate for 2020/21 and £376,540 more than the revised estimate. The main variations between the 2021/22 original budget and the 2020/21 revised budget are set out below.

- ... 6.2 A list of savings can be found in Appendix F. The majority of savings are included within the other variance lines below.

- 6.3 Provision has been made for those posts that were vacant in 2020/21, the payment of annual increments, and a pay award of 2%. In addition, the vacancy factor has been set back to its original level.
£332,920
- 6.4 The one-off reductions in planning income mentioned earlier have been removed. In addition, the one-off Covid-19 sales, fees and charges grant for the loss of planning income has been removed.
(£74,370)
- 6.5 An increase in income from Hackney Carriage and Private drivers licences due to Drivers Licences being renewed every 3 years.
(£12,340)
- 6.6 An increase in the budget for the Local Development Framework to match the anticipated work programme.
£35,000
- 6.7 The North Talk budget has increased due to the reinstatement of one-off savings mentioned earlier and inflationary increases.
£15,190
- 6.8 Within the leisure centres income has reduced. Although leisure income has been reinstated from April, it has been included at around 70 - 75% of the level previously generated. The improvement in customer numbers is expected to be gradual as Covid-19 is still expected to have an impact on leisure services in 2021/22. Some receipt of the Covid-19 Sales, Fees and Charges grant has been included to reflect the continuation of the scheme to the end of June 2021, in line with current Government announcements. One-off savings in premises and supplies and services budgets have been removed.
£146,870
- 6.9 Within Refuse and Recycling, employee costs have reduced due to the removal of the one-off increases in the use of agency staff as a result of Covid-19 mentioned earlier. Supplies and Services and transport budgets have increased due to inflationary increases to equipment, clothing, software maintenance, recycling disposal, fuel and repairs and maintenance budgets. Income has also reduced due to the removal of the one-off Covid-19 grant funding and the removal of the one-off increases in income from the sale of bins, clinical and bulky waste collections mentioned earlier in the report. This has been partly offset by the reinstatement of the green waste collection income budget.
£232,020
- 6.10 Council Tax legal fee income has been reinstated, as recovery action is expected to improve. This has partly offset by the reinstatement of the one-off savings mentioned earlier in the report.
(£80,500)

- 6.11 Income from the recovery of housing benefit overpayments for Rent Allowances and Rent Rebates has also been reinstated. This has been partly offset by a general reduction of 10% in the administration grant.
(£79,910)
- 6.12 Improvements to rent income from industrial estates are expected, as a result of planned rent reviews and anticipated lettings on previously unlet units.
(£44,500)
- 6.13 Income from Warwickshire County Council has reduced, as they no longer require specific support from the customer services team and have therefore stopped their contribution towards staffing costs.
£18,880
- 6.14 The inclusion of the Covid-19 Local Authority Support and Lower Tier Services grants for 2021/22 as announced by the Government in the draft financial settlement.
(£441,420)
- 6.15 A reduction in the use of earmarked reserves has been assumed, in line with the use agreed by the Executive Board in September 2020.
£141,970
- 6.16 An increase in the financing adjustment to cover the repayments needed for the prudential borrowing assumed in the draft capital programme that will be presented to the Executive Board in February.
£86,650
- 6.17 A lower level of investment income is expected to be generated. The General Fund only retains a proportion of the decrease.
£111,890

7 Ongoing Growth Items Contained Within the Estimates

7.1 Recycling – Community and Environment Board

- 7.1.1 Recycling disposal costs have increased in 2020/21 due to an increase in the disposal costs charged by external waste processing organisations, and also as a result of increased volumes of recycling collected. Whilst the Council receives additional recycling credits income for the recycling collected, the increase in income is significantly less than the increase in the disposal costs. There is a net increase in expenditure of £207,870. Recycling disposal costs are dependent on external market factors and it is unlikely recycling disposal costs will reduce in the short term, so growth of £207,870 has been included in the Recycling Budget for 2021/22 onwards.

8 Risks to the Council

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

- A pay award of 2% 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 £56,980.
- 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. If the Council loses a planning appeal, an award of costs can be made against the Council (the appellants costs for the appeal). If the Council consistently loses appeals it will become a designated authority, which means that prospective applicants can submit their applications directly to the planning directorate. This would mean the Council would lose the accompanying planning fee. 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 transfer of housing benefit into the universal credit administered nationally will 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.
- The Council is promoting recycling activities across the Borough. 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.

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

...

9 Future Years Forecasts

- 9.1 In order to assist with medium term financial planning, Members are provided with budget forecasts for the three years following 2021/22. The table below provides a summary:

	Original Estimate 2022/23	Original Estimate 2023/24	Original Estimate 2024/25
Net Service Expenditure	10,454,830	10,852,010	11,024,040
Financing Adjustment	(656,540)	(553,670)	(438,050)
Investment Interest Income	(110,000)	(150,000)	(250,000)
Net Expenditure Requirement	9,688,290	10,148,340	10,335,990

- 9.2 The forecasts given above have used a number of assumptions, which include pay awards of 2% in 2022/23 to 2024/25, increases in contracts and general increases in supplies and services of 2% in 2023/24. In total, net expenditure is expected to increase by 10.46% in 2022/23, 4.75% in 2023/24 and by 1.85% in 2024/25. These figures do not include any savings. Executive Board will need to decide on the level of savings required, when taking future financing decisions.
- 9.3 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.

10 Budget Consultation

- 10.1 A different approach to budget consultation will be used for 2021/22, in place of the usual meeting set up for business ratepayers.

11 Report Implications

11.1 Finance and Value for Money Implications

- 11.1.1 As detailed in the body of the report.

11.2 Environment and Sustainability Implications

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

11.3 Risk Management Implications

- 11.3.1 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.

11.4 Equality Implications

11.4.1 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 Nadeem Afzal (719444).

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
PLANNING AND DEVELOPMENT BOARD
SUMMARY OF GENERAL FUND REVENUE ESTIMATES

Code	Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
4009	Planning Control	83,309	(83,250)	(16,640)	(67,960)
4010	Building Control	36,177	35,200	35,200	35,900
4012	Conservation and Built Heritage	49,776	42,100	42,100	43,260
4014	Local Land Charges	(14,157)	(19,600)	(19,210)	(18,480)
4018	Street Naming and Numbering	(13,962)	(5,440)	(4,290)	(5,520)
	Net Controllable Expenditure	141,143	(30,990)	37,160	(12,800)
	Departmental Support	105,718	108,460	108,460	108,970
	Central Support	156,301	170,790	170,790	172,140
	Capital Charges	4,261	16,390	16,390	16,390
	Planning and Development Board Total	407,423	264,650	332,800	284,700

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

Codes	Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
3072	Polesworth Sport Centre	174,053	113,560	161,570	171,370
3075	Colleshill Leisure Centre	291,982	182,510	281,510	321,520
3077	Atherstone Leisure Complex	368,710	185,860	326,720	411,140
3081	Leisure Facilities Strategic Outcome Plan	-	-	-	-
3082-3	Memorial Hall	121,987	110,140	114,890	127,530
4002	Public Health (Commercial Pollution Control)	247,864	240,740	247,470	247,070
4003	Public Health (Domestic Pollution Control)	64,763	24,740	23,940	25,400
5000	Domestic Refuse Collection	725,317	663,450	589,960	633,090
5001	Streetscene Grounds Maintenance	21,014	8,450	5,630	18,160
5002	Trade Refuse Collection	(42,037)	(45,880)	(46,100)	(44,250)
5003	Cesspool Emptying	(12,527)	(51,870)	(28,800)	(49,410)
5004	Recycling	1,005,366	532,220	602,420	791,310
5005	Animal Control	22,948	16,220	25,730	23,220
5006	Abandoned Vehicles	2,303	2,010	2,010	2,050
5010	Amenity Cleaning	534,385	545,600	522,420	559,090
5013	Unadopted Roads	4,058	7,900	7,900	8,050
5014	Flooding And Land Drainage	1,058	-	-	-
5015	Street Furniture	3,398	1,350	1,350	1,380
5016	Atherstone Market	2,331	1,840	1,790	1,880
5019	Green Space Budget	421,402	432,670	412,960	431,330
5021	Public Health (Control of Disease) Act 1984 Burials	2,050	-	1,720	-
5023	Consultation	574	4,650	-	4,650
5025	Corporate Policy	48,255	44,120	44,120	47,790
5030	Rural Regeneration	30,228	27,390	27,390	27,980
5034	Landscape	10,345	10,260	10,570	10,780
5040	Marketing and Market Research	5,470	8,760	8,760	8,930
5044	Support to Voluntary Organisations	54,149	54,620	54,620	55,710
5047	Community Fund for Local Projects	-	-	-	-
5055	Community Development Health Improvement	25,945	32,100	32,440	33,550
5056	Community Development Safer Communities	56,009	62,840	62,840	64,740
5064	QE - Artificial Grass Pitch	(10,647)	(10,080)	(10,080)	(9,870)
7361	England's Rural Heart LEADER Partnership	(3,718)	1,050	1,040	660
7365	AFC Veterans Hubs Development	-	-	-	-
7700	Stronger & Safer Communities	-	-	-	-
7856	High Street Innovation Grants	-	-	-	-
72xx	Covid Related Expenditure	814	-	-	-
	Net Controllable Expenditure	4,177,849	3,207,220	3,486,790	3,924,850
	Departmental Support	653,418	696,400	696,400	708,960
	Central Support	617,176	658,350	658,350	688,260
	Capital	894,114	888,760	888,760	888,760
	Net Expenditure	6,342,557	5,450,730	5,730,300	6,210,830

NORTH WARWICKSHIRE BOROUGH COUNCIL
LICENSING COMMITTEE SUMMARY
SUMMARY OF GENERAL FUND REVENUE ESTIMATES

Code	Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
4000	Licensing Authority	(33,848)	(36,500)	(35,350)	(36,090)
4001	Licences and Registration	(8,272)	(8,120)	(8,080)	(6,240)
4008	Hackney Carriages	(17,897)	(11,290)	(11,290)	(22,890)
4019	Gambling Act Authority	(10,338)	(9,310)	(7,920)	(9,310)
	Net Controllable Expenditure	(70,355)	(65,220)	(62,640)	(74,530)
	Departmental Support	37,999	73,320	73,320	76,190
	Central Support	41,869	39,830	39,830	40,310
	Licensing Committee Total	9,513	47,930	50,510	41,970

NORTH WARWICKSHIRE BOROUGH COUNCIL

RESOURCES BOARD (RECHARGED)

SUMMARY OF GENERAL FUND REVENUE ESTIMATES

Code	Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
Various	Chief Executive	207,314	211,340	211,340	220,390
Various	Corporate Director - Resources	908,358	1,020,620	1,020,620	1,063,910
Various	Chief Executive - Other Services	1,098,979	1,102,310	1,102,310	1,111,510
Various	Corporate Director Resources - Community Services	1,396,379	1,486,740	1,486,740	1,501,810
Various	Director of Housing	2,230,943	2,325,130	2,325,130	2,446,350
Various	Corporate Director Streetscape	890,128	923,770	923,770	942,880
Various	Director of Leisure and Community Development	689,685	559,680	559,680	572,020
3006-3039	Building Maintenance Fund	226,164	226,380	226,380	231,250
3040-3041	Council Offices	189,161	188,030	188,030	181,430
3043	Central Telephones	16,176	17,700	17,700	18,100
3045	Recruitment	54,704	26,390	26,390	25,200
3046	Printing and Copying	65,248	68,930	68,930	71,230
3047	Training	19,324	82,840	82,840	84,200
3048	Depot and Stores	73,934	76,740	76,740	81,830
3110	Postage and Franking	66,447	69,890	69,890	70,050
3226	Central Services	256,536	278,710	278,710	286,290
3290	Information Services	767,856	765,600	765,600	786,140
3291	Procurement	75,815	75,200	75,200	74,300
3292	Staff Welfare	33,069	27,860	27,860	26,730
3300	Transport	822,081	829,820	815,980	837,840
	Net Controllable Expenditure	10,088,301	10,363,680	10,349,840	10,633,460
	Recharged to Services	(11,943,346)	(12,285,020)	(12,269,760)	(12,557,720)
	Departmental Support	22,082	21,490	21,490	22,030
	Central Support	1,466,658	1,478,920	1,478,920	1,482,720
	Capital	366,305	420,930	419,510	419,510
	Resources Board (Recharged) Total	-	-	-	-

Resources Board Summary

Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
Totals - Recharged Services	-	-	-	-
Totals - Services Remaining	3,947,836	3,124,140	3,393,880	3,273,590
Central Vacancy Factor	-	(234,000)	(315,000)	(210,000)
Resources Board Total	3,947,836	2,890,140	3,078,880	3,063,590

NORTH WARWICKSHIRE BOROUGH COUNCIL

RESOURCES BOARD (REMAINING)

SUMMARY OF GENERAL FUND REVENUE ESTIMATES

Code	Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
3000	Cost of Democratic Services	329,631	368,730	354,290	357,880
3001	Election Expenses	88,698	5,400	5,400	5,510
3002	Registration of Electors	8,603	26,640	26,640	27,360
3003	Non Domestic Business Rates	(21,482)	(25,610)	(24,740)	(23,100)
3004	Council Tax Collection	134,807	71,240	158,800	78,300
3050	Finance Miscellaneous	(52,770)	-	-	-
3051	Compensation and Pension Increases	353,459	255,650	333,720	343,230
3052	Assisted Car Purchase	(303)	(280)	(400)	(350)
3054	Electricity at Work	16,671	18,920	18,920	19,300
3059	Finance Unused Land	211	700	700	720
3060	Corporate and Democratic Core	107,486	77,350	77,990	79,550
3061	Unallocated Central Support Services	(349)	63,240	92,750	102,930
3065	Coleshill Shops and Flats	(69,223)	(68,240)	(68,120)	(68,100)
3067	The Pavilions, Holly Lane	(81,869)	(84,780)	(81,010)	(86,260)
3068	Carlyon Road Industrial Estate	(127,393)	(130,850)	(126,250)	(131,530)
3069	Innage Park Industrial Estate	(175,795)	(194,900)	(201,060)	(235,030)
3070	Polesworth Workspace Units	(8,483)	(8,560)	(7,640)	(5,260)
3079	Maya Bar & Restaurant	(11,156)	(12,890)	(12,950)	(13,930)
3080	Football Stadium	9,729	-	-	-
3084	Homeless Persons	64,959	71,690	71,190	68,290
3085	Meadow House Young People Support	(1,417)	-	-	-
3086	Homeless Project Watling Street Dordon	-	-	-	-
3089	Public Conveniences	38,833	35,190	30,280	35,310
3094	Customer Contact	20,133	13,490	12,250	33,270
3097	Rent Allowances	159,705	(10,540)	27,440	(4,950)
3098	Housing Benefit Administration and Rent Rebates	(27,785)	68,160	88,740	41,220
3101	Council Tax Support	107,918	90,060	93,120	97,500
3102	Car Parks	51,811	50,940	48,960	52,130
5008	Private Sector Housing Assistance	36,290	16,350	41,350	10,330
5035	CCTV	3,155	(16,180)	(18,580)	(17,500)
5036	Community Support	231,369	245,830	248,710	275,850
72xx	Covid Related Expenditure	7,169	-	-	-
	Net Controllable Expenditure	1,192,612	926,750	1,190,500	1,042,670
	Recharged to Services	(249,840)	(255,120)	(249,130)	(258,760)
	Departmental Support	1,023,773	1,084,270	1,084,270	1,114,790
	Central Support	1,009,637	1,081,030	1,081,030	1,087,430
	Capital Charges	971,654	287,210	287,210	287,460
	Resources Board (Remaining) Total	3,947,836	3,124,140	3,393,880	3,273,590

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

Code	Description	Actual 2019/20 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
2000	Housing Strategic Service Review	2,086	-	-	-
2001	Outreach and Access to Services	54,896	45,010	45,010	45,840
2002	Corporate Communications	53,918	50,580	36,640	51,830
2003	Community Strategy	47,295	41,610	40,080	42,710
2007	Emergency Planning	4,211	6,030	6,030	6,160
2009	North Warwickshire Local Development Framework	292,409	253,590	218,300	257,550
5050	Support to Parishes	165	-	-	-
	Net Controllable Expenditure	454,980	396,820	346,060	404,090
	Departmental Support	153,359	151,610	151,610	158,120
	Central Support	155,338	173,390	173,390	177,630
	Capital Charges	6,911	9,710	9,710	9,710
.	EXECUTIVE BOARD TOTAL	770,588	731,530	680,770	749,550

SAVINGS INCLUDED WITHIN 2021/2022

Board	Description	2021/2022 £
C & E	Reduction in business rates	2,120
C & E	Reduction in car lump sum allowances	1,240
Resources Recharged	Reduction in lease car lump sum allowances	7,010
Resources Recharged	Reduction in subsistence	50
Resources Recharged	Reduction in Disclosure and Barring Service checks	1,750
Resources Recharged	Reduction in journals and newspapers	1,050
Resources Recharged	Reduction in books	540
Resources Recharged	Reduction in business rates	4,940
Resources Recharged	Increase in Rent Income from Council House	7,200
Resources Recharged	Reduction in car lump sum allowances	1,240
Resources Recharged	Reduction in essential travel allowances	1,240
Resources Recharged	Reduction in Housing Assessment Officer hours	7,040
Resources Recharged	Rationalisation of two part time Accountancy Assistant posts	2,560
Resources Recharged	Reduction in provisions	200
Resources Remaining	Cost of Democratic Services - Reduction in hire of premises	530
Resources Remaining	Cost of Democratic Services - Reduction in telephone costs	2,340
Resources Remaining	Reduction in corporate subscriptions	180
Resources Remaining	Reduction in electricity costs	410
Resources Remaining	Reduction in business rates	8,740
Resources Remaining	Reduction in water and sewerage costs	800
Resources Remaining	Increase in Rent Income from Industrial Units	26,670
P&D	Reduction in Advertising, promotions and publicity	4,850
	Overall Total	82,700

RISK ANALYSIS

	Likelihood	Potential Impact on Budget
The Emergency Planning budget may be insufficient to cover the costs of any major local emergency	Low	High
The Local Plan process is becoming more costly due to the Duty to Cooperate and also needs to be repeated more often as national guidance requires.	High	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, if there is a delay in economic recovery from the Covid-19 pandemic.	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	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
Further reduction in administration grant	Medium	Low
Above inflation increases to contracts	Low	Low
Further increases in the pension scheme deficit, or changes affecting the current recovery strategy, which lead to additional increases in pension contribution rates	Medium	Low
Effect of an ageing population on demand for Community Support services	Medium	Low
Higher than anticipated rises in utility costs	Medium	Low
Changes in legislation affecting service delivery and/or software requirements	Medium	Low
Above inflation increases in vehicle fuel	Medium	Medium
Increased insurance costs	Medium	Low
Termination of employment 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
Deteriorating condition of assets, particularly the Leisure Centres, and further economic and market pressure affecting the generation of income particularly due to the Covid-19 pandemic.	High	High
Additional Costs relating to the Refuse and Recycling services in particular due to the Covid-19 pandemic.	Medium	Medium

Agenda Item No 10

Resources Board

25 January 2021

**Report of the
Director (Housing)**

**Countywide Homelessness
Strategy**

1 Summary

- 1.1 This report provides the Board with a draft of a homelessness strategy for Warwickshire to consider.

Recommendation to the Resources Board

- a That the Countywide Homelessness Strategy at Appendix A be considered and agreed;**
- b That the strategic vision and recommendations within the strategy; Preventing Homelessness in Warwickshire: a multiagency approach be agreed; and**
- c That the Council supports the Homelessness Strategic Group to develop an action plan underpinning these recommendations and continue to work towards preventing homelessness in 2021/22.**

2 Consultation

- 2.1 The County Council has consulted with key partners and stakeholders. Their responses to the recommendations set out in the strategy are detailed at Appendix 1 of the Strategy.

3 Background

- 3.1 Historically each District and Borough in Warwickshire has provided a Homelessness Strategy for their own area. Whilst there has been co-operation in developing these strategies and delivering the actions until recently there has been no drive to produce a strategy for the County.
- 3.2 The requirement to deliver the new legislation set out in the Homelessness Reduction Act 2017 which came into force in April 2018 has provided an impetus for better partnership working and a decision was made to reflect this formally in a joint strategy.

- 3.3 This new legislation created a fundamental shift to how Local Authorities manage homelessness in their area. There are three key elements:
- The focus on prevention which is at the forefront of the change.
 - The requirement for a Personal Housing Plan and needs assessment which means that applicants are expected to take responsibility for addressing their housing needs and are assisted in doing so.
 - A legal Duty to Refer imposed on key agencies which is a clear signifier that it is the Government's intention to ensure there is recognition that it is 'everybody's business' to act to prevent homelessness.
- 3.4 The whole thrust of the legislation is concerned with early intervention, stopping crisis and reducing the use of temporary accommodation. We will only get real change through partnership. In order to respond to the legislation lead officers in the District, Boroughs and the County Council started to work more closely together to understand what we need to do as a county to reduce levels of homelessness.
- 3.5 A successful, multi-agency conference was organised to raise the profile of the group's intentions and subsequently work has been undertaken to develop a joint strategic approach for the County. In essence the group has recognised the need to change and is acting together to deliver it.

4 **Preventing Homelessness in Warwickshire – A Multi-Agency Approach**

- ... 4.1 The draft strategy is attached at Appendix A of this report. The strategy has been developed by the 5 District and Boroughs and the County Council. There is a strategic partnership group involving statutory partners that has met to give direction to the strategy and will continue to meet to deliver the actions.
- 4.2 Each Council will submit the strategy to their own Governance requirements with a view to providing a final draft to the Health and Well Being Board at its meeting in March 2021.
- 4.3 The vision for the strategy is:
- “Statutory, voluntary and community organizations working together for the benefit of our residents to promote and deliver the changes expected by the government in the Homelessness Reduction Act 2017 with particular reference to the prevention duty and the Duty to Refer.”
- 4.4 Within the strategy, there are five strategic priorities, each with their own detailed chapters, which include: what we know (the evidence to support the inclusion of that strategic priority), what are we currently doing to tackle

homelessness within that chapter theme, what opportunities are there to improve services – including recommendations for each chapter.

4.5 The strategic priorities include:

- Health – to reduce the inequalities and improve the health of people at risk of homelessness, homeless or sleeping rough.
- Financial inclusion – to ensure that a wide range of appropriate services are available to support those at risk of homelessness due to financial difficulties.
- Young people – to enhance and improve services that prevent homelessness among young people.
- Domestic abuse – to prevent domestic abuse and the crisis homelessness resulting from it wherever possible.
- Offending – to deliver better-focused housing and related support services for those at risk of homelessness when leaving prison.

4.6 Following the collaborative approach to develop the strategy, a formal countywide online engagement was launched in October, this gave partners and members of the public the opportunity to comment on the high-level strategic vision and recommendations. The recommendations and content have been refined following the engagement, to ensure relevant comments have been reflected within the strategy.

4.7 A webinar was held with members of the community and voluntary sector to obtain their views and shape the strategic vision and recommendations. Due to COVID having a wide impact, in particular on health partners, an additional webinar was held to discuss the health recommendations to determine if any changes needed to be reflected as a result of COVID.

4.8 It is hoped that the Board will welcome the commitment to partnership working that the development of the strategy exhibits. The joint strategy will complement the strategic activity locally. The data shown at Appendix 3 of the strategy will be used to monitor activity and provide information to direct initiatives and system improvements to prevent and reduce homelessness in the County.

5 Report Implications

5.1 Finance and Value for Money Implications

5.1.1 Government has been providing grant funding to support Local Authorities meet statutory requirements for homelessness for some years. The Council receives a homelessness prevention grant from the Government which enable us to deliver our homelessness services. It has been confirmed that the

Council will receive a Homeless Prevention grant award of £162,000 for 2021/2022.

- 5.1.2 The County Council supports the aims of the strategy by providing a budget of just over £3m to commission Housing Related Support services across the county, funding initiatives to resolve rough sleeping and in this area has given £200,000 to establish the single homeless men's support project.

5.2 Legal, Data Protection and Human Rights Implications

- 5.2.1 The Council has various statutory duties to those people who present themselves as homeless which are set out in several Housing and Homelessness Acts which were extensively modified by the Homelessness Reduction Act 2017. As a local housing authority, the Council has a duty under the Homelessness Act 2002 to adopt a homelessness strategy for

- (a) preventing homelessness;
- (b) securing that sufficient accommodation is and will be available for people who are homeless;
- (c) securing satisfactory provision of support for homeless people.

- 5.2.2 If the Council adopts the Countywide Homeless Strategy it will complement the Council's own policy, which must still be kept under review as required by the 2002 Act.

5.3 Equalities Implications

- 5.3.1 Both our local and the County wide strategy aim to ensure that homelessness and support services are accessible to all client groups and do not discriminate against any particular client group. The Council is required to ensure that policies and decisions relating to homelessness and threatened homelessness do not amount to unlawful conduct under the Equality Act 2010 and must also comply with the public sector equality duty.

5.4 Safer Communities Implications

- 5.4.1 The Homelessness Strategy includes two key themes relating to domestic abuse and offending. Both themes have significant safer communities' contributions by supporting victims of domestic abuse and helping to reduce re-offending through seeking to address the risk of homelessness.

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

Preventing Homelessness in Warwickshire: a multi-agency approach

2021-2023



Foreword

I am delighted to introduce the first ever Warwickshire-wide homelessness strategy, which has been produced by the county, district and borough councils of Warwickshire working in partnership together and liaising and engaging with the widest range of statutory and voluntary organisations operating across the county.

A place to live is a basic human need and the lack of a home blights the lives of too many individuals and families in our community. While housing itself will always be the cornerstone of any solution, homelessness is often a multi-dimensional issue that is impacted by, and impacts upon, many other social policy areas. That is why this strategy is so important: because it seeks to prevent and tackle homelessness by addressing the broader underlying issues and because it brings together the organisations working in those other policy areas to help to define and develop the way forward to reduce homelessness in Warwickshire.

Our vision for the next two years is of statutory, voluntary and community organisations working together for the benefit of our residents to promote and deliver the changes expected by the government in the Homelessness Reduction Act 2017 with particular reference to the prevention duty and the Duty to Refer, both of which are explained in depth in this document.

We have identified five equally important priorities for the strategy:

- Health – to reduce the inequalities and improve the health of people at risk of homelessness, homeless or sleeping rough.
- Financial inclusion – to ensure that a wide range of appropriate services are available to support those at risk of homelessness due to financial difficulties.
- Young people – to enhance and improve services that prevent homelessness among young people.
- Domestic abuse – to prevent domestic abuse and the crisis homelessness resulting from it wherever possible.
- Offending – to deliver better-focussed housing and related support services for those at risk of homelessness when leaving prison.

In this strategy you will see each of these priorities addressed in turn, with an analysis of what we know about the issue, a description of some of the excellent projects that are already underway and a set of recommendations for further work that will help to improve the situation.

Writing this foreword at a time when the country is still grappling with the Coronavirus pandemic it seems clear to me that now, more than ever, a joint approach is essential to preventing homelessness in all its complexity and I am confident that this strategy will help to substantially deliver the changes needed over the coming years.

Councillor Les Caborn
Portfolio Holder for Adult Social Care & Health
Warwickshire County Council

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Introduction

Warwickshire is a county covering approximately 760 square miles in the West Midlands region of England and is home to 570,000 people. It has a two-tier structure of local government, with Warwickshire County Council (WCC) delivering upper-tier services across the whole county and five district and borough councils (D&Bs) providing services over smaller geographic areas within the county: North Warwickshire Borough Council (NWBC); Nuneaton and Bedworth Borough Council (NBBC); Rugby Borough Council (RBC); Stratford-on-Avon District Council (SDC); and Warwick District Council (WDC).

Ever since the first national legislation on homelessness in 1977 the D&Bs, as local housing authorities, have had the primary responsibility for helping homeless people in their area. In April 2018 the Homelessness Reduction Act 2017 (HRA17) came into force bringing sweeping changes in how councils should respond to homelessness. Further details on the act are included elsewhere in this document, but one of the most significant changes was the introduction of a “Duty to Refer” which required other public bodies to become more involved in homelessness service provision.

This new obligation intensified conversations that were already ongoing between the D&Bs and WCC culminating in a conference on homelessness in the autumn of 2018 that involved a wide range of statutory and voluntary organisations with remits connected with homelessness. Following the conference all six councils agreed to develop a countywide strategy and this document is the result. The process has included full engagement with other relevant agencies, along with a period of open public engagement, inviting the widest possible cross-section of views. The key messages from this engagement are included as appendix one.

The document begins by giving more details on the background to the strategy, followed by key data on homelessness across Warwickshire. It then sets out specific information and recommendations in five key social policy areas where co-ordinated action can have the greatest impact in preventing and tackling homelessness:

- Chapter three - Health.
- Chapter four - Financial inclusion.
- Chapter five - Young people.
- Chapter six - Domestic abuse.
- Chapter seven - Offending.

There are many operational interventions that are already underway across the county to help prevent and tackle homelessness. Many of these are relevant to tackling the issues set out in each of the policy areas so, to avoid excessive repetition, they are detailed in section 1.3 and then a list of the most pertinent is included at the beginning of the second section of each policy chapter. The same applies to system-wide actions needed that cut across every area: these are explained in section 1.4 and referenced briefly at the start of the third section of each policy chapter.

This strategy is intentionally written so that it will continue to be relevant over a two-year period. The recommendations will be taken forward through partnership working between the most relevant agencies in each case, with a lead identified for each work-stream. Detailed action plans will be drawn up for each chapter theme and service user involvement incorporated wherever appropriate. Progress will be monitored annually by the Health and Wellbeing Board, where the need for amendments and additions to the strategy will be considered. The Board will also receive updates on the key datasets, the baseline information for which is included in chapter two and appendix three of this strategy.

Chapter 1 - The context for the strategy

1.1 Homelessness

The causes of homelessness can be complex and have links to several factors that can broadly be divided into “structural” and “individual”. However it is acknowledged that structural factors create the conditions within which homelessness occurs, and people with individual complex problems are more vulnerable to social and economic factors than the general population (Alma Economics, 2019). The wide range of causes and their classification are shown in the following depiction.



It is important to note that not all causes of homelessness are complex and early intervention by relevant services can ensure homelessness is prevented so that consequent issues do not arise. While D&Bs are responsible for tackling homelessness many of the public services that support people with these wider needs are provided by other organisations.

The Government’s ambition is to promote a holistic approach to addressing housing needs in order to reduce some of the consequent effects at the same time as resolving an individual’s homelessness. This approach was made all the more urgent by the specific set of challenges of the COVID-19 pandemic, which required partners to act in collaboration to prevent health risks due to homelessness. This has promoted strong working relationships to deliver agreed actions which will underpin future work as directed by this strategy. Joint COVID-19 recovery planning includes anticipating further challenges from a period of recession in which households may find themselves in financial difficulty due to periods of unemployment.

1.2 The new legislative framework

For many years local housing authorities have had defined statutory responsibilities towards homeless people in their area, the principal legislation being the Housing Act 1996. To address an increase in homelessness nationally, and the prevalence of rough sleeping particularly, the Government enacted changes to the 1996 Act through the HRA17 (see appendix two) which came into force on 3 April 2018.

The broad aim of the HRA17 is to reduce homelessness by introducing systems to ensure early intervention and prevention and by changing an over-emphasis in the old system on technical decisions about priority need categories and intentional homelessness judgements. This is achieved by requiring that all households who seek assistance have a full needs assessment and a Personal Housing Plan.

The HRA17 also confers new duties on other statutory agencies through the Duty to Refer (introduced from October 2018) bringing a wide range of other statutory organisations into firm collaboration with local housing authorities to implement the legislation. This demands joint action; it recognises that early intervention and prevention cannot be achieved by the housing authority alone because other organisations are likely to see early indications or triggers which could lead to homelessness before a household makes contact with the housing authority.

The Personal Housing Plan and Duty to Refer together underpin a legislative requirement to provide a holistic assessment of the households needs which results in a joint, multi-agency approach to achieving a positive outcome.

Implementation of this new legislation brings a number of challenges:

- All councils must make a fundamental shift in the way that they deal with homelessness, from a safety net of last resort to proactive, joined up services which are able to deliver early intervention and prevent homelessness.
- Other statutory organisations need to collaborate and act to ensure early intervention and prevention in order to avoid crisis.
- Housing options services must be promoted in a positive manner to encourage households to seek assistance as early as possible. This requires a shift away from demand management (encouraged by the previous legislation) towards a more proactive, open door approach.
- In order to address the issues drawn out in needs assessments and actions agreed in Personal Housing Plans positive collaborative systems of work must be developed between statutory agencies and support providers.
- Strategically all housing authorities must act to increase the supply of affordable housing in their area.
- This new approach should ultimately prevent households falling into crisis and needing to rely on statutory and voluntary support services. However until that shift is achieved the reduction in available resources for both statutory and voluntary agencies is a challenge in meeting needs.

1.3 What are we doing in Warwickshire?

HRA17 has been implemented operationally by all of the D&Bs. To aid prevention: households at risk of homelessness are being assessed much earlier; all applicants have a needs assessment and are provided with a Personal Housing Plan; and the Duty to Refer is in operation. In addition there are a number of initiatives underpinning the shift to early intervention and a more holistic approach:

A wide range of interventions are available for all applicants to access in order to prevent homelessness, such as: grants to support people to sustain their tenancies or find an alternative before homelessness occurs; mediation and early intervention with parents or friends no longer willing to accommodate; rent deposit and guarantee schemes.

Community and voluntary sector support. Whilst in Warwickshire there are many statutory and commissioned services to prevent and tackle homelessness, Warwickshire's homeless communities are fortunate to have excellent support from the third sector. There are a variety of hardworking and dedicated voluntary groups who provide integral support, particularly to those people who find themselves with no home, street homeless and need to rely on shelters or soup kitchens. The voluntary sector support for this population is a valued resource in Warwickshire. Going forward, we will work closely with the community and voluntary sector providers to establish a service user involvement feedback mechanism, to gain their unique and integral perspective into the delivery of the strategy recommendations.

p.h.i.l. (Preventing Homelessness Improving Lives) is a service that actively seeks early referrals about, and direct contact from, people who are concerned that they may become homeless. The service provides a holistic and tailored approach and focusses on prevention and well-being. It was funded by government trailblazer funding from 2017 to 2021 and operated across the county. From April 2021 p.h.i.l. will continue to operate in NWBC, RBC and SDC, with other preventative services operating in NBBC and WDC.

Mental health first aid training has been commissioned by Warwickshire Public Health, specifically focussed on housing officers and front line workers whose clients include people vulnerable to homelessness.

Housing-related support services commissioned by WCC. Providers work with clients with needs that place them on the edge of care, supporting them to maintain a tenancy and helping with issues that could lead to homelessness. Some of the services include short-term accommodation to support households who are homeless.

Research undertaken by Doorway considered working practices in statutory services for young people and care leavers and delivered clear recommendations for action to improve joint working.

A Domestic Abuse Strategy for the County is being developed to set out how agencies will work together to tackle domestic abuse and its consequences.

Rough sleeping initiatives are being developed in partnership across the county. These include the delivery of specific mental health services and action to provide more accommodation for this particular group.

Financial inclusion is being proactively promoted by D&Bs. This includes a focus on financial inclusion as a driver to provide sustainable housing, using Discretionary Housing Payments to prevent homelessness and addressing broader issues around budgeting skills, education, training and employment opportunities.

Support services for armed forces veterans have been developed and promoted across the County.

Supporting hospitals by working with Warwickshire's Hospital Liaison Officers across our main acute trusts, to support safe and positive discharge arrangements for patients where homelessness, housing need or property condition is an issue.

Improved access to affordable housing is being promoted by D&Bs using their Local Plans and Lettings Schemes as well as by intervening to shape the private sector market. This includes the need for specialised housing and extra-care housing schemes.

1.4 System wide actions to be taken to tackle and reduce homelessness

The legislation requires statutory agencies to act to promote positive outcomes for applicants. The inclusion of the Duty to Refer in the HRA17 indicates Government awareness that better partnership working is needed to resolve homelessness when it occurs. In addition a recent consultation paper, "Tackling Homelessness Together", set out Government concerns that partners are not engaging positively to resolve homelessness and are not co-operating. As a result Government is now proposing statutory requirements to provide for specific structures which could include a duty to co-operate and the establishment of Homelessness Reduction Boards.

System changes are needed to prevent homelessness, with the councils that are party to this strategy acting together to prevent crisis by promoting the importance of the Duty to Refer in our partnership work. We need new and robust pathways enabling early notice of a threat of homelessness and the opportunity to intervene at an early stage.

In Warwickshire a Strategic Homelessness Board has already been established. This supports the legislative changes, anticipates the Government's further proposals and provides a strategic framework to reduce the prevalence of homelessness in the county. Actions are concerned with how statutory agencies in Warwickshire will work together to promote and deliver the changes required by Government for the benefit of our residents. These actions are intended to define a strong culture of collaboration and joint working arrangements. In promoting collaborative working the board will also welcome challenge to existing systems of work in order to develop more effective interventions. To provide for an informed network of agencies that can assist front line services to prevent homelessness the board will encourage a culture of professional curiosity, ensure professionals know that acting to prevent homelessness is everybody's business and create clear referral pathways. The effectiveness of the board's actions to strengthen joint working will be monitored formally at its meetings.

Chapter 2 – Facts and figures about homelessness in Warwickshire

The purpose of this Chapter is to draw a picture of homelessness in Warwickshire, comparing it to the national situation where relevant, and to provide baseline information for monitoring as this strategy is implemented.

As part of the new set of duties introduced by the HRA17 local housing authorities send case level data to MHCLG (Ministry of Housing, Communities and Local Government) quarterly through the Homeless Case Level Information Collection system (H-CLIC). The data is collated and analysed by MHCLG and they publish a quarterly report.

“Homeless” covers a broad range of living circumstances but H-CLIC data covers statutory homelessness, i.e. the homelessness applications taken and decisions made by local authorities according to their legal duties. This means that not all homelessness is included in the data as it is concerned with reported homelessness only. Nonetheless H-CLIC data is useful in helping to understand homelessness nationally and locally.

H-CLIC data includes information about the new duties owed for prevention and relief as well as the long standing main homelessness duty, the reasons for homelessness and the support needs of applicants. Critically it also includes information about the use of temporary accommodation which should reduce over time if the new prevention duty is effective. The new duty to refer, given to other statutory agencies, is also monitored as part of the H-CLIC return.

Appendix three sets out the detailed data for Warwickshire but a summary of the most important points is included below. Some detailed contextual information about the health of the population in Warwickshire is shown in an extract from the 2019 annual report of the Director of Public Health in appendix four.

In 2018/19, the first year of implementation of the HRA17, D&Bs received 2,476 approaches across Warwickshire. This increased to 2,853 in 2019/20, an increase of almost 15% compared to an increase of only 5% for England over the same period.

In 2019/20 the duty owed to applicants was split fairly evenly between prevention (46%) and relief (48%) with around 5% owed no duty. Table one shows how these applications were split across the five D&Bs according to duty owed.

For those owed the prevention duty in Warwickshire (table two):

- The two main reasons were “End of an assured shorthold tenancy” and “Family or friends no longer being willing or able to accommodate” (together accounting for more than 50% of applicants). This was the same for the West Midlands and England.
- The profile of reasons for the applicant losing their home, or being threatened with losing it, was broadly similar to the regional and national picture with two notable differences: a much higher proportion of applications were caused by the end of a social rented tenancy or by a non-violent relationship breakdown.

For those owed the relief duty there is a different profile (table three):

- There is a much smaller proportion than is true for prevention cases, of applications due to “End of an assured shorthold tenancy” (11% at all three geographic levels).
- The main reason for application is “Family or friends being no longer willing or able to accommodate” at roughly 30% across all three areas.
- Warwickshire has a significantly higher proportion of applications due to “Non-violent relationship breakdown” and this is offset by fewer “Other” reasons.

When looking at the support needs of households (table four):

- The profile is broadly similar to the West Midlands region as a whole with the three most common reasons in both cases being: “A history of mental health problems”; “Physical ill health and disability”; and “At risk of / has experienced domestic abuse”. These three reasons accounted for roughly half of all cases (53% in Warwickshire and 49% in the West Midlands).
- In Warwickshire no other support need accounted for more than 5% of needs whereas in the West Midlands there were two such needs: “Young person aged 18-25 requiring support to manage independently” at 8% and “Access to education, employment or training” at 6%.

As regards the Duty to Refer (table five):

- This was widely used in 2018/19, the first year of operation, with 617 cases referred in this way. However there was a huge drop to only 95 cases the following year and every organisation subject to the duty made fewer referrals in 2019/20 than they did in 2018/19.
- The profile of referrals also changed between the two years: in 2018/19 the biggest referrer was Jobcentre Plus at 41% but this fell to 17% in 2019/20 while Children’s Social Services increased from 12% to 24% and Adult Social Services increased from 3% to 15%. As indicated above, this was not due to an increase in the number of referrals from those agencies.

Tables six and seven show the number of households in temporary accommodation by type of accommodation and by type of household, for each D&B as at 31st March 2020. There is no clear pattern as regards the nature of accommodation being used. Single adults are by far the most common household type in temporary accommodation, as was the case at the end of each quarter in 2019/20. However the total number as at 31st March 2020 will have been inflated by the “Everyone In” initiative in response to the Coronavirus pandemic.

Rough sleeping numbers countywide (table eight) have gone from 39 in 2016 to 49 in 2017 and 78 in 2018 before falling back to 47 in 2019.

Warwickshire had a proportion of “White” applicants at 85% that was significantly higher than either the West Midlands (65%) or England (70%). This was offset by lower proportions in Warwickshire of “Black/African/Caribbean/Black British” and “Asian/Asian British” applicants (table nine).

The age profile of applicants in Warwickshire was broadly similar to both the West Midlands and England with relatively small differences between the three regional distributions (table ten).

In Warwickshire and England 14% of applicants contained more than one adult (in the West Midlands the figure was a little higher at 17%) so that the gender of the main applicant was not specified. Gender analysis is therefore only provided for the remaining 86% of applicants, of which 60% were single adults and 26% were single parents.

The gender profile of single parents (Table 11) is broadly similar across all three geographic profiles with the split being 89% “Female” and 11% “Male” in Warwickshire. The West Midlands is slightly different as it has a much higher proportion (6%) of “Other/gender not known” cases.

For single people (table 12) there is a higher proportion of “Male” (62%) than “Female” (37%) in Warwickshire, very similar to England and the West Midlands, though the latter again has a slightly higher proportion of “Other/gender not known”.

Chapter 3 – Homelessness and health

Our objective is to reduce the inequalities and improve the health of people at risk of homelessness, homeless or sleeping rough.

3.1 What do we know?

There is a wealth of research into the health and well-being of the homeless population, in particular around health inequalities, mental health, and use of drugs and alcohol. It is important to note that someone can be officially homeless while living in temporary accommodation with a roof over their heads. This will have a different impact on their health, compared to someone who is street homeless and sleeping rough, but much of the published research does not differentiate between being homeless in temporary accommodation and rough sleeping.

Data from 27 Health Needs Audits across England in 2019 showed that an estimated 44% of homeless people had a diagnosed mental health condition; 86% had reported a mental health difficulty (the most common issue being depression); 27% had an alcohol problem; 78% smoked; and 41% used drugs or were in recovery.¹

The physical and emotional health of homeless people is generally worse when compared to that of the wider population, including the most deprived in the wider population.² Poor health is exacerbated by poor access to health services and lack of adherence to prescribed medication.²

There are two particularly significant consequences of this poor health that have implications for health and social care services:

- Homeless people aged 50 have the same age-related health conditions as people in the general population at 70, such as falls, cognitive impairments and incontinence. Consequently, researchers have recommended that homeless people should be eligible for older adult services at 50.²
- Homeless people die younger compared to the general population. (People who experience rough sleeping over a long period have an average age of death of 45 years for men and 43 years for women, compared to 76 and 81 years respectively within the general population.³) Causes of this include infections, such as tuberculosis and HIV, heart disease and a host of external factors such as unintentional injuries, suicide and poisoning. In recent decades however the causes of this early mortality have shifted from infections to drug overdoses, substance misuse disorders and mental health problems.²

While estimates of alcohol and drug use rates among homeless people vary, there is an acknowledgement that rates of substance misuse are much higher than they are within the general population. In 2008, a systematic review was undertaken to examine the prevalence of mental disorders among homeless people in western countries⁴ and there were two main conclusions:

- The most common mental disorders were alcohol and drug dependence with an estimated prevalence of 37.9% and 24.4% respectively.
- The prevalence estimates for psychosis were at least as high as those for depression, which is in marked contrast to the general population estimates of these conditions.

Conversely the number of people without adequate and secure housing, among those with drug and alcohol issues is also high. The links between drug and alcohol use and homelessness are widely acknowledged, and in the majority of research, this association is recognised as an established fact. It is, however, important to note that not everyone who has an issue with drugs or alcohol becomes homeless and not everyone who is homeless has a drug or alcohol issue.

Autism and learning disability are another important consideration in health and homelessness. Autism is a lifelong condition that affects how people perceive the world and interact with others. Autistic people can experience challenges in communicating and interacting with others which can lead to relationship breakdown and social isolation, creating difficulties in accessing support and/or

maintaining education and employment. For autistic adults in employment, more than one third consider workplace adjustments for their condition to be poor or very poor.⁵

One study found that 12% of a group of people experiencing homelessness showed strong signs of autism.⁶ It is likely that autistic people are not only more at risk of becoming homeless, but also more vulnerable once they are on the streets and they may find it more difficult to move into new accommodation.

A 2018 systematic review of cognitive impairment and homelessness (including learning disability and autism) found that cognitive impairment was over-represented in the homeless population, with some groups of individuals with specific conditions having higher rates of experiences of homelessness than in the general population.⁷

The review noted differences in the needs and experiences of homeless individuals with cognitive impairment compared to the needs of homeless individuals without a learning disability. The needs of people with cognitive impairment tend to be enduring as opposed to temporary. In addition, services do not tend to be adapted or adjusted to meet the needs of people with cognitive impairment and so struggle to meet such needs. Issues include a lack of awareness of learning disability and autism amongst practitioners, lack of accessible programmes and inappropriate and low-quality housing which is unsustainable in the long term.

Difficulties in accessing support were also experienced by individuals with mild autism or learning disability, or “high-functioning” autism who are either undiagnosed, experiencing long delays during the diagnostic process, or do not meet the threshold for social care or mental health services.

An Autism and Homelessness Toolkit has been created by a multi-agency group including Resources for Autism, Westminster City Council, St Mungo's, National Autistic Society and Homeless Link, to help staff in homelessness services understand:

- What autism is and how it can present.
- How autism might change the way that people engage with services and support.
- How they can tailor their responses to better meet the needs of autistic people.

Workforce upskilling in understanding autism and how it may impact on a person's behaviour is crucial to the provision of support which is responsive to their needs.

Among **young people** the causes of homelessness include family conflict, victimisation, non-heterosexual sexual identity and having been in the child welfare system.² Shelter, in collaboration with policy experts, undertook a comprehensive evidence review of the impact bad housing has on children's life chances and found that:

- Experience of multiple housing problems increases children's risk of ill-health and disability by up to 25 per cent during childhood and early adulthood.
- Children who are homeless are three to four times more likely to have mental health problems than other children. Mental health issues such as anxiety and depression have also been linked to overcrowded and unfit housing.
- Children who are homeless are two to three times more likely to be absent from school than other children due to the disruption caused by moving into and between temporary accommodation.
- Children who are homeless are more likely to have behavioural problems such as aggression, hyperactivity and impulsivity: factors that compromise academic achievement and relationships with peers and teachers.
- Children who are homeless have lower levels of academic achievement that cannot be explained by differences in their levels of ability.⁸

Adults who are homeless are high users of acute health services, according to the evidence, including emergency visits to Accident & Emergency (A&E) and in-patient admissions. This is often compounded by the high risk factors of substance misuse and mental health disorders which increase their use of these services.² The cost of hospital use by homeless people is estimated to be four times higher than for the general population and eight times higher for in-patient services.⁹

There is also evidence that a high proportion of homeless people are discharged from health services onto the street without their underlying health problems being addressed. Appropriate and timely discharge planning is crucial in terms of supporting homeless patients: a randomised control trial tested the success of intervention with people at risk of homelessness from a psychiatric unit. It found that those who were offered immediate assistance with housing still had that accommodation, both three and six months later. However for those without such an intervention, all but one participant remained homeless after three and six months.

The COVID-19 pandemic may be expected to have longer term impacts on the health of Warwickshire's homeless population but whilst it is too early to tell what this might be there have been some anecdotal benefits. In particular the government's "Everyone In" directive brought a focussed effort to offer temporary accommodation to anyone sleeping rough. Not only did this give some people who were sleeping rough the opportunity to take up the offer of accommodation, it also gave some people in unsuitable accommodation the same opportunity, e.g. people who had been sofa surfing were now able to reside in temporary accommodation.

As a result some individuals became known to services for perhaps the first time. This presented an opportunity to work with these individuals and link them into health-related services such as: registering with a GP; reviewing prescriptions; general health checks; being linked into drug and alcohol services; and mental health outreach services.

3.2 What are we currently doing to tackle homelessness and health issues?

There are a number of initiatives set out in chapter one that are being undertaken towards preventing and tackling homelessness generally across Warwickshire. The following are of particular relevance to health (and are explained in more detail in section 1.3 above):

- P.h.i.l./prevention work.
- Mental health first aid training.
- Housing-related support services.
- A Domestic Abuse Strategy.
- Rough sleeping initiatives.
- Financial inclusion.
- Support services for armed forces veterans.
- Hospital discharge pilot.
- Improving access to affordable housing, including specialist and extra-care schemes.

There are also specific initiatives underway that tackle homelessness and health issues and these are explained in the following paragraphs.

Change Grow Live Drugs and Alcohol Services offer free and confidential support to adults, young people, carers and families across Warwickshire. A range of treatments and interventions are provided that are designed to support people to take control of their recovery journey and achieve their goals. Services include: harm reduction; prescribing; detoxification; training; housing and employment advice.

Mental Health Enhanced Care Pathway - WCC have worked in partnership with Coventry and Warwickshire Partnership Trust (CWPT) to second two Advanced Nurse Practitioners into the P3 Street Outreach Service (part of Warwickshire's floating support service, within the housing-related support portfolio). The Mental Health Enhanced Care Pathway in Warwickshire works proactively to

engage people who sleep rough and people who reside in local hostels, to encourage them to seek support with their mental health. The aim is to support more people who sleep rough with their mental health challenges and reduce the risk of exacerbation of their mental health, which can often result in A&E attendance.

A **Physical Health Outreach Service** is being piloted by WCC with funding from MHCLG's 2019 Cold Weather Fund, in collaboration with the Out of Hospital Team. The Physical Health Outreach Pilot conducts outreach and visits people who are sleeping rough, either on the streets or in a location convenient to them e.g. a local hostel, drop-in centre or café. The aims of this pilot are to:

- Increase access to health services for people who sleep rough in Warwickshire.
- Work with people sleeping rough, who may have physical health problems, in a preventative way to help them to manage their health and avoid inappropriate use of A&E and emergency admissions.
- Facilitate and foster a positive relationship between people sleeping rough and health services; support them to have confidence in becoming responsible for their own health; and increase their confidence in accessing primary care.

Pathway needs assessments are being conducted by Public Health Warwickshire working with Pathway in Warwickshire's acute trusts. In order to determine the most appropriate Pathway model for an acute trust, it is important to understand current practice and assess local levels of need and demand on current services. A Pathway hospital team puts the patient at the centre of his or her own care and works to transform health outcomes for one of the most vulnerable and deprived groups in our society. The model of healthcare, developed for and with homeless people, can also benefit other multiply excluded groups.

Warwickshire's physical health outreach service for people sleeping rough was launched in January 2020, just before lockdown measures were introduced as a result of the Coronavirus pandemic. The "Everyone In" directive presented an opportunity for the nurses to carry out patient assessments of individuals not previously known to the health service that were placed into temporary accommodation. Patient data was captured on the NHS secure system and will be anonymously collated for evaluation purposes, thereby offering an opportunity to examine the prospective health of this cohort of individuals "post-COVID", as they move on through temporary accommodation, into more sustainable accommodation.

Veterans Mental Health Transition, Intervention and Liaison Service (Midlands and East) is a partnership between CWPT, Lincolnshire Partnership NHS Foundation Trust, North Essex Partnership University NHS Foundation Trust, Walking with the Veterans' Wounded and Mental Health Matters, established to achieve joined up care pathways for veterans across the Midlands and East regions. Staff include veterans and civilians with a range of highly relevant and professional experience. The service will provide a responsive, innovative and high quality service user mental health service operating as one team, delivering local care through three geographically well-placed hubs. Each hub is attached to its nearest Ministry of Defence Department of Community Mental Health for a direct in-reach link for those veterans in transition, to ensure they receive the best transition possible into civilian life. The team is based in Rugby, Warwickshire.

CWPT is also offering a new NHS High Intensity Veterans mental health service to complement existing mainstream NHS services, ensuring a military sensitivity and understanding is there for veterans and families at points of mental health crisis. It is one of a number of pathfinders, essentially different pilots across England, that run until March 2022 in order to inform NHS England on what works best, in time for the re-procurement of all NHS specialist veterans mental health services thereafter.

3.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for those with health issues that are at risk of homelessness. These will be taken forward as recommendations from this strategy.

1. Supporting the development and mobilisation of the Mental Health Enhanced Care Pathway in Warwickshire.

This targeted mental health and wellbeing service for people who are street homeless/sleeping rough is explained in section 3.2 above. There are opportunities to develop this further and to work with the system to realise the benefits and sustain this service into the future.

2. Holding collaborative discussions with CWPT around options for prioritisation of mental health support for people who are homeless/rough sleeping.

Currently there are no specialised mental health services for people who are homeless or sleeping rough in Warwickshire. This population often have multiple, complex needs and do not access services in the same way that the general population do, often presenting when situations or symptoms have reached a point where they need emergency care and support. Further discussions are needed as to whether prioritising this vulnerable population's access to such services is achievable.

3. Supporting the development and embedding of the Dual Diagnosis protocol and pathways into mental health/drugs and alcohol services.

Dual Diagnosis covers a broad spectrum of substance misuse and mental health challenges that individuals may face at the same time. The protocol describes a joint approach that will be taken by organisations involved to support these individuals. Understanding how this protocol can be used to support people who are homeless is crucial.

4. Considering system-wide options to address the physical health needs of people who are homeless/sleeping rough.

Due to this population having multiple, complex needs, physical health is often not prioritised or accessible in the same way, compared to the general population. System-wide discussions and actions are required in order to determine how to best meet the physical health needs of this vulnerable population.

5. Ensuring access to pharmacies.

It is necessary to explore the use of behaviour policies with local pharmacies and the Local Pharmaceutical Council, to ensure that access to pharmacies does not become a barrier to engaging with treatment services for people who are homeless.

6. Maintaining good dental health.

People who are homeless and/or rough sleeping may struggle to access dental treatment so it is important to ensure that there is availability of such treatment and clear pathways for people to follow in order to access it.

7. Facilitating entry to rehabilitation for drug and alcohol services.

Organisations need to work together to explore opportunities for people who are homeless or sleeping rough to access both commissioned and privately funded detox and rehabilitation services, ensuring a quality assured approach to both.

8. Improving the accessibility of services available for homeless individuals who may have a learning disability or autism.

This can be achieved by: increasing awareness of autism and learning disability issues amongst practitioners; providing accessible and easy-read documentation; ensuring reasonable adjustments to services are made by improving links with relevant health and social care practitioners; and increasing access to advocacy services to ensure individuals are not inappropriately excluded from accessing suitable housing. In addition, specific considerations about the suitability of

accommodation for people who are homeless with learning disability and/or autism is required due to social, information processing or sensory needs which may make it difficult for these individuals to live in certain environments.

Chapter 4 - Homelessness and financial inclusion

Our objective is to ensure that a wide range of appropriate services are available to support those at risk of homelessness due to financial difficulties.

4.1 What do we know?

Stable finance underpins a stable home: without being financially secure, one cannot have access to sustainable housing. There are many people who have at best limited access to somewhere warm, safe and secure to live. They have often been in and out of various types of accommodation due to short term arrangements because financial exclusion has undermined sustainability. The quality of accommodation is invariably at the lower end of the market. This insecurity of tenure and access to inferior housing means that basic safety and physiological needs are not met. This then feeds into poor wellbeing.

The cost of obtaining and maintaining accommodation requires constant financial discipline, especially for those on low incomes. Household costs such as rent, Council Tax, gas, electricity, water, telephone, mobile phone and broadband are all subject to regular increases. Mortgage costs, fluctuate with interest rates, which have been at historic low levels since the “credit crunch” in 2008/09 but there is no guarantee that this will continue and if rates were to begin rising then so too would mortgage repayments.

People on low incomes are particularly vulnerable to these cost increases which can easily push people who were “just about managing” into difficulties. Once financial security is lost it is a spiral that is difficult to escape, leading to debt which can mean that housing costs go unpaid and ultimately the home is at risk. This can be a gradual process but sometimes homelessness can be triggered by a financial crisis such as losing a job, or having problems with claiming or receiving benefit.

Financial exclusion is closely linked with both fuel poverty and food poverty. Broadly speaking fuel poverty has three influencing factors: household income; energy prices; and home energy efficiency. Those on low incomes are often unable to access the best energy tariffs as they have pay as you use meter arrangements applied to them by utility companies, the unit costs of which are among the highest on the market. This is then compounded by the household living in the least energy efficient accommodation resulting in a higher proportion of limited funds being spent on high-cost energy. If money is being exhausted by energy costs this leads to impossible choices between spending on rent, utilities or food which leads to reliance on foodbanks.

Lack of financial security may also increase the risk of other issues such as mental health, worklessness and social isolation. A 2010 study found that half of UK adults in problem debt were also living with mental health issues.¹⁰

As with many of the other priorities in this strategy the shortage of affordable housing is both a contributor to the issues arising and a constraint upon finding solutions. This applies as much to those looking to buy a home as it does to those seeking to rent. Financial issues therefore present challenges both to preventing and to tackling homelessness.

People may lack budgeting skills leading to debt. Those on limited incomes but with access to mainstream credit are more likely to turn towards short-term/high interest credit and do not take advantage of options to reduce utility costs etc. A 2014 report found that where clients struggled to repay their debt 84% reported that they were not warned of the risks of extending their loan further.¹¹

People on lower incomes and people who are street homeless in particular, can find it difficult to open a basic bank account. Those that do may only be able to obtain accounts with high charges and

high interest rates on overdraft facilities. Around 1.2 million people in the UK did not have access to a bank account in 2017.¹² Some people may prefer to use cash to keep control of their limited finances but many transactions can be more expensive or impossible without a bank account as many organisations (including local authorities) move to cashless transactions. Dealing in cash will also prevent a credit rating being established.

For those on fixed or limited incomes pressure is increased by welfare reform changes, the most significant being: removing the spare room subsidy; freezing Local Housing Allowance (LHA) rates until 2020; and reducing LHA rates from 50th percentile to 30th percentile (effectively reducing affordable rented accommodation in the private sector from five in 10 to three in 10 properties). One analysis found that 65% of non-working households have a shortfall between their rent and the housing support levels, with over 170,000 households having a shortfall of more than £100 per month.¹³

Wage growth has generally been below inflation for a number of years and when added to the freeze on welfare benefits this has resulted in a real terms reduction in income. An analysis of the cheapest 25% of private rents compared to the lowest paid 25% of employees found that rent is more than a third of full-time pay in over half of English local authorities.¹⁴

Once people are homeless financial problems, for example housing-related debts or county court judgements, can be a major barrier to regaining a stable home. There are often restrictions in social housing allocations policies of both council and housing association landlords about offering a home to, or even admitting onto the housing register, someone with these kinds of debt.

When it comes to gaining access to private rented housing many people do not have funds to make upfront payments of deposits and rent in advance, borrowing in order to do so and therefore starting their tenancy in high levels of debt.¹⁵ Many local authorities offer support with these payments but this is not always sufficient for a landlord, with a common question being “what will happen at the end of the payment”. Landlords may also look to the local authority to be a guarantor for the life of the tenancy.

The underlying problem is a scarcity of affordable/sustainable accommodation. There are more people chasing fewer affordable properties. In a survey of 2,500 residential landlords, 25% were looking to reduce their housing portfolio.¹⁶ In the social housing sector the Right To Buy continues to outstrip the building rate so that overall numbers continue to decline. This enables landlords to be selective in accepting more financially secure tenants to reduce their exposure to risk. When allocating tenancies, social housing providers are increasingly risk averse to prospective tenants with financial problems.¹⁷

The national response to COVID-19 is likely to have a significant impact on financial well-being. While many of the factors contributing to financial exclusion remain constant, the scale of the issue will be increased due to fallout from the economic shock caused by lockdown measures. Within the first six weeks of lockdown there were an additional 1.8 million claims for Universal Credit. By the end of May 2020 over 8 million UK employees were being paid via the government’s furlough scheme. A survey conducted by Make UK, a manufacturing industry lobby group, revealed that 25% of companies questioned were drawing up plans for redundancies. A decline in job vacancies across key sectors such as hospitality will disproportionately affect lower-income workers.

Economically challenging times mean that many households fall back on the support of voluntary providers to augment statutory provision. However, charitable giving usually decreases during times of economic hardship.

There may also be new endeavours and initiatives which agencies and partners must understand quickly in order to harness benefits to their customers in a timely manner.

4.2 What are we currently doing to tackle issues of homelessness and financial inclusion?

There are a number of initiatives that are being undertaken towards preventing and tackling homelessness generally across Warwickshire set out in chapter one. The following are of particular relevance to financial inclusion (and are explained in more detail in section 1.3 above):

- Through the HRA17, making referrals for financial and budgeting advice to ensure that income is maximised and expenditure is proportionate and utilising Flexible Homelessness Support Grant where appropriate.
- Housing-related support services include helping customers with financial issues.
- p.h.i.l. and other preventative services. These provide a holistic and proactive approach to homelessness prevention enabling people to stay in their own home or be assisted in moving to a new home, including looking at the financial security of the individual.
- Financial interventions such as grants to sustain tenancies and rent deposit and guarantee schemes.
- Financial inclusion initiatives using Discretionary Housing Payments.
- Improving access to affordable housing to ensure a good supply of suitably priced, high quality accommodation.

There are several other initiatives aimed at mitigating or tackling the challenges and risks around homelessness and financial inclusion, some of which are listed below.

Citizens Advice has a network of bureaux offering financial advice and debt management across Warwickshire. In addition it has a national contract to support clients applying for Universal Credit. This support is available from the point of application up to receipt of the first payment and includes help with requesting advance payments or alternative payment arrangements.

The Warwickshire County Financial Inclusion Partnership brings together activities regarding financial inclusion across the county including both local authorities and partner agencies. It is currently adopting two overarching priorities:

- | | |
|--|---|
| <ul style="list-style-type: none">• Addressing Poverty Now<ul style="list-style-type: none">– Debt advice– Income maximisation– Affordable credit– Fuel poverty– Food poverty | <ul style="list-style-type: none">• Breaking the Cycle of Poverty<ul style="list-style-type: none">– Educational attendance and attainment– Pathways to employment– Health– Money management/financial resilience |
|--|---|

A new Family Poverty Strategy is being created by WCC to support the partnership.

Charities specifically for Armed Forces veterans (like the Royal British Legion and the Soldiers, Sailors, Airmen and Families Association) have been set up to help with financial difficulties, securing a home, discharging bills or even furnishing a home with basic necessities such as white goods.

4.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for those who are at risk of homelessness due to financial exclusion. These will be taken forward as recommendations from this strategy.

1. Making a collective effort to lobby government over required national policy changes.

There are some changes that would help to tackle financial inclusion that can only be achieved by action at national level: reintroducing LHA at the 50th percentile to increase the amount of affordable accommodation; allowing Universal Credit claimants the choice to have the housing element paid direct to the landlord; increasing the provision of new-build affordable housing; and providing sustainable funding for all activity around homelessness. In the latter case, funding at present is sporadic and short term. A consolidated grant guaranteed in the medium term would allow service planning to be sustainable and more coherent.

2. Ensuring homelessness is seen as a more broadly-based problem than simply a “housing issue”.

This involves developing agreements and protocols around joint working across the various services such as health, social care, criminal justice and housing in order to enable support to be provided on a coordinated basis and in a concerted fashion. This is important because placing homeless people into accommodation without appropriate, coordinated support is setting them up to fail.

3. Learning from the Community Financial Inclusion Officer scheme.

WCC provided financial support to councils for the provision of Community Financial Inclusion Support Officers in 2019/20. These officers worked with clients to ensure that they received help and support around debt management and budgeting advice. Although this project has now ended learning from the activity needs to be embedded across D&Bs to ensure close working relationships with external partners such as Citizens Advice.

4. Undertaking a financial support gap analysis across the county, identifying target audiences, geographical areas covered and areas of potential duplication.

This analysis can be used for service planning to ensure financial support is available across the whole of the county and that the quality of the service provided is assured. It is also essential that financial support is delivered in locations where it can be utilised by clients (e.g. the provision of additional support and advice at foodbank locations to try and reduce the need for future food vouchers by resolving underlying issues) and in appropriate digital formats (to access bank accounts and Universal Credit).

5. Making the most of available funds by reviewing activities within local authorities to ensure best use of resources.

This should include:

- Making best use of prevention funding and discretionary housing payments.
- Creating a package of incentives for landlords to rent accommodation to those who would otherwise find these solutions unaffordable.
- Reviewing relationships with external agencies such as foodbanks, community advice and other support agencies to ensure close working relationships, avoid duplication of service delivery, and aim for the best placed service to deliver support in every case.

6. Encouraging engagement with financial inclusion services as a condition within support provided under the HRA17.

A key part of this legislation is that local authorities are able to set out actions that homeless applicants must take as part of the process to resolve homelessness or the threat of homelessness. There could be a condition that anyone at risk of financial exclusion must engage with financial advice. If courses around life skills, financial skills and housing skills were available (the provision of which would involve some joined-up working between partners) there could be conditionality around this also i.e. to realise a housing solution they must first commit to attending the course.

7. Promoting the use of schemes such as Housing First and the Rugby Housing Pathway to enable engagement with financial inclusion services.

These specialist schemes can allow the accommodation provider to insist on engagement with financial support as a condition of accessing their services.

Chapter 5 - Homelessness and young people

Our objective is to enhance and improve services that prevent homelessness among young people.

5.1 What do we know?

For the purposes of this strategy Young People covers single people aged 16 and 17, young people in care, and care leavers. This chapter will also include young parents, up to and including 25 years of age.

The importance of collaboration to prevent homelessness for 16 and 17 year olds is underpinned by the specific statutory guidance which was published by MHCLG and the Department for Education in April 2018.

Self-evidently the supply and availability of suitable accommodation will be a key determinant of the level of homelessness among young people. For the most part young people with no children only need shared or bedsit/one-bedroom self-contained accommodation and unfortunately there is a significant shortage of this in both the public and private sectors in Warwickshire.

Over the twenty year period from 2011 to 2031, across the housing market area as a whole, the largest requirement for affordable housing to deal with both the backlog of need and newly arising need has been found to be for one bedroom dwellings. This was also true of five of the six councils covered by the assessment (the D&Bs and Coventry). The sole exception was Stratford-on-Avon where the one bedroom need was second to two bedroom need.¹⁸

Social and affordable housing is in high demand from all types of household and single people place the greatest demand on all the D&B housing registers in terms of housing need. It is important to stress that even when such accommodation does become available young people are in competition with other households with a one bedroom need thus exacerbating the problem.

Given the shortage of, and high demand for, social and affordable housing, young people will often need to look to the private rented sector but this also presents challenges.

Often landlords require references, deposits and rent in advance, all of which may be difficult for some young people to provide. Some landlords are reluctant to take on young tenants, who have no experience of managing their own home and paying bills and who may need welfare benefits to assist them to pay their rent. The Residential Landlords Association found that “The majority of landlords are willing to let to tenants who are under 35 (87%). Of those who are not, the largest group of under 35’s who landlords are not willing to let to are single people who claim housing benefit/universal credit (79% of landlords).”¹⁹

As well as housing supply and demand, there are non-housing factors in early life that can contribute to homelessness among this age group. There are several issues identified by partners that work with young people to prevent homelessness and enable planned and sustainable accommodation options. Young people in general may lack the financial resources, the awareness and knowledge of the reality of “having your own place” and all the obligations and expectations that this entails. National Research by Homeless Link states that:

*“Explanations of the causes of homelessness tend to focus on either structural or personal factors. Structural factors include social and economic issues such as poverty, the welfare safety net, unemployment, housing supply and housing cost issues. Personal factors cover issues such as mental health, substance dependency, lack of social support, or family breakdown.”*²⁰

Graph 11 in the report²⁰ showed that, of the young people accessing services in August 2017, the top 10 reasons for needing accommodation (with multiple responses permitted) were:

- Parents/carers no longer willing to accommodate (49%).
- Drug or alcohol problems (31%).
- Mental or physical health problems (26%).
- Leaving care (17%).
- Anti-social behaviour or crime (17%).
- Overcrowded housing (12%).
- Other debt-related issues (12%).
- Unemployment (11%).
- Domestic abuse (11%).
- Financial problems caused by benefit reduction (9%).

This suggests that homelessness is more likely among young people affected by such circumstances than among young people who do not face similar challenges in life.

Where any of these vulnerabilities exist they add to the difficulty of sourcing appropriate accommodation and support created by the supply problems referred to above. Other challenges include:

- The shortage of specialised accommodation with support for people with particular vulnerabilities (for example mental health, learning difficulties, autism, complex needs, young parents and care leavers).
- Mental health services are not easily accessible or responsive in a timely manner and therefore mental health support isn't readily available when, or how, it is needed.

Again the Homeless Link report states: *"83% of providers said the number of young people presenting with multiple and complex needs had increased in the last year due to limited capacity and resources in the homelessness sector, a lack of specialist mental health services and inadequate early intervention initiatives."*²⁰

As regards young people leaving the care of the social services authority, WCC data shows that across the county over 100 children aged 16 to 18 leave care every year. Over 80% are looked after until their 18th birthday.

Across Warwickshire, according to D&B statistics, there were 86 homelessness applications from young people in 2018/19 and 129 in 2019/20. Of these, just over half (55% in 2018/19 and 51% in 2019/20) were from people leaving care.

5.2 What are we currently doing to tackle young people's homelessness issues?

There are a number of initiatives that are being undertaken towards preventing and tackling homelessness generally across Warwickshire set out in chapter one. The following are of particular relevance to young people (and are explained in more detail in section 1.3 above):

- p.h.i.l. and other preventative services.
- Support services providing accommodation-based and floating support for 16 -25 year olds.
- Research undertaken by Doorway on working practices in statutory services for young people and care leavers.
- Rough sleeping initiatives.
- Financial inclusion being proactively promoted by D&Bs.
- Improving access to affordable housing.

There are several other initiatives aimed at young people to mitigate or tackle the challenges and risks mentioned above, and in turn reduce the impact of homelessness, some of which are listed below.

Two dedicated Leaving Care Accommodation Personal Advisers have been appointed. One of these officers works with 18 year old care leavers who are homeless or at risk of homelessness. The second officer works with 17 year olds in care who are considering their housing options when they reach 18. These two posts were initiated with government funding up to March 2021. However, they have now been made permanent.

A pilot House Project for care leavers has been run by NBBC, who committed to providing a quota of three one bedroom flats to be let as Equitable Tenancies (ET) to young people in care aged 17. An ET runs for 12 months, with WCC acting as a guarantor for the tenant. If the tenancy is conducted satisfactorily, the care leaver becomes an introductory tenant in their own right at the end of the ET, with the prospect of becoming a full secure tenant after a further 12 months. Once a care leaver becomes an introductory tenant, NBBC will release a further 1 bed flat for another care leaver so that there are always 3 units being used by The House Project.

The Warwickshire Young Persons Protocol, originally developed over 10 years ago and reviewed in 2017, sets out the way WCC and the D&Bs will respond if and when approached by a young person under 18 that is homeless or potentially homeless.

An Independence Training project to provide care leavers with the skills needed for independent living was commissioned by WCC and run by Doorway. This ran from 1st August 2018, initially for one year but with options to extend, which were taken up, for two further years. An internal WCC service is being set up to run from when the Doorway project concludes in July 2021.

WCC reorganisation of its team structure for children in care led to the development of a team specifically for those aged 14-18 years. This new team is able to begin working with young people at an earlier age and can prioritise preparing them to become more independent and to plan for the longer term. The team was established following feedback from young people that the previous situation where they transferred at 16 years of age to the Leaving Care Team was not appropriate as this was a key stage in their life; sitting exams and leaving school so that a change of worker at that stage was unhelpful.

WCC engaged with the MHCLG Homelessness Advice and Support Team (HAST) in 2019 regarding preventing and reducing youth homelessness in the county, with HAST putting forward a number of recommendations. In response, WCC has undertaken a review of the arrangements for supporting 16 and 17 year olds who are homeless or threatened with homelessness in Warwickshire.

5.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for young people at risk of homelessness. These will be taken forward as recommendations from this strategy.

1. Expanding pre-tenancy training.

With the success of the Doorway Independence Training project referred to above, WCC and D&Bs will consider whether this could be offered more widely, to all young people at risk of homelessness.

It could also be considered for young people more widely by seeking to establish working arrangements alongside schools and colleges around life skills, financial skills and housing skills. While many young people pick up the basic skills from their parents and others, those from more dysfunctional backgrounds do not and the school setting is an opportunity for some targeted work around these essential skills.

2. Maximising opportunities for joint working for officers and roles between partner agencies.

The opportunities that present themselves to those statutory and third sector organisations involved with young people are varied. WCC and the D&Bs, though working in isolation in some respects, are now more than ever working collaboratively and closely to support young people experiencing

homelessness. Many of these young people have vulnerabilities and these issues cannot be resolved by one single agency. The links established through some of the initiatives mentioned in this chapter mean that professionals can explore options and support individual young people to make informed choices about their lives in a holistic way. This can involve third sector organisations too, especially if the individual has a better rapport with, and more trust in, such an organisation.

3. Considering expanding the House project across the county.

The House project has been explained in 4.2 above. This was a pilot scheme and so, as the findings and learning from it become clearer, D&Bs will consider with WCC whether it is appropriate to initiate the service in other parts of the county.

4. Embedding Duty to Refer processes at a county level.

Opportunities exist through the statutory Duty to Refer, which may generate greater knowledge of housing obligations and limitations among other agencies. It is envisaged that this will enhance the focus on earlier interventions, for example more robust pathway planning earlier in the pre-leaving care stage.

5. Reviewing the long standing Young Persons Protocol in Warwickshire.

The last refresh of the protocol preceded the HRA17 so it requires a further review, in part to take account of the new legislation, but also in light of recommendations by Doorway who conducted an operational review of how the protocol is actually working on the ground. In October 2020 the government published good practice advice on joint housing protocols for care leavers that will also be used to inform the review. A revised protocol will give a renewed commitment to stop the passing of 16/17 year olds between housing and social care services.

6. Moving forward with the WCC review of support arrangements for young people.

This review was explained in section 5.2 above. The recommended approach arising from the review is to develop a hybrid model, introducing housing expertise into the Initial Response Service and working across family information services, early help, front line social care teams and leaving care. This would build upon and strengthen existing service delivery models, whilst responding to all the recommendations made in the 2019 report from HAST.

Chapter 6 - Homelessness and domestic abuse

Our objective is to prevent domestic abuse and the crisis homelessness resulting from it wherever possible.

6.1 What do we know?

The Government definition of domestic violence and abuse is “Any incident or pattern of incidents of controlling, coercive or threatening behaviour, violence or abuse between those aged 16 or over who are or have been intimate partners or family members regardless of gender or sexuality. This can encompass, but is not limited to, the following types of abuse: Psychological; Physical; Sexual; Financial; Emotional.” Further information about this definition can be found on the government’s website.²¹

National research shows that domestic abuse accounts for 16% of all violent crime and one in four women will experience domestic abuse in their lifetime. Domestic abuse also has more repeat victims than any other crime and, on average two women in England and Wales are killed every week by a current or former male partner. However, the prevalence of domestic abuse has reduced from 7% in 2011/12 to 6% in 2017/18 indicating a gradual, longer term downward trend.²²

Around one in every 20 women has experienced extensive physical and sexual violence and abuse. Of these women: more than half have a common mental health condition; over a third have made a suicide attempt; a fifth have self-harmed; one in five has experienced homelessness; half have a disability that means they need help with everyday activities; and one in three has an alcohol problem.²³

Women in poverty are particularly likely to experience the most extensive violence and abuse in their lives: 14% of women in poverty have faced extensive violence and abuse, compared to 6% of women not in poverty.²⁴

There is a significant toll on the health of those experiencing domestic abuse: 36% of women in the “Extensive physical and sexual violence” group of the Adult Psychiatric Morbidity Survey had attempted suicide. In the same group, women were more than twice as likely to have an alcohol problem and eight times more likely to be drug dependent than women with little experience of violence and abuse.²⁴

Financial abuse often sits beside physical and emotional abuse and is demonstrated to lead to increased debt problems, a lessening of financial capability, and rent and utilities arrears which may become a barrier to future rehousing. Thus, financial abuse can contribute to a cycle of poverty and dependence that can result in repeat and chronic homelessness.²⁵

International research found that children who live with, and are aware of, violence in the home face many challenges and risks that can last throughout their lives, including:

- An increased risk of children becoming victims of abuse themselves.
- Significant risk of ever-increasing harm to the child’s physical, emotional and social development.
- A strong likelihood that this will become a continuing cycle of violence for the next generation.²⁶

Many children do cope with and survive abuse, displaying extraordinary resilience. However, the physical, psychological and emotional effects of domestic violence on children can also be severe and long-lasting. Some children may become withdrawn and find it difficult to communicate; others may blame themselves for the abuse. All children living with abuse are under stress that may lead to a wide range of problems.²⁷

Under-reporting is a major challenge in the identification and prevention of domestic abuse. Research identified six main reasons as to why people chose not to contact the police (the first three being the most significant):

- Concerns related to the perpetrator.
- Concerns related to the Police and Criminal Justice System.
- Concerns about children and the involvement of social services.
- Practical barriers such as housing and/or financial concerns.
- The abuse being normalised.
- Cultural or community barriers.

The fear of not being believed or taken seriously was also a major contributing factor.²⁸

Across Warwickshire the most recent police data reveals that there were 1,895 domestic abuse offences and crime incidents recorded in March 2019 and that the percentage of “violence with an injury” incidents that have a domestic abuse marker has risen from 27.9% in April 2014 to 35.5% in March 2019.²²

National statistics demonstrate a near doubling in the number of domestic abuse related crimes for Warwickshire recorded by the police in the past four years from 3,498 in 2015/16 to 6,825 in 2018/19. As a percentage of all crimes the figure for Warwickshire, at 16%, is now higher than both regional and national prevalence rates (which are 15% and 14% respectively).²⁹

There are clear links between domestic abuse and homelessness, with domestic abuse being both a cause and consequence of homelessness. A charity found that a third of their female clients said that domestic violence had contributed to their homelessness, as did 8% of male clients.³⁰

Domestic abuse, as a cause of homelessness, is different from the other primary causes of homelessness. The levels of harm the survivor and their children are exposed to are potentially and directly life threatening. It is often the case that the survivor will have a range of additional needs including substance misuse or mental health related challenges, resultant in part from many years of abuse. Further compounding the difficulties experienced is the often unplanned nature of the event triggering crisis homelessness, necessitating emergency responses that are not always well matched to the household’s needs and preferences.

Secure, affordable, decent housing, both temporary and permanent, is a key determinant of the ability of a survivor and their family to escape abuse and avoid future risk. The supply of such accommodation is limited, which can lead to delays in moving, both into and on from, temporary or refuge accommodation. Delays can also be caused by local authority housing allocation scheme constraints which can hold up, or even prevent, allocation of social housing to those without local connections, with a history of anti-social behaviour, with rent arrears or with any housing related debt that may have been incurred as a result of abusive behaviour. The end result can be survivors either staying in the abusive home or staying at unsuitable, unsafe accommodation. The pressures of such unsuitable accommodation can also push the survivors into returning to the abuser, which is rarely a safe option.

H-CLIC data shows that between April 2018 and March 2019 around one in ten of all presentations to local authorities in Warwickshire for assistance with emergency accommodation under homelessness legislation were a result of domestic abuse, some 219 households. This is roughly 90 per 100,000 households in Warwickshire, higher than for the West Midlands region (80 per 100,000) but lower than for England (96 per 100,000).

Countywide there are four refuges for survivors of domestic abuse provided by Refuge Domestic Violence Service Warwickshire (RDVSW). In the 2018/19 financial year it received 342 referrals.

The need for services for women and girls is well established, however it is important to note that within Warwickshire there is no specific male-only accommodation for domestic abuse survivors.

Whilst women are around twice as likely to have experienced domestic abuse as men (7.9% compared with 4.2%), the figure for men still represents a large number of crimes.³¹ Furthermore, it is understood there is no provision regionally and there are only 20 beds of this nature in the whole of England.

6.2 What are we currently doing to tackle homelessness and domestic abuse?

The prevention of homelessness resulting from domestic abuse may be achieved in two ways: by (preferably) preventing the domestic abuse from occurring at all, or by preventing the crisis homelessness that arises as a consequence.

There are a number of initiatives that are being undertaken towards preventing and tackling homelessness generally across Warwickshire set out in chapter one. The following are of particular relevance to domestic abuse (and are explained in more detail in section 1.3 above):

- p.h.i.l. and other preventative services which actively seek early contact with people who may become homeless.
- Housing-related support services which include: training and awareness raising of front line professional/voluntary sector staff to recognise those at risk of or experiencing domestic abuse; and signposting and support to access specialist services.
- Refuge provision for survivors.
- Developing a Domestic Abuse Strategy.
- Improving access to affordable housing.

There are several other initiatives aimed at mitigating or tackling the challenges and risks around homelessness and domestic abuse, some of which are listed below.

An Independent Strategic Review of Domestic Abuse Services and Support Across Warwickshire²² was recently completed by WCC. This detailed examination of the existing provision and approach provides examples of some of the good work underway aimed at preventing domestic abuse.

Five Domestic Homicide Reviews have taken place from which agencies have been implementing the learning. Amongst other things this included the roll-out of additional training for the housing sector and support for a successful multi-agency bid for increased Independent Domestic Violence Adviser (IDVA) capacity around housing, health and rural outreach, with the Housing IDVA hosted by RDVSW and co-located with p.h.i.l.

As regards preventing crisis homelessness, there is a variety of services specifically targeted towards the reduction of harm to survivors of domestic abuse that can also be seen, to some extent, as tools in homelessness prevention. These include: the Sanctuary Scheme; the IDVA work; the support of Civil Protection Orders; the Refuge Rural Outreach Workers; the police focus on enforcement and prevention; and close working with the Crown Prosecution Service to improve the judiciary system.

WCC commissions four refuges across Warwickshire that are part of a wider national network of supported schemes. This ensures that those who have lived through domestic abuse are enabled to rebuild their lives in a setting where they are protected and have specialist support on hand. Whilst these schemes operate within Warwickshire it is critical that they are considered as an element of a national resource/network of facilities because those experiencing domestic abuse will often need to distance themselves from the abuse to ensure their family's safety.

Within one borough the existing refuge building is limited in terms of its facilities and layout and this has prevented the current service from providing a more client focussed premises equivalent to other purpose-built refuges in the county. To date partners have been unable to identify new affordable premises that would be suitable for a domestic abuse refuge so work is continuing with local planning departments and local Registered Providers to investigate other potential alternatives.

6.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for those who are suffering domestic abuse and are at risk of homelessness. These will be taken forward as recommendations from this strategy.

1. Taking forward the Independent Strategic Review of Domestic Abuse Services and Support Across Warwickshire.

This detailed review²² provides examples of some of the excellent work undertaken that is aimed at preventing domestic abuse. The Violence Against Women and Girls Board will consider it as part of their future strategic planning and commissioning and will:

- Explore whether domestic abuse can be considered by social landlords as a breach of tenancy conditions so that perpetrators can be held accountable and potentially evicted as part of a multi-agency response.
- Consider whether a mechanism can be introduced to facilitate the early identification of properties where property damage and repairs indicate that abuse is present.
- Work with agencies such as the police to ensure the safety of survivors so that staying at home is a safe and realistic option for more survivors.

2. Catering for multiple disadvantage.

Commissioners of new domestic abuse services can ensure that services are able to cater for multiple disadvantage and address issues around poor mental health and substance misuse alongside the core service provision.

Within Warwickshire, a Dual Diagnosis policy operates between the providers of substance misuse and adult mental health services to ensure that appropriate, collaborative interventions are provided to those who have a dual diagnosis. There is an opportunity to expand this to incorporate those who are also experiencing or perpetrating domestic abuse.

3. Treating all survivors of domestic abuse as having a priority need for accommodation.

The HRA17 requires that local housing authorities provide meaningful support to everyone who approaches them as homeless or at risk of homelessness within 56 days. However, the government's Domestic Abuse Bill proposes to change this so that people fleeing domestic abuse will be automatically considered in priority need and therefore benefit from the statutory homelessness process and receive an offer of settled housing. If the bill fails to go forward and become law a countywide agreement to treat all survivors of domestic abuse as having a priority need for accommodation under the legislation (and therefore avoid risk of return to the abuser) should be evaluated and implemented if appropriate.

4. Creating women-only spaces in temporary accommodation.

It is reported that mixed shared accommodation can be detrimental to recovery for some at risk of domestic abuse. Therefore D&Bs and other commissioners of supported and similar accommodation should improve the existing provision of temporary and supported accommodation by providing some women-only spaces in temporary accommodation where these do not currently exist.

5. Increasing outreach work.

Reducing crisis homelessness resulting from domestic abuse is contingent on the early identification and reduction of domestic abuse. A key measure in the early identification of domestic abuse is the existence of a network able to identify domestic abuse and intervene to reduce the impact. Outreach work across the landscape is an important element of this work but Warwickshire has recently lost two outreach workers funded by MHCLG, leaving noticeable gaps in this service,

including in the rural south of Warwickshire. This should therefore be considered as a priority alongside more significant interventions taking place for higher risk households.

6. Promoting and encouraging early contact with D&Bs and domestic abuse support services.

Early intervention is crucial to preventing crisis homelessness. The Duty to Refer is a simple mechanism for public sector organisations to refer those at risk of homelessness to local authorities so promotion of this should be undertaken within the wider public sector: health, social care, police and probation services.

In addition to the Duty to Refer, and for cases where homelessness may be more than 56 days away, p.h.i.l. and other preventative services can be contacted for support, advice and signposting. Promotion of the Duty to Refer should be accompanied by details of those services.

There are also other specialist domestic abuse support services available across Warwickshire. To increase the quantity of early referrals to p.h.i.l. and the domestic abuse support services, a series of promotional events for public sector professionals should be delivered highlighting: the benefits of early intervention; the Duty to Refer; p.h.i.l.; other prevention services; and specialist domestic abuse support services.

7. Specialist training to ensure early identification.

Specialist training has been demonstrated to be effective in equipping other front line workers (e.g. housing, benefits, rents, property maintenance and repairs) with the skills to identify and report the signs of abuse with a particular focus on: the identification and impact of coercive control; identifying young people (aged 16 to 24) at risk through domestic abuse; and having a psychologically informed approach. The training would ensure routine professional curiosity when supporting residents, tenants and homeless applicants so as to identify early domestic abuse support needs and implement safety planning.

The recent independent strategic review²² found that health services provide a significant opportunity, including extra capacity within the Hospital IDVA role, for routinely screening for domestic abuse at mental health services access-points. Therefore, to achieve increased prevention of crisis homelessness we should seek to maintain the Hospital IDVA presence and expand this where evidence suggests that the greatest levels of early identification can be achieved.

In addition screening for domestic abuse should be mandatory where vulnerable households are accessing support services commissioned by the public sector. This would include all support and outreach services funded through schemes such as the Rough Sleeper Initiative, Cold Weather Fund and Housing-Related Support, or services with charitable and other public funding. Contracts should be amended and developed to require providers, where appropriate, to screen clients for vulnerability to, or current experience of, domestic abuse. Training plans, policies and procedures should also be required to provide staff with appropriate skills to safeguard those at risk of, or experiencing, domestic abuse.

8. Addressing “Move On” challenges.

Housing allocation schemes in all five D&Bs should be reviewed to ensure that arrears, debts, anti-social behaviour and other factors that may limit rehousing options always require an evaluation of whether these may have arisen from, or be a consequence of, domestic abuse. Where this is the case these factors should not be regarded as behaviour of choice but as a consequence of the domestic abuse.

Chapter 7 - Homelessness and offending

Our objective is to deliver better focused housing and other support services for those at risk of homelessness when leaving prison.

7.1 What do we know?

Several research studies have found that having a stable home following release from prison reduces the risk of re-offending.³² However a high proportion of prisoners require help with housing upon their release. According to the government's Rough Sleeping Strategy³³ *"In 2016-17 30% of adult prisoners under supervision from Community Rehabilitation Companies (CRC) (excluding London) were discharged to unsettled or unknown accommodation on their first night of release."*

Local data on offenders is collected and managed through the Integrated Offender Management system (IOM), which covers those deemed to pose the greatest threat, risk and harm to communities. This shows that, as at October 2020, there were 180 IOM offenders across Warwickshire, of which 91 were in custody and 89 were in the community. Of those in the community, 10 were street homeless, nine were either in bed and breakfast accommodation or living with friends/sofa surfing and 18 were living in approved premises. That equates to 42% of IOM offenders in the community who were not in permanent and settled accommodation.

The National Probation Service (NPS) had 379 cases "in the community" as at October 2020, of which fewer than five were recorded as No Fixed Abode (NFA). However, there were 59 cases (15.5%) that were not in permanent, settled and suitable accommodation and had accommodation needs.

For children that are leaving custody the best way to help them to make a positive shift is to change their view of themselves and their identity. Research on adverse childhood experiences recognises stable accommodation as a key factor in helping offenders to abstain from committing further crimes and children that have no stable accommodation identified as part of their resettlement planning are at higher risk of re-offending upon release.³⁴ Government guidelines set out clear responsibilities for statutory strategic partners around the resettlement of children in the youth justice system.³⁵

While housing is extremely important, support services can also be crucial for ex-offenders with specific needs. Suitable accommodation and support can provide the foundations for an offender to leave behind a chaotic lifestyle, offering a platform for change, opening up opportunities to employment and training, whilst also enabling access to health and social care. Unfortunately however, both suitable housing and support services are in high demand and access is constrained by supply and eligibility rules that it may be difficult for offenders to satisfy. This provides the strategic context for preventing and tackling homelessness among offenders.

The vast majority of offenders at risk of immediate homelessness are single people (because those with families can move back in with their family) therefore one bedroom accommodation is the main housing need of this group. As has already been explained in chapter four above, this is the type of accommodation for which there is the greatest need. As regards supply of mainstream housing therefore many of the comments set out in chapter four about the shortage of one bedroom accommodation apply equally to offenders. However there are several additional factors that can affect an offender's ability to access such housing as is available, including the appropriate support.

For an offender that will be homeless upon release, planning is required well in advance of the discharge date. However, there may be communication issues between prison/probation authorities and D&Bs and lack of understanding and clarity as to the relative responsibilities of, and restrictions upon, each organisation that hamper such planning. For example, being an offender, of itself, may not be a sufficient vulnerability for them to be considered a priority under homelessness legislation even if a referral is made under the Duty to Refer.

The licence conditions that an offender may have to comply with following release can constrain the ability to meet housing needs. If for example an offender is required to remain in, or indeed be prohibited from entering, a prescribed area then this will further reduce the amount of accommodation that D&Bs can look to provide.

Standard landlord requirements may be difficult for offenders to meet, such as the need for references, deposits, rent-in-advance and a full housing history. In addition, some landlords may be cautious about accepting someone with a criminal record as a tenant.

Offenders are less likely than the general population to have employment upon leaving prison.³⁶ As a result they are more likely to encounter problems of affordability with housing, needing to resort to welfare benefits to help pay their rent. Recent research found that 87% of private sector tenants were only entitled to a level of Local Housing Allowance that was lower than their actual rent.³⁷

Some offenders will have other specific needs that a landlord may not be able or willing to provide support for, such as a need for drug and alcohol support services. Research by the Revolving Doors Agency stated that:

“Evidence illustrates that as a group, those who have or are at risk of offending frequently suffer from multiple and complex health issues, including mental and physical health problems, learning difficulties, substance misuse and increased risk of premature mortality. These underlying health issues are often exacerbated by difficulties in accessing the full range of health and social care services available in the local community.”³⁸

As indicated earlier these needs can be met either by purpose-built supported housing schemes or by support services provided to occupiers of mainstream housing.

Obviously the latter option is inhibited by the supply issues with mainstream housing but also by the availability of support services. Purpose-built schemes are also very limited in number.

There are other challenges in ensuring the right support: offenders often lead a chaotic lifestyle, which adds a layer of complexity, which is important to consider in terms of their ability to successfully negotiate hurdles. The services that the offender wants may be different from the services that are, or can be made, available. Data protection regulations may make information exchange more complicated and, as with many public sector bodies, organisational capacity may be under pressure. As every case is different it is important to understand the specific needs in relation to each individual, to determine and manage the risks and to seek to address all of this holistically when housing individual offenders.

Taken together the issues surrounding the housing of offenders create a range of direct and indirect impacts upon the wellbeing of the individuals concerned, including impacts upon: physical health; mental health; the ability to rehabilitate from a life of crime; the ability to gain employment; the ability to gain support from recognised professionals; and the ability to form meaningful and valuable personal relationships.

7.2 What are we currently doing to tackle homelessness and offending?

There are a number of initiatives that are being undertaken towards preventing and tackling homelessness generally across Warwickshire set out in chapter one. The following are of particular relevance to offending (and are explained in more detail in section 1.3 above):

- Implementing the Duty to Refer following the HRA17. This applies to prisons, youth offender institutions, youth offending teams and probation services (including CRCs).
- p.h.i.l. and other preventative services.
- Rent and deposit guarantees.
- Rough sleeping initiatives.
- Housing-related support.
- Improving access to affordable housing.

There are several other initiatives aimed at mitigating or tackling the challenges and risks around homelessness and offending, some of which are listed below.

There is a clear strategic local understanding of the problem in terms of demand and risk. This is discussed at Reducing Reoffending Board meetings and the importance of this area has resulted in the formation of a Housing Task and Finish Group.

Police and Probation staff involved with IOM and multi-agency public protection arrangements (MAPPA) regularly report on activity and performance in managing IOM offenders. This includes the risk that offenders are likely to cause criminal behaviour. As such, data is available to understand housing needs and the challenges that exist regarding the IOM/MAPPA cohort and offenders in general. This position is regularly reviewed at local and force level meetings and the challenges that exist have been escalated to the Office of the Police and Crime Commissioner and the Safer Warwickshire Partnership Board, but progress is slow. The challenges are replicated across the whole country: this is a national rather than a local problem.

The restorative approach to children leaving custody as set out in 6.1 above, facilitating an identity shift whereby children are motivated and ready to change for themselves, is widely endorsed in Warwickshire as an effective approach to working with children and families. It is therefore crucial that resettlement services involve children as the primary agents in their own resettlement, rather than defining problems or solutions on their behalf.

The Bail Remand, Intensive Care & Support service is run by Barnardo's. It is a fostering service working in partnership with Warwickshire Youth Justice Service (WYJS) to provide children supervised by WYJS with an alternative to custody placements for remand, sentence, and rehabilitation into the community from custody.

WYJS works closely with colleagues in WCC Children Services so that stable accommodation can be identified at the beginning of a child's custodial sentence. Where there are placement difficulties there is a clear escalation process in place to address this.

7.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for offenders at risk of homelessness. These will be taken forward as recommendations from this strategy.

1. Achieving greater housing opportunities for offenders.

The underlying problem is understood as a lack of housing options for offenders and the requirements for this can be quantified. The solution is to better understand the need and to identify and facilitate access to adequate housing stock across all tenures that is suitable for offenders who are homeless. Affordable housing will not be available in every case so while D&Bs should gather and assess the available data to determine the overall shortfall in housing provision in their areas and seek to deliver more affordable accommodation, the criminal justice agencies should consider adopting policies that help offenders to meet their housing needs in the private rented sector especially when the offender is not owed a duty by the D&Bs.

2. Planning support services for offenders that need them.

There are increasing numbers of people being released from prison with housing and support needs. Support services from a range of commissioners and providers can help to support offenders on release and address some of the chaotic behaviours that can be a barrier to obtaining more settled housing. Such services are also valuable in helping offenders to stay long term in accommodation once they have found somewhere to live.

A review of the nature and extent of support services required to meet future need would help to inform planning by organisations involved in the provision of such services.

3. Enhancing strategic leadership

There are specific strategic challenges explained in this chapter. Partners should seek to agree strategic leadership around housing and offending across Warwickshire to ensure that challenges and issues can be escalated and resolved.

One option is for the Community Safety Partnership Boards and the Office of the Police and Crime Commissioner to lead in co-ordinating interaction to raise the national profile of the issues involved and to seek to secure additional resources for Warwickshire for the housing and support services identified as being required under recommendations one and two above.

4. Preparing offenders for release.

Support organisations should work together to seek to understand what opportunities exist, prior to release, to prepare people leaving prison with new and different life skills, including education, that will help them to re-acclimatise and integrate into society and to find employment.

5. Working better together.

Police and probation staff can provide details of IOM offenders who are homeless and require suitable housing. Well-established police and partnership processes and procedures are in place to refer offenders. However, system-wide actions should be reviewed and considered post-referral by relevant local authorities and agencies.

There is a clear need for better understanding among the agencies involved with offenders as they leave prison, of the relevant responsibilities but also the constraints upon each other. The Duty to Refer is now a legal duty but could be improved in terms of information exchange, timing, and better understanding of roles and responsibilities. Consideration should therefore be given to:

- A training programme for staff in all of the relevant agencies to cover the Duty to Refer and also the wider roles and responsibilities of all of the various agencies.
- Relaunching the Housing Task and Finish Group, led by the NPS.

6. Considering reciprocal rehousing arrangements between D&Bs.

There are occasions when it can be inappropriate for offenders to live in the area with which they have a local connection so that there is a need for rehousing in the area of a different local housing authority. However local allocation policies often require a local connection for an applicant to be admitted to the local housing register, or higher priority may be given to those with a local connection. D&Bs should explore whether there is the potential for some form of reciprocal arrangement for assistance with regard to the rehousing of offenders across the county.

Appendices

Appendix one – Key messages from public engagement

The Draft Countywide Homeless Strategy survey received 45 responses. Of these, 28 were from members of the general public and the remainder from other groups (business, statutory partner, local Councillor/elected member, voluntary community sector).

In total, 91.1% (n=41) of all respondents stated that they agreed (either agree or strongly agree) with the vision set out for this strategy. Just 6.8% (n=3) disagreed (either disagree or strongly disagree) with the vision.

Respondents generally agreed with each of the strategic priorities.

- Priority 3 (domestic abuse) had the greatest agreement – 93.3% (n=42) of all respondents stated they agreed or strongly agreed with this priority.
- A small percentage, 8.9% (n=4), of all respondents disagreed (disagree or strongly disagree) with Priority 1 (health).

Respondents were asked whether there were any other priorities, issues, drivers, policies or strategies that they felt should be considered and addressed. In total, almost half of all respondents (48.9%, n=22) stated that there were other priorities to consider. A wide variety of themes and issues were mentioned, with concerns regarding health (including mental health) and the need to consider specific groups (e.g. asylum seekers, those with a disability or long-term health condition, single parents with children) featuring in multiple comments.

Overall, respondents either agreed or agreed to some extent that the recommendations proposed for each strategic priority are the correct ones to focus on for 2021/22:

- Priority 1 – Health: 62% agreed, 31% agreed to some extent
- Priority 2 – Young People: 60% agreed, 24% agreed to some extent
- Priority 3 – Domestic Abuse: 73% agreed, 15.6% agreed to some extent
- Priority 4 – Offending: 57.8% agreed, 24.4% agreed to some extent
- Priority 5 - Financial inclusion: 64.4% agreed, 22.2% agreed to some extent

For each priority a small number of respondents (n=1-3) said the recommendations were not the correct recommendations to focus on. Proposed recommendations under the financial inclusion priority had the most negative responses with 6.7% (n=3) of all respondents stating that the recommendations were not the right recommendations to focus on.

Appendix two - Summary of the Homelessness Reduction Act 2017

The Homelessness Reduction Act 2017 (HRA17) reforms homelessness legislation so that support is offered to all eligible people who are threatened with homelessness or who are homeless, providing support to a broader range of people than ever before. It does this through five key measures.

1 New prevention duty

HRA17 shifts the focus of services from crisis intervention to prevention, meaning that services will intervene earlier and help more people to avert crisis.

Local housing authorities must take reasonable steps to prevent homelessness for any eligible applicant at risk of homelessness within 56 days, regardless of priority need. This can involve assisting them to stay in their current accommodation, or helping them to find a new place to live.

2 New relief duty

Local authorities must take reasonable steps to help an applicant to secure suitable accommodation. Help could be, for example, providing a bond guarantee, funding a rent deposit or working with a private landlord to make properties available.

3 Personal Housing Plans

Local authorities must carry out a holistic assessment of the applicant's housing needs, support needs and the circumstances that led to them becoming homeless. This assessment will result in developing a Personal Housing Plan with the applicant that sets out the reasonable steps that the housing authority, the applicant and, if applicable, other professionals will take in order to prevent or relieve their homelessness.

4 Information

HRA17 strengthens the duty on local housing authorities to provide free advice and information designed to meet the needs of certain vulnerable groups, including those who are not eligible for further assistance. This means that people at risk of homelessness will receive more meaningful information earlier, to help prevent their homelessness.

The Act requires local authorities to give free information and advice on:

- Preventing homelessness and securing accommodation when homeless.
- The rights of people who are homeless or threatened with homelessness.
- How to get help.
- Information on tenants' rights; rights to benefits; advice on debt; rent and mortgage arrears; help for people at risk of violence and abuse; and advice on how to obtain accommodation in the social sector and private rented sector.

5 Duty to Refer

By placing duties on public bodies other than housing authorities HRA17 aims to reduce homelessness by joining up services to provide better support for people, especially those leaving prison/hospital and other groups at increased risk of homelessness, such as people fleeing domestic abuse and care leavers.

Certain named public authorities must refer users of their service, who they have reason to believe are homeless or threatened with homelessness, to a local housing authority of the service user's choice.

Appendix three – Data about homelessness in Warwickshire

All data in this appendix is taken from MHCLG, which compiles information from H-CLIC returns from all local housing authorities. The full dataset, including a wide range of other information, can be found on the gov.uk website.³⁹

In 2018/19, the first year of implementation of the HRA17, D&Bs received 2,476 approaches across Warwickshire. This increased to 2,853 in 2019/20, an increase of almost 15% compared to an increase of only 5% for England over the same period.

In 2019/20 the duty owed to applicants was split fairly evenly between prevention (46%) and relief (48%) with around 5% owed no duty.

Tables one to eight show the following key information for 2019/20:

- Homelessness assessments in Warwickshire by local authority and duty owed.
- The reason for the loss, or threat of loss, of the last settled home of households owed the prevention duty.
- The reason for the loss, or threat of loss, of the last settled home of households owed the relief duty.
- The support needs of households owed a homelessness duty.
- Referrals made under the Duty to Refer by the various referring bodies.
- The number of households in temporary accommodation as at 31st March 2020 by the type of accommodation occupied.
- The number of households in temporary accommodation as at 31st March 2020 by household composition.
- Official numbers of people sleeping rough by local authority for 2016 to 2019.

Table 1 – Homelessness assessments in Warwickshire in 2019-20 by local authority and duty owed.

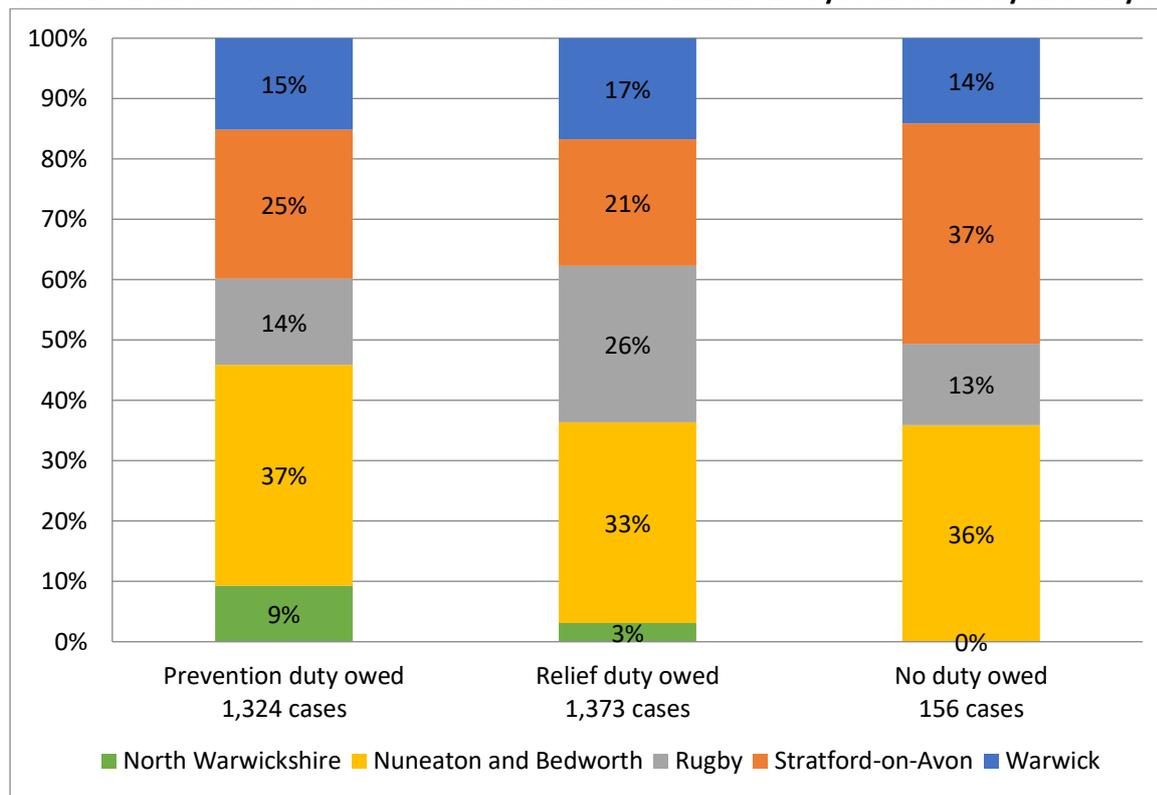


Table 2 - Households owed a prevention duty by reason for loss, or threat of loss, of last settled home 2019-20

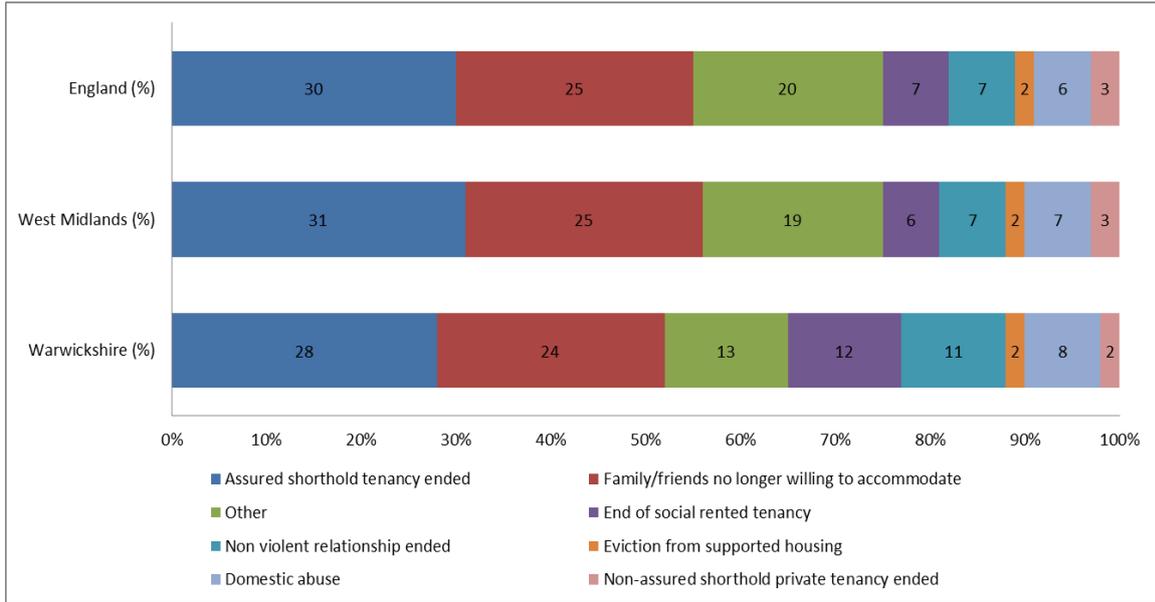
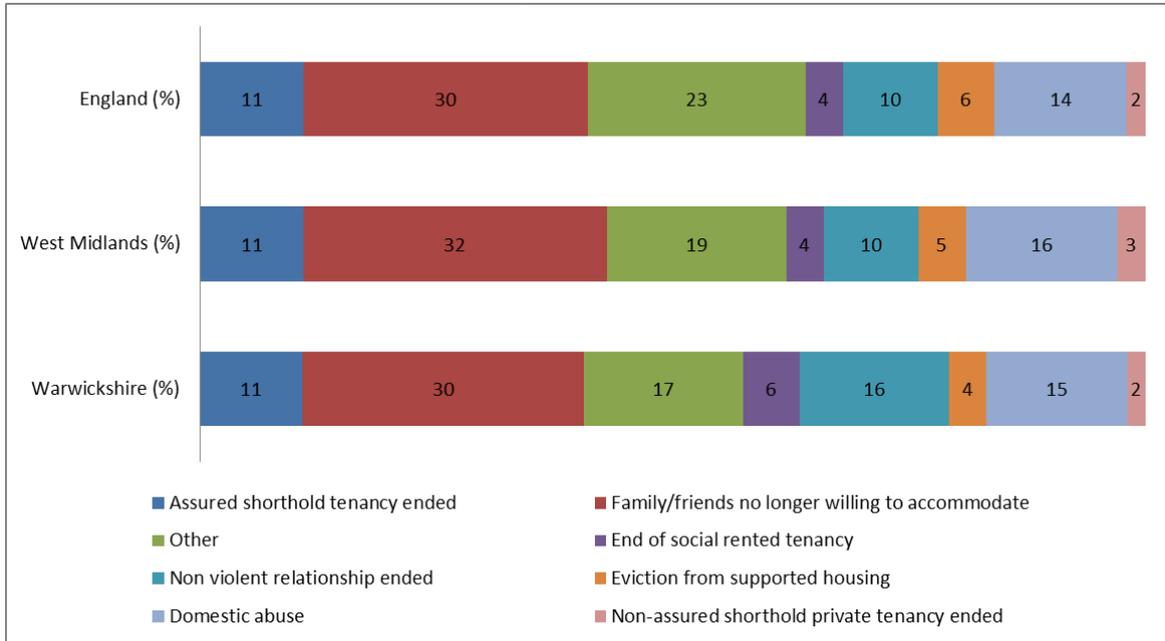


Table 3 - Households owed a relief duty by reason for loss, or threat of loss, of last settled home 2019-20



**Table 4 – Support needs of households owed a homelessness duty 2019-20
(Where one household has multiple needs all needs are counted.)**

Support needs of household	Warwickshire		West Midlands
	Count	Percent	Percent
History of mental health problems	714	27	23
Physical ill health and disability	423	16	14
At risk of / has experienced domestic abuse	277	10	12
Drug dependency needs	127	5	5
Young person aged 18-25 requiring support to manage independently	141	5	8
Offending history	139	5	5
History of repeat homelessness	125	5	4
Learning disability	98	4	4
Alcohol dependency needs	110	4	4
History of rough sleeping	89	3	3
At risk of / has experienced sexual abuse / exploitation	40	2	1
At risk of / has experienced abuse (non-domestic abuse)	64	2	2
Care leaver aged 18-20 years	41	2	2
Old age	41	2	1
Access to education, employment or training	62	2	6
Young person aged 16-17 years	49	2	2
Young parent requiring support to manage independently	38	1	2
Care leaver aged 21+ years	26	1	1
Served in HM Forces	31	1	0.6
Former asylum seeker	5	0.2	1
TOTAL*	2,640	99.2	100.6

* Percentages do not add up to 100 due to rounding.

**Table 5 – Referrals made under the Duty to Refer
by referring body 2018-19 & 2019-20**

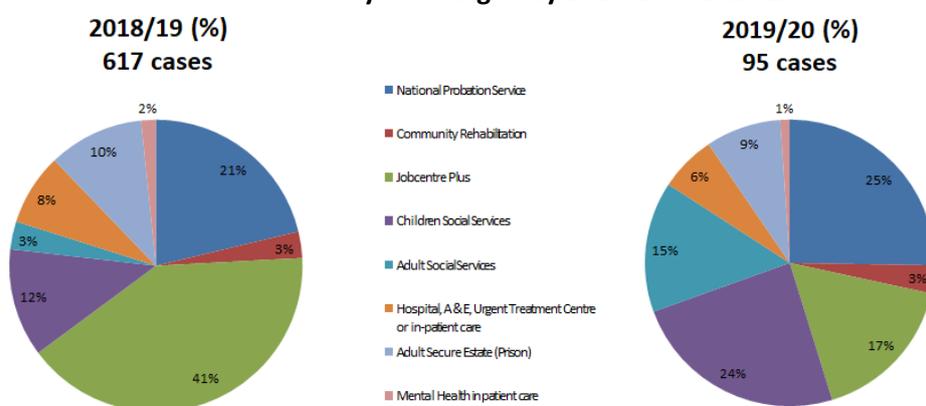


Table 6 - Number of households in temporary accommodation as at 31st March 2020 by type of accommodation

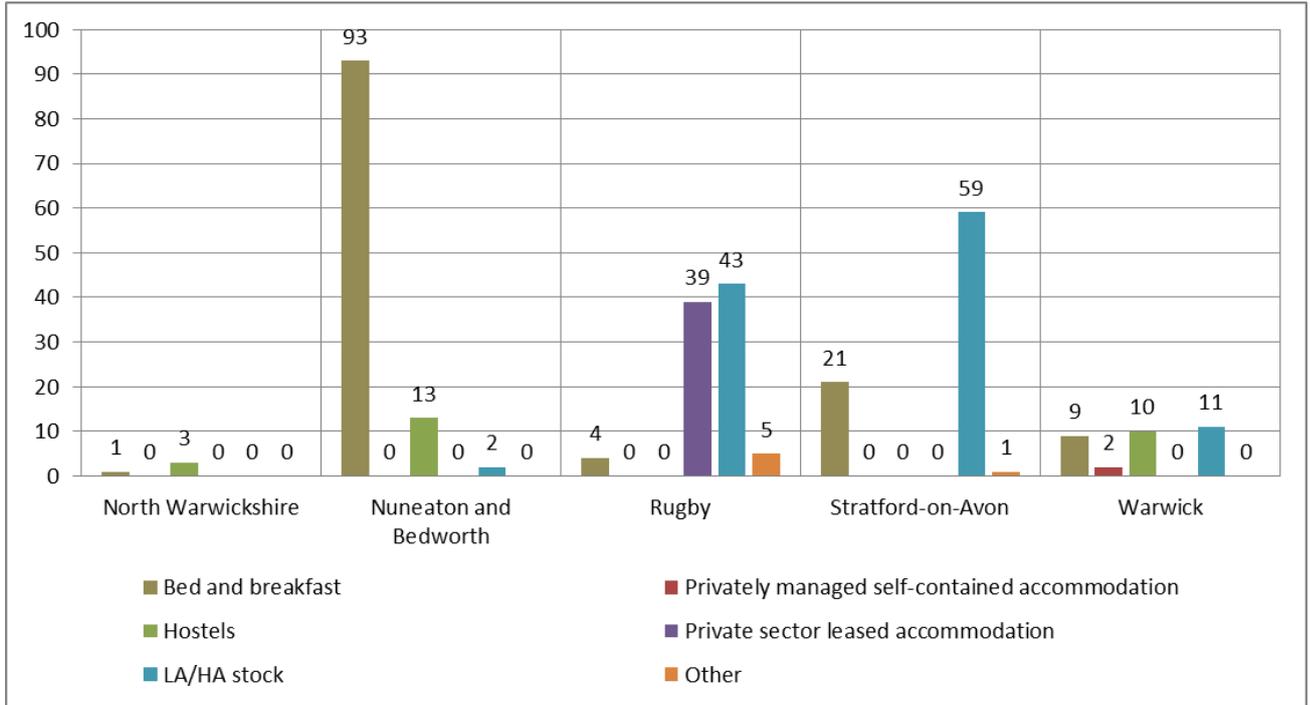


Table 7 - Number of households in temporary accommodation as at 31st March 2020 by household composition

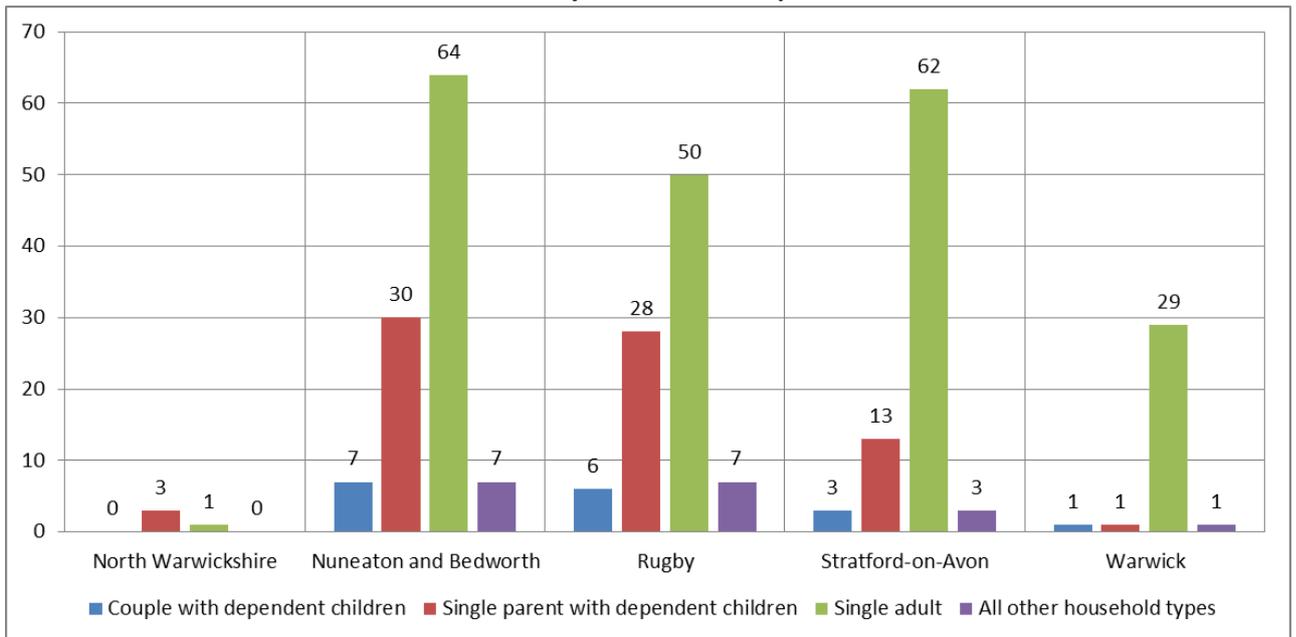
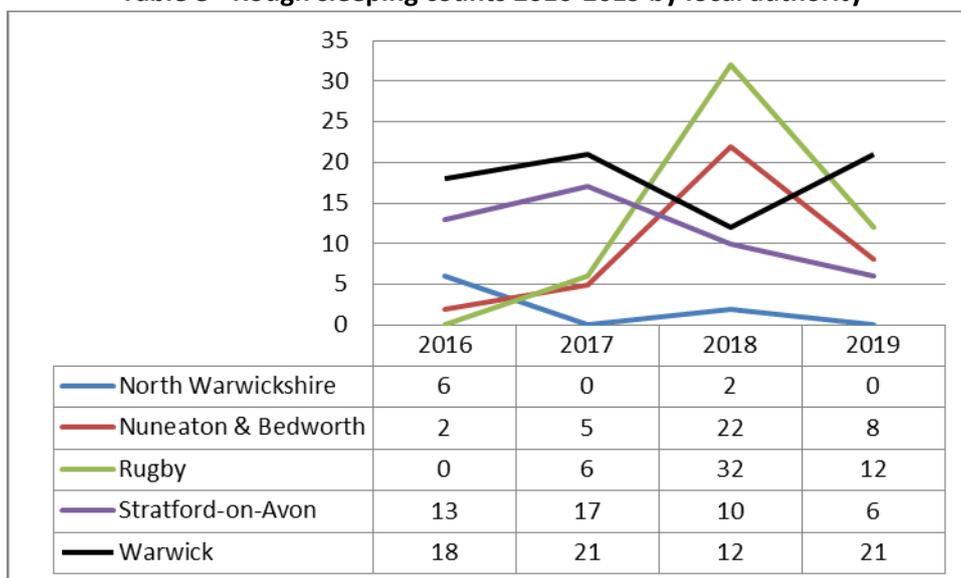


Table 8 - Rough sleeping counts 2016-2019 by local authority



Equalities information

For applicants seeking assistance under homelessness legislation the following tables show information on various characteristics that are protected under the Equalities Act 2010. This information is drawn from the MHCLG database referred to earlier. It should be noted that the information is only collected for those owed a prevention or relief duty under the legislation so the tables do not include those where it was found that no duty was owed.

As regards information about households that include someone with a support need due to a disability, the data is included in table four above. If any other protected characteristic is not covered below it is because the information is not collected through the H-CLIC data returns.

Table 9 - Ethnicity distribution of main applicant 2019/20

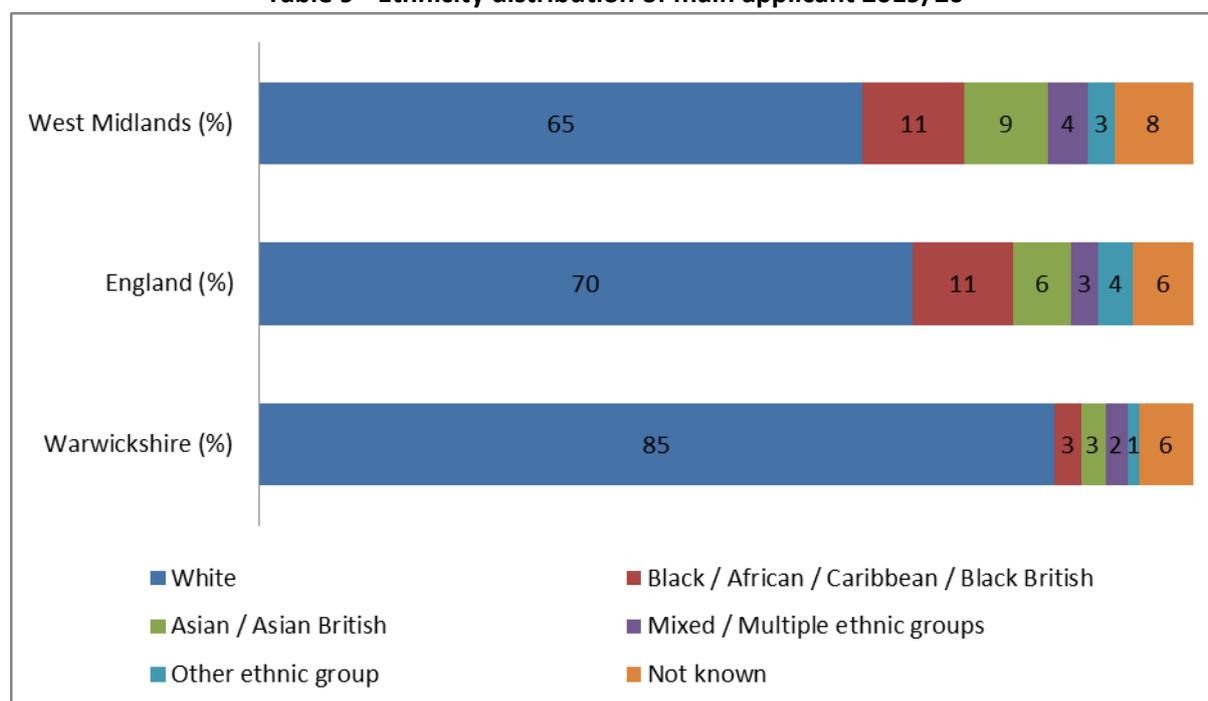


Table 10 - Age distribution of main applicant 2019/20

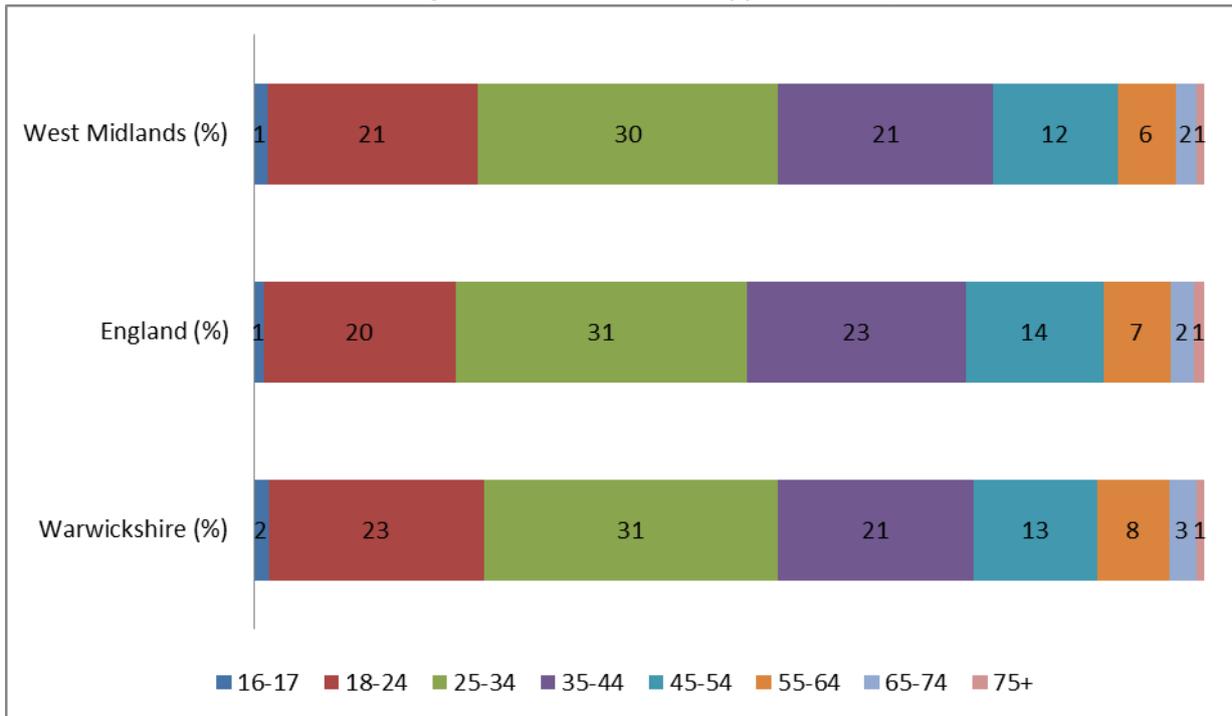


Table 11 - Gender of single parent applicant with dependent children

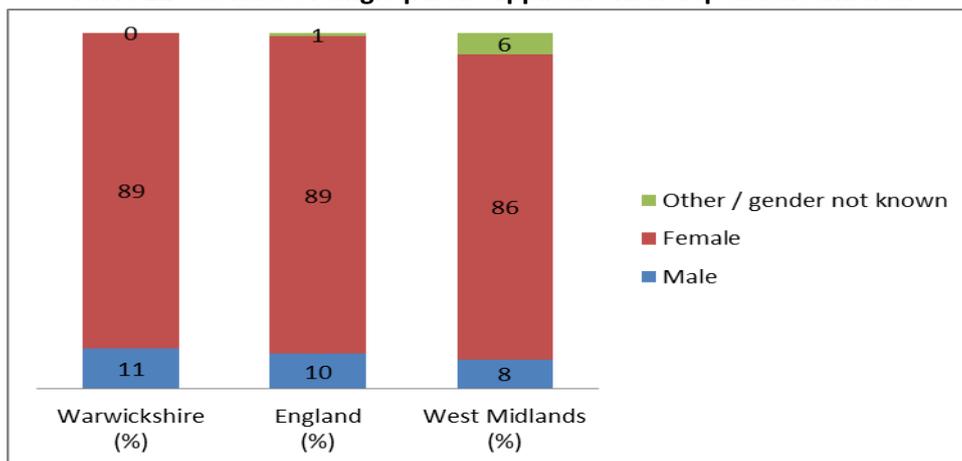
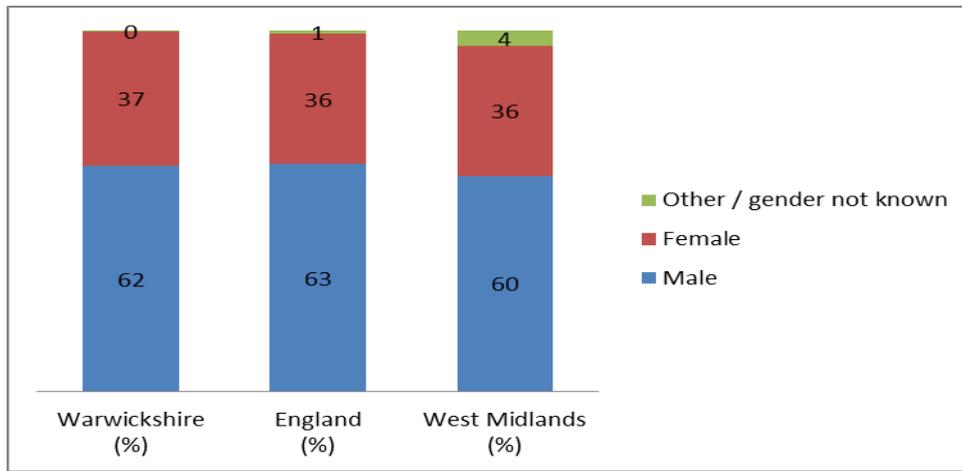


Table 12 Gender of single person applicant



Appendix four - Extract from the Annual Report 2019 of the Director of Public Health for Warwickshire.

Table 2: Warwickshire Health Profile 2019

● Better ● Similar ● Worse

Table 2 shows the current health performance of the Warwickshire County and allows comparisons of performance between the districts and boroughs. The values are coloured to indicate statistical significance compared to England. This is the most recent compiled and published data as of 6th August 2019. ⁷

Short name	Unit	Eng	Warwickshire	North Warwickshire	Nuneaton & Bedworth	Rugby	Stratford-on-Avon	Warwick	Period
Under 18 conceptions	per 1,000	17.8	17.5	18.6	22.0	21.8	11.1	14.2	2017
Low birth weight of term babies	%	2.8	2.4	2.4	2.6	3.4	1.7	1.9	2017
Breastfeeding initiation	%	74.5	Not published data quality issues	61.2	61.1	82.6	81.2	80.2	2016/17
Smoking prevalence in adults	%	14.4	14.1	14.4	16.6	23.1	9.4	9.9	2018
New sexually transmitted infections	per 100,000	784	548	537	675	554	466	505	2018
5 year olds free from dental decay	%	76.7	78.4	79.3	71.8	78.1	82.6	80.9	2016/17
Overweight & obese (reception)	%	22.4	22.3	27.2	23.5	22.9	22.7	17.7	2017/18
Overweight & obese (Year 6)	%	34.3	31.7	31.9	37.6	33.6	28.4	26.0	2017/18
Hospital admissions for unintentional and deliberate injuries in children (aged 0-14 years)	per 10,000	96.4	118.3	91.9	111.7	153.0	110.5	113.5	2017/18
Overweight & obese (adults)	%	62.0	62.4	70.6	71.9	65.8	56.4	52.8	2017/18
Incidence of TB	per 100,000	9.2	5.5	3.6	7.8	5.6	2.9	6.4	2016-18

Suicide rate (aged 10+)	per 100,000	9.6	11.3	12.4	14.2	9.8	10.7	10.1	2015-17
Infant mortality (under 1 year)	per 1,000 live births	3.9	4.2	3.1	6.4	3.5	2.7	3.9	2015-17
Mortality rate from causes considered preventable (all ages)	per 100,000	181.5	171.8	179.3	213.1	178.6	147.2	153.2	2015-17
Under 75 mortality rate: cardiovascular	per 100,000	72.5	66.8	75.7	79.9	68.2	53.7	62.4	2015-17
Under 75 mortality rate: cancer	per 100,000	134.6	127.6	124.3	145.7	127.0	120.3	120.3	2015-17
Hip fractures in people aged 65 and over	DSR per 100,000	578	615	668	713	515	516	694	2017/18
Emergency hospital admissions for intentional self-harm (all ages)	per 100,000	185.5	157.7	107.6	154.9	187.0	174.3	155.0	2017/18
Killed or seriously injured on the roads*	per 100,000	40.8	62.6	105.5	31.6	75.0	75.1	50.9	2015-17
Hospital admissions for alcohol-related conditions (Under 18 years).	per 100,000	32.9	49.6	48.7	67.9	49.8	40.1	39.5	2015/16-2017/18
Sickness absence - the percentage of working days lost due to sickness absence	%	1.1	1.4	1.3	3.1	0.8	0.2	1.3	2015-17

The values are coloured Red, Amber and Green (RAG) to indicate statistical significance compared to England. RAG ratings are affected by small numbers for some indicators.

*This includes all people (residents & non-residents) killed or seriously injured on Warwickshire roads.

Appendix five - Glossary of abbreviations

A&E	Accident and Emergency
CRC	Community Rehabilitation Companies
CWPT	Coventry and Warwickshire Partnership Trust
D&Bs	The five District and Borough Councils of Warwickshire collectively
ET	Equitable Tenancy
H-CLIC	Homeless Case Level Information Collection system
HAST	Homelessness Advice and Support Team at MHCLG
HRA17	The Homelessness Reduction Act 2017
IDVA	Independent Domestic Violence Adviser
IOM	Integrated Offender Management system
LHA	Local Housing Allowance
MAPPA	Multi-agency public protection arrangements
MHCLG	The Ministry of Housing, Communities and local Government
NBBC	Nuneaton and Bedworth Borough Council
NFA	No Fixed Abode
NHS	National Health Service
NPS	National Probation Service
NWBC	North Warwickshire Borough Council
p.h.i.l.	Preventing Homelessness Improving Lives
RBC	Rugby Borough Council
RDVSW	Refuge Domestic Violence Service Warwickshire
SDC	Stratford-on Avon District Council
WCC	Warwickshire County Council
WDC	Warwick District Council
WYJS	Warwickshire Youth Justice Service

Appendix six - References

- ¹ [Homeless Health Needs Audit](#), Homeless Link, 2019
- ² [The health of homeless people in high-income countries](#), Fazel et al, 2014
- ³ [Office for National Statistics](#), 2018
- ⁴ [The prevalence of mental disorders among the homeless in western countries: Systematic review and meta-regression analysis](#), Fazel et al, 2008
- ⁵ [The Autism Employment Gap](#), National Autistic Society, 2016
- ⁶ [The prevalence of autistic traits in a homeless population](#), Churchard et al, 2018
- ⁷ [Cognitive impairment and homelessness: A scoping review](#). Stone, Dowling & Cameron, 2018
- ⁸ [Chance of a lifetime: the impact of bad housing on children's lives](#), Shelter, 2006
- ⁹ [Preventing homelessness to improve health and wellbeing](#), Public Health England, 2015
- ¹⁰ [Mental Health Foundation website](#)
- ¹¹ [Citizens Advice press release](#), 2014
- ¹² [Financial Inclusion Report 2018-19](#), HM Treasury & Department for Work and Pensions, March 2019
- ¹³ [From the frontline](#), Shelter, August 2019
- ¹⁴ [Joseph Rowntree Foundation website](#), February 2018
- ¹⁵ [Access to rent: deposit loan scheme](#), JRF, April 2018
- ¹⁶ [National Residential Landlords Association](#), May 2019
- ¹⁷ [The homelessness monitor: England 2019](#), Crisis, May 2019
- ¹⁸ [Coventry and Warwickshire Joint Strategic Housing Market Assessment](#), Table 71, GL Hearn, 2013
- ¹⁹ [State of the PRS \(Q1 2019\). A survey of private landlords and the impact of welfare reforms](#), RLA, 2019
- ²⁰ [Young and Homeless 2018](#), Homeless Link
- ²¹ [Information for Local Areas on the change to the Definition of Domestic Violence and Abuse](#), Home Office, March 2013
- ²² [An Independent Strategic Review of Domestic Abuse Services and Support Across Warwickshire](#), July 2019
- ²³ [Hidden Hurt, Violence, Abuse and Disadvantage in the Lives of Women](#) Scott and McManus, Agenda, 2016
- ²⁴ [Joining the dots](#), McManus and Scott with Sosenko, Agenda, September 2016
- ²⁵ Women's Aid (2019) [The Domestic Abuse Report 2019: The Economics of Abuse](#). Bristol: Women's Aid.
- ²⁶ [Behind Closed Doors](#), Unicef, 2006
- ²⁷ [Women's Aid, Survivors Handbook](#)
- ²⁸ [Survivor's Justice](#), Mayes, Moroz and Frolunde, Victim Support, December 2017
- ²⁹ [Domestic abuse prevalence and trends, England and Wales: year ending March 2019](#), ONS
- ³⁰ [Rebuilding Shattered Lives](#), Hutchinson, Page and Sample, St Mungo's
- ³¹ [Domestic abuse in England and Wales year ending March 2018](#), ONS
- ³² [Housing support for ex-offenders \(England and Wales\)](#), Bellis and Wilson, 2017
- ³³ [Rough Sleeping Strategy](#), MHCLG, 2018
- ³⁴ [Now all I care about is my future](#), Beyond Youth Custody partnership, 2017
- ³⁵ [Standards for children in the youth justice system 2019](#), Ministry of Justice, 2019
- ³⁶ [Prison: the facts Bromley Briefings Summer 2019](#), Prison Reform Trust, 2019
- ³⁷ [Evidencing the link between the Local Housing Allowance freeze and homelessness](#), LGA, 2020
- ³⁸ [Balancing Act: Addressing health inequalities among people in contact with the criminal justice system](#), Revolving Doors Agency, 2013
- ³⁹ <https://www.gov.uk/government/collections/homelessness-statistics#homelessness-prevention-and-relief>

Agenda Item 11

Resources Board

25 January 2021

Report of the Director (Housing)

HEART and Private Sector Shared Services

1 Summary

- 1.1 The HEART shared service 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 a recent review of the shared service and provides an update about activity in the Private Sector Shared Service.

Recommendation to the Resources Board

- a That the recommendations of the HEART shared service review set out in the report at Appendix A of this report be agreed; and**
- b That the work undertaken by the Private Sector Housing shared service be noted.**

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 March 2018.
- 3.2 The HEART contract is between the 5 Districts and Boroughs and the County Council. Nuneaton and Bedworth Borough Council is the host for the service. 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.
- 3.3 The Housing Act 2004 and other subsequent legislation sets out requirements on local housing authorities with regard to housing conditions in their district. Requirements include dealing with dwellings that fail to meet the minimum standard for housing, oversight of Houses in Multiple Occupation, 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 term of the shared partnership contract required the HEART Board to undertake a formal review after 2 years of the 5 year term. The outcome of the review is set out in the report attached at Appendix A.

...

4.3 The report describes the significant progress in bringing 6 Authorities together to provide for one, holistic service for customers. Nonetheless the review pointed to a number of matters which needed to be addressed for the service to improve, develop and flourish. This included providing for an IT system that supported the service rather than causing issues for the team through lack of access and duplication of effort, using a new IT system to improve performance reporting for all parties – the front line team to Board Members and acting to sustain a stable staff structure in order to deal with the increased demand for adaptations. One of the actions of the Board has been to appoint an experienced consultant to review, recommend and implement efficiencies in systems of work.

4.4 Whilst there was a delay in implementing the actions caused by the first period of COVID-19 lockdown the Board is acting promptly where it can to complete actions in the improvement plan. A new independent Chair has been appointed to the Board, additional staff capacity was agreed by the Board, a decision has been made to purchase a new IT system and an experienced consultant (with a background of delivering efficiencies for hospital discharge arrangements) has been appointed to work with the team to deliver efficiencies in making recommendations for change. Performance reports to the Board have improved and now clearly show demand and the service’s capacity to meet that demand as well as waiting list data. Clearer reporting allows the Board to direct its attention on issues of concern in order to deliver solutions.

4.5 The report at Appendix A is being considered by all of the HEART contract partners through their own governance arrangements. It sets out key

recommendations to the partners. This includes the necessity to consider the position of the host in advance of the end of the 5 year contractual term of the shared service partnership in March 2022. It is possible that Nuneaton and Bedworth Borough Council may decide not to continue as the host and if this is the case another partner will be required to take on that role. As this is a contractual and governance matter it will be subject to a further report to the Resources Board.

- 4.6 During 2019/2020 there were 237 applications for home adaptations from North Warwickshire residents. 227 grants were completed. 193 cost £5,000 or less, 26 cost £5,000 to £15,000, 6 cost between £15,000 to £29,999 and 2 cost over £30,000. 13 of the adaptations were for Housing Association tenants. The overall satisfaction rate for the service is 97% and there is 99% satisfaction rate with the contractors delivering the adaptations. These satisfaction rates are positive however waiting list times have been 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. This has particularly been the case during this year because visits have been reduced to ensure safety from COVID-19. The service acts on reports about the poor condition of private sector tenancies and ensures Houses in Multiple Occupation meet the standards required by regulations.
- 5.2 There are 38 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 the year the team acted on 17 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 Whilst most of the work of the shared service is reactive there have been two positive proactive interventions this year. The first was to seek and receive funding from the Ministry of Housing, Communities and Local Government to commission a report about the condition of the private sector stock in North Warwickshire and the second was to receive grant funding to help private owners to improve the efficiency of their homes.
- 5.5 Using the grant funding from the Ministry of Housing, Communities and Local Government a report was commissioned from the Building Research Establishment (BRE) about the condition of the privately owned dwellings in the Borough. The aim of the research was to use property condition and household income information to provide data about the housing stock.

- 5.6 The data in the report will be used to direct the work of the private sector housing team when proactive activity is safe to undertake. In summary it is noted that there are 29,211 dwellings in North Warwickshire. 74% are owner occupied. 12% are private rented. 14% are social rented.
- 5.7 The research report offers 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 estimates that that 4,218 dwellings in the private sector have Category 1 Housing Health and Safety Rating hazards. This equates to about 17% of properties. It includes 605 dwellings in the private rented sector. 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 A successful joint bid for Government Green Homes 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. The Housing Division has, independently of the shared service, also applied for grant funding to support both social housing and private owners to improve the energy efficiency of properties. The success of this bid will be announced in January 2021. Home owners are also able to bid direct for Government grants to improve the energy efficiency of their properties.

6 Report Implications

6.1 Financial and Value for Money

- 6.1.1 Government continues to provide funding for Disabled Facilities Grants which remain mandatory. This was £4,516,609 for Warwickshire in 2020/2021. For North Warwickshire specifically the grant funding for 2020/21 was £700,267. In addition, the Housing Revenue Account provides a budget of £185,000 for adaptations required in the Council's own stock. Although we are part of a shared service the grant provision designated for North Warwickshire is used for our own residents as the grant funding is not pooled.
- 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 has to support the

provision of Disabled Adaptation Grants however it is not ring fenced entirely for that provision and therefore 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.

- 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. The Council pays Nuneaton and Bedworth Borough Council £33,000 annually for the shared service contract.
- 6.1.6 The Council has bid for £320,000 grant funding from the Green Homes initiative. Part of the funding is for properties in the private sector.

6.2 Legal and Human Rights Implications

- 6.2.1 The relevant legislation for the provision of Disabled Facilities Grants is set out in the Housing Grants, (Construction and Regeneration ACT 1996), the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.
- 6.2.2 The partnership arrangements ensure that all of 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 of the Local Government (Arrangements for the Discharge of Functions) (England) Regulations 2000. Any change to the hosting arrangements as suggested above would, in addition to any contractual changes, require careful consideration of the 1972 Act and regulations and, may require a further resolution of the Council to implement.
- 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 have a contract in place to govern their activity.

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 Risk Management

6.5.1 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

Report of the HEART Management Board

February/October 2020

1 Introduction

- 1.1 This report provides information about the HEART shared service partnership. The partnership was established to better deliver the legal requirements on Borough and District Councils to provide mandatory grants for private housing assistance (Disabled Facilities Grants). Its' aim is to deliver holistic home assessments and interventions to enable applicants to remain independent at home.
- 1.2 The HEART shared service is a legal partnership of the six Councils in Warwickshire. It is delivered by two teams – one in the north and one in the south – with the host authority, Nuneaton and Bedworth Borough Council, provides a single line managed staff structure.
- 1.3 The information in this report provides the background to the establishment of the partnership and an update on current performance. It also sets out the HEART Management Board's recommendations for improvements which need to be made in order to deliver a successful service.

Recommendations

- a That the progress to provide one, consistent service to deliver Disabled Facilities Grants for the whole County be noted; and
- b That the findings of the independent review of the service be considered; and
- c That action plan to improve the service be agreed: and
- d That a further independent review by undertaken in March/ April 2021 to provide assurance that the actions to improve the service have been completed: and
- e That the necessity to consider the position of the host in advance of the end of the 5 year contractual term of the shared service partnership in March 2022 be noted.

2 Background

- 2.1 In 2011 an ambitious and challenging collaborative project was proposed for Warwickshire with the aim of creating a new way of delivering grant assisted home improvements and housing adaptations for disabled and older people across Warwickshire.
- 2.2 The project was agreed following a fundamental system review which had shown that the traditional way of delivering services to provide Disabled Facility Grant adaptations was inefficient. This included delays of over 395 days from a customer enquiry to providing an adaptation. Whilst not satisfactory this level of performance was in line with the national picture. In Warwickshire there was a 35% drop out rate as teams struggled to deliver across the organisational barriers of up to 3 organisations in each district and borough locality. Until the review was undertaken there was no comprehensive information which showed how the system was performing.
- 2.3 The aim of the project was to create a new customer focused service delivery model. This would bring together different professions from the many organisations providing the services in

Warwickshire, create a new job role and link together existing service within a service model that involved working together to deliver holistic housing assessment and appropriate solutions.

- 2.4 A Business Case was drafted in 2012 which set out a comprehensive proposal to improve and explore the future delivery of housing adaptations and the range of services provided by Home Improvement Agencies across Warwickshire. Stage 1 was to develop the experimental service in Nuneaton and Bedworth and North Warwickshire involving the Borough and County Councils. Stage 2 was to roll in Rugby Borough Council area which required the involvement of Orbit Housing Group. Stage 3 was to establish a similar service to south Warwickshire involving the District and Borough Councils as well as Age UK and Warwickshire County Council.
- 2.5 The proposal was ambitious and challenging because it involved many partners. Staff from all organisations were to be brought together in one service, new systems of work needed to be forged from disparate methods of service provision, it had to deal with a variety of organisational cultures and policies and provide data for two separate IT systems.

3 Partnership Proposal

- 3.1 In 2016 the Business Case was revised. (*Appendix 1*) It reflected on the experience of the pilots and set out a comprehensive and radical proposal for the service.
- 3.2 At that time, as part of the pilot experiment, there was a single line managed team for the north of the County with agreed working protocols in place. The service in the south was in the pilot project phase. Age UK and Orbit Housing Group continued to provide Home Improvement Services.
- 3.3 The new Business Case asserted that following the initial review and the implementation of new ways of working the pilots were showing that the redesign of the customer pathway, using a lean thinking approach, had brought significant improvements. The initial customer contact assessment steps had reduced from 22 to 1 through direct contact to the integrated team, there was a single assessment process, collaborative working had improved, and a range of interventions could be offered to customers requiring assistance. Evidence was shared that showed that the time taken from initial enquiry to the delivery of a solution for the customer had reduced significantly (from an average of 365 days to 138 days) and the drop out rate had reduced.
- 3.4 The Business Case proposed a shared service vehicle involving the 5 Districts and Boroughs and County Council. There would be a host authority with a distinct role in the partnership for delivery and a Governance Board comprising of senior managers from each partner. Whilst the host would provide the organisational and support functions the spirit of the partnership was to be one of shared endeavor to improve and develop the service.
- 3.5 The Business Plan promoted the development of one organisation - HEART - the new Home Environment Assessment and Response Team. This organization would create a streamlined, customer focused service delivery model across Warwickshire which would bring different professions together. To do this a new role of 'Housing Assessment Officer' was created to combine case work skills of an Occupational Therapy Assistant and Housing Case Worker. This role, and the necessity for its development, encapsulated the need for the service to have a holistic and tailored approach to meet the needs of customers in order to enable them to live independently.
- 3.6 The Business Case gave a firm basis and clear direction for the new service. It is underpinned by a legal contract. The shared service contractual agreement was signed by Warwickshire County Council, Nuneaton and Bedworth, North Warwickshire and Rugby in October 2016. In 2017 Warwick and Stratford joined the legal partnership. The contract is for 5 years and set out the terms for the host authority (Nuneaton and Bedworth Borough Council) and for the other

partners. It includes terms for financial arrangements, a combined staff structure, employment arrangements, use of IT, dealing with complaints and the role of the management board- with the Chair of the board being decided annually. It makes provision for any partner to leave the partnership if they give 12 months notice. Given its ambition and challenges it also set out a requirement for the management board to conduct a formal review when the arrangements had been in place for 2 years.

4 **Development of the Shared Service**

4.1 From the Spring of 2017 the partnership acted to build on the early successes of the pilot projects.

- In accordance with the partnership agreement the host appointed a Head of Home Environment Services to lead and manage the service and report to the management board.
- The structure of the team was established using a combination of HR procedures which included a mix of secondments and permanent posts.
- The role of Housing Assessment Officer was novel and created for the Warwickshire model therefore bespoke training was provided for existing staff and newly recruited team members.
- Comprehensive information about the service was developed to be presented to the Board in order to track performance and to allow for service improvements to be developed. The reports expose areas of the service which would have otherwise remained hidden to scrutiny and therefore invite intervention when appropriate.
- The new model demanded a holistic response to a customer's request for assistance. In order to deliver this a joint Financial Assistance Policy was developed and agreed in September 2017. This enabled Assessment Officers to deliver more than Disabled Facilities Grants to ensure that the whole house environment was suitable to promote independence. It also provided for a none means tested grant for urgent, priority cases.
- Noting that part of the delay in delivering adaptations was due to contractors not acting quickly enough a procurement exercise was undertaken to provide a firm contractual framework for quality and delivery for all adaptations.

4.2 The novelty and the ambition of the service was recognised as national good practice by Foundations, the professional body for Home Improvement Agencies, for forging better service methods in the delivery of Disabled Facility Grants and Home Improvement Services generally.

4.3 Recognising its role in enabling residents to remain independent at home the HEART Management Board has become part of the Warwickshire Cares Better Together infrastructure because the services provided can act to improve outcomes for well being. These include reducing non elective admissions to hospital, reducing delayed transfers of care from hospital, reducing permanent admissions to residential and nursing care and help to increase the effectiveness of re-ablement services.

4.4 The most recent performance reports show that demand for HEART services continues to rise – 8% over the last year. Home Safety cases are a significant part of the increase with interventions providing quick solutions for clients. The average time taken to deliver adaptations for adults in the south team is 145 days and 197 in the north team. Customer satisfaction rates are high and the team receive many appreciate comments about the work that they undertake.

4.5 The performance reports show sufficient detail to indicate where there are problems in the system which need addressing. Over the last 12 months there have been significant delays in both teams between the initial assessment and a home visit. This has been due to staff shortages in the team.

5 Improving Performance

5.1 The HEART management board has received reports about intransigent matters which are hampering the development and improvement of the service and which need to be addressed. These include a difficult environment for recruitment which is resulting in staff shortages and the limitations of the use of the IT systems used by the team and which are not fit for the purpose of supporting the new service.

5.2 There have been difficulties in achieving a settled staff structure with a positive team culture since the shared service was established. Secondment arrangements caused significant problems for managers and staff. Vacancies have impeded the service from the outset of the partnership. This has been exacerbated by staff in the same team having different pay grades and working to different terms and conditions. Recruitment exercises have frequently caused internal churn of staff rather than delivering new staff into the team. Following concerns raised by the Head of Home Environment Services with the Board a meeting with HR Managers in February 2019 discussed how these issues could be addressed.

5.3 Unfortunately there has continued to be a high level of vacancies and some long term sickness the team. Using agency staff has only been partly successful in helping to reduce waiting lists for services. Agreed systems of work have been disrupted as a consequence of vacancies and the use of agency staff who are not trained for the Housing Assessment Officer role. Some of these issues have caused pockets of low morale however individuals in the team are committed to providing a good service for customers and where necessary have stepped out of their job role to fill in service gaps caused by vacancies. In doing so the systems of work recommended by the Business Case have been disturbed and now need to be revised and reformed.

5.4 The staff structure established for the shared service agreement reflects the level of grant income and customer demand at the time it was agreed. Subsequently Government has increased the level of capital grant income available for adaptations in order to support people to remain independent at home and demand has increased. The Board will make recommendations for the review of the staff structure to support current demand and reduce the time customers wait for the full service but in doing so revenue funding has to be made available to support capital budget spending.

5.5 HEART staff input information into two IT systems. This has been the case since its inception. One supports the housing element of the service and the other the social care aspect. The housing IT system is no longer fit for purpose. The County Council has recently implemented a new IT system for social care which is being implemented in HEART. Following an Internal Audit report about data accuracy in performance reports and concerns raised by the Head of Home Environment Services about the staff time taken to input and find data in 2018 the Board commissioned an independent review of data management systems and the production of performance reports from Foundations. A report was presented to the Board at its meeting in February 2019. The report set out some significant issues with data reporting mechanisms and indicated that the IT systems used are not fit for purpose for the HEART service. It also noted a conservative estimate of 5 to 6 days per month used in providing management information and therefore the need to a system which would enable automation was urgent. As well as concerns about data entry the staff have to use two IT systems and not all staff are allowed to use the social care system due to data protection requirements.

5.6 As the IT systems have not fully supported the HEART service and cause duplication and inconsistent management data the Board committed to make improvements. This includes

implementing a new system to support the HEART service, providing for an agreed joint data security policy to enable all staff to access the systems which reflect service activity and seeking a way of integrating the systems to avoid time being spent in duplicate entry.

5.7 The Government grant funding which supports the delivery of the HEART services has increased over the last 2 years. Each authority receives a designated amount. The grant funding is spent in the designated Borough or District and is not pooled. For Warwickshire the grant funding for 2019/2020 is £4,516,609. This is capital funding and can be used for capital spending only. It does not support revenue funding which is required for staff. Services are allowed to charge a fee for the assistance that is provided to a customer to deliver an adaptation or home improvement. This fee does support the funding of the staff structure. Given the need to enhance the team in order to reduce waiting lists for visits and meet increasing demand the Board will be recommending a review of the fee structure.

6 HEART Shared Service Partnership Review

6.1 In accordance with the HEART shared services agreement an independent review has been undertaken after two years of its implementation.

6.2 The review was conducted by an independent consultant. It considered five key lines of enquiry agreed by the Board:

Leadership and governance and operational management is effective
To include partnership arrangements, governance, the board and reporting.

Data is recorded and counted accurately (operational and strategic level)
To include operational data, trends, understanding system wide and highlighting pressure points.

Processes are optimised
To include the flow through the system and testing process when under pressure and working with partners.

Demand is actively managed
To include performance against priority outcomes, benchmark comparisons, capacity and productivity.

Service offer and capacity is appropriate
To include expenditure and how we compare nationally, capacity in the system and cost benefit analysis of services as well as consistency across the teams. Leadership and governance and operational

A summary of the independent review is included with this report at *Appendix 2*. Its main findings are:

- A lack of staff capacity is a contributory factor in the increasing waiting times customers are experiencing for the service.
- The absence of appropriate IT systems is a factor in demand not being met more efficiently.
- A more flexible system of assessing customer needs and prioritising interventions should be introduced.
- The systems of work in HEART could be more efficient and should be reviewed to provide for better service pathways which are fully implemented by staff and meet customer needs
- In line with the findings of the Foundations report data collection methods and performance reporting should be improved

- The management board reflect on its own role in delivering the HEART service and to ensure that the leadership, governance and operational management is provided in a manner which allows HEART to thrive and meet customer expectations.

The reviewer undertook an options appraisal to include in her final report. Her recommendation is that whilst the difficulties being experienced by the service need to be addressed the underlying premise of HEART with its concept of a holistic, unified service to deliver adaptations in Warwickshire remains the most preferable option.

To respond to the independent review and address matters that have come to the Board's attention over the last 12 months a service improvement plan has been drafted for approval. This includes:

- Specifying and procuring an IT system to support the HEART service and work effectively with the County Council's preferred IT software. Agree a revised privacy statement which will enable all staff to fully utilise both IT systems which are used by the service.
- Review the performance data provided to the Board to ensure the information can be used to give strategic direction for the service
- Updating and revising the staff structure, management structure, how HR policies support the team, where the team is based and how budget provision can support recruitment of additional staff.
- Use budget reserves to increase the staff establishment and recruit dedicated duty officers support customer assessments and release other staff to undertake home visits.
- Review the level of fee charges in order to revise the staff structure and meet current demand
- Appoint an experienced consultant to review and recommend efficiencies in systems of work and in accordance with recommendations update procedures.
- Revise procedures to enable the team to assess the need for urgent action and fast track interventions for customers at an early stage
- Reflecting on the requirements of the shared service agreement and recommending changes where they are needed to enhance governance, leadership and service performance.
- Refresh the Business Case in order to give clear direction for the shared service

The Board is acting promptly where it can to complete actions in the improvement plan however some have financial implications and will require consideration and agreement before they can be completed.

The Board has appointed an experienced consultant to work with the team to provide system improvements which will result in better outcomes for customers. In order to track the actions required to deliver the improvements a plan which will be monitored by the Board has been produced. The current version is attached at *Appendix 3* for information. Whilst this report and the initial action plan were drafted in February 2020 progress was inevitably interrupted by the Government's COVID-19 virus safety requirements. The action plan shows that good progress is now being made by the team with the support of the consultant.

It has been agreed that there will be a further independent review in March/April 2021 to evaluate the Board's achievements in the completion of the improvement plan and to consider whether the performance of the service has improved.

The report of the independent reviewer includes reference to some positive case studies. They are included here to indicate the breadth of the HEART service and how it can reach out to meet its customers individual needs.

Case 1 - "Urgent potential hospital discharge case – HEART intervention:

The ward manager contacted the HEART duty desk to discuss an elderly patient. There was concern that mould and damp in the person's home was an infection risk. It would seem that mould had been a long-standing issue in the property and an investigation determined that this was mainly due to condensation (not opening windows).

The Private Sector Housing Manager (RW) instructed that permission should be gained from the customer and access via a key-holder to enter the property. The ward manager obtained these and the customer's key safe number which was given to the HAO.

Following an inspection visit to the home, the HAO has engaged with contractors to look at a preventative solution regarding issues with the flat roof, which is causing the damp problems.

Urgent work will be undertaken so that the customer can be discharged home to a better environment that will reduce the risk of infection and readmission."

Case 2 - "Delayed hospital discharge case – swift HEART intervention resolved issue.

The SM for Integrated Care Services was notified of a delayed hospital discharge patient that OT's had visited her home and discovered issues with her toilet and other faults in the home.

The ambulance crew had isolated the water due to a leaking pipe from the downstairs toilet area and a leak from the upstairs toilet.

The HEART Manager (LP) arranged for a member of the technical team to visit the property to assess the situation with the water. Permission to access the property was gained from the customer.

The customer wanted to be there when HEART arrived so a plan was agreed for her to be discharged to the home address with 2 members of staff from the hospital. It was arranged for a HAO and a plumber from Activate Energy to meet at the property at the same time.

The water leaks were successfully repaired to facilitate discharge."



Home Environment Assessment & Response Team

HEART: Helping you Live Independently at Home

Business Case

Document Title:	A Business Case for a Home Environment Assessment & Response Team (HEART) Service through a shared agreement.
Description:	This Business case proposal is to provide a Home Environment Assessment & Response Team (HEART) Service delivered by the 5 District & Borough Councils and the County Council through a shared service agreement.
Authors:	Denise Cross & Paul Coopey
Contact:	
Status:	Version 1
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Rights. Protective marking	Not protectively marked.

Version History

Version	Author	Date	Changes
0.1	Denise Cross	19.02.2016	
0.2	Denise Cross	18.04.2016	Consultation with Project Board
0.3	Denise Cross & Paul Coopey	24.04.2016	Additional Benchmarking and formatting
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0.5	Caroline Potter	27.04.2016	Amemdments to financial information
0.6	Paul Coopey	29.04.2016	Amendments to tables
0.7	Denise Cross	19.05.2016	Amendments to financial info

1. Introduction

- 1.1 The new HEART service is an integrated approach between social care and housing which focuses on the customer and their carers, not organisations, to deliver the right practitioner at the right time with the right solution. This will enable the customer 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 is by far and away the best model going forward because it builds on existing trusted relationships, embeds these services as part of an integrated range of targeted support services for adults, provided by the local public sector, aligns with the Warwickshire Homefirst strategy (Warwickshire County Council & South Warwickshire Foundation Trust, 2015) and meets the national strategic policy direction of integrated services.
- 1.3 The proposal is to continue the rollout of the Home Environment Assessment & Response Team (HEART) service delivered by the 5 District & Borough Councils and the County Council in Warwickshire through a shared service agreement

2. Background

- 2.1 To facilitate radical change and be part of a whole system solution the partners (5 District / Borough Councils and the County Council) agreed an ambitious and challenging collaborative project aimed at creating a new way of delivering Home Improvement Agency (HIA) services and housing adaptations for disabled and older people across Warwickshire. It was ambitious because of bringing together 6 organisations to deliver an integrated one customer pathway for the delivery of housing solutions which includes the HIA, home safety checks and major adaptations without delay, through a Lean systems approach, and sustaining the continuous improvement.
- 2.2 Prior to the undertaking of this partnership the “old model” of service delivery had the Occupational Therapy (OT) practitioners located in different WCC bases across the county and each of the 5 District and Borough Council had their officers in each of their bases. The OT practitioner would undertake their assessment with the customer and then send a letter of recommendation to the relevant council to assess for a Disabled Facilities Grant (DFG). The customer was frequently sitting on a waiting list in social care and then moving on to another waiting list in the district/ borough so timescales were very variable across the county. The Housing grants officer would then visit undertake their assessment and then request a contractor visit. The customer whilst waiting for their adaptation may also be visited by the Home Improvement Agency staff to assist with the process and undertake e.g. home safety check or benefits check and at the time by other services such as PHYLLIS. The table 1. below shows the improvements to-date achieved through an integrated service delivery model.

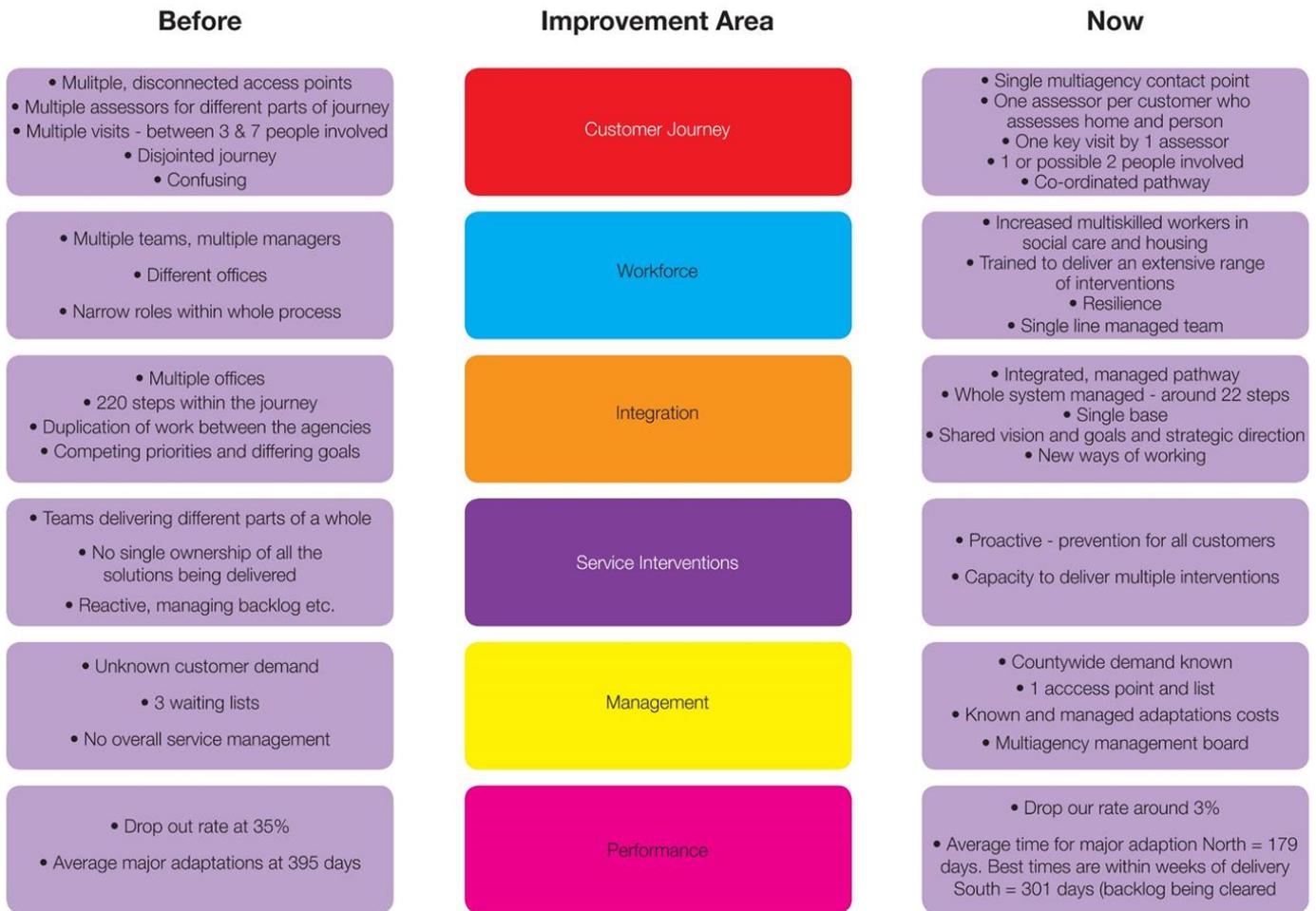


Table 1. Comparison between “Old” and “New” Service Delivery Models

2.3 The aim of the project was to create a new customer focused service delivery model which would bring together the different professions from each of the organisations, create a new role of a Housing Assessment Officer; combining 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 of the new **Home Environment Assessment and Response Team (HEART)** service was to shift from being a process done to a customer to 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”

2.4 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. There is evidence that where customers are supported to make choices, they often choose lower-cost and lower intervention solutions (DFG’s in England: A Research Report for the District Councils’ Network and the Society of District Council Treasurers, April

2013). It is important to develop a partnership with the person and all other parties if necessary over the long term leading to an improvement of the quality of life and their experience.

2.5 In many Local Authorities, the system of Disabled Facilities Grant (DFG) delivery for housing adaptations was and is still not working well: resources are not deployed as effectively as they could be, customers are left waiting too long, sometimes two years or more (DFG's in England: A Research Report for the District Councils' Network and the Society of District Council Treasurers, April 2013). In Warwickshire, there were significant issues with the old way of delivering services including delays of 395 days on average from customer enquiry to providing an adaptation, with some delays being far, far greater than this. Whilst not satisfactory, this was a similar performance to other local authorities and in line with a national picture of delays in this area. It is widely acknowledged that poorly joined-up care risks distress and harm and is also hugely frustrating for patients/service users and carers (The King's Fund and Nuffield Trust (2012), Report to the Department of Health and NHS Future Forum). There was also a 35% customer drop out as teams struggled to deliver the major adaptation. The root cause of the problem was having three separate strands in delivering services with 8 different organisations and that we had tried to improve each strand but the fundamental review focused on the customer's experience and involving all organisations across Warwickshire that had been involved in the system brought the conclusion that building 'one customer focussing service' was the only way of bringing the "radical" change which was required.

2.6 A small number of exemplary local authorities have formed well-managed partnerships and Warwickshire HEART service is one of the ground-breaking, innovative and avant-garde services. HEART has the flexibility and agility to meet local need through its new ways of working with different partners. It takes a holistic view of a person and their carer's health and well-being and their home to provide an array of solutions which will meet their needs now and in the future. This effective integrated approach improves the quality of solutions and the person's experience through a more effectively coordinated delivery of the service.

Case Study from the HEART service

A customer was referred to the HEART service having difficulty managing to get in and out of her bath.

Outcome

The appointment to carry out the assessment was made whilst the customer was giving her details about the bathing difficulties. The assessment took place 3 days later and the contractor was able to view the bathroom the same day. The Disabled Facilities Grant was approved and the level shower was installed within 3 weeks. The customer rang to say the shower was "brilliant".

2.7 The majority of services across England are not currently pursuing an integrated systems approach and are still delivering Home Improvement Agency (HIA) and housing adaptations by retaining the silo working, professional boundaries and convoluted processes of work between the Occupational Therapy service and Housing departments, which is how Warwickshire was providing these services.

2.8 Since the start of the collaborative project pressures are only increasing in health and social care. 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 hence the demand is rising at the same time as savings within the public sector are required. Systems have not aligned with the needs of the society and this is not sustainable. Although, difficult choices on public expenditure were announced in the 2015 Comprehensive Spending Review it was recognised the significant importance of DFG's and explicit in the plans of a commitment of over £500 million for DFG's by 2019-20.

2.9 The commitment of partners across the 6 organisations has facilitated the partnership to forge and mature at all levels within the organisations. This has enabled the radical change in the service provision and establishes the sustainable and transformational change across the county. The project has brought together the Occupational Therapy practitioners, Home Improvement Agency Caseworkers, Grant Technical Services and working with the contractors as an integral part of the whole. It has dissolved the traditional boundaries between the different parts of the system, developed leaner processes, adoption of good practice and significantly improved the outcomes for the customers and carers.

2.10 Key principles to ensure the new HEART service is meeting the people's needs and wishes are being met are:

Customer's Feedback

*"In this day and age of budget cuts and when it seems common to hear the public services freely criticised, it is a pleasure to be able to offer my grateful appreciation for the service you have provided.
Thanks and Well Done"*

"I would like to thank you; you were so understanding and helpful"

"We thank you all for bringing that bit of comfort and safety into the life of the most important person in our family"

- 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.

(Adapted from Commission for Improving Urgent Care for Older People March 2016
www.nhsconfed.org)

- 2.11 Our health is primarily determined by factors beyond just health and social care (Appendix 1). Good Housing is essential to health and well-being: 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 (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*).
- 2.12 The integrated HEART service provides a great and unique opportunity to build on the “Making Every Contact Count” initiative and make further improvements in prevention and reductions in costly health and social care, and enable people to maximise their abilities in daily living activities by bringing together a matrix of services and the capability of delivering a wider range of preventative or early intervention solutions either at a county or local district / borough level in Warwickshire.
- 2.13 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 (Warwickshire Observatory, (2015) *Quality of Life in Warwickshire 2014/15*). An estimated two-thirds of those who have reached pensionable age have at least two chronic conditions (cited in Nolte, E. Knal, C. McKee, M. (2008) *Managing chronic conditions*) and 850,000 people in the UK are living with dementia (Age UK (2015) *Later Life in United Kingdom*). There are 1.3 million households aged 55 years and over who live in a home with at least one Category 1 hazard, namely a home that did not meet the minimum standard for housing in England. Around a fifth of homes are not fully useable (level access, flush threshold, WC at entrance level, sufficient circulation space in hallway). The cost of poor housing among older households aged 55years or more to the NHS equals £624 million (Building Research Trust, (2010) *The Real Cost of Poor Housing & Homes and ageing in England*). The table 2 illustrates the savings if the identified hazards were resolved.

Hazard	Issues	Savings per annum if hazard fixed
Excess Cold	Loneliness & stress	£441,564,353
Falls on stairs	Falls	£71,609,794
Falls on the level	Depression	£34,700,172
Falls between levels	Absence from work	£17,519,361
Fire	Anti-social behaviour	£12,725,126
All other 20 hazards (e.g. sanitation, food safety, pests, carbon monoxide, lighting)	Medical conditions e.g. asthma, fractures, pneumonia	£45,660,759
	Truancy from school	
	Burglaries	
TOTAL		£623,779,566

Table 2. Hazard savings

2.14 It is important to mitigate the hazards through interventions such as housing adaptations e.g. handrails to the main stairs at a cost of £200 would save health costs of around £930 and if the falls risk is removed this increases to about £1,250. The payback period of less than one year plus it may also save on home care costs (Building Research Trust, (2010) *The Real Cost of Poor Housing & Homes and ageing in England*). Hospital “bed blocking” is very expensive, costing from £1,750 a week up to over £3,000 for an acute bed (Georghiou, T. and Bardsley, M. (2014) *Exploring the Cost of Care at the End of Life*). Moreover, inappropriate hospital stays for frail older people are dangerous and debilitating.

2.15 Demands for adaptations has also 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 (Home Adaptations Consortium, (Oct 2013), *Home Adaptations for Disabled People*). The Care Act 2014 has been enacted but does not replace the Housing & Regeneration Act 1996 and the responsibilities for the provision of DFG’s. The Care Act implementation from April 2015 has seen the planning and implementation of a large number of reforms including:

- Establishing a new statutory “well-being principle.”
- A new 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.

2.16 The Better Care Fund arrangements have been established nationally. The Better Care Fund arrangement known as “Warwickshire Cares Better together” has given an opportunity to build the profile of these services, and their contribution to the prevention and wellbeing agenda. The DFG funding stream for the next 5 years is from the DCLG via the Department of Health and will increase from £220m in 2015 -

16 to £500m in 2019-20 (Report on the DFG Summit, Jan 2016, Foundations & College of Occupational Therapists). In 2015-16 Warwickshire received £1,925,079 through Warwickshire Cares Better together.

2.17 The redesign of the customer pathway, via a lean thinking approach, has only those steps that are of value to the customer and the improvements to-date are:

- Initial customer contact to assessment steps have been reduced from 22 steps to one step through a direct contact number to the team.
- Development of all the team members' skills to provide housing solutions thus reducing duplication in roles / customer visits and documentation.
- Development and implementation of a new role of Housing Assessment Officer (HAO) in Sept 2013. This role enables the functional ability of the person and the conditions of their home environment to be assessed and modified accordingly. This has involved extensive training and mentoring of the HAO's by OT's.
- Single assessment process.
- Portfolio of core interventions that are delivered by all practitioners from advice on specific topics such as falls prevention, home safety through to equipment for daily living, assistive technology (e.g. telecare) and minor and major adaptations.
- Resilience within the service.
- Significantly improvement in key performance indicators.
- Improved collaborative working with other teams e.g. Lettings in Districts and Borough, Personalisation within the County.
- The project was a Runner up for a national award within Housing in 2013, cited in DFG's in England: A Research Report for the District Councils' Network and the Society of District Council Treasurers, April 2013 and recognised by Improvement & Efficiency West Midlands (IEWM).
- The service has been the focus of two PhD theses from Warwick Business School.

2.18 On-going funding pressures make the need to demonstrate the benefits of housing solutions and this is that unique opportunity to have one delivery method to enhance the resources we have available as a partnership for housing solutions. 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 therefore also reduce demand on long term and acute services such as hospital admissions due to falls, or long term home support. 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 ((Home Adaptations Consortium, (Oct 2013), *Home Adaptations for Disabled People*).

2.19 In Warwickshire the Occupational Therapy services provided by Warwickshire County Council had already been re-modelled into specialisms ahead of other local authorities to meet the increasing complex needs of customers and carers and “care closer to home”. This enabled the specialist housing OTs to be co-located in Borough/District Council offices and facilitate closer working with housing colleagues dealing with DFG’s and adaptations under the Housing Grants, Construction and Regeneration Act 1996. Section 24 of the Act 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 co-location developed into piloting a shared service hosted by NBBC, and also involving NWBC and RBC and WCC to become part of single line-managed team in NBBC, supported by agreed HR protocols. This has been extended to a pilot in South Warwickshire with Stratford upon Avon and Warwick District Councils and WCC in 2014, and continues with working arrangements with South Warwickshire Foundation Trust OT Children and Young People and Families service, Orbit and Age UK.

Case Study from the HEART Service

A Customer in her seventies with arthritis was referred by a relative as they were worried about her going up and down the stairs. Housing Assessment Officer (HAO) observed the customer going up and down the stairs and performing activities of daily living.

Outcome: *Customer was able to manage the stairs at the present time but required grab rails in the bathroom. Advice and information was given about adaptations (level access shower and stair lift), Disabled Facilities Grant (DFG) process and Benefits check. The discussion on benefits led to the customer saying “I am not entitled to a pension” With the consent of the customer Department for Work & Pensions was contacted by HAO and this led to the customer being paid her pension and deferred payments which had accumulated to £90,000 before tax.*

2.20 The aims of the HEART service are:

- A. To enable customers with multiple and complex conditions to maximise their potential and live in their chosen home environment.
- B. 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.
- C. To improve quality of life for older and disabled people and their carers (improved dignity, less stressful, empowering, and improved flexibility in daily tasks).
- D. To be proactive and avoid where possible, crisis situations for customers and carers in regards to managing in their chosen home environment.
- E. To promote positive health and well-being styles of living, prevention of falls, and reduce hypothermia in older people.
- F. To improve living conditions by reducing hazards in the home.
- G. To reduce demand elsewhere in the housing, health and care system.

- H. To prevent hospital admissions and/or facilitate timely hospital discharges.
- I. To develop practitioners with the skills and capabilities that enables them to provide the appropriate intervention, to minimise risk to their customers and carers, be outcome focussed and able to 'get it right first time'.
- J. To contribute to the following strategic drivers:
 - Integration & Partnership working.
 - New legislation – Care Act.
 - Safety, Well-being & Prevention.
 - Preventing & Facilitating hospital discharges.
 - Better outcomes for customers & carers in their home environment (*Public Health, Social Care & NHS Outcomes Frameworks for 2015-16*).
 - Maximising capacity to meet demand within existing or less resources, e.g. Avoidance of growth in Non-Elective Admissions.
- K. Potential for strategic thinking and planning in building accessible new homes, refurbishment programmes, and best use of stock with registered social landlords.

3. Customer / Carer Feedback

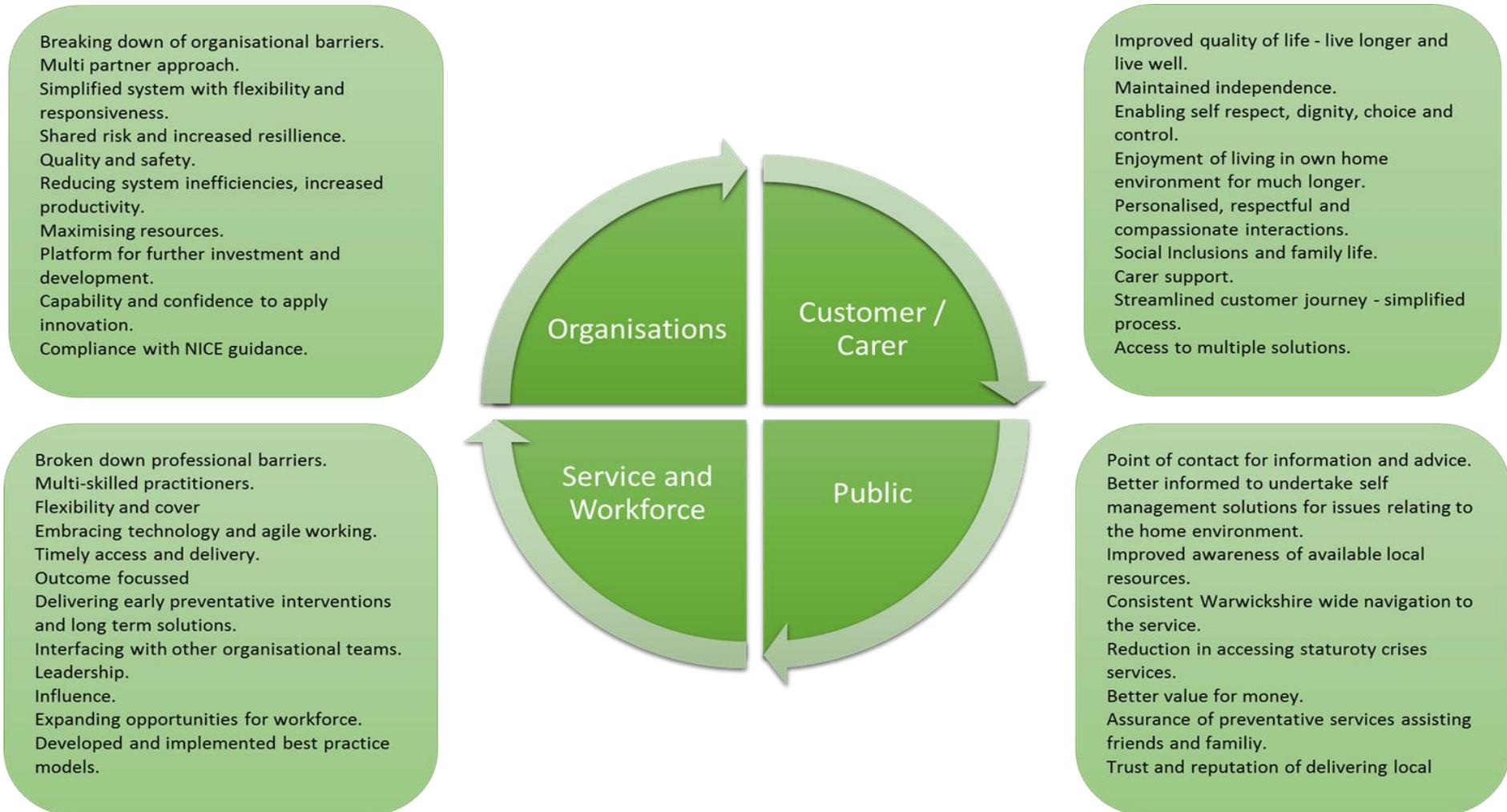
- 3.1 It is important to hear and listen to customer and carer views to enable the service to improve the quality and experience. The customer survey conducted by the HEART service is not solely related to DFG but all interventions provided to the customer by the service.
- 3.2 There are 6 key themes to the customer survey which are:
- **Respect and Dignity**
 - **Communication**
 - **Responsiveness**
 - **Reliability**
 - **Contractors**
 - **Overall experience**
- 3.3 The table 3 below shows the overall score for each key theme. The 2014/15 Overall Experience rated by customers of the HEART service was 96.25% and up to Q3 2015-16 is 97.9%.

KEY THEME	Overall mean for 2014-15	Overall mean for 2015-16
Respect and Dignity	91.62%	98.4%
Communication	95.25%	97.3%
Responsiveness	96.50%	96.5%
Reliability	98.75%	98.7%
Contractors	93.25%	94.3%
Overall Experience	96.25%	97.9%

Table 3 Customer Satisfaction of HEART

4. Benefits

4.1 A successful service contributes to and links to the key objectives of Warwickshire and this 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 Additionally, for this large workforce, there is also an opportunity to enhance their knowledge and skills that would deliver significant additional benefits in prevention and promoting physical and mental wellbeing. For example, falls prevention and enabling strategies can be incorporated. Councillor Izzi Seccombe (2014) highlights that “every contact with a customer should be seen as an opportunity to encourage healthier lifestyle choices” and there is the need for a ‘whole system’ approach to achieve the ‘Making Every Contact Count (MECC)’. Boroughs and Districts have adopted the MECC approach.
- 4.3 In the UK, falls are the most common cause of death from injury in the over 65’s (Fenton, (2014), *The Human Cost of Falls: Health and Wellbeing, Reducing the Burden of Disease*). They are the largest cause of hospital admissions for older people and lead to 70 - 75,000 hip fractures per year and one in five die within three months of fracture. The annual cost to health and social care is estimated to be £2 billion partly due to the fact that half of the people who fracture their hip never fully regain their previous level of function and therefore need additional care and support. Falls are also a major precipitant of people moving from their home to residential or nursing care (Department of Health, 2012).

Example of savings

Table 4: Cost of Falls

Hazard Category 1	Class 1	Class 2	Class 3	Class 4
Falls on the level	Quadriplegic	Femur Fracture	Wrist Fracture	Treated cut or bruise
Costs in 1st Year	£92,490	£39,906	£1,545	£115

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

- 4.4 The HEART service is an appropriate service to incorporate:
- Physical and Mental wellbeing - maintaining health & wellbeing through
 - Brief optimistic advice and preventing falls.
 - Disabilities awareness.
 - Equality and diversity.
 - Design for Dementia – positive actions and solutions in the home.
 - Enabling techniques.
- 4.5 The additional benefits are:
- Compliance with Falls: assessment and prevention of falls in older people (NICE clinical guideline 161; June 2013) and a ‘Falls in older people’ assessment after a fall to help prevent further falls (NICE Quality standard 86; March 2015).
 - Improving Making Every Contact Count (MECC).
 - Supporting the challenge on Dementia.
 - Supporting the new ‘Care Certificate’ (recommendation from the Francis Report 2013).

- Embedding of 'Enabling' techniques so that carers are 'enablers' rather than 'doers' which would promote customer independence and prevent or delay increased formal care services.
- Choice & control, dignity and respect, kindness and compassion.

Table 5: Home conditions

Hazard Category 1	Class 1	Class 2	Class 3	Class 4
Excess cold	Heart attack, care, death	Heart attack	Respiratory condition	Mild pneumonia
Costs in 1st Year	£19,851	£22,295	£519	£84
Damp and mould	Not applicable	Type 1 allergy	Severe asthma	Mild asthma
Costs in 1st Year		£2,034	£1,027	£242

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

5. Performance Data

5.1 The HEART performance data has expanded and become more comprehensive as a consequence of more teams joining the HEART service. However, the service is inputting into a number of different IT systems which makes consistency difficult but in the future will be addressed.

Table 6. Number of HEART Enquiries

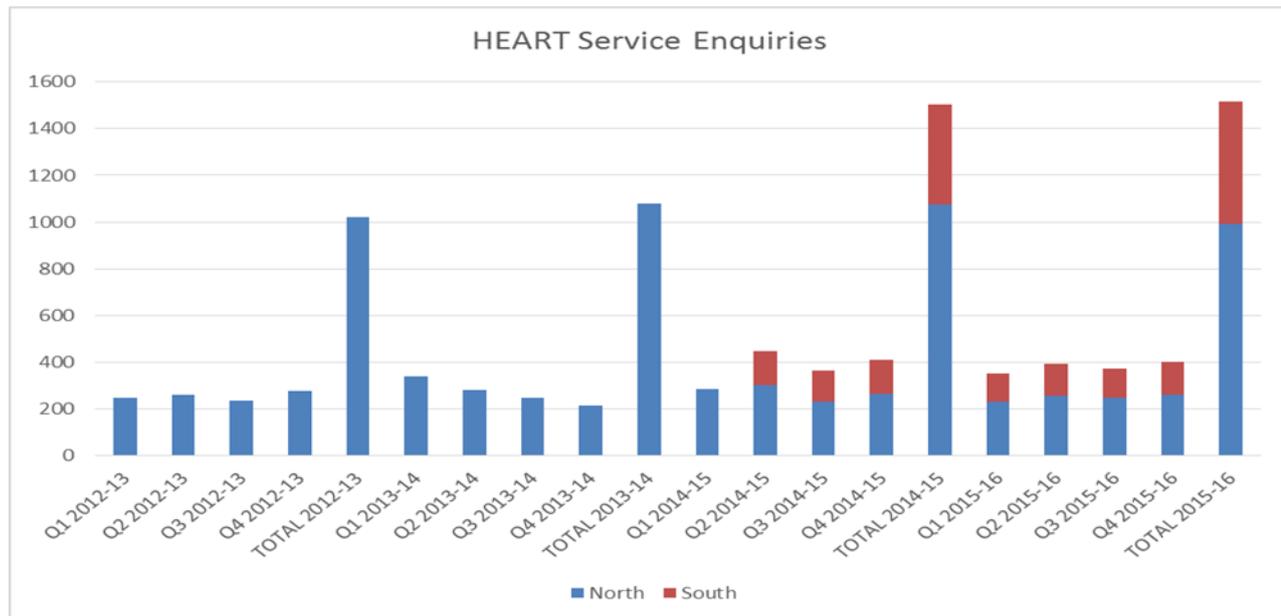


Table 7. Number of Referrals for Council Major Adaptations

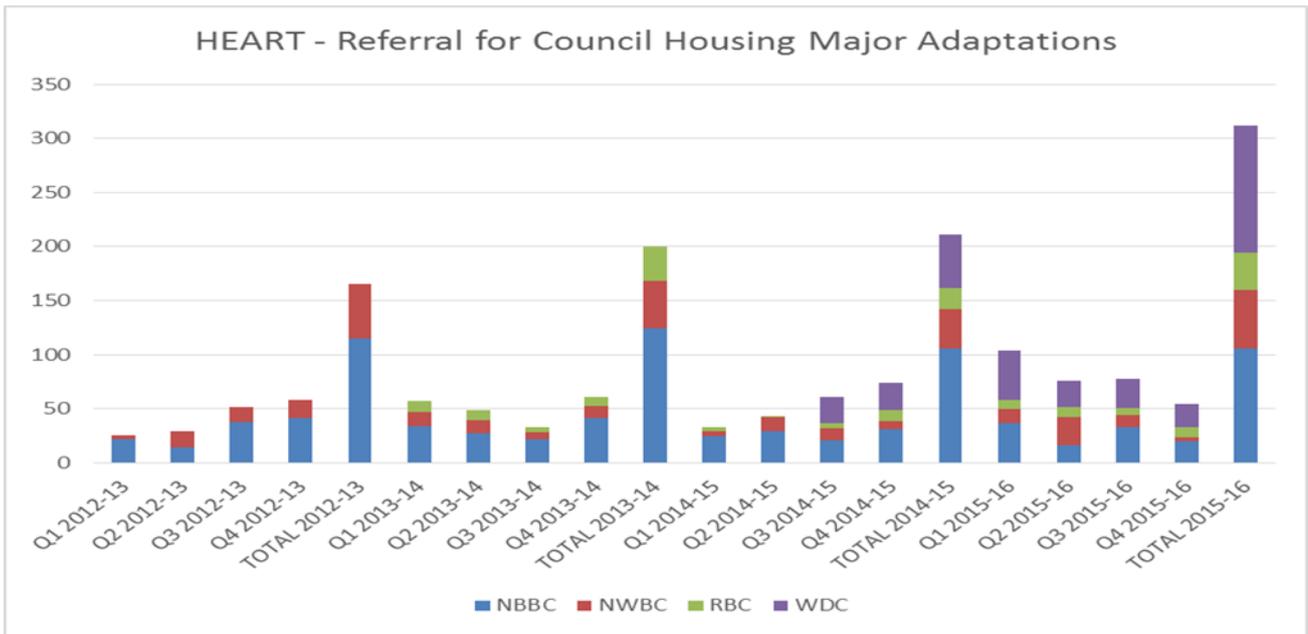


Table 8. Number of DFG Approvals

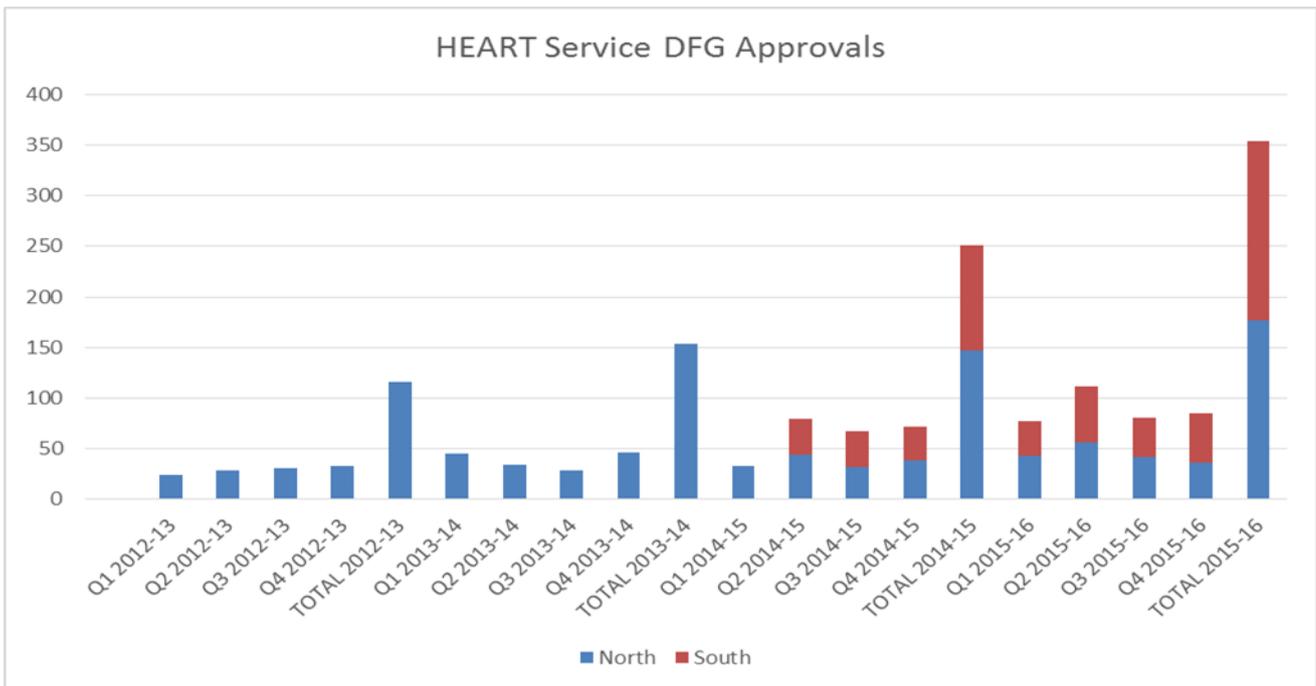
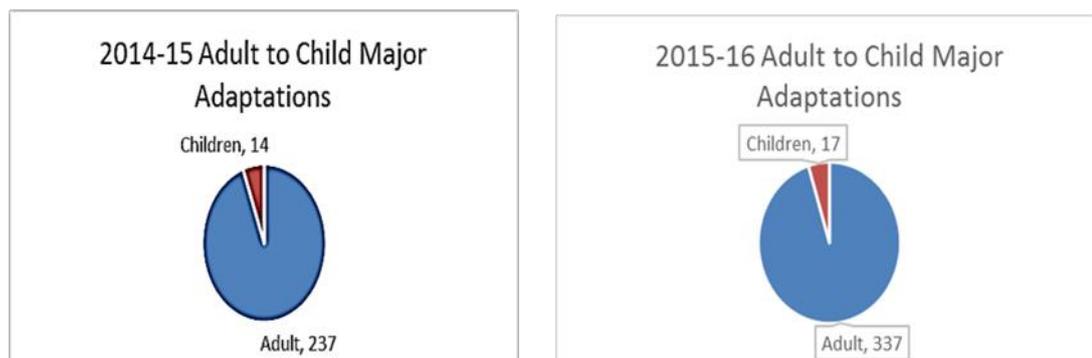


Table 9 & 10 Number of Children & Young People Major Adaptations



5.2 Enquiry to Completion of DFG works

The following tables show the performance of HEART in relation to DFG funded major adaptations, and then how the service is comparing with other Local Authorities. It has always been difficult to undertake benchmarking as service provision is different across England and there is no national data set, but the data clearly shows the progress made in Warwickshire.

Table 11 End to End Time Trend for DFG funded Major Adaptations

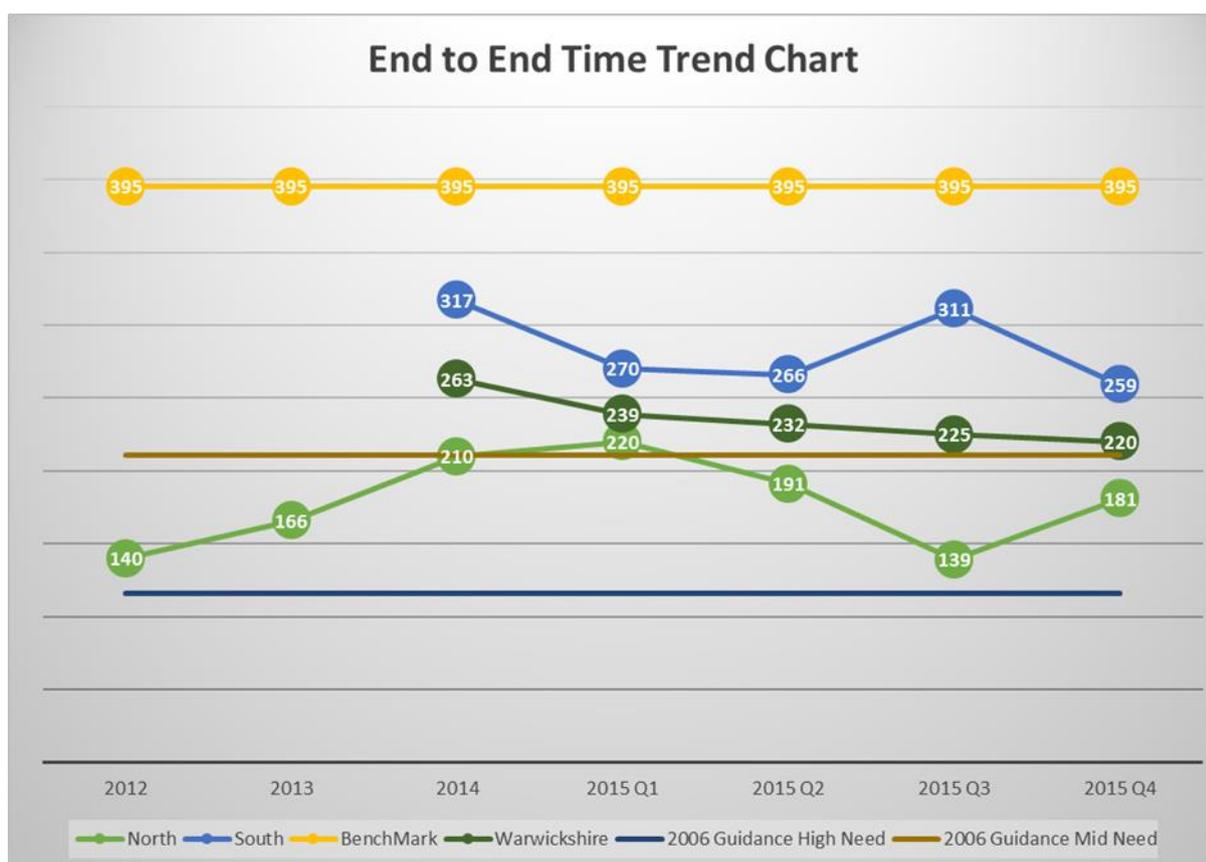
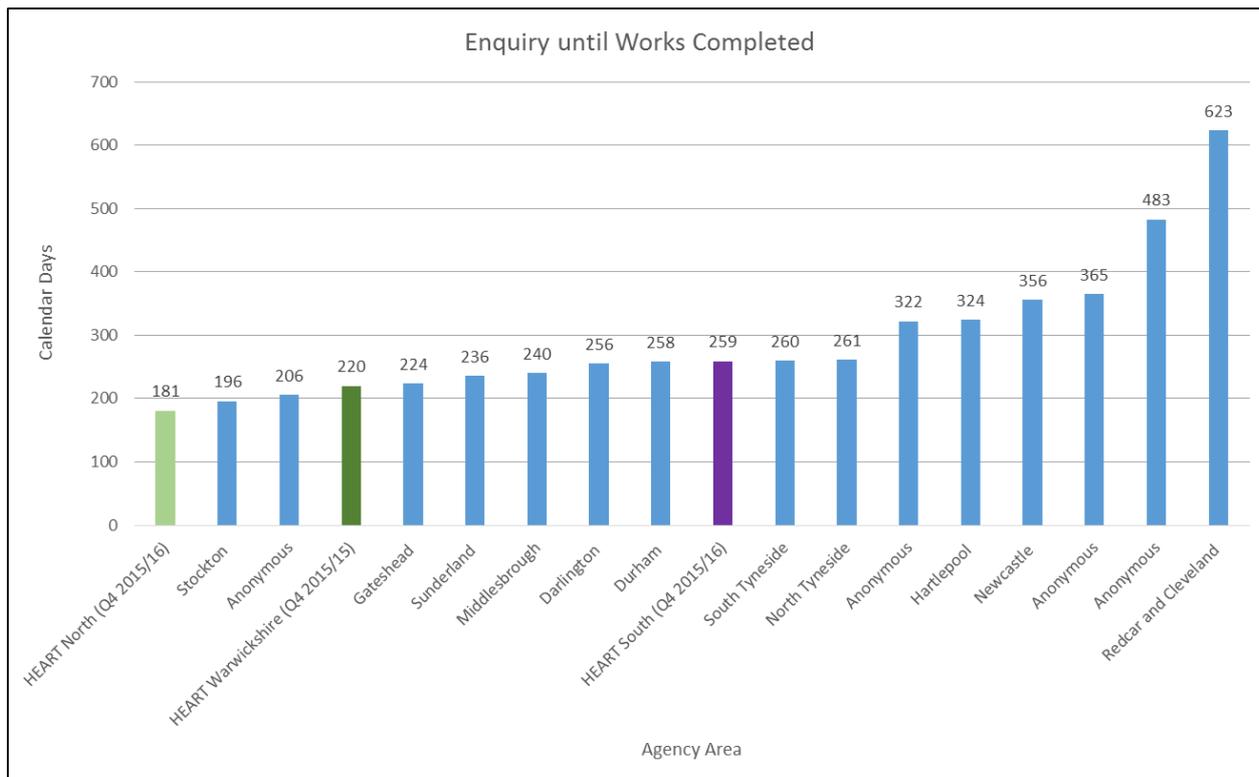


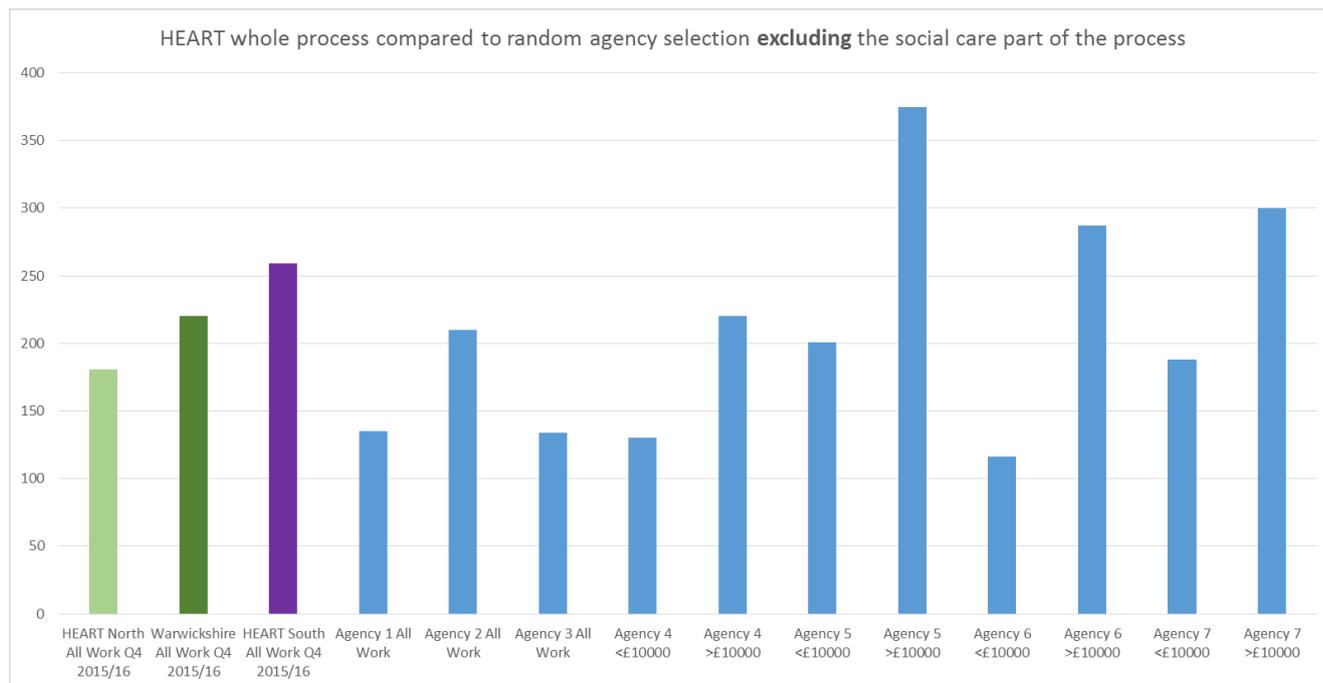
Table 12 a. Benchmarking Information on other Local Authorities – Whole Process



5.3 Table 12a.shows HEART performance compared to a number of unitary authorities responsible for both Housing and Social Care. The chart demonstrates that Warwickshire has developed a system that can perform well when compared to authorities with a structural advantage.

Additionally, in Warwickshire we have achieved an improved service able to continuously improve performance across 6 different local authorities in a two tier structure. This demonstrates the benefits of the integrated approach that has been developed and the shared oversight of the service.

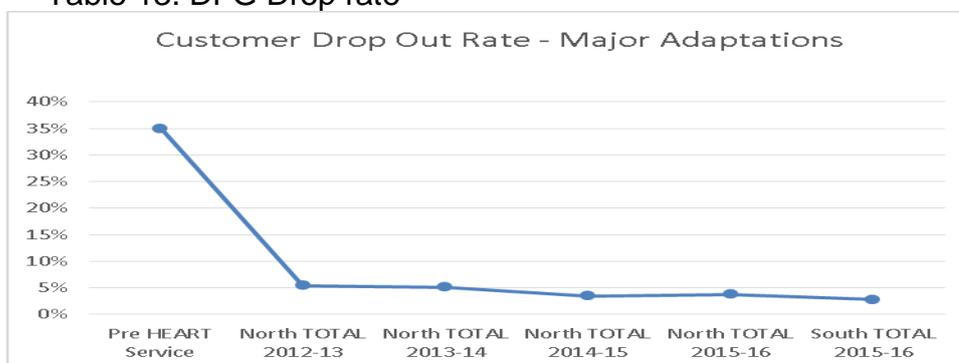
Table12b. HEART Whole Customer Journey vs. Traditional DFG System which Excludes Adult Social Care



Source of Agency information is Foundations.
Identity of LA 1-7 and County not authorised for publication.

5.4 Table 12 b shows HEART performance (i.e. whole customer journey) against authorities that only measure low cost and high cost jobs from the time the agency received the referral. The other authorities have not included the time taken at the front end of the process of the OT assessment within adult social care. Our experience, from the initial review, suggests that the journey through social care is on average 125 days, which needs to be added to the other authorities in the table below.

Table 13. DFG Drop rate



5.5 Not only does a low drop out rate benefit the customer, it benefits the organisations as they do not have such a high amount of waste work.

5.6 Table 14. Customer Outcomes

Care Act Outcomes	Outcomes applied to HEART	2015-16 Total (3 Quarters)
1. Managing and maintaining nutrition.	Able to prepare drinks/food.	1
2. Maintaining personal hygiene.	Provision of facilities (modified/new). Maximise ability in activities of daily living. Maintaining dignity and respect.	225
3. Managing toilet needs.	Able to use the toilet.	116
4. Being appropriately clothed.	Able to dress /undress.	105
5. Being able to make use of the home safely.	Able to use existing facilities within the property. Able to access principal rooms within the property.	368
6. Maintaining a habitable home environment.	Improved condition of the property. Provide comfort security & safety.	0*
7. Developing and maintaining family or other personal relationships.	To reduce isolation, maximise ability. To maximise participation in family roles and work and social activities.	63
8. Accessing and engaging in work, training, education or volunteering	Facilitate working from home.	0*
9. Making use of necessary facilities or services in the local community including public transport, and recreational facilities or services.	Able to go in/out of property to access home. Garden, community.	0* 27
10. Carrying out any caring responsibilities the adult has for a child.	To minimise risk to person, carer or relative.	0*

*The "0" indicates no report functionality at the current time

5.7 Table 15. Average Cost of Major Adaptations

Average Cost of DFG	North	South	Pre Experiment Benchmark
2012-13	£6,422.00	No data	£7,396
2013-14	£6,859.00	No data	£7,396
2014-15	£6,102.00	£7,674.00	£7,396
2015-16 to Q3	£6,085.00	£7,389.00	£7,396

6. Business Requirement

6.1 To deliver the HEART service:

In Scope

The HEART Service Matrix detailed in Appendix 2, and a shared service agreement between all the councils.

Out of Scope

There is the future opportunity for all or some of the “out of scope” additional or service enhancements to be brought in to scope should circumstances and funding allow.

6.2 The Business case has considered a number of options to deliver the change and realise the benefits. The options considered are:

6.2.1 Revert to Original Service

This is not considered viable as an option because of:

- The progress over time of becoming an integrated service.
- It is a difficult area to ‘change direction’ in due to the number of stakeholders.
- The positive results to date indicating sustainable improvement progress.
- The development of a Housing Assessment Officer (HAO) role incorporating the skills of an OT Assistant and a Housing caseworker.

6.2.2 Shared Service with a Lead Authority via a contractual arrangement (section 101 (5) Local Government Act 1972)

This is the preferred option as it has:

- Democratic accountability and transparency.
- Joint oversight and equal governance between councils.
- Trusted and well understood approach – already employed between Councils.
- Pooling of control and risks.
- Existing local government financial arrangements and benefits remain in place.
- Empower the Host to act through the Partnership to provide the service. (Sections 101, 111 & 113 of the Local Government Act 1972, Section 19 & 20 of the Local Government Act 2000, and section 1 of the Localism Act 2011).
- Unlikely to present difficulties with the European Union Procurement Regime.

6.2.3 Teckal Company (wholly owned)

This type of arrangement has limited risk transfer and commercial governance, finance rules apply – accounting and taxation.

6.2.4 Charitable Trust

Financial benefits come with charitable status but commercial governance, finance rules apply.

6.2.5 Staff Mutual

Private sector joint venture, commercial governance, finance rules apply but profit drive of the profit sector organisation may create tensions.

6.2.6 Social Enterprise

Transfer to staff mutual Securing but employee leadership can be difficult – without appropriate leadership, the new business will not get off the ground nor prosper if established.

6.3 The Shared Service with a Lead Authority via a contractual arrangement (HEART service) brings additional benefits:

- It is a distinctive way of providing housing solutions which can't be replicated in the voluntary sector
- A key element of not fully outsourcing (e.g. to a voluntary sector agency) is the flexibility for us to change and develop the service as it is within Council's direct control as a pose to outsourced to specified (and potentially inflexible) contract. This model brings freedoms that are not possible in some of the other models.
- Have an in depth awareness and knowledge of local systems, policies and procedures.
- Are familiar with documentation.
- Have established professional relationships with a large number of agencies.
- Have a proven track record of delivering high quality interventions.
- Foster a quality workforce.
- Will provide a maintained, resilient and managed service because there are a number of practitioners with the capabilities and competencies available to cover (back up) as when/needed e.g. annual leave, sickness etc.
- Will ensure services are compliant to the statutory requirements of the Care Act 2014 and Housing & Regeneration Act 1996 through delegation of responsibilities in the shared service agreement.
- Will continue to work towards achieving the Outcomes in WCC One Organisational Plan 2014-18 and District & Borough strategic objectives.
- Will continue to drive the cultural change required to meet future service demands.

7 Objectives and Outcomes of the Proposal

7.1 The objectives of HEART are:

- Better customer outcomes by improving the customer experience.
- Dispel myths and 'traditional' thinking that Disabled Facilities Grant's take "forever".
- Utilise resources in an effective & efficient manner to deliver a quality co-ordinated service around the customer and carer.
- Promote effective working with in 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 Existing 'As Is'

The HEART north provision is based in Nuneaton and Bedworth Borough Council and is a single line managed team with agreed protocols in place. The south provision is in the project phase but is based within Warwick District Council. There is still commissioned HIA provision outside of the Borough and District Councils with AgeUK and Orbit at the present time.

7.3 To be (proposed)

The proposal is:

Shared Service Specification Statement	
Shared Service Vehicle	Host Authority with potential for Joint Committee.
Governance	Governance Board comprising senior managers from each partner. Single management team.
Host Authority	In principle Nuneaton and Bedworth Borough Council.
Functions to be provided by host	Where possible all organisational and support functions.
Support functions not to be provided by host	Specialist social care legal advice.
Spirit of partnership	Support and shared endeavour to improve and develop – avoid a contractor / commissioner relationship. Include Spirit Agreement or clause within partnership agreement.
Constraints	Each partner will not receive a disproportionate financial risk. WCC staff to be within a single management structure. Joint committee would be delegated the relevant powers from each local authority. Service to deliver options 1 to 6 in the Housing Service Matrix. Option to expand the services within the shared service e.g. from the second page of the Matrix. Need to keep this option open in the agreement. Ability to trade is not important at this stage. Competence and capacity assessment necessary from host organisation.

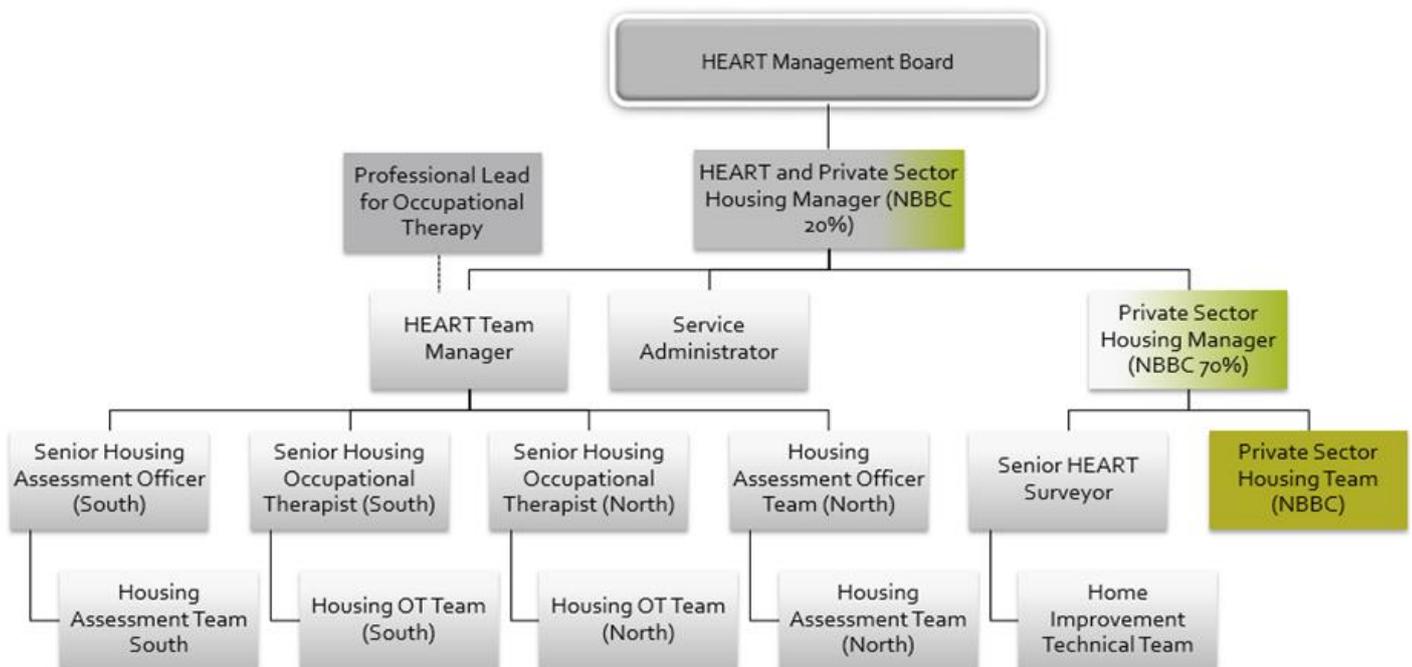
7.4 Governance

The partners have established a Management Board which will be further enhanced with appropriate terms of reference.

1. The Management Board shall consist of the Authorised Representatives of each of the Councils or their authorised substitutes.
2. 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 (in accordance with Section 25) any disputes or differences that arise between the Councils concerning the interpretation and effect of any of the provisions of this Agreement.

7.5 HEART Service Structure

The structure of the service has been designed to take in to account a whole of Warwickshire service with teams located within the north and south.



7.6 Human Resources

For staff already employed by one of the 6 organisations in the current services a secondment of 2 years is the preferred and agreed option within the management board. The benefits are:

- Staff retain links with their existing employers.

- Provides a mechanism for multi-agency working.
- The host organisation has no employer liability for the partner organisations employees.
- Staff are able to maintain their HCPC registration requirements including CPD through the established mechanisms set up by WCC. (NB Occupational Therapist is a protected title with the Healthcare Professions Council and registration every two years is mandatory, without this it is illegal to practice as an OT).
- Staff have access to clinical supervision & training without the need to make alternative arrangements within the host organisation.

The staff would be seconded on their existing terms and conditions (unless they were being seconded into an entirely different role), and would be hosted and line managed by NBBC.

The staff would be able to undertake their organisations functions and another authority's functions under the agreement. There are specific provisions in the Local Government Act 1972 (sections 112 and 113) to enable this to happen, so local authorities can create partnerships and shared services with each other and other public bodies, such as NHS bodies.

For those staff not employed by one of the organisations appropriate employment procedures would need to be considered either through a TUPE arrangement or through direct and fixed term employment.

The structure enables other functions to be undertaken should it be required, and has the potential to expand and take on additional services either countywide or at a locality level depending on the different needs of the partners.

7.7 Products and Costs

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 2.

8 Financial Considerations

8.1 The HEART service will operate 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 partners general fund cost including the associated on costs.

8.1 The host will:

- Hold the budgets for the pooled parts of the service. This will include the new posts in the structure, and will also contain the hosts' share of the budget.

- Other authorities will pay to host the contributions determined for this part of the overall service, in a timely fashion to be agreed.
- The host will also pay into this service their contribution.
- The pool cost centre will have a net budget of zero.
- Any overspend / underspend will be subject to the agreed rules on overs and unders.
- 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.

8.2 Reporting

All partners will be required to submit a quarterly return of full costs to the host to enable the full picture of the shared service to be brought together. A timetable for the submission of returns will need to be prepared and adhered to, to enable the upwards reporting and management of the service by the project manager and Board.

8.3 Management

All partners will require an officer responsible for authorising and forecasting on spend against the shared service that is incurred in their authority.

This should ideally be the officer who is then sitting on the HEART Board, as this keeps clear lines of accountability.

The board receives monthly reports on the overall financial position, with reasons for variances and recommendations for management action.

The final budget structure and first year budget would form part of that agreement and would make clear exactly which costs resided with which partner and how this translates into contributions on the shared service.

Service Budget

The service budget for HEART is set out in the table below.

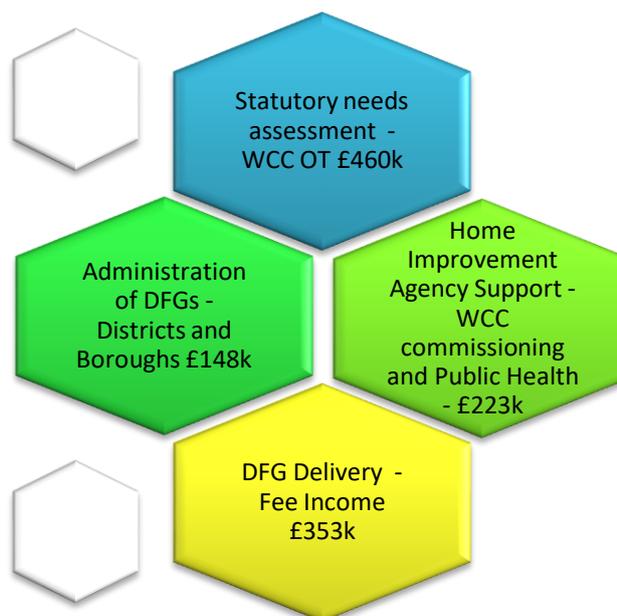
HEART SERVICE BUDGET	2016/17
Staffing	£ 1,024,310
Running Costs - e.g. training / travel etc	£ 33,860
Support Costs	£ 30,000
Sub-Total	£ 1,088,170
Additional Revenue costs of 16/17 additional capital grant	£ 97,073
Total	£ 1,185,243

The 2015/16 cost of these services countywide was £1,122,566. This was based on the DFG for that year, and should be compared with the total cost of HEART before the additional revenue costs for 2016/17 (£1,088,170).

The additional costs for 2016/17 have been added to structure presented in the report to deliver the additional capital which has been agreed through the BCF. The exact utilisation of this revenue will be determined by the HEART Board.

Contributions to HEART

How the budgets fit together:



Partners have agreed that the County will continue to pay for the Occupational Therapy input into the service and to make the same contributions to the home improvement agency aspect of the service. These are countywide allocations. The Districts and Boroughs contributions will be aligned to activity. Initially capital budget will be used as a proxy for activity as it is a good indicator of levels of work.

The capital grant and local capital allocations to be used by the service are as follows:

Council	DFG Capital Grant	Local Capital	Social Care Capital Grant	Total	%
Nuneaton and Bedworth	£ 608,192	£ 191,808	£ 260,012	£ 1,060,012	33%
North Warwickshire	£ 296,156	£ 3,844	£ 123,766	£ 423,766	13%
Rugby	£ 274,508	£ 75,492	£ 109,205	£ 459,205	14%
Stratford	£ 373,165	£ -	£ 144,567	£ 517,732	16%
Warwick	£ 373,058	£ 179,000	£ 155,487	£ 707,545	22%
Total	£ 1,925,079	£ 450,144	£ 793,036	£ 3,168,259	100%

As well as the DFG Capital Grant there is local capital, which is capital resources districts and boroughs have chosen to add to increase the pool of available funding, and half of the Social Care Capital Grant that has been awarded as part of the Better Care Fund. This was formerly a separate grant allocated to Upper Tier authorities. It has now been brought together with the Disabled Facilities Grant in the Better Care Fund. The guidance on this funding is clear that there should be a joint plan between all Better Care Fund partners on its' usage. For 2016/17 it has been agreed that half of the allocation for the Social Capital Fund should be allocated to Disabled Facilities Grants and therefore that is what is included above. Allocations for future years will be subject to further discussions.

The percentages of overall capital works, are used to allocate the costs of the service for DFG administration (costs which cannot be recouped through fees) to the districts and boroughs.

The funding for the service would therefore be split between partners as follows:

Council	Revenue Contribution	% of contribution	Contribution from Fees (12.5%)	Total
Nuneaton and Bedworth	£ 49,574	33%	£ 132,501	£ 182,076
North Warwickshire	£ 19,819	13%	£ 52,971	£ 72,789
Rugby	£ 21,476	14%	£ 47,401	£ 68,877
Stratford	£ 24,213	16%	£ 32,358	£ 56,571
Warwick	£ 33,090	22%	£ 88,443	£ 121,533
Sub-Total	£ 148,173	100%	£ 353,674	£ 501,847
Warwickshire CC - OT	£ 460,455			£ 460,455
Warwickshire CC - Strat Comm	£ 187,092			£ 187,092
Warwickshire CC - Public Health	£ 35,850			£ 35,850
Total	£ 831,569		£ 353,674	£ 1,185,243

Spend on capital by borough can vary up or down, and the cost of the service to each council would vary with that. Decisions to spend more or less on capital will affect both the staffing levels of the service and the individual allocations.

For example if Authority A increased their capital spending to be 50% of the total capital being utilised, their revenue contribution would also increase to 50%. If additional staffing was needed for the service, this would increase the overall amount being distributed, and therefore would not necessarily result in lower cash contributions from other partners.

Adjustments will be made annually, according to planned activity. The actual splits of activity will be monitored by the board, to ensure that income is being maximised and that resources are in line with activity.

These principles will apply to all years of the agreement, and costs and allocations will vary with activity as set out above.

9. Benefits and Outcomes

9.1 Expected Benefits and Outcomes and KPI's

Expected Benefits and Outcomes	Key Performance Indicators (KPI's)
<p>Promote & maintain independence in a safe and secure home environment: Enabling customers to maximise their potential and live in their chosen home environment by promoting customer independence, choice and control and improved support for informal carers to safely carry out their role.</p>	Customer Outcomes

<p>Quality service for customers and carers: Right person at the right time with the right solution</p>	<p>Compliments Complaints Customer satisfaction survey</p>
<p>Skilled workforce: Promote and instil behaviours to provide high quality and compassionate interventions. Creates a competent work force that can cope with complex customer / carer needs. Provide learning and development opportunities. Improve staff retention by helping career progression.</p>	<p>Number of staff who gain / maintain competencies. Staff turnover numbers. Sickness levels</p>
<p>Prevention: Preventing hospital or residential admissions, delivering better outcomes and more effective and efficient solutions. Reduce, delay or prevent the need for residential placements. Better housing conditions.</p>	<p>Number of Council & DFG Major Adaptations End to End times for the provision of Major Adaptations Number of Enquires & Assessments Number & types of interventions delivered Drop-out rate WEMWBS mental wellbeing measurement scale Companionship scale Physical Activity measure</p>

10. Risk Assessment (RAIDD)

10.1 Risks (what could happen)

- Limited support for the continuation of the proposed HEART service, which would result in destabilisation of the current service provision.
- Challenge from non-public sector organisations, which are currently providing aspects of the HIA provision, this could result in fragmented service across the county.

- The reduction in DFG funding which would result in unmet demand and potentially an increase in care packages and residential placements.

10.2 Issues (is happening now)

Concerns about future revenue and capital funding.

10.3 Assumptions

All existing funding sources will be committed to the HEART service.

Resources from non-public sector organisation will transfer into HEART.

10.4 Dependencies

Reliant on support from all Partners Strategic Commissioning, District & Borough councils, Public Health and Adult Social Care & Support.

11. Key Milestones / Time Scales

1. Business case approved by all Partner authorities.(May to July 2016)
2. Shared Service agreement signed. (August 2016)
3. Implementation Plan deployed to continue with HEART (September 2016)
4. Staff consultation within HEART and with the non-public sector organisations (August / September 2016)

12 Decisions (recommendations)

1. To acknowledge the achievements and benefits to-date that the HEART service have delivered and its future potential to enable people to live as independently as possible in an accessible, safe and secure home.
2. To deliver the service specification in the Housing matrix with the option of the development of enhanced elements.
3. The service to be hosted by Nuneaton and Bedworth Borough Council who will commission specialist services e.g. legal support from other authorities if required.
4. To incorporate the private sector housing function of Nuneaton & Bedworth Borough Council into HEART service structure to minimise disruption within the host.
5. To create and sign up to a shared service agreement with the option for Local Authorities to join at a later point.
6. To continue to invest in HEART – WCC, Public Health & 5 District & Borough Councils.
7. To agree a risk sharing and benefits model to ensure the host authority or other authorities do not receive a disproportionate financial risk.



Home Environment Assessment & Response Team

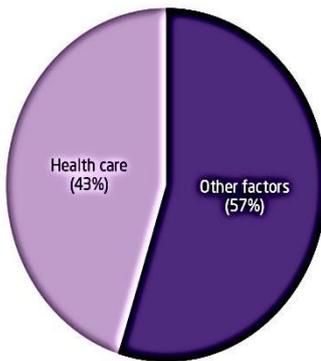
HEART: Helping you Live Independently at Home

APPENDIX 1:

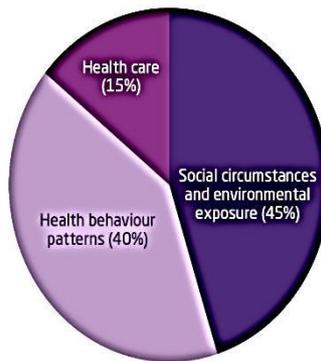
The importance of public health

Our health is determined by our genetics, lifestyle, the health care we receive and our wider economic, physical and social environment. Although estimates vary, the wider environment has the largest impact.

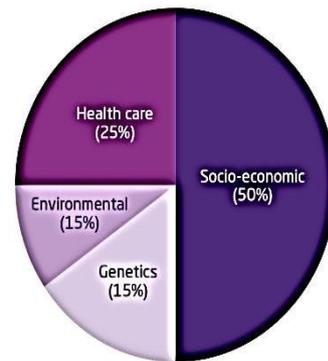
Bunker et al (1995)



McGiniss et al (2002)



Canadian Institute of Advanced Research (2012)



Assessment		Interventions		
<p>Contact Enquiries - what are people accessing the service for?</p>	<p>Specialist Assessment</p>	<p>Information and Advice.</p>	<p>Direct Provision- (includes contracted service) (NET – Care Act 2014 National Eligibility Threshold)</p>	<p>Supported provision - by an external provider (to the service).</p>
<p>Request type 1. Request for information on adapting property</p>	<p>Housing Environment Assessment which consists of: Section 1 Person's ability to carry out Activities of Daily Living (ADL) skills. Personal care skills (washing and dressing).</p>	<p>Specialist knowledge provided through: Electronic - webpage Leaflets Verbal Local resources / services</p>	<p>Professional Support: Occupational Therapy (strategies and techniques) Technical (building) Activities of Daily Living Equipment - (NET eligible) Assistive Technology Equipment (NET eligible) Minor Adaptations (NET eligible): Grab rails / Stair rails Ramp Door widening Social Housing equipment, adaptations and services e.g. lifeline –eligible and non eligible under NET.</p>	<p>Retail model through Integrated Community Equipment and Support Service (ICESS)</p>
<p>Request type 2. Request for assistance with adapting a property to meet personal needs</p>	<p>Preparing and managing food and drinks Accessing and using Facilities in the home (toilet, bed, chair, bath) Mobility around the home surroundings. Carer support</p>	<p>Identify & demonstrate ADL equipment and refer to Retail market</p>	<p>Major Adaptations(DFG criteria private and social housing): Level access shower Stair lift Room conversion Property extension Minor Property Works: Minor property repairs & alterations to property Secure gate/entrance Fix leaking pipes Fix guttering Install soy holes /locks/ key safes Major Property Works: Roof repairs Damp proofing Property insulation Install new boiler</p>	<p>Retail model through ICESS</p> <p>Referrals to Social housing and their building contractors</p> <p>Building contractors not procured by the service for bespoke work.</p>
<p>Request type 3. Request for financial or practical assistance through the Housing Authorities Housing Assistance Policies covering Improvements and repairs to owner occupied housing</p>	<p>Section 2 Housing Environment Conditions - (Category 1 or 2 Hazards) relating to: Temperature and damp Internal pollutants - e.g. Carbon monoxide Space, security and lighting Hygiene and sanitation Slips, trips and falls Safety of services, amenities and structure</p>	<p>Signposting - referral to other specialist services: Welfare rights Citizens Advice Bureau Wheelchair service GP Registered Social Landlords (RSL) Relevant local services Schemes or funding to improve housing e.g. energy efficiency schemes.</p>	<p>Visits with customers to social and private housing to determine whether the property will meet their needs. Housing Suitability Report and facilitating housing choices e.g. Extra care Completion of Application form / Support letter</p>	<p>Handy person (not procured by service)</p>
	<p>Section 3 Alternative Accommodation Assessment when there is a need to move home due to section 1 assessment.</p>	<p>Advice on what a house will need to provide to allow an individual to access the main facilities</p>		
	<p>Section 4 Housing Health and Safety Rating System Full House Assessment</p>	<p>Information on housing hazards under the HHSRS</p>	<p>Full property inspection and report on housing hazards. Assistance assessment in relation to public funds. Caseworker support to deliver improvements and reduction of hazards.</p>	<p>Building contractors not procured by the service for bespoke work. Private Sector Private Sector Enforcement</p>
<p>Request type 4. Home Safety Service</p>	<p>Section 5 Home Environment Falls Risk Assessment in relation to the person interacting in their home.</p>	<p>Information on personal and housing hazards when related to an older or disabled person.</p>	<p>Use of procured building contractors. Falls Risk Reduction Action Plan</p>	<p>Handy person not procured by service. Specialist services</p>
<p>Relevant request types 1, 2, 3</p>	<p>Section 5 Financial Assessment in relation to housing needs</p>	<p>Information on the access criteria for housing assistance</p>	<p>Test of resources assessments Identification and referral to benefit providers / assessors. Charity applications and support letters.</p>	

Options Assessments and Services		Proposed Interventions	
Enquiry Type	Assessment	Advice & Information	Supported provision - by an external provider (to the service).
Relevant request types	Service 1 Identify and co-ordinate property move	Information on housing options for older and disable people and practical advice on moving home	Direct Provision- (includes contracted service) Assessment identify housing options for client group. Provide practical assistance with moving property for those not able to do so, acting as an "agent". ¹
1.2.3			
Relevant request types	Service 2 Housing adaptation design with potential customers e.g. to construction companies.	Information of design criteria for adaptations.	Liaise with customers and designers / architects on design features to suit someone who is self financing adaptation work. Provide information to social and private developers.
1.2			
Relevant request types	Service 3 Identification and assistance with the marketing of adapted properties in the private sector.	Register and access to adapted properties through working with estate agents and web promotion of adapted properties.	Matching service to allow residents to seek already adapted properties that will meet or contribute to meeting long term needs. Accompanied visits.
1.2			
Relevant request types	Service 4 Medical Reviews for Social Housing Applications	N/A – refer to housing options	Assess conditions against allocations policy criteria.
Relevant request types	Service 5 Providing a pathway for the delivery of facilities for medical equipment at home e.g. dialysis areas, hygienic cleanable treatment areas.	N/A	Work with health services to deliver adaptations for customers who need them to facilitate treatment at home.
Relevant request types	Service 6 Screening for Health & Well-being: Nutrition - MUST Frailty Cognitive function	N/A refer to specialist web sites.	Assessment, screening, referrals and advice.

HEART Review - Executive Summary

The independent review of the HEART service was commissioned by the HEART Board to provide assurance (to the HEART Board, the Housing Board and wider partners on the Warwickshire Cares Better Together (BCF) Programme) that the HEART service has a robust work programme to deliver improved health and social care outcomes and maximise people's independence in their own homes.

HEART is a partnership service between Warwickshire Councils. The service provides advice and assistance to deliver disabled adaptations and home improvements to keep customer's homes safe, secure and warm. Caseworkers assess needs and housing conditions and provide tailored advice and support on a range of issues including:

- Home equipment and adaptations
- Housing conditions, repairs and safety matters
- Benefits, grants or loans for essential building works

The HEART service with the Disabled Facilities Grant can support the Better Care Fund priorities which can improve the following outcomes:

1. Reduce non-elective admissions
2. Reduce delayed transfers of care
3. Reduce permanent admissions to residential and nursing care
4. Increase the effectiveness of reablement

The Review Process

The review was conducted by an independent consultant and covered what was included in the review outline, scoped by Board, under 5 key lines of enquiry:

1. Demand: current and future
2. Service offer and capability
3. Process
4. Data and information
5. Leadership, governance and operational management

The methodology of the review included a desktop review of all relevant information, data and board papers, plus shadowing at the HEART board and several meetings with HEART staff.

Demand: current and future

The HEART review identified that demand has not been effectively managed, resulting in a waiting list of people waiting for an assessment. Lack of staff capacity has been identified as a contributory factor to the waiting list and funding for additional staff to alleviate this pressure has recently been approved by the HEART board. Staff and stakeholders have fed back, as part of the review, that they are concerned that there are vulnerable people waiting for an assessment.

Staff capacity challenges and the absence of an effective triage system has resulted in the current service not meeting current levels of demand, with a reported average 56 days wait for a home assessment visit.

Referrals to HEART have previously been processed in date order and there was an absence of an effective triage system to help identify and prioritise urgent cases. Duty and triage have been prioritised as urgent business by the HEART Board.

The absence of an appropriate IT system has contributed to demand not being met more efficiently. This has exacerbated the lack of consistency around demand figures reported to the HEART Board and has resulted in not being able to compare performance figures year on year.

Minor adaptations are fast tracked through direct issue because they are non means tested, as part of the Home Safety Grant scheme. More complex customers are required to wait for lengthy periods of time for a home assessment visit. Customers requiring a major adaptation face lengthy waiting times, delays in between DFG processes, which can result in cancellations, dropouts and lower DFG completion rates. Without an effective triage process, there is a high risk that the current ways of working are resulting in inequitable access to HEART services.

The review highlighted that there is no evidence of explicit reviews, against the outcomes framework, to verify whether customer needs had been met.

The review highlighted inconsistencies in the way in which the 'drop out' rate had been calculated. Changes to the parameter, had not been agreed by the HEART Board in advanced, resulting in a misplaced confidence in the representation of dropouts.

There is no strategy in place to improve the uptake of adaptations, both DFG eligible and fee-paying individuals.

The hospital discharge grant was identified as an option that can be used to meet demand, a non means tested option to support older or disabled people being discharged from hospital.

Most patients can be discharged safely from hospital without the adaptation in place on a temporary basis but that is not the case if the accommodation needs deep cleaning or decluttering due to the risk to the patient of falls etc.

Opportunities to further explore the use of hospital discharge grants for deep cleaning, hazard removal and urgent home repairs will be explored as part of the service improvement plan.

Service Offer and Capability

The review identified several areas which will enhance the HEART offer, these include:

- Putting the person at the centre with better communication and promoting choice – there is a need to develop better partnerships with health and social care, using strengths-based approaches and good conversations. It is recommended that HEART assessment forms are aligned with this new approach.
- Triage/prioritising - eligibility criteria is deemed unclear and inconsistent, it is recommended that the eligibility criteria for the HEART service is developed in a user-friendly version for customers and staff and volunteers, that illustrate the customer journey. Customers with more complex needs tend to wait longer, due to requiring a home assessment visit by an occupational therapist. There appear to be three sets of customers; self-funders, those assessed and eligible and those assessed and not eligible.
- Strength based approach using good conversations
- Collaborative working with partners e.g. Fire Service
- Better identification of need – through advertising services and use of JSNA insight
- Culture and policy changes - an indication was provided during the review that the HEART service was being used for housing suitability services. This is not a service HEART should be undertaking.

The review identified inconsistencies in approach given to customers and referrers, depending on the member of staff on duty, this also highlights inconsistencies in induction and training.

Stronger links are required with health and social care partners to ensure early identification and efficient management of customers who will benefit most from housing adaptations and interventions.

HEART needs to be promoted more amongst health, social care and the third sector.

It is imperative to improve the customer experience from the first point of contact through to completion.

Early intervention/prevention

Home safety grant – this has grown in success, from 11 orders in 17/18 to 588 orders in 18/19. Further consideration is needed to ensure there is ample staff capacity to process the increasing demand. The HEART board should consider linking Home Safety Grants with the Fire Service/Hospital Liaison. The home safety grant is non means tested and there was some feedback as part of the review that some HEART staff felt this should not be used by people who own their own homes. Training and guidance have now been issued to address this challenge.

A positive example of using the Home Safety Grant has been used to cover the costs of repairing stair lifts for customers when their 5-year guarantee expires.

Staff feedback

Staff fed back that their skills and expertise were not being used efficiently, either they were being asked to do tasks that another staff level could complete, or, they were being allocated customers that should have been supported by a more senior member of the team. It is recommended that staff capacity and skills need reviewing.

Staff also fed back that increased workflow was due to having to use a cumbersome IT system, which if streamlined, would release staff capacity.

The standard operating procedure was reported as not being fit for purpose, going forward it is recommended that both the induction process and standard operating procedure are reviewed and updated.

Recruitment and retention were identified as a challenge for the HEART service, holding vacancies and a delay between recruitment approval from Board and appropriate remedial action. Inconsistent terms and conditions remain a challenge with differences in local arrangements, resulting in inequity across roles.

It has become evident that whilst the ambition of the HACEP project is well intentioned (installing level access showers to customers who had previously had bath lifts, central heating for customer with no central heating and external wall insulation), it may have resulted in an adverse impact on staff capacity to deliver HEART core business, as they were required to spend time on the project, potentially resulting in an inequitable service offer, not based on need.

Process

The current processes at HEART are not optimised to enable flow through the service and this is evident given the number of customers waiting for a home assessment visit. Unclear processes, pathways and a lack of a suitable IT system has left staff feeling unable to work efficiently.

The review identified that a greater strategic oversight is required to develop pathways into HEART and to work more effectively with the third sector to avoid hospital admissions and facilitate hospital discharges.

The review identified a lack of an effective triage system. Referrals into the service are processed in date order, regardless of complexity, resulting in potentially vulnerable complex patients waiting longer than less complex patients. Since the start of the review, this matter has been given urgent attention and appropriate pathways are now being designed/developed.

The review reported concern that the HEART service is hampered by lengthy waiting times, cumbersome processes and unclear pathways. Induction and training is lengthy and the manual/standard operating procedure needs to be reviewed and updated, along with an appropriate ICT infrastructure to support.

Data and Information

The review highlighted that a disproportionate amount of time has been spent on producing figures for performance reports and that these data reports have been assessed as often incorrect, which has resulted in the Board making decisions on incomplete or inaccurate data. Moving forward, data functions need to be improved to ensure consistency and accuracy of performance reporting.

The HEART service does not actively use insight to target preventative services, for example the JSNA data can be used to target interventions or address inequalities.

The review identified that the 'drop out' calculation had been altered, which has resulted in a low percentage being reported. Going forward the HEART Board will need to review and agree the parameters of this calculation to ensure this is reported consistently in the future.

The current IT system and ways in which data is captured is not fit for purpose and there are multiple opportunities for error. The performance report development review, undertaken by Foundations in 2018 highlighted challenges around data extraction from Flare being incorrect and often require rerunning and management time to check their accuracy. A disproportionate amount of time is spent on producing performance report for Board due to the IT system.

The review highlighted that customer outcomes are 'assumed' (based on experience of what adaptations can achieve for customers but moving forward, more customer outcomes can be achieved working in a strengths based approach) via a matrix, rather than established, meaning unvalidated customer outcomes have been reported.

There is little evidence to suggest that data is used proactively to identify trends or forecast demand.

IT would benefit from a case management solution.

Leadership, Governance and Operational Management

The review highlighted perceptions of ineffective leadership from staff, Board members and stakeholders, suggesting this as a reason as to why the service is not fully meeting all of the objectives within the Shared Service Agreement.

Concerns were raised about low staff morale, due to a number of factors.

There should be a renewed focus on staff capacity and the structure required to meet demands.

Stakeholders fed back that the financial position of the service is unclear and greater transparency and accountability about spend is required. In addition, decisions about spending priorities in relation to the reserves is also required.

Outcomes and recommendations from the Performance Report Review carried out by Foundations in December 2018 have not been given adequate leadership focus, in particular the challenge around ICT infrastructure, systems, processes and case management. This delay has resulted in a disproportionate amount of management time being spent entering KPI data and staff are left feeling frustrated that the various IT systems do not support them to work effectively.

The review identified some internal leadership challenges, both in relation to the HOST organisation and the HEART service. More leadership time should be directed towards improving customer pathways, identifying blockages and causes, process mapping and developing a more efficient workflow and IT system. Internal leadership needs to be more present in both north/south office locations.

Staff fed back they do not feel there is a positive culture within the team. There were concerns from staff that there had been a recent investigation, which some staff were involved in giving evidence, however they had not been provided any feedback on the outcome and therefore, lack confidence that the matter had been effectively addressed.

Staff also fed back that their professional opinions and professional requirements/standards were not respected, because some instructions and directives could compromise their professional registration.

The review highlighted the need to produce an up to date, refocused business plan, which reflects the current issues of concern.

Much of the 'project' work has not been formally evaluated, nor sufficient evidence presented to Board to provide a strategic business case for such projects. It is recommended that for the foreseeable future, HEART 'core business', should be the focus of the Board and the staff team.

Since the start of the review, HEART staff have been more regularly consulted and communicated with, and this has been welcomed by the staff team.

The absence of suitable IT system coupled with the standard operating procedure/manual being out of date has resulted in staff feeling ill equipped and not confident in their roles.

Since the initiation of the HEART review, staff have reported an improved relationship with the Director of Housing and Communities.

HEART Board

Momentum is lost between Board meetings and there is a recommendation to increase the frequency of these meetings in order to retain a focus on continuous improvement. There needs to be a stronger strategic oversight and the effectiveness of decisions needs to be regularly monitored. Going forward, the Board should decide on the strategic priorities, agenda and monitor progress of the service improvement plan.

It has been acknowledged by Board members that there is a need for a structural and governance change and moving forward, it is imperative for business cases to be presented to the Board for full consideration and approval, as well as prioritising how reserves are spent. This will also allow for clarification as to whether the objectives of such business cases are aligned to those within the shared partnership agreement.

Financial position

The financial position of the HEART service requires clarity and transparency around underspend, reserves fee income and any surplus that had been agreed to return to partners.

Shared partnership agreement

It is recommended that the shared partnership agreement is reviewed during the improvement plan, to reintroduce some of the key principals and quality assurance.

Objective 1 – integrate housing and occupational therapy services to meet statutory requirements

To support a more effective integration of the service, there needs to be clearer pathways to ensure quality of services, information and advice, access and that better customer experience is achieved.

Staff feedback indicated that the role of OTs within HEART is not fully optimised and the shortage has resulted in delays before allocations or assessment home visits can take place. It is recommended that the capacity of OTs is increased so that statutory requirements are met in a timely manner.

Difficulty in resolving HR challenges around varied terms and conditions and pay needs a renewed focus, this will enhance the integration of housing and OT services.

Objective 2 – maximise customers potential within their homes and improve quality of life

This objective was identified as being partly met, due to pathways and processes requiring simplifying, with a more customer focused approach, in order to support customers meeting their full potential.

Objective 3 – reduce pressure on residential care, hospital and reduce care and support needs

Urgent improvements are required to make HEART a more responsive service as the waiting times for assessment and delays in DFG completion are compromising the aim of reducing pressure on more expensive placements. An analysis of why people drop out of the process may give further insight to improve service provision.

Objective 4 – to be proactive and avoid crisis situations for customers and carers

The review concluded that this objective is compromised because; the lack of an effective triage system to deal with urgent and complex referrals, the waiting list is not effectively managed, processes are not mapped to avoid blockages and joint working with other services that could support are underdeveloped. In order to resolve these complex service challenges, more proactive leadership is required with a renewed focus on customers.

Objective 5&6 – promote health and wellbeing, falls prevention, hypothermia, reducing hazards in the home

More evidence is required about how this objective has been met.

Hoarding has been identified as an increasing demand, however a better understanding around the challenges of this is required. The introduction of the Hospital Liaison Officer project will assist with this. It could also be considered as part of the Home Safety aspect of HEART, providing it is planned and resourced appropriately.

Objective 7 – prevent hospital admissions and facilitate timely hospital discharges

Further work is required to make more frequent use of the hospital discharge grant to avoid readmission.

Objective 8 – develop staff with skills and capabilities to provide intervention and achieve better outcomes for customers

This objective was judged as being partly met. Recent developments since the review, have been made to support improvement of staff performance, such as a renewed focus on induction and training.

Staff recruitment and retention continues to be a challenge, impacting on the service's ability to meet demand.

The quality of staff supervision requires monitoring and consideration needs to be given around who mentors new staff within the service.

Staff have fed back that complex cases are sometimes allocated to the Home Assessment Officers and they do not feel skilled or competent enough to assess or case manage. Improving recruitment and retention of OTs will support a resolution to this, along with the renewed focus on induction and training to upskill and increase confidence of the Home Assessment Officers.

Opportunities to further develop the role of the Hospital Liaison workers to support an improved transition to out of hospital.

The review highlighted outcomes are 'assumed' using a matrix which captures potential outcomes. Practitioners need to be implementing a more strength-based approach with customers which will be more focused on customer outcomes.

HEART Improvement Plan Summary	Start Date	End Date	Latest Status
Case Backlog from Covid			
Identify the Current Backlog - Complete	27/07/2020	28/08/2020	COMPLETE - new weekly reporting routines developed - further development work in progress
FLARE Data Cleansing	28/08/2020	30/10/2020	Ongoing activity, using the new data reporting routines.
Identify Urgent Cases	28/09/2020	30/10/2020	Ongoing activity, Triage Trial being implemented looking to see how the cases can be flagged on the Civica FLARE system so that urgent cases can be identified and reported on more easily.
Backlog Recovery Plan	28/09/2020	02/01/2021	This is dependent upon several issues, but mainly staffing levels within the team. Recruitment currently underway. A large number of cases have been impacted by Covid-19, due to non-availability of contractors/ limited access to homes etc.
Systems and Processes			
New Housing Assistance Management Software to Replace the CIVICA FLARE System.	21/09/2020	30/06/2021	Planning has started - Business case being developed for board on the 12/11/2020 - Option to go with the CIVIC CX Software already procured by Nuneaton Bedworth Borough Council - Timescales and Costs still to be worked up with suppliers and partners
Staff and Team Communications to be reviewed and enhanced where required - Complete	03/08/2020	17/09/2020	COMPLETE - 121 meetings set every 6 weeks, Team meetings set up on a regular basis. Occupational Therapists / Housing Assessment Officers / Housing Improvement Officer champions confirmed. Meeting held on the 14/10/2020 to discuss the role with the champions.
Conduct a 3Q's Staff Analysis to identify current issues that impact upon the service - Complete	26/08/2020	21/09/2020	COMPLETE - findings published and being used alongside the initial review to inform the continuous improvement activity - biggest issue being the need for a new software solution
Develop an appropriate priority Triage process for the HEART service.	01/09/2020	27/11/2020	Draft Procedure developed - Trial to be conducted in October and November. Staff Training and Reporting process being developed. See also 1.3 above for reporting.
MOSAIC (Warwickshire County Council's Social Care System) - Non - WCC Staff to start using MOSAIC for HEART client assessments	21/09/2020	27/11/2020	Staff meetings held week beginning 5/10/2020 to get full team feedback - Results confirm the move to MOSAIC use by the Non-WCC staff - Implementation plan to be developed by a working group.
Development of the Performance Reporting Process for HEART	31/08/2020	31/12/2020	Work in progress - Draft PowerBi dashboard report is now in development - will include backlog reporting, Budget reporting, run charts and trends etc.
Customer Satisfaction Survey - Feedback volume and it's use	01/09/2020	30/10/2020	Review the customer satisfaction survey taking in to account the DFG best practice guidance. Look at moving to 100% customer surveys instead of the current 20%
Improve Customer access to HEART service details	01/09/2020	30/10/2020	Working on getting "SARA" added to the HEART website in a prominent place, including a link through to relevant WCC web page. Helpful links pages to be added to the HEART web site.
Staffing			
Staff Vacancies	26/08/2020	30/11/2020	Current Vacancies - 2 x Duty Officers - 3 x Housing Assessment Officers, 1 x Housing Improvement Officer - Recruitment currently under way with the first interviews, week beginning 12/10/2020
Improvement Project Support Staff	26/08/2020	30/11/2020	Manager has submitted job profile to Human Resources for review. Back-fill will be required to support the new software implementation.
Relaunch the HR group to support the HR protocols across the partners to ensure agreement adhered to:	01/09/2020	31/03/2021	Timings to be reviewed and advised.
Promote the HEART Service	TBA	TBA	On Hold at present, Whilst Service capacity is reinstated

1 Summary

- 1.1 The report covers the revised budget for 2020/21 and an estimate of expenditure for 2021/22, together with forward commitments for 2022/23, 2023/24 and 2024/25.

Recommendation to the Board

- a To accept the revised estimate for 2020/21;**
- b To increase rent by 1.7% in 2021/22 in line with the social rent policy set by the government;**
- c To approve the proposed fees and charges for 2021/22 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 2021;**
- e To approve the service charges for window cleaning, as detailed in Appendix F, from April 2021; and**
- f To accept the Estimates of Expenditure for 2021/22, as submitted.**

2 Introduction

- 2.1 In consultation with other officers, the Corporate Director – Resources has prepared an estimate of net expenditure for 2021/22 and this, together with a revised budget for 2020/21, appears in Appendix A. To provide a more complete picture of the spending pattern of the service, the actual figures for 2019/20 are shown.

3 Comments on the 2020/21 Revised Budget

- 3.1 The revised budget for 2020/21 shows an expected deficit of £805,910; which is £94,880 worse than the approved budget deficit of £711,030. The main variations are given overleaf.

3.2 Management Services **£13,380**

3.2.1 The costs within Management Services have increased mainly due to increases in legal costs associated with the instigation of legal action against some tenants for particularly serious anti-social behaviour, including closing orders. In addition, there has been some additional software costs to enhance the services provided by the Tenancy Services team.

3.3 Garage Rents **£11,590**

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

3.4 Interest on Balances **£74,910**

3.4.1 The interest earned has decreased due to falling interest rates caused by Coronavirus pandemic and a small reduction in the level of balances held.

3.5 Gross Rents **(£12,260)**

3.5.1 There has been an increase in rental income due to a lower level of void properties and timing of Right to Buy sales and new build properties in Warton being let.

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 2020 was 0.7% (the appropriate month of the previous year, identified in the policy) plus 1%, which equates to the proposed rent increase from 1 April 2021 of 1.7%. The effect on this Authority's rent figures for 2021/22 is that the average rent increase will be £1.45 per week (1.7%), although individual rent changes will vary from increases of £1.19 to £2.38 per week.

4.3 The impact of the new rent policy has been built into the 30 year Business Plan detailed in Appendix H.

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5 Comments on the 2021/22 Estimates

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

- A 2% pay award from 1 April 2021;
- To adopt the government policy of CPI at September 2020 plus 1% equating to 1.7% for all rents;

5.2 The estimated balance on the Housing Revenue account at 1 April 2021 is £3,927,186, which is lower than the £4,029,274 anticipated in the original estimates. Looking in greater detail at the coming year, the budget for 2021/22 shows an expected deficit of £3,087,140.

5.3 Repairs Fund £138,360

5.3.1 The contribution to the Repairs Fund has been calculated with an inflationary increase of 2.5%, adjusted for the assumed sale of 30 Council houses and the addition of 10 new properties in Long Street/Coleshill Road Atherstone. In addition, there are increases in departmental support relating to an additional Maintenance Surveyor post and a part time Maintenance Support officer post increased to full time, previously approved by the Board.

5.4 Management Services £46,090

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

5.4.2 Internal Audit carry out work on a planned, rather than an annual basis. A charge has been included in 2021/22 to reflect planned work in the year. In addition, there is an increase in the Treasury Management recharge.

5.5 Debt Management £205,690

5.5.1 An additional £250,000 of borrowing will be repaid in line with the schedule of debt repayments. This is partially offset by a decrease in the interest payable on the debt outstanding, as the debt reduces.

5.6 Revenue Funding of Capital Expenditure £24,610

5.6.1 There has been an inflationary increase in the capital spending on new build schemes.

5.7 Revenue Funding of Capital Expenditure – Additional Spend £2,025,000

5.7.1 There has been an additional sum of capital expenditure included, relating to extensive works at Alexandra Court Flats, additional Electrical upgrade works, match funding for a bid to the Government's Green Homes Fund to install energy efficiency measures to council homes and an adaptation to property at Westwood Crescent Atherstone.

5.8 Interest on Balances £7,820

5.8.1 The interest earned has decreased further due to a lower level of balances held.

5.9 **Gross Rents** **(£166,940)**

5.9.1 There is an increase in Council house rental income to reflect the rent increase of 1.7% and the full year effect of the addition of 20 new build properties in Warton in 2020/21 and the 10 new build properties in Long Street/ Coleshill Road Atherstone. This has been partially offset by the expected sale of 30 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 50% of the current workload is completed by Housing Direct Works (see Appendix B).

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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 2021/22, along with the revised position for 2020/21, and these are attached as Appendix C.

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7.2 **Revised Estimate 2020/21**

7.2.1 Net controllable expenditure has increased by £152,940. The main changes relate to a fully staffed workforce completing more work inhouse, additional 0.75% pay award and an apprentice, totalling £76,150. In addition, there has been an increase in material costs and usage of £86,490 and a small increase in transport running costs. This has been partially offset by an increase in the work undertaken on the general fund and capital works of £14,900.

7.3 **Estimate for 2021/22**

7.3.1 The net controllable expenditure has increased by £62,000. Employee costs have increased with the effect of the pay award. Increases in supplies and services and transport 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.

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9 **Service Charges**

9.1 There is a requirement for service charges to be paid by those tenants who actually receive specific services. NWBC make 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 proposed for the cleaning of communal areas, to reflect the increase in expenditure anticipated. There is an increase in the window cleaning service charge to reflect an inflationary price increase allowed in contractor's 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 – 2021/22 to 2024/25

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.

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Management and Maintenance	5,666	5,770	5,883	5,995
Interest on borrowing	1,460	1,406	1,354	1,294
Repayment of borrowing	2,250	2,260	2,350	2,350
New Temporary Borrowing	-	(300)	(300)	-
Capital expend funded by revenue	2,607	2,924	2,876	2,925
Capital expend funded by revenue – additional spend	2,025	-	-	-
New Build	1,255	415	440	465
Total Expenditure	15,263	12,475	12,603	13,029
Income	(12,164)	(12,390)	(12,619)	(12,940)
Interest on Balances	(12)	(11)	(12)	(21)
Total Income	(12,176)	(12,401)	(12,632)	(12,961)
(Surplus)/Deficit on the year	3,087	74	(29)	68
Balance at 31 March	(840)	(766)	(795)	(727)

10.2 The figures show a decrease in level of balances at the end of 2024/25, 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 in particular 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 continue throughout the life of the plan;
- 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 the current level for the first 7 years then reduce to 15 dwellings per year of the plan;
- Rents will continue to increase at CPI + 1% in 2021/22 onwards.

- Total temporary borrowing of £11.450m between year 3 (2022/23) through to year 13 (2032/33) which can be repaid in years 14 (2033/34) to 17 (2036/37).

11.3 The expected position on the Housing Revenue Account at the end of the 30 years is a surplus of £63.719 million. This is after funding capital expenditure of £196 million, with £32 million of that funding set aside for new build schemes or other improvement schemes. Borrowing of £52 million will also have been repaid.

11.4 However the expected surplus is less than £10 million until the end of year 19.

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 from Universal Credit;
- 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;
- A reduction in 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;
- Asbestos removal is an ongoing cost pressure over the next few years until the full picture of the level of asbestos contained in council houses and the cost of removal is assessed.
- 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. It also urges Councils to build more homes and specifically refers to Government's action to remove the borrowing cap for this purpose.

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

...

12.3 Assuming a minimum working balance in the region of £750,000, the Council can continue with services at current levels over the next four years. However, the service will still need to demonstrate value for money and rent collection rates will have to remain at the current level.

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 must adhere to the limits on rent increases imposed under the Welfare Reform and Work Act 2016. The Council may not budget for a deficit in the housing revenue account.

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

HOUSING REVENUE ACCOUNT				
Actual	DESCRIPTION	APPROVED	REVISED	ORIGINAL
2019/20		BUDGET	BUDGET	BUDGET
		2020/21	2020/21	2021/22
		£	£	£
	EXPENDITURE			
27,122	Provision for Bad Debts (2% per anum)	229,690	229,940	233,270
	Repairs Fund			
288,009	Departmental Support Services	282,450	282,450	349,030
170,710	Central Support Services	188,990	188,990	192,310
2,742,231	Contribution to Fund	2,747,050	2,750,830	2,819,290
	Management			
607,258	General Administration	597,060	597,600	605,090
280,607	Housing Registration & Lettings	271,640	271,370	297,740
367,570	Tenancy & Estates Management	363,000	382,790	377,160
346,793	Rent Collection & Arrears	346,120	339,830	352,490
44,609	Tenant Participation	49,640	44,640	50,470
9,235	New-build properties	11,160	15,150	14,190
318,063	Flats & Communal Centres	342,210	342,060	342,320
17,182	Laundries	17,690	18,410	18,220
16,286	Cesspools and Management of Shops	14,680	14,730	14,990
	Debt Management			
1,538,849	Interest on Loans (as per Business Plan)	1,503,920	1,503,920	1,459,610
1,750,000	Revenue set aside (as per Business Plan)	2,000,000	2,000,000	2,250,000
(725,708)	Allowable Debt from Reciepts	(890,390)	(863,950)	(862,020)
-	RTB Receipts income	-	-	-
	Capital			
2,936,924	Revenue funding of capital spending on existing stock	3,497,610	3,471,170	3,468,930
	Revenue funding of capital spending on existing stock - Additional spend	-	-	2,025,000
1,206,330	Revenue funding of capital spending on new build	1,230,460	1,230,460	1,255,070
11,942,070	Gross Expenditure	12,802,980	12,820,390	15,263,160
	INCOME			
46,530	Service Charges - Leaseholders	41,880	39,950	39,950
24,675	Service Charges - Window Cleaning	23,690	22,130	23,100
42,485	Service Charges - Cleaning & Caretaking	44,390	44,300	45,500
280,075	Garage Rents	301,450	289,860	289,860
100,108	Shop Rents	101,070	101,420	101,670
105,200	Interest on Balances	94,970	20,060	12,240
85,922	Pensions reserve	-	-	-
11,299,396	Gross Rents (less voids Rev 1.05% Orig onward 1%)	11,484,500	11,496,760	11,663,700
11,984,391	Gross Income	12,091,950	12,014,480	12,176,020
(42,321)	(Surplus)/Deficit for Year	711,030	805,910	3,087,140
(4,690,775)	Revenue Fund balance at start of year	(4,740,754)	(4,733,096)	(3,927,186)
(4,733,096)	Revenue Fund balance at end of year	(4,029,724)	(3,927,186)	(840,046)
127	Average no. of properties (other)	137	137	152
2,518	Average no. of properties (other)	2,463	2,478	2,437

Appendix B

HOUSING REPAIRS FUND

£

Balance at 1 April 2020	867,205
Contribution 2020/21	3,222,270
Expected Use of Fund - Housing Direct Works	(1,538,200)
Expected Use of Fund - Other Contractors	(1,212,630)
Expected Use of Fund - Departmental and Central Support	(471,440)
Balance at 1 April 2021	867,205
Contribution 2021/22	3,360,630
Expected Use of Fund - Housing Direct Works	(1,601,920)
Expected Use of Fund - Other Contractors	(1,217,370)
Expected Use of Fund - Departmental and Central Support	(541,340)
Balance at 1 April 2022	867,205

Appendix C

1500 - 1507 - HOUSING DIRECT WORKS				
DESCRIPTION	ACTUALS	APPROVED	REVISED	ORIGINAL
	2019/20	BUDGET	BUDGET	BUDGET
		2020/21	2020/21	2021/22
Employee Expenditure	720,321	754,240	830,390	879,280
Supplies & Services	336,501	310,820	397,310	405,110
Transport	87,407	85,140	90,340	96,110
GROSS EXPENDITURE	1,144,229	1,150,200	1,318,040	1,380,500
GROSS INCOME	(24,989)	(7,720)	(22,620)	(23,080)
NET CONTROLLABLE EXPENDITURE	1,119,240	1,142,480	1,295,420	1,357,420
Departmental Support	145,768	137,330	137,330	137,150
Central Support Services	101,665	101,830	101,830	103,730
Capital Charges	-	3,620	3,620	3,620
Net Costs to Repairs Fund	1,366,673	1,385,260	1,538,200	1,601,920

NORTH WARWICKSHIRE BOROUGH COUNCIL**HOUSING****FEES AND CHARGES FROM 1 APRIL 2021**

	2020/21	2020/21		2021/22	2021/22	
	NET	NET	VAT	NET	NET	VAT
	CHARGE	CHARGE	RATING	CHARGE	CHARGE	RATING
	£	£		£	£	
COMMUNAL CENTRES						
	Voluntary	Private		Voluntary	Private	
	Groups			Groups		
Communal Centres						
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	"
Purpose Built Community Centres						
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	"
Multi-Purpose Centres						
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	"
	NET	VAT	TOTAL	NET	VAT	TOTAL
	CHARGE	RATING	CHARGE	CHARGE	RATING	CHARGE
			20% VAT			20% VAT
	£		£	£		£
GUEST BEDROOMS						
Per night	1.00	Exempt	1.00	1.00	Exempt	1.00
Per week	7.00	"	7.00	7.00	"	7.00
ALLOTMENT RENT						
Waverton Avenue, Warton	3.20	Exempt	3.20	3.30	Exempt	3.30
GARAGE PLOTS						
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
COUNCIL OWNED GARAGES						
NWBC council house tenants	7.08	Exempt	7.08	7.08	Exempt	7.08
Others	7.08	Incl. VAT at	8.50	7.08	Incl. VAT at	8.50

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)
	2020/21	2020/21	2021/22	2021/22
	£	£	£	£
Alder Court and Heather Atherstone	95.04	1.98	97.83	2.04
Alexandra Court, Atherstone	95.04	1.98	97.83	2.04
St Benedicts Close, Atherstone	95.04	1.98	97.83	2.04
Welcome Street, Atherstone	95.04	1.98	97.83	2.04
Arden Forest Estate, Ridge Lane	95.04	1.98	97.83	2.04
Church Road/Long Street,Dordon	95.04	1.98	97.83	2.04
Chancery Court, Chapel End	95.04	1.98	97.83	2.04
Gramer Court, Mancetter	95.04	1.98	97.83	2.04
Monument View/Sycamore Ave Polesworth	95.04	1.98	97.83	2.04
Abbey Green Court, Polesworth	95.04	1.98	97.83	2.04
Jubilee Court, Kingsbury	95.04	1.98	97.83	2.04
Drayton Court, Hartshill	95.04	1.98	97.83	2.04
Eastlang Road, Fillongley	95.04	1.98	97.83	2.04
Hudson/Wall Avenue, Coleshill	95.04	1.98	97.83	2.04
Digby Road & Clinton Road, Coleshill	95.04	1.98	97.83	2.04
George Road, Water Orton	95.04	1.98	97.83	2.04
Church Hill Coleshill	95.04	1.98	97.83	2.04

Proposed Window Cleaning Charges per Fortnight from April 2020

Appendix F

Name of Scheme	Cost Per Property	Cost per Week (48)	Cost Per Property	Cost per Week (48)
	2020/21 £	2020/21 £	2021/22 £	2021/22 £
Alder Court and Heather Atherstone	39.78	0.83	40.58	0.85
Alexandra Court, Atherstone	27.82	0.58	28.37	0.59
Coleshill Road Atherstone	45.90	0.96	0.00	0.00
Long Street Atherstone	48.45	1.01	0.00	0.00
St Benedicts Close, Atherstone	33.15	0.69	33.81	0.70
Welcome Street, Atherstone	54.40	1.13	55.49	1.16
Arden Forest Estate, Ridge Lane	31.88	0.66	32.51	0.68
Church Road, Dordon	57.50	1.20	58.75	1.22
Long Street, Dordon	55.08	1.15	56.18	1.17
St Leonards Close, Dordon	39.60	0.83	40.39	0.84
Chancery Court, Chapel End	47.08	0.98	48.02	1.00
Gramer Court, Mancetter	37.40	0.78	38.15	0.79
Joseph Cadman Court	45.90	0.96	46.82	0.98
Monument View/Sycamore Ave Polesworth	54.00	1.13	55.08	1.15
Abbey Green Court, Polesworth	35.70	0.74	36.41	0.76
Jubilee Court, Kingsbury	43.40	0.90	44.26	0.92
Oldbury View, Hartshill	58.14	1.21	59.30	1.24
Drayton Court, Hartshill	36.43	0.76	37.16	0.77
Eastlang Road, Fillongley	48.73	1.02	49.71	1.04
Hudson/Wall Avenue, Coleshill	58.93	1.23	60.11	1.25
Digby Road, Coleshill	59.50	1.24	60.69	1.26
Clinton Road, Coleshill	68.00	1.42	69.36	1.45
Delves Crescent, Wood End	56.10	1.17	57.22	1.19
George Road, Water Orton	61.20	1.28	62.42	1.30
Church Hill Coleshill	61.20	1.28	62.42	1.30

HOUSING REVENUE ACCOUNT				
DESCRIPTION	ORIGINAL BUDGET 2021/22 £	ORIGINAL BUDGET 2022/23 £	ORIGINAL BUDGET 2023/24 £	ORIGINAL BUDGET 2024/25 £
EXPENDITURE				
Provision for Bad Debts	233,270	237,250	241,820	247,670
Repairs Fund				
Departmental Support Services	349,030	355,790	364,720	373,710
Central Support Services	192,310	195,960	200,520	205,000
Contribution to Fund	2,819,290	2,881,380	2,930,630	2,980,420
Management				
General Administration	605,090	608,870	620,970	632,600
Housing Register & Lettings	297,740	303,310	310,670	317,950
Tenancy & Estate Management	377,160	383,940	393,060	402,100
Rent Collection & Arrears	352,490	358,240	366,590	374,100
	-			
Tenant Participation	50,470	51,120	52,290	53,150
New-build properties	14,190	14,480	14,870	15,180
Flats & Communal Centres	342,320	346,180	353,610	358,040
Laundries	18,220	18,220	18,630	18,630
Cesspools and Management of Shops	14,990	15,170	15,520	15,750
Debt Management				
Interest on Loans (as per Business Plan)	1,459,610	1,405,570	1,347,650	1,284,170
Interest on new Short Term Borrowing	-	1,260	6,360	10,200
Revenue set aside (as per Business Plan)	2,250,000	2,260,000	2,350,000	2,350,000
New Short Term Borrowing	-	(300,000)	(300,000)	-
Allowable Debt from Receipts	(862,020)	(860,100)	(858,180)	(856,250)
RTB Receipts income	-	(865,590)	(866,160)	(866,720)
Capital				
Capital Spend (as per Business Plan)	3,468,930	3,783,990	3,734,060	3,781,360
Capital Spend (as per Business Plan) - Additional Spend	2,025,000	-	-	-
Capital Spend - New Build and Reserve	1,255,070	1,280,170	1,305,770	1,331,890
Gross Expenditure	15,263,160	12,475,210	12,603,400	13,028,950
INCOME				
Service Charges - Leaseholders	39,950	39,950	39,950	39,950
Service Charges - Window Cleaning	23,100	23,570	24,040	24,520
Service Charges - Cleaning & Caretaking	45,500	46,410	47,340	48,290
Garage Rents	289,860	315,970	315,970	342,080
Shop Rents	101,670	101,670	101,670	101,670
Interest on Balances	12,240	11,230	12,160	20,970
Gross Rents (less voids @ 1%)	11,663,700	11,862,330	12,090,820	12,383,440
Gross Income	12,176,020	12,401,130	12,631,950	12,960,920
(Surplus)/Deficit for Year	3,087,140	74,080	(28,550)	68,030
Revenue Fund balance at start of year	(3,927,186)	(840,046)	(765,966)	(794,516)
Revenue Fund balance at end of year	(840,046)	(765,966)	(794,516)	(726,486)
Average no. of properties (other)	152	162	172	182
Average no. of properties (other)	2,437	2,407	2,377	2,347

APPENDIX H

HRA 30 Year Business Plan - 2020/21 to 2049/50

30 year total	SELF FINANCING Operating Account	HRA	2020/21 to 2024/25 £000	2025/26 to 2029/30 £000	2030/31 to 2034/35 £000	2035/36 to 2039/40 £000	2040/41 to 2044/45 £000	2045/46 to 2049/50 £000
-522,329	Gross income		-62,106	-69,823	-79,649	-90,611	-103,042	-117,098
	Expenditure							
87,122	Management (incl DME)		10,534	11,786	13,334	15,086	17,069	19,313
134,652	Maintenance		17,071	18,870	20,964	23,273	25,826	28,648
10,026	Bad debt provision		1,190	1,338	1,526	1,739	1,980	2,253
231,800	Operating expenditure		28,795	31,994	35,824	40,098	44,875	50,214
-290,529	Net Cost of Services		-33,311	-37,829	-43,825	-50,513	-58,167	-66,884
18,253	Interest payments		7,019	5,523	3,337	1,853	521	0
-8,088	Interest received		-76	-251	-281	-718	-1,938	-4,824
-280,364	Net operating expenditure		-26,368	-32,557	-40,769	-49,378	-59,584	-71,708
48,490	Revenue set aside (debt repayment)		11,210	14,300	12,980	5,000	5,000	0
0	New Borrowing and Repayments		600	6,100	-850	-5,850	0	0
172,888	Direct revenue financing (RCCO fund cap Prog)		19,764	24,243	26,302	29,604	34,334	38,641
-58,986	In year (surplus)/deficit		5,206	12,086	-2,337	-20,624	-20,250	-33,067
	HRA reserve b/fwd (-ve = Surplus)		-4,733	473	12,559	10,222	-10,402	-30,652
	HRA reserve c/fwd (-ve = Surplus)		473	12,559	10,222	-10,402	-30,652	-63,719
	CAPITAL PROGRAMME							
164,346	Expenditure (Cap spend with Inflation)		20,260	21,297	24,406	27,943	32,928	37,512
31,709	New Build		6,403	7,070	4,991	4,718	4,423	4,104
0	Financed by...							
12,473	Allowable debt from receipts		4,300	2,151	1,578	1,530	1,481	1,433
10,694	RTB receipts and other resources		2,598	1,973	1,518	1,528	1,536	1,541
172,888	Direct revenue financing		19,765	24,243	26,301	29,603	34,334	38,642
196,055	Total financing		26,663	28,367	29,397	32,661	37,351	41,616

Risk Analysis

	Likelihood	Potential impact on Budget
Change in interest rates	Low	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

25 January 2021

**Report of the
Director of Housing**

**Asset Management Plan &
Housing Maintenance Service**

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 and informs the Board about the challenges posed by an ageing stock profile and implications from the Social Housing White Paper.

Recommendation to the Resources Board

- a That the current position of the Housing Asset Management Plan be noted;**
- b That the requirements of the Social Housing White Paper be considered in anticipation of reviewing the Asset Management Plan and 30 Year Housing Revenue Account Business Plan during 2021;**
- c That the requirement for a major works programme to deal with roof repairs and latent defects at the Council's blocks of flats at Alexandra Court, Abbey Green Court & Drayton Court be anticipated and subject to an options report;**
- d That introducing a new role of Trainee Contracts Surveyor be considered subject to budget availability, job evaluation and consideration by the Special Sub Group; and**
- e That the capital programme for 2021/2022 be adjusted to reflect the priorities set out in the report and it be noted that a supplementary estimate will be proposed for the extensive works needed to specific blocks of flats.**

2 Consultation

- 2.1 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 June 2019. The Plan is in place until March 2022. This report anticipates a comprehensive review of the Plan during 2021 and the need to consider emerging 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. The current Plan is at Appendix A for information.

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3.3 Since the Plan was agreed Government has published a Green Paper for Social Housing and also a White Paper. The White Paper was published on 17 November 2020. This report starts to consider how the requirements set out by Government will need to be included in the revised Asset Management Plan from 2022.

3.4 The White Paper has particular 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 White Paper sits alongside and compliments the Building Safety Bill and considerations about fire safety regulations.

3.5 Since the current Asset Management Plan was published the Government has relaunched its commitment to delivering zero carbon homes. How the Council supports this commitment in its own stock needs to be reconsidered. Established work programmes do deliver energy efficient homes for tenants and some will continue however we also need to anticipate the requirement move away from gas heating systems in the future. To support their ambition the Government is offering grant funding to landlords. The Council has made a bid for funding to support its energy efficiency work programmes.

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 from rent income. This has been under pressure for the last 4 years because Government constrained rent increases to take the pressure off Housing Benefit expenditure. It is now under pressure because of the economic situation caused by the COVID-19 pandemic. 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. This report starts to reconsider what those priorities might be in the next 5 to 10 years.

4 **Delivery of the Asset Management Plan 2018-2022**

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.

4.2 The Asset Management Plan establishes critical programmes of work that annually form a firm basis for maintaining the Council's assets. This includes:

A roofing programme. 56 new roofs were provided in 2019/20. Following a pause due to the first phase of lockdown requirements the programme is now back on site.

A kitchen and bathroom programme. 124 new kitchens and/or bathrooms were provided in 2019/20. This programme has been paused during the time of the pandemic due to health and safety concerns.

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.

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 & currently at Welcome Street. The programme has included installing new windows.

During 2019/20 126 new, efficient gas heating systems were installed. This programme will continue with our new gas heating contractor during 2020/2021. Boilers have to be replaced every 15 years to meet the Decent Homes Standard. We intend to deliver our first air source heat pump fuelled properties in the forthcoming months. This will be in Baxterley where there is no gas mains available.

4.3 Health and safety requirements are an essential part of the Asset Management Plan. During 2019/20 these were 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. There was a pause during the first lock down period but work is back on site. To date we have delivered 1000 Electrical Inspection Condition Reports, 150 upgrades and 135 rewires. Major upgrade work has also been undertaken in the communal areas of flats to ensure fire safety. This is a good start but there remains a significant number of properties which require an inspection report and related work. This will be the critical priority for the capital programme during 2020/2021.

Last year the Council reported that all of its properties had a Landlords Gas Safety Report within the due date. This is an important safety requirement. During the year we have appointed a new contractor to deliver this service.

In 2020 we provided new Fire Risk Assessments for all of the common areas in the Council's flats and the sheltered scheme communal rooms as well as our homeless hostels. A fire door programme has delivered new doors to properties which previously did not have a fire door in place.

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 CDM requirements underpin all of 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.
- 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. In the past few years 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) and this year the Housing Division has worked in partnership with Platform Housing Group to develop 20 properties in Warton.
- 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 Whilst the Tenancy Services Officers have worked remotely during the year the Neighbourhood Warden service has continued to be on site to ensure 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.

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 however a concurrent review of the condition of the blocks in order to support the future programme of works indicates 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 are at Alexandra Court, Abbey Green Court and Drayton Court. Urgent roof works are required to the blocks at St Leonards Close with this issue being subject to a recent report to the Resources Board.
- 5.3 At Alexandra Court extensive health and safety emergency repairs have been required to both the flat roof and the concrete render in the last 18 months. Numerous reports have been received about leaking windows and some of the door entry systems are beyond repair. Extensive electrical works are required to the communal areas of the blocks.
- 5.4 At Abbey Green Court extensive health and safety emergency repairs have been required to the flat roof over the last 36 months. 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. The windows need replacing and there are frequent reports of leaks to the plumbing system. Extensive electrical works are required to the communal areas of the blocks.

- 5.5 The flats at Drayton Court have benefitted from new windows and new doors in recent years. Electrical safety works have been completed in the communal blocks. Nonetheless the blocks do need a new roof and there are latent defects to the wall construction that are causing most flats to have damp conditions in the flats. The latter currently being managed by the installation of specialist air flow fans.
- 5.6 Roof work will be planned for blocks in other areas as part of a five year programme. In the short to 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.
- 5.7 The pressures on the capital programme to deliver the works annual works programmes to meet the Decent Homes Standard and health and safety requirements means that additional resources will be required to do the roof works and extensive remedial works to the blocks of flats. The roof works require significant resources but act to protect the whole building and therefore sustain the asset for the long term.

6 Implications of Social Housing White Paper 2020

- 6.1 The revised Asset Management Plan will have to meet the requirements of the regulations for social housing. The Social Housing White Paper 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. 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 Building and fire safety are at the forefront of the White Paper. Some of the anticipated changes are:

To legislate to strengthen the Regulator's consumer regulation objectives to explicitly include safety

Legislate to require landlords to identify a nominated person for complying with their health and safety requirements

The requirement to provide smoke alarms and expectations for carbon monoxide alarms

Measures to ensure that social housing residents are protected from harm caused by poor electrical safety

Arrangements for ensuring that residents voices are heard with regard to building safety

- 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 very specific matters. These are shown at the excerpt from the White Paper shown at Appendix B.
- ...
- 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 White Paper 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 In order to ensure that social landlords meet the regulatory requirements an inspection regime will be re-introduced.
- 6.6 In strengthening the role of the regulator the White Paper 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 Paper 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 to drive a culture of safety throughout the landlord organisation.
- 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.

7 Maintenance Team

- 7.1 Over the last 5 years the Resources Board has made decisions which have changed the structure of the Maintenance Section to ensure major programmes of work could 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 Health and Safety Officer role. With the appointment of a new Response Repairs Manager in July 2020 the structure of the Section is now largely settled and able to deliver the core service.
- 7.2 The Housing Direct Works, Response Repairs Team, have continued to deliver their service throughout the period of the pandemic. This includes a 24/7 emergency repairs service, annual gas service commitments and electrical safety as well as vacant property repairs. After a necessary pause during the first lockdown period the major repairs team have been back on site with roof works, external wall insulation, improvements to flats and regeneration.
- 7.3 The resource provided for the major repairs team is sufficient for the core, annual work programme however it is likely that additional, temporary

resource will be required to deliver the extensive work programme to the blocks of flats identified in Section 5 of this report. One member of the team is due to retire this year and will need to be replaced. In order to support the work of the team it is proposed that a Trainee Surveyor role be developed. This would be subject to resources being available, a job evaluation and consideration by Special Sub Committee however it would provide a positive addition to a busy team and offer a development opportunity into the building trade.

- 7.4 The requirement to have a person responsible for compliance with statutory health and safety responsibilities that is visible and accessible to tenants requires consideration. The Director of Housing is responsible for health and safety matters in the Housing Division. There is a role of Health and Safety Officer in the establishment but it is not a senior role or one that is outward looking that engages with tenants. Options for this role will be explored with the Council's Management Team and reported to the Board.

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 the cap on rent levels.
- 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 in order 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 is made available for new build/ regeneration schemes as part of the capital programme.
- 8.1.3 In order to meet electrical safety regulations funding for the electrical testing programme will be prioritised in 2021/2022. A full testing programme will continue. Following the tests remedial works is undertaken as required and upgrades or re-wires arranged. The extent of the work required is significant and reflects the lack of a regular programme until 2018. Remedial work is also required in the communal areas of flats. A programme started in 2018 to upgrade the electrical installations and provide for better lighting and smoke alarms. We need to continue with an extensive electrical upgrade programme over the next two years. When the catch up repairs are completed a routine programme will be established to undertake tests to properties every 5 years.
- 8.1.4 There are blocks of flats in the Council's stock that are starting to show signs of structural issues due to latent defects which will require a full options appraisal before decisions are made about remedial work. The Director of Housing will provide options and costs to a future Resources Board. Works to

Alexandra Court and Abbey Green Court will be resource intensive and will require close communication with tenants and leaseholders. Cost estimates will be set out as part of the specific report on this programme to the Resources Board.

- 8.1.5 Over the last 3 years the Asset Management Team has delivered successful programmes of work for External Wall Insulation. Most of the programme was for individual properties. Work has also started on flats. A bid for additional funding to install energy efficiency measures to individual properties has been made to the Government's Green Homes Fund. If successful this will provide up to £320,000 additional funding for this programme.
- 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. Remedial works will be undertaken if resource is available or urgent works are required.
- 8.1.7 The cost of an appointment of a Trainee Surveyor will be subject to a job evaluation when a job description has been agreed.
- 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.
- 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 The appointment of an Apprentice Surveyor and any changes to the role of Health and Safety Officer will be subject to consideration by the Special Sub Group and a recruitment process.
- 8.4.2 The White Paper states an intention to review the professional training and development qualifications for housing staff – including senior staff. Government are establishing 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.

8.5 Legal Implications

- 8.5.1 The Council has to meet legal requirements for managing gas installations, electrical installations, for health and safety arrangements, building regulations and Right to Repair.
- 8.5.2 Building safety issues have become more high profile following the Grenfell Tower fire. There is considerable legislation which covers regulatory requirements that must be adhered to. There have been recent changes to enhance these and more is expected to ensure buildings are safe.
- 8.5.3 The Council has legal duties set out in the Landlord and Tenant Act 1985 to ensure its buildings are not in disrepair and to consult with leaseholders about proposed repairs which are deemed qualifying works. If a tenant suffers disrepair as a result of the Council's failure to meet its repairing duty under the 1985 Act the Council can be liable to pay damages for any harm suffered. Further, if as a result of the Council's failure to maintain the structure of buildings a leaseholder's property is damaged, the Council can be liable to pay damages for their losses.
- 8.5.4 There are two main steps in the legal requirements for consultation with leaseholders about qualifying works. The first is a written notice of intention. The second is written notification about the estimates / tenders received. In this situation we will seek a dispensation from the Leasehold Valuation Tribunal for the second stage.
- 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 are expected to adhere to the 'Right to Repair' legislation. The Landlord and Tenant Act requires the Council to proactively address the condition of properties. This legislation has been enhanced recently by the Homes (Fitness for Habitation) Act 2018 which came into force on 20 March 2019. It amends the Landlord and Tenant Act 1985. It will apply to our tenancies from March 2020. It provides for a new implied covenant that the 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 underpins current legislation and 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, stability, 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 includes those for 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 White Paper sets out intentions for a new regulatory regime for all social housing landlords. When this is enacted the Council will have to act to meet the requirements.

8.5.9 The Building Safety Bill responds to the Dame Judith Hackitt Independent Review. Dame Judith set out four broad concerns with regard to complex buildings however future legislation will require specific safety requirements in all buildings.

She said that in the construction and maintenance services she found:

- 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
- This indicates significant issues to be resolved in the culture of construction companies and procurement practices.

The Building Safety and Fire Safety Acts which have been developed as a consequence of the Hackitt report will apply to the Council's services.

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).

Appendix A

NORTH WARWICKSHIRE BOROUGH COUNCIL

HOUSING DIVISION

ASSET MANAGEMENT PLAN

2018 - 2022

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Executive Summary

1 Introduction and Context

1.1 Context

Much has been achieved since the last Asset Management Plan was published in 2013. The previous Plan set out some key objectives for the Housing Division. The achievement of these has set a firm foundation for the activities set out in this Plan. They include:

- New build schemes in Atherstone, Grendon and Polesworth to add to those in Fillongley, Arley, Kingsbury and Water Orton.
- Completing regeneration schemes in Atherstone & Mancetter
- Continuing to meet the Government's Decent Homes Standard
- Major works to the roofs of blocks of flats
- Extensive programme of works to provide energy efficient heating systems
- Robust arrangements for health and safety compliance
- Completion of condition surveys of properties & garages
- Restructuring the Housing Maintenance Service
- Developing a proactive Tenancy and Neighbourhoods service
- Achieving good levels of tenant satisfaction

1.2 Scope

The Housing Division Asset Management Plan covers all of the housing stock owned and managed by North Warwickshire Borough Council and includes garages and sheltered scheme communal rooms.

1.3 Definition and Purpose

This Asset Management Plan provides a framework to enable us to manage the stock proactively and support the Housing Revenue Account Business Plan objectives. It is important that the Council's housing assets continue to meet housing needs. It helps to ensure that resources for maintaining the assets in good condition and investments made are clearly focussed.

1.4 Corporate Goals and Objectives

The objectives for the Asset Management Plan support the strategic objectives set out for the housing service in the Corporate Plan. These include sustaining the decent homes standard as a minimum throughout the stock, building new homes, ensuring the efficient and effective management of the Authority's asset, involving tenants in the service and ensuring we tailor our services our customers needs.

1.5 Lifespan and review process

This plan reflects the changes in the social housing sector as well as progress made locally over the last few years. Since the last Plan was agreed there has been renewed emphasis on the safety of social housing tenants, the reform to the housing subsidy system has allowed for funding for new build to meet the needs for affordable housing, Homes England is now the regulator for social housing and changes have been made to how we deliver services locally. This includes developing a Maintenance Service which provides for an effective balance between improvement programmes and reactive responsive repairs. Tenancy services are focussed on rent collection following the introduction and roll out of Universal Credit and

neighbourhood services have a focus on good housekeeping and safety in flats and sheltered schemes.

This Plan offers a position statement with regard to the Council's housing assets and looks to the future as we build on the firm foundations over the last two years. The action plan covers 3 years with a view to fully revising the Plan from 2021.

1.6 Data Sources

The Asset Management Plan links strategic and operational drivers for the Housing Division's services. In order to achieve this link this plan considers:

- the profile of the stock and its condition
- the priorities identified by tenants
- performance and benchmarking information
- Corporate Plan objectives and Government direction on housing

2 Current Position

This section outlines the Council's current position with regard to its stock, meeting housing need and understanding tenant priorities.

The housing stock totals 2,690 as at 31st December 2017. The stock condition survey information has been updated.

3 Use of Resources

The Council's 30 Year Business Plan is directed at ensuring its property assets remain in good condition and, when funding is available, building new homes. Government policy has meant that rents have been reduced year on year since 2016/2017. The policy has been revised to allow for rent increases from 2020. The policy introduced in the Housing and Planning Act 2015 which allows for an assessment of and levy against high cost voids to pay for a Private Registered Provider Right to Buy scheme remains in place although Government has not yet claimed any payment. Consultation has been undertaken about appointing a stand alone, new regulator for the social housing sector.

4 Future Direction

This Asset Management Plan sets out the Council's current position with regard to the management of its stock. The Plan also looks forward. There are a number of steps which need to be undertaken to ensure the sound development of that 3 to 5 year plan. A broad outline of the work required to progress our Asset Management Plan is set out in the Plan and this includes work to be undertaken to:

- Meet Housing Needs
- Involve tenants and understand and meet their priorities
- Retain the stock in good condition
- Ensure health and safety requirements are met in full
- Provide a service which is value for money
- Understand risks to delivering the Plan

The Government has stated its intention to set out a direction for social housing in a forthcoming Green Paper. Future plans will reflect on Government policy and set out the Council's response.

1. Introduction and Context

1.1 Context

North Warwickshire is a rural Borough with the largest centres of population in the market towns of Atherstone, Coleshill and Polesworth.

The Council's stock is spread over a rural area with a significant amount of its properties in Atherstone (598), Arley (164), Dordon (128), Mancetter (166) Polesworth (303), Kingsbury (164), Baddesley (154), Hartshill (130) and Coleshill (137).

The previous Plan set out some key objectives for the Housing Division. The achievement of these has set a firm foundation for the activities set out in this Plan.

They include:

- Works programmes to improve the energy efficiency of homes
- The review of systems of work to provide for robust arrangements for health and safety
- Building new homes to add to the Council's housing stock
- Undertaking regeneration schemes at Lister Road, Atherstone and Church Walk, Mancetter
- Completing a new stock condition survey
- An assessment of the demand for and condition of the stock of garages
- A review of the Lettings Scheme to ensure housing need is met
- Change of policy to allow for sheltered scheme flats to be let to younger applicants
- Incentive scheme to support tenants to downsize
- Providing for a Tenancy Services and Neighbourhoods Team able to achieve high rent collection rates and manage the Council's asset.
- Achieving good levels of tenant satisfaction

In addition to taking opportunities to bid for Social Housing Grant to build new homes, the Council has also successfully bid for properties which have become available as part of planning Section 106 Agreements. Buying from private developers has enabled us to sustain a supply of Council owned properties for social rent without the need to buy land because our own supply is limited.

This Asset Management Plan provides a revised focus for the Council in the context of the findings of the comprehensive stock condition survey which has been undertaken and the demand for its properties due to changes in the Private Rent Sector and welfare reforms. Since the last plan the Asset Management Team has been established to provide for programmes of work through tendering or partnering to keep the Council's stock in good condition and the Housing Direct Works Team has been reviewed to provide response repairs efficiently. In both teams the technical and health and safety expertise has been enhanced to meet regulations and expectations. As part of the Waterloo Housing Group consortium the Council continues to be a development partner with the Homes England and able to attract Social Housing Grant. Since the last plan this has seen two distinct phases. In 2015 the levels of Social Housing Grant reduced significantly. At this time Section 106 Agreement properties were bid for and delivered. Grant availability has increased again and there should be opportunities as part of this plan to access it and use it to meet local needs. The housing regulator has changed but the regulatory system has remained largely the same. The Government is consulting about its plans to have a stand alone regulator for social housing. Welfare arrangements using Universal Credit have been rolled out and will impact on the Council's tenants further from September 2018. Interest in the Right to Buy scheme remains strong.

Some of the changes offer opportunities whilst others pose risks which have to be addressed. The Housing Division develops an Asset Management Plan as a stand alone document because of the detail necessary to provide a clear direction for the management of the assets that the Housing Division manages. The Plan has been developed in a way that enables tenants to understand the current position of the Housing Division with regard to Asset Management and future direction. The Borough Wide Tenants Forum has been fully informed about the decisions which have been necessary to establish the foundations set out in the Plan and have been asked for their views.

This Asset Management Plan identifies the investment and maintenance needed to contribute to the Council's strategies. The Asset Management Plan supports and is informed by the Council's Corporate Plan.

The Asset Management Plan reflects the priorities set out in the Housing Revenue Account Business Plan. This 30 year plan has been agreed by the Council to reflect its position with regard to the Housing Revenue Account now that there is no subsidy

system. It has been adjusted to reflect the reduction in rents that the Government introduced in 2016/2017. The budget set out in the Business Plan takes into account the stated Government policy to levy funds for the sale of “high cost voids” to pay for a Right to Buy Scheme for Private Registered Providers.

The outcome of the Council’ Stock Options Appraisal was a commitment to stock retention which is also a commitment to providing homes in sustainable communities into the future. This has not changed. The financial information set out in the 30 year Business Plan underpins this commitment. However it is noted that there are risks to the Business Plan. These include collecting rent income in the face of the welfare reform agenda, the possibility of increased ‘Right to Buy’ sales following the criteria changes and the “high costs voids” levy.

1.2 Scope of the Asset Management Plan

The Housing Division Asset Management Plan covers all of the housing stock owned and managed by North Warwickshire Borough Council and includes garages and sheltered scheme communal rooms.

North Warwickshire Borough Council is responsible for the management of 2690 properties (at 31st December 2017). The breakdown of the Council stock by location is set out in appendix 1. The Council has of stock of 1093 garages and 22 sheltered scheme communal rooms. It manages 105 blocks of medium rise flats.

The Housing Division’s vision is:

“To provide customer focussed services by well trained knowledgeable staff with tenants fully involved at a level suitable for them at both strategic and operational levels.”

The focus of the whole team delivering management and maintenance services is to manage a very important asset for the Council corporately and most importantly for the tenants who live in the Council’s properties and on estates that the Housing Division manages. Both the Management and Maintenance Sections work together to provide services which are aimed at maintaining and improving the Council’s asset to ensure we provide homes and estates where people choose to and want to continue living. This is the case whether we are carrying out day to day repairs, bringing homes up to modern standards, managing tenancies so that they remain in good condition or providing neighbourhood services to keep estates to a high standard and free from anti social behaviour.

1.3 Definition and Purpose of the Asset Management Plan

This Asset Management Plan provides a framework to enable us to manage the stock proactively and support the 30 year Business Plan. It helps to ensure that resources for maintaining the assets in good condition and investments made are clearly focussed on meeting current and future customers' housing needs in terms of type of properties available, location, facilities and standards.

1.4 Corporate Goals and Objectives

The objectives for the Asset Management Plan support the strategic objectives set out for the housing service in the Corporate Plan. These include sustaining the decent homes standard as a minimum throughout the stock, building new homes, ensuring efficient and effective management of the Authority's asset (including collecting rent due), involving tenants in the service and ensuring we tailor what we do to our customers needs. The aims of this plan also need to support the actions set out in the Council's Homelessness Strategy to ensure we can meet housing need.

1.5 Objectives for the Asset Management Plan

The objectives for the Asset Management Plan support the strategic objectives set out for the housing service in the Corporate Plan this includes ensuring that the Authority takes a strategic and proactive role in meeting the housing needs and associated issues across all tenures and that housing plays a fully integrated role in corporate initiatives. The plan therefore aims to:

- Set out the role of the Council's stock in meeting housing need
- Set out the resources required to keep the asset in good condition, sustain the Decent Homes Standard as a minimum for the whole of the stock, improve its energy efficiency and as funding allows building new homes.
- Ensure the service offers best value for the rents tenants pay
- State how high standards of health and safety for customers and the workforce will be sustained
- Deliver services which meet tenants priorities and encourage tenant involvement
- Assess the risks posed to achieving the aims of the Plan

1.5 Lifespan and Review Process

This Asset Management Plan is a working document that drives decision-making in the management of the Council's housing stock of dwellings and garages and sheltered scheme communal rooms.

A considerable amount of work has been carried out since the last Asset Management Plan in to review and improve services provided by the Housing Division to manage the Council's assets. Firm foundations for Asset Management into

the future have been laid and provide a clear direction. We now need to work to mature the service and work with Councillors, tenants and other stakeholders to make decisions that enable us to tackle repair issues in the stock at the same time as meeting tenants expectations for modern homes.

This plan reflects achievements made to date but mainly looks forward. It aims to set a direction for the service in the new context it finds itself in.

This Plan offers a position statement with regard to the Council's housing assets and looks to the future as we build on the firm foundations developed over the last two years. The action plan covers 3 years with a view to fully revising the Plan from 2022.

1.6 Data Sources

The Asset Management Plan links strategic and operational drivers for the Housing Division's services. In order to achieve this link this plan considers:

- the profile of the stock and it's condition, and
- the priorities identified by tenants
- services required to provide sustainable neighbourhoods

This information is then used to inform:

- the programmes of work
- the budget profile, and
- the methods of delivery
- future arrangements for tenancy and neighbourhood management services

The data used in the preparation of this plan are from:

- current information about responsive repairs and stock condition data as held on the IBS housing management system
- financial information in the 30 Year Business Plan
- performance data and customer satisfaction feedback

2 Current Position

2.1 Overview

As a social housing landlord the Council is a Registered Provider and as such is subject to regulations. In accordance with the Regulatory Framework for Social Housing the Council ensures it meets the national standards. The national standards underpin all aspects of the Council's landlord services from customer care and tenant involvement, rent collection, property maintenance, tenancy and neighbourhood management. The Regulator is particularly concerned with the safety of tenants and the last few years have seen action taken against landlords who have failed to meet gas safety requirements and do not have fire safety measures in place.

The Council's local commitments are set out in its 'Tenant Partnership Agreement' which is reviewed annually and submitted to the Resources Board for consideration. Understanding tenant priorities through their involvement and scrutiny arrangements is critical to the success of asset management planning.

In accordance with the regulations a report setting out our performance across all of the housing services delivered is published annually.

The Housing Division participates in a national benchmarking club and undertakes an annual satisfaction survey in order to measure performance. The most recent tenant satisfaction survey shows that 83% of respondents were satisfied with the overall condition of their home. 85% expressed satisfaction with their neighbourhood as a place to live.

2.2 Stock Profile and Condition

The housing stock totals 2,690 at 31 December 2017. In summary the stock comprises:

Property	Size	Number
Bedsit		24
Flat	1 Bed	459
	2 Bed	129
	3 Bed	11
Maisonette	1 and 2 Bed	27
Houses	1 Bed	8
	2 Bed	427
	3 Bed	928
	4 Bed	59
	5 Bed	1
Bungalows	1 Bed	311
	2 Bed	306
Total		2690

In the last Asset Management Plan we reported a stock of 2739 properties as at 31st March 2012. 82 properties have been sold since 2015. 73 of these were houses. Since the last plan enhanced 'Right to Buy' regulations which provide for up to £75,000 discount in some circumstances have been in place. Some of the sales have been new properties built by the Council to meet housing need.

During January and February 2018 we have let new houses and flats at Cadman Close and Joseph Cadman Close, Mancetter. We have also let new build houses and bungalows in Polesworth.

The table below sets out the new build properties developed by the Council since 2010. We have developed 129 new properties to date for our own stock.

Development	Number and types of property
Beavons Close, Water Orton	9 x 2 bed bungalows
Eastlang Road, Fillongley	2 x 2 bed houses and 2 x 3 bed houses
Laurel Close, New Arley	2 x 2 bed houses and 4 x 3 bed houses
Stanyers Close, Kingsbury	3 x 2 bed houses and 3 x 3 bed houses
Dragons Court, Atherstone	9 x 2 bed bungalows
Jenners Court, Atherstone	9 x 2 bed bungalows, 4 x 2 bed houses and 3 x 3 bed houses
Lister Road, Atherstone	3 x 2 bed flats, 1 x 1 bed flat, 4 x 3 bed houses
Princess Road, Atherstone	2 x 2 bed bungalows
Chetwynd Drive, Grendon	4 x 2 bed houses, 1 x 3 bed house and 4 x 4 bed houses
Hastings Road, Grendon	2 x 2 bed houses and 2 x 3 bed houses
Wood View, Grendon	2 x 2 bed houses and 1 x 3 bed house
Cadman Close, Mancetter	4 X 2bed houses and 2 x 3 bed houses
Joseph Cadman Court, Mancetter	6 x 1 bed flats and 8 x 2bed flats
Byford Drive, Polesworth	1 x 2bed bungalow
Grinham Avenue, Polesworth	4 x 3 bed houses
Little Jims Close, Polesworth	5 x 2 bed houses and 5 x 2 bed bungalows
Thompson Way, Polesworth	8 x 1 bed houses, 1 x 2 bed bungalow, 9 x 2bed houses and 2 x 4 bed houses

The Council needs good data to inform its work programmes. Since the last plan was published the Housing Division has reviewed the software used to capture the data and an in house team of surveyors has proactively undertaken condition surveys of our stock. They have accessed and surveyed most of the stock and updated our Decent Homes database. In addition to undertaking surveys of individual properties technical surveys have been carried out at some of the Council's blocks of flats where the fabric of the building is showing signs of deterioration and to assess the condition of the flat roofs on blocks of flats.

The stock condition database is kept up to date as improvement programmes are completed to properties to ensure the information is accurate and up to date. Information is held on the Housing Division's housing management system and can be readily used and reports can be drawn from it to inform programmes of work. It includes dates when properties had improvement works and predicts when future improvement work will be required in accordance with the component life cycles set out in the Decent Homes Standard. Capital programmes are based on this

information and supplemented to ensure homes are energy efficient. The Decent Homes life cycles are set out in appendix 2. The development of the team delivering programmed works over the last two years will mean that this area of work retains the priority it requires to provide for good information about the Council's asset.

Where the stock is older we are starting to see the break down of the fabric of some buildings which can lead to problems of damp and disrepair. We have had to undertake extensive, major works to a number of vacant properties over the last two years and we are experiencing an increase in reports of damp from tenants. In addition some of our blocks of flats are in need of significant remedial work. Addressing these issues is captured in the 'Future Direction' section of the Plan.

The condition of some of our properties that become vacant is poor. There are a variety of reasons for this. For some the fabric of the building has been found to be poor with extensive, major works required to floors and walls. In others older tenants have refused improvement works and they are in need of modernisation. Unfortunately some properties are returned in a poor condition because of the behaviour of the tenants. Whatever the reason if a vacancy needs more work than would normally be expected there is a cost to the Housing Revenue Account both for the remedial work and loss of rent.

Future planned works programmes are based on information held in the housing management system about the expected lifespan of component types with consideration for age and condition as well as energy efficiency and the provision of modern facilities. The Council does not have a published local policy with regard to addressing the needs of its stock. Its main reference point is the Government's Decent Homes Standard. However its continuing ambition for its asset is to sustain it in good condition and ensure it remains in demand.

The Regulatory Framework sets out its expectations with regard to the stock of Registered Providers in the 'Home Standard Section'. This requires Providers to maintain their homes to at least the Decent Homes Standard, have a prudent approach to repairs and maintenance of homes and communal areas with an appropriate balance of planned and responsive repairs and be able to show value for money in all aspects of its maintenance service. An adaptations service has to be provided and statutory requirements have to be complied with for health and safety.

The investment priorities to ensure resources are available to support the management and maintenance of the Council's stock is set out in appendix 3. The Council's housing stock is in demand and continues to benefit from good levels of investment. There was a period after the Decent Homes Programme ended in 2011 when investment was driven by information from responsive repairs information and requests. Over the last two years Councillors have agreed to move back to a more traditional way of working and the Asset Management Team has been developed to be able to deliver the level of work programmes required to keep the stock in good condition.

The work programmes which have been developed are to provide consistent programmes of work to ensure that properties continue to meet the Decent Homes Standard however we have also started a stream of bespoke works to flats and to individual properties with serious structural defects.

The Council has a stock of 1093 lock up garages for rent. A survey of the Council's garages was undertaken during 2016. The survey is detailed and splits the stock into three main categories. There are blocks which are at the end of their useful life, would not be economical to repair and should be demolished. There are blocks that would benefit from significant investment to bring them back to a good standard. There are other blocks that are generally in good repair but would benefit from minor repairs and a painting programme. Many garages have asbestos roofs and care will have to be taken to deal with those to safeguard health and safety.

There are currently 62 long term vacant Council garages across the Borough (38 less than reported in the last Plan). Four underused garage sites were used to provide new affordable rural homes for rent in 2010. Other sites will be considered to provide for development but access issues are making them less attractive than those already used.

The Housing Division manages 22 communal rooms as part of its sheltered schemes. Two have had conversion works since the last Plan was published. At Rowland Court, Arley the local Pharmacy undertook works to provide for a pharmacy premises in the room and in doing so they developed new facilities for the communal room using the old boiler house. At Eastlang Road, Fillongley the large, underused communal room was divided to give a smaller communal space for the sheltered scheme in order to allow for a one bedroom flat to be developed for letting. The

rooms are all in good condition and do not need any major works however some are under utilised and will be reviewed as part of this Plan.

2.3 Meeting Housing Needs

The Council's stock plays a critical role in the local housing market to meet the need for affordable homes. Whilst owner occupation remains a clear aspiration for many and the Government has provided for schemes to assist first time buyers affordability is still an issue for some families and single people can be an issue. The private rented sector remains relatively small in this area with rent levels and the need to provide a deposit being prohibitive for some households. Access is also restricted due to welfare benefit changes. Universal Credit criteria mean that rent payments are paid direct to the tenant and not the landlord and Local Housing Allowance rates have bedroom restrictions in accordance with household size. As access to home ownership and private sector housing has been squeezed over the last three years there has been an increase in the need to find accommodation for applicants who are homeless or threatened with homelessness. The most prevalent shortfall to meet demand is for two bedroom homes.

Our biggest demand is for Atherstone and Mancetter and Polesworth and Dordon. Demand for family homes generally outstrips supply in Coleshill, Water Orton and Kingsbury.

The Council's own stock turnover continues to be relatively low at around 6%. This is an indicator of sustainable communities however it also means there is pressure to meet housing demand. The Council's ability to provide new homes and to work in partnership with Registered Provider partners to develop more affordable homes in the Borough remains a priority. Nonetheless it should be noted that the Council's ability to provide for new affordable homes to rent direct and its partnership with Waterloo Housing Group are the main contributors to increasing the supply as other Private Registered Providers have limited interest in developing in the Borough.

The type of properties which become vacant does change however profiling indicates that around 40% of vacancies are houses 20% bungalows and 40% flats. This means that as well as ensuring focussed services for our older tenants we also need to consider services for younger tenants who may be moving into their first home to live independently and as well as support to settle in and deal with financial issues or life skills may also require assistance to ensure that they are able to manage their obligations with regard to maintaining their home in good condition and repairing

responsibilities. The introduction of Introductory Tenancies since the last Plan was published is helping the Tenancy Service Team manage tenancies closely in the first 12 months.

Our contribution is important as the largest stockholder of affordable rent homes in the Borough. We recognise that for the Council to continue to provide properties where people choose to live our asset management must provide properties which meet modern standards and are part of estates which are in good condition and free from anti social behaviour. Currently we have a low refusal rate and we intend to work to sustain that.

The Council recognises the importance of making the best use of its own stock. Whilst it has no hard to let properties data collected as part of the lettings process indicates that some properties are less in demand than others. Following decisions by the Resources Board to change our policy sheltered schemes of flats have been allocated to younger applicants over the last two years and this has largely addressed areas where there was a consistent issue of no waiting list for these areas. Nonetheless there remain some areas where properties can be more difficult to let.

In order to improve the occupancy levels of its current stock the Council should continue building properties which offer older people a positive choice to move out of their larger family homes and by giving tenants applying to downsize high priority in the Allocations Scheme. The support scheme provided to tenants' downsizing which was developed following the last Asset Management Plan has worked well and remains in place. We will continue to use our customer information to discover how many properties are under occupied in order to encourage transfers to smaller homes in order to make better use of the stock.

The Housing Division is realistic with regard to the extent that its own properties can help to meet housing need. The changes to the Letting Scheme since the last Asset Management Plan has created an housing register which is based on housing need and the Council's ability to meet the need of individual applicants. Qualifying criteria were agreed when the Scheme was overhauled in 2013. Since then the waiting list has had a rolling average of 300 applicants registered. The majority are family households. The scheme is concerned with addressing housing need and reduced the number of applicants who registered an application as a 'safety' measure for future plans and the number of tenants registering a speculative request to move not

linked to housing need. The Council lets around 160 properties a year from current stock. The average waiting time is 3 to 4 months.

2.4 Modern and Energy Efficient Homes

The Council has prioritised providing modern and energy efficient homes to meet the expectations of both current and future tenants. Its wide range of modernisation schemes over the past few years reflected the priorities of tenants. These included:

- Modernising kitchens and bathrooms
- Roof replacement programme (including soffit and fascia replacement)
- Flat to pitched roof conversions for blocks of flats
- Providing energy efficient gas boilers
- Providing heating choices in flats
- External installation

These works have been carried out to high levels of customer satisfaction. To date these schemes have sustained the Decent Homes Standard including taking the opportunity to work with tenants to ensure their homes are brought up to standards for modern living. All of this work will assist to ensure our properties meet customers' expectations in the future.

The Asset Management Team is now undertaking a range of different capital programme works. There are our traditional programmes that are now re-established again but there is also bespoke work. The annual programmes are to upgrade kitchens and bathrooms, window replacement schemes, new roofing, external installation and to provide efficient gas central heating boilers and carrying out electrical upgrades. In addition flat to pitch roof schemes have been completed at Arden Forest Estate and Chancery Court and the major refurbishment scheme at Alder and Heather Court is underway. Planning permission has now been received for the works proposed at Welcome Street and Long Street Atherstone. Works to renew the roofs of the flats at Water Orton are underway. These are being carried out by a contractor because they are working at height. Complimentary work is being undertaken by Housing Direct Works to replace the fascia boards on the bungalows.

Future years will see a similar range of programmed works. Some meet tenant expectations as well as the Decent Homes Standard. Others are more concerned with addressing structural issues in buildings.

In addition to traditional capital works programmes since 2010 the Housing Division has been delivering new affordable homes for the Borough. We have delivered schemes on garage sites, on our own land as part of regeneration schemes and by buying properties from developers. Developing our own schemes is resource intensive. There is a consultation process, scheme design, planning requirements, procurement of contractors, rehousing needs to address and the building development to oversee. To take a development from design to completion is more resource intensive for the Council but we are able to direct the size and layout of these schemes. The opportunity to buy properties off a developer is helpful in adding to our stock and being able to use Right to Buy receipt but the downside is that the Council has no influence over the property design or the products installed and fittings.

In our most recent survey 83% of tenants who responded said they were satisfied or very satisfied with the overall quality of their home.

Programmes of works have largely been procured using traditional tendering methods. However other methods are considered if they are suitable such as making use of frameworks or partnering contracts. Processing tenders is resource intensive and the mobilisation periods are necessary but create a hiatus in delivering works. Contracts are generally awarded for two years with the possibility of extending them for a further two years if they are cost effective and delivering. Tenants are fully involved in evaluating and overseeing the programme of works for major investments as part of the work of the work of the Borough Wide Tenants Forum.

The capital programme is driven by stock condition information kept and utilised from the Division's housing management software. It is also influenced by common response repairs reports and information from technical officers' site visits. Business planning and capital programmes are driven by the expected life cycle of components set out in the Decent Homes Standard. There are also legal requirements which need to be met. Required funding is assessed over a 30 year business planning period with the Maintenance Service working on a 3 year capital programme with a rolling tender process. The capital programme priorities for the next 3 years is shown in appendix 3. For 2018/2019 there is a continuation of current works and for the following two years the priority areas for the budgets start to change. Tenders are based on a 60:40 price/ quality split and contracts awarded in accordance with the Council's Contract Standing Orders.

As well as modernisation schemes the Housing Division is developing new programmes for cyclical repairs and minor planned works to properties and garages. To date these schemes have been provided by the in house team. This will continue to be the case for low level premises. Work to properties above one storey will be undertaken by external contractors. Some of the work required in future cyclical programmes will reduce due to the installation of low maintenance products such as PVCu fascias.

Fuel poverty is being addressed as part of our improvement programmes with the installation of new gas boilers, external wall insulation, new double glazed windows and new doors. There has also been a programme of loft insulation as part of the roofing programme. The Council's new properties are built to good levels of energy efficiency with some having solar panels to provide very energy efficient and low cost homes.

The Council's investment programme for its own stock has improved energy efficiency measures. The work programme includes work to improve the insulation of dwellings through:

- External insulation
- Loft insulation
- Re-roofing (including increasing insulation)
- Fuel swaps (with a choice to move from electric to gas)
- Replacement of windows and doors

The average SAP (Standard Assessment Procedure) rating for the measurement of the energy efficiency of our dwellings is 65. This is above the national average but below the benchmarking upper quartile which is 72. Programmes of work to provide external insulation and roofing programmes with loft insulation are addressing this. Work is underway to capture the relevant Energy Performance Certificate information on the database to have an accurate reflection of the energy rating of our stock. It will be an action from this Plan to update the database we use to capture the SAP ratings from the Energy Performance Certificates.

As part of our most recent Tenant Satisfaction Survey we asked Tenants to prioritise the top three services we provide in order of importance. 75% of those replying said repairs and maintenance was a priority and 63% said the overall quality of their home was a priority. 35% prioritised their neighbourhood as a place to live. The Council

recognises that how we deliver our maintenance services is critical with regard to keeping properties in good condition. Tenant satisfaction with the repairs and maintenance service is currently 78%. The restructure of the service which was completed at the end of 2017 is intended to improve this position.

We want a comprehensive, prompt, efficient and customer friendly service for our tenants. Tenants have consistently told us that they prefer the response repair services to be delivered by the in-house team – with 92% of them judging the tradesmen as having a positive attitude to customers.

In February 2018 we concluded the review of the Housing Direct Works Team. The in house team is important to tenants. 84% of those surveyed said they were satisfied with the quality of work undertaken. It needs to be organised to meet expectations about quality and efficiency. Changes include how the appointments system is managed and how we plan and schedule the work to avoid delays. The satisfaction information indicates that 82% of those surveyed were content with the time taken before work started, that 84% were satisfied with the speed of completion of the work but only 78% were satisfied that the repair was done right first time. Having multiple appointments to complete works is an inconvenience to tenants.

Central to new systems of work are right first time principles. This means that the organisation of work has to be able to deliver the right tradesman, with the right materials by appointment to the property requiring a repair.

The work that the Housing Direct Works Team carries out critically links with the improvement work being carried out by the Housing Division and ensures properties remain in good condition once the work has been completed. The response repairs team and the programmed works team are now linked by the combined roles of the Gas Compliance Supervisor and Electrical Compliance Supervisor as well as the Support Team Leader. Practical matters such as ensuring materials used in the improvement programmes link to the response repairs service are agreed between the teams.

2.5 Safe and Accessible Homes

The Housing Division carries out around 90 adaptations every year – stair lifts, level access showers and ramps as well as extensions when moving home is not possible. Whatever the adaptation a speedy response makes a significant difference to tenants. The HEART shared partnership assesses the needs of the tenant and

makes a recommendation to the Housing Division to meet it. The time scale for delivering a bathroom adaptation has reduced from an average of 6 months to an average 3 months over the last 3 years. Further improvement on this time scale is expected over the life of this Plan. The team also deal with requests for minor adaptations that do not need a HEART referral.

The Housing Division has a clear and robust stance to asbestos management. There are clear regulations in place about asbestos management which we adhere to and our policy is set out in our Asbestos Management Plan for the Division. The principles are concerned with having good information about asbestos in common areas and individual properties and having robust procedures in place to share that information with tenants, staff and contractors. Training is provided annually. Since the last Plan we have undertaken management surveys in over 85% of our properties to provide information for responsive works. We continue to provide intrusive refurbishment and demolition surveys before any work is undertaken in our properties to fully inform contractors about the materials found and to enable us to arrange for its removal before work begins if required. Decisions about removal are made on a risk basis and specialist contractors are used to remove the materials when required. We have tendered contracts to provide for surveys and removal during 2017 and have two new contractors in place. We expect them to continue for the period of this Plan.

Providing prompt and robust services for gas installations is an important area for customer safety. The annual gas service visit is a legal requirement. To deal with resilience issues in the in house team on 1st January 2018 the repair work and annual gas service programme became part of a contract with an external supplier. We have been consistently performing at 0% outstanding and expect that to continue. The new contract will be in place for the period of this Plan.

Since the last Plan was agreed we have appointed a new contractor to support our management of our water supplies in our premises. New risk assessments have been provided and we are acting in accordance with their findings. Generally this is to continue, with a regular testing programme for Legionella bacteria undertaken to ensure water tanks in flats and supplies in sheltered scheme communal rooms are safe. Work has been undertaken to renew the water tanks in two areas where their use could not be eliminated completely to provide for modern designs and ensure there is safe access for monitoring. We are currently assessing two other areas to understand whether the water tanks can be eradicated.

New fire risk assessments were delivered by an external fire safety specialist company in April 2017. They provided a basis to review all fire safety measures in our common areas of flats and for sheltered schemes. An action plan to deal with the risk assessment recommendations was drafted and the priority actions dealt with. Actions included improving on housekeeping to keep common areas clear of combustible items, removing bin stores from common areas, recording fire alarm and safety lighting testing, dealing with compartmentation issues and providing tenants with information about how they can help the Council keep them safe. The action plan will be revised annually and the fire risk assessments undertaken bi-annually. The implementation of the recent review of the Neighbourhood Services Team will underpin the work required to keep common areas safe from fire risks.

2.6 Sustainable Neighbourhoods

An important part of our Asset Management is concerned with ensuring that we are delivering the right services in the right way to our customers. A good source of information is what customers tell us about our service. We undertake an annual satisfaction survey and have regular local meetings with tenants as well as a monthly meeting with the Borough Wide Tenants Forum.

Sustainable neighbourhoods are about estates and communities as well as properties which are in good condition and have modern standards.

Introductory Tenancies have been used since 2014. This introduction to a Secure Tenancy is for 12 months initially and can be extended if there are concerns about the tenants' behaviour. These tenancies have helped the Tenancy Services Officers manage new tenancies closely in the initial stages.

In general the Housing Division has little serious anti social behaviour on its estates – with an average of 1 or 2 cases a year where a Notice of Seeking Possession or other legal enforcement action has to be taken. When it does occur it is difficult for tenants and resource intensive for the team to address however we work with partner agencies to address issues promptly. Community Protection Warnings and Notices are now being used where action is required but we want to avoid possession proceedings or are dealing with a leaseholder. In our most recent satisfaction survey 85% of tenants stated that they were happy with their neighbourhood as a place to

live. They were also asked to give us feedback about serious problems that they experienced on their estates.

A fifth of respondents to our recent survey said that their neighbourhood had improved in the last three years. However 67 % thought that parking was a major or minor problem which is the highest level since this question was asked in the survey in 2011. Proposals to improve parking on estates will be considered as part of future programmes of capital works however budget provision is likely to be limited.

Following a pilot project to provide an enhanced grounds maintenance service to some of the Council's sheltered schemes a formal service level agreement was agreed with the Streetscape Division in 2016. The agreement sets out the enhanced standard that is provided for all of the sheltered schemes and for other areas of open space that are maintained from tenants rent payments.

The enhanced capacity of the Tenancy and Neighbourhoods Team which will be introduced by the recently agreed new structure will provide for a fresh focus on priority areas. The Council's landlord services are paid for entirely from the rent that the team collects. If the rent collection rates drop there will be a consequence for service delivery. From May 2018 the Tenancy Services Officers will have a smaller patch to manage and this should enable them to be more proactive in managing the condition of tenancies, address the challenges presented by the roll out of Universal Credit to rent collection and be proactive in dealing with tenancy fraud. The Neighbourhood Wardens will have a clear focus for a designated area of flats and sheltered schemes to ensure they are in good repair, free from signs of anti social behaviour and safe. The team will continue to troubleshoot on estates if problems are reported.

Over the last year we have improved our systems of work to let vacant properties. Critically there is closer liaison between the tenancy management and maintenance teams. Our average turn around time at the end of the third quarter of 2017/2018 is 31 days. It is 27 days if properties which required capital works are excluded. We continue to have issues of extensive repairs being required in vacancies from an ageing stock and where tenants have not maintained their tenancy in the manner we would expect. This is a cost to the service not only because of the extent of the repair work but also the rent loss. The Tenancy Services Officers are proactive in dealing with the condition of properties where a tenant requests a transfer but those which become vacant because of a death or notice are more difficult to address. The

condition in which a property is kept has to be addressed during the life of the tenancy not at the end of it and smaller patch sizes should assist with this. We continue to ensure that properties are not routinely left empty for long periods of time causing blight to estates and compromising rent income levels.

To create sustainable tenancies our Lettings Scheme ensures applicants choose the area in which they want to live. We also work to ensure that new Tenants have good information about our service and the property and area they are moving to as well as access to support if appropriate. The Tenancy Services Officers meet the new tenant when they accept the tenancy and set out the tenancy conditions. There is a further opportunity to do so at the six week settling in visit.

A large part of the work of the Tenancy Services and Neighbourhood Services Teams is to engage with Tenants. They do this as part of their mainstream work as well as our specific Tenant Led Community Panels and local meetings. As part of their objectives the Panels agree to:

- Find out what the important issues are in their local area and represent those views
- Promote awareness of the Community Panel in their area
- Get involved with visits and events taking place in their local area and beyond

To ensure the Panels can pro-actively take remedial action on estate issues within their area, constituted Tenant Led Community Panels can bid for monies from the Housing Revenue Account to cover small scale environmental improvement issues such as installing gates, erecting additional fencing, installing security lighting, providing additional gardening services, removing or pruning bushes, erecting signage. It is envisaged that these environmental improvements are not currently covered by spending priorities but are important to the local Tenant community. A sum of £20,000 is set aside for the work the Panels request.

Listening to what Tenants tell us and acting on their feedback is at the heart of our asset management. We understand that most of our customers cannot readily take their 'custom' elsewhere and therefore we must have easily accessible ways for them to be able to voice their opinions about our services. We want to encourage communities to work with us. Tenant participation is established in the Borough and we have a well established, strong and experienced Borough Wide Tenants Forum

which provides clear and honest feedback on our services. There is also a Scrutiny Panel to consider particular areas of our service in detail.

3 Use of Resources

The Council is expected to meet the Government's Decent Homes Standard as a minimum. Resources are directed at sustaining the assets in good condition and where possible, to use surpluses to build new homes.

Currently the Housing Revenue Account is in a healthy position and we can ensure that services required to address the Council's landlord commitments are available. Government policy has meant that rents have been reduced year on year since 2016/2017 and this has caused an adjustment of the 30 Year Business Plan. There are risks to rent collection from the introduction of the Universal Credit welfare benefit arrangements and from the Government's stated intention to introduce a levy for high value voids to pay for a Private Registered Provider right to buy scheme.

The Housing Revenue Account Subsidy reform was implemented from April 2012. The terms of the reform dictated that the Council had to take on £60m in debt to buy itself out of the subsidy system. The financial business model underpinning the new financial arrangements offers both opportunities and challenges. The financial position is set out in the Housing Revenue Account 30 year business plan and the position is reported to the Resources Board. It can be noted that reform does not mean freedom. The Government's recent intervention in setting a policy for rent levels to reduce is an example of this and another is their stated intention to provide for a levy against Local Authority Housing Revenue Accounts to fund a Right to Buy Scheme for Private Registered Providers. The regulations state that the levy will be taken using a formula and not based on actual sales of high value vacancies.

A balanced approach has been taken with regard to spend expectations. In accordance with tenant priorities and the need to ensure the Council's asset is in good condition the Council has provided budget provision of just over £3.5m annually for the three years of this plan to meet the demands of its capital programme. The work programme is dictated by the need to retain stock at the Decent Homes Standard in line with regulatory expectation. Health and safety compliance with regard to gas and electrical installations, water supplies and Legionella, fire risks and asbestos management is a priority. Budget provision has been designated to ensure that compliance can be sustained and improved.

In addition to budget commitments for capital improvement works there is budget provision of just over £3.1m annually in the Response Repairs Fund which supports revenue spend and response repairs works. This includes funding the Housing Direct Works team as well as some specialist services (for example for asbestos removal, health and safety risk assessments and damp surveys) and planned repair programmes.

The budget provision for cyclical and minor planned works is important and is sustained for the forthcoming period to provide for a fascia replacement programme and works to garage sites.

Traditionally the maintenance service has targeted to spend 30% of its budget on responsive and cyclical and minor planned work and 70% on planned, capital improvement works. This is with the intention of planned works keeping the asset in good condition proactively so that there are less responsive repair requests made. We are not currently achieving this balance however changes to how the Maintenance Service is delivered should ensure the service gets closer to this target during the period of this Plan.

The Council has used its funding to improve the energy efficiency of tenants homes and reduce fuel poverty. Works include structural improvements including new windows and doors as well as the provision of more efficient heating and hot water systems. Over the last 3 years there has been significant investment in providing new energy efficient boilers and heating systems for tenants.

The Council is committed to providing more new homes as part of its own stock as funding allows. Since 2010 the Housing Division has consistently provided for a development programme to provide additional affordable homes for the Council's own stock. This is helping to provide much needed additional homes to rent to meet housing need in the Borough and provides a buffer against a reduction in stock and possible viability issues caused by a potential increase in 'Right to Buy' sales. Resources of just over £1m annually has been provided for within the capital programme which includes any surplus in the Housing Revenue Account combined with funding from 'Right to Buy' capital receipts received over and above those profiled in the Subsidy settlement. A legal agreement with Government has been

entered into in order to enable usage of additional receipts to provide for new build locally.

Spend on housing management services are in the region of £1.9m annually. This covers tenancy and neighbourhood management, including rent collection, as well as services to let the Council's properties.

Future spend is dependent on rent income collected. The experience across the social housing sector is that rent collection in the face of welfare reforms is challenging. Most landlords have experienced a dip in rent income where Universal Credit has been rolled out. There are challenges for tenants who have to decide whether they need to downsize because they are effected by the under occupation changes. There are also challenges for the Council as a landlord in collecting rent from tenants because for Universal Credit claimants there is a delay in payments being made and when they are made the housing benefit element is no longer paid direct to the Council.

A further challenge is to ensure vacant properties are let to a good standard quickly. Not to do so could result in significant loss of rent combined additional spend on Council Tax because of the change in liability locally. The risk to income cannot be underestimated. Historically the Council has let its properties in an average of 21 to 25 days. Recently older properties which are becoming vacant are presenting issues which require extensive, costly and time consuming work including asbestos removal. Action has been taken to reduce the amount of hard to let properties in the stock. This is important because long letting delays whilst prospective tenants are found is a drain on income and means that the stock is not being used to best effect to meet housing need.

Value for Money is central to our asset management. Specific issues pertinent to the Division's Asset Management Plan include:

- Ensuring the Council's properties continue to be in demand and neighbourhoods are places where people choose to live
- Let vacant properties to a good standard quickly
- High satisfaction levels with the services the Housing Division provides
- Evidence of comparatively good performance in key areas such as rent collection and delivering maintenance services
- Our approach to procuring works to deliver improvement programmes and planned maintenance
- Ensuring the Housing Direct Workforce is efficient and effective
- Improved effectiveness in providing disabled facility adaptations
- Working to improve grounds maintenance services

Procurement is a key area of business in managing our assets well. How we procure services to manage the assets is set out in the Council's Contract Standing Orders.

To accord with the provisions we need to:

- Ensure the Response Repairs service offers good value for tenants
- Ensure contractors offer best value
- Have a clear customer focus in all procurement decisions
- Ensure that all other housing objectives are achieved within or less than the revenue budgets
- Be able to prove value for money in all significant spending areas within the housing division
- Have arrangements in place to monitor the effectiveness of contracts and use the information improvements in future procurement
- Have consideration for sustainability and equality issues in procurement

Recent feedback from our annual tenant survey indicates that 86% of those asked think the Housing Division services offer value for money.

To assist the monitoring of the use of resources the Housing Division is a member of the national Housemark benchmarking club. This provides comparative information annually that enables the Council to assess its performance against its own targets as well as benchmarked with other social housing providers. The information we have is based on the data provided for 2016/2017. It included information provided from a specific piece of work to benchmark the in house response repairs service. The summary information about the costs of our services states that housing management costs are £295.14 per property and that this is £34.69 less than the median. The summary also states that response repairs and voids costs are £877.35 per property and that this is £72.65 more than the benchmark median. Benchmarking information has been used in the last 18 months to inform the service reviews of both the maintenance and management services which are intended to improve customer service and performance.

The structure of the Housing Direct Works team has been adjusted in order to continue to modernise the service, ensure that the team can be organised well, closely managed and developed, to provide flexibility to deliver the service and to ensure that legal duties are delivered. Designated Supervisors are now in place for gas and electrical installations. The gas installations works have been outsourced to improve resilience for this heavily regulated part of our service. We have provided for a Response Repairs Supervisor and two Charge Hands to ensure that we act to deliver the reactive repairs tenants expect a quick response to and are able to manage voids effectively. Calls are now handled by the Council's Customer Contact

Centre leaving the Maintenance Support Team focus on planning and scheduling works. The right first time principle defines the efficiency of the service and works alongside an appointments system which provides for good access rates and customer service. Currently response repairs jobs are completed in an average of 9 days.

The review of the Tenancy Services Team will create an increase in capacity in both the Tenancy Services Officers team and the Neighbourhood Wardens team. The proposals anticipate the roll out of Universal Credit for the whole of North Warwickshire, ensure we have sufficient capacity to manage tenancies (including their condition) and be proactive to protect the Council from tenancy fraud as well as to ensure that health and safety compliance for flats and communal rooms is a priority.

4 Future Direction

4.1 Overview

4.1.1 This Asset Management Plan sets out the Council's current position with regard to the management of its stock. It sets out the progress that has been made since the last Plan was developed and states how the Council will sustain the its stock in good condition and continue to deliver high levels of customer satisfaction. Of necessity the Plan is underpinned by the Regulatory Framework for social housing providers however its central concern is focussed on meeting local priorities.

4.1.2 The action plan attached at section 5 underpins the Asset Management Plan and sets out a number of steps which need to be undertaken to ensure the deliver of the Council's objectives for its stock.

4.2 Meeting Housing Needs

4.2.1 It is crucial to the soundness of the Asset Management Plan that we understand the type and level of demand on our services and what is of value to our customers in order to ensure that properties and services are fit for purpose and tailored to demand.

- 4.2.2 Building new homes is now an important part of our Asset Management Plan however it is resource intensive and we need to ensure new developments are not prioritised over the good management of and investment in our current stock. We need to make sure current stock is fit for purpose and that best use is made of it. To do so we have already undertaken several regeneration schemes across the Borough. The most recent were in Atherstone and Mancetter. There are two blocks of flats in Atherstone that require extensive works because the fabric of the buildings has deteriorated. Options appraisals for these flats will be subject to separate reports to the Resources Board. As part of the actions to further this Plan options appraisals will be undertaken to other blocks of flats and garage stock to ensure they continue to be a valuable asset to the Council and if they are not what options are available.
- 4.2.3 When the Council undertakes works to common premises of flats which include leaseholders it has to follow the legislation for service charges. What we can charge a leaseholder for works depends on the consultation process being undertaken in accordance with the legislation, the type of work being carried out and the contents of the lease. A review of these arrangements will be one of the action plan objectives.
- 4.2.4 The Council's current 30 Year Business Plan provides funding annually for continuing the Council's commitment to fund new build for its own stock. This funding is subject to any Government legislative changes including their stated intention to introduce a levy for higher value voids to pay for Private Registered Provider Right to Buy scheme. The Council has very limited access to land which it owns for development purposes. Buying land adds to the cost of the development and access to grant funding is important in this circumstance.
- 4.2.5 The Council's Lettings Scheme and supporting procedures must be effective and efficient to ensure that housing need is met. The current scheme provides for a focus of resources on meeting housing need however consideration now needs to be given to how the Scheme can support the principles and legislative requirements set out in the Homelessness Reduction Act 2017. In face of possible rent loss and additional budget required for Council Tax payments for vacancies, performance is constantly monitored at a senior level to ensure properties are brought up to a letting standard quickly.
- 4.2.6 Everyone wants to live in a nice place. Our business planning relies on our homes being in demand. The Council's Tenancy and Neighbourhoods Team is a critical

resource in ensuring that its estates and properties are in good condition and that there is no anti social behaviour from our tenancies. Ensuring that anti social behaviour is kept to a minimum, the delivery of the Service Level Agreement for the grounds maintenance service and considering using some funding to improve parking on estates will help to meet tenants' reasonable expectation that the Council provides a nice place for them to live.

- 4.2.7 The Council has published a Tenancy Policy and a Flexible Tenancy Policy in accordance with regulatory requirements. The Tenancy Policy states the Council's commitment to continue to provide secure tenancies in order to promote sustainable communities however in grant funded new build schemes flexible tenancies have been offered. These tenancies are in place for five years and then reviewed in accordance with the agreed Policy. During the life of this plan we will consider whether more flexible tenancies should be used for new tenancies in order to promote best use of stock.

4.3 Tenants' Priorities and Involvement

- 4.3.1 We find out about what services are priorities for tenants by asking them in satisfaction surveys and by talking to them. Partnership with the Borough Wide Tenants Forum is critical to the latter.

- 4.3.1 Over many years tenants have consistently told us that the quality of their home is the most important priority we should be achieving. We meet this priority mainly through the funding provided in the capital programme for improvement works. It remains a considerable commitment from the Housing Revenue Account. The most recent annual satisfaction survey indicates a satisfaction level at 85% with the overall service. However there continues to be an indication of disparity between older and younger tenants. Consideration of this will be an action from this Plan.

- 4.3.2 Tenants also consistently tell us that their neighbourhood is also a high priority. The Tenancy Services and Neighbourhood Warden team in conjunction with the Streetscape service is instrumental in keeping estates in good condition and being able to pick up on issues and actively troubleshoot. Most estates are in good order visually however there will be a renewed focus on blocks of flats where the behaviour of some tenants can be detrimental to the community and the area. In the annual satisfaction surveys it is issues with parking that is continually stated as a significant problem rather than neighbour nuisance. The consideration of an annual scheme to

improve parking on estates will be considered, as budget allows, to address tenant feedback.

4.3.4 Every business which serves customers must have an understanding of their priorities and have a high level of customer care at its heart if it does not it will fail. Surveys indicate good levels of satisfaction with the Housing Division's services but there can be no room for complacency. All complaints are monitored and responded to positively. We need to build on recent improvements which include making appointments for all repair requests standard, putting prospective tenants at the centre of the lettings procedures and providing good information and support services for welfare benefits changes. How we promise to act is set out in our 'Empowerment Promise'. This covers access to services, feedback, challenge and our aim to provide cost effective services.

4.3.5 Ensuring our services are focussed will also depend on how we are able to engage with tenants. The Borough Wide Tenants Forum is recognised and provides a focus for involvement and challenge. How this is affected is set out in the Tenant Partnership Agreement which is revised annually.

4.3.6 The requirements of the Homelessness Reduction Act 2017 is likely to increase the demand for temporary accommodation for housing applicants that are homeless. Some provision for this will be made in the Council's own stock depending on availability and suitability. Rent will be payable but occupants will be given a short term licence agreement rather than a tenancy.

4.4 Stock Management

4.4.1 Its stock of properties is an important asset for the Council. The services delivered by the Housing Division are expected to act to ensure it is retained in good condition. The Housing Management Team collect the rent which pays for the services and acts to manage tenancies to ensure tenants adhere to their conditions of tenancy. The Housing Maintenance Team acts proactively to provide capital programmes of work in accordance with stock condition information and reactively to respond to tenants telling us there is a repair problem in their home.

4.4.2 The stock condition information is up to date following the extensive programmes of work recently undertaken. This information is used to develop the three to five year capital improvement programmes. As part of the actions undertaken for this Plan the stock condition information will be validated, an appropriate depreciation scheme will be agreed, timely annual programmes of work will be undertaken based on detailed specifications and the most appropriate procurement path will be taken to provide for a good balance of cost and quality. Consideration will be given to how the application of the Decent Homes Standard to the capital programme will ensure that the Council has modern homes which continue to be in demand. Information about improvement schemes will be published annually so that tenants know if their home will be affected. Leaseholders will be kept informed in accordance with legal requirements, regulations and best practice.

4.4.3 The stock condition information, regulatory requirements and technical knowledge of the team have directed the programme of works that we are setting out in this Plan for the next four years. Priority work includes:

- Consideration of options for blocks of flats with structural defects
- Rolling programme of improvement works for blocks of flats
- Inspection reports and works for electrical installations
- Providing energy efficient electric and gas heating systems
- Fire safety works
- Replacing windows due to their age and condition
- Replacement of door entry systems due to their age and condition
- New roof programme
- Programme for the provision of external wall insulation
- Rolling roofing programme and remedial works for the garage stock
- Kitchen and bathroom improvement programme to meet the Decent Homes Standard

4.4.4 Where the stock is older we are starting to see the break down of the fabric of some buildings which can lead to problems of damp and disrepair. We have had to undertake extensive works to a number of vacant properties over the last two years and we are experiencing an increase in reports of damp from tenants. In addition some of our blocks of flats are in need of significant remedial work. As part of our action plan we will build on the training we have recently provided for the team about damp and disrepair complaints in order to provide for proactive services to both provide good information for tenants and quick action where damp and disrepair is

reported. We need to be proactive in advising tenants how to avoid disrepair and mould growth caused by condensation.

- 4.4.5 Tenants expect the Council to act to ensure they are safe. To do this actions include:
- Management and Maintenance Teams acting together to gain access to carry out gas servicing
 - Refreshing the Asbestos Management Plan and acting to ensure information is readily available about the presence of asbestos containing materials
 - Having risk assessments in place and a specialist company to support the team to address Legionella bacteria risks
 - Management and Maintenance Teams acting together to minimise fire risks
 - Having a rolling programme in place to assess electrical installations and ensure that smoke alarms are working and in good repair

4.5 Value for Money

- 4.5.1 Reviews in the Housing Division have focussed resources on providing services based on what is of value to the customer and cutting out waste processes to provide more efficient systems of work. A right first time approach is critical. Tenants don't want multiple visits to resolve issues. They want timely action which gets the job done in the most effective way. The Division will continue to work to these principles to provide the value for money that tenants expect.

Our intention is to have good levels of customer care within our front line teams and to provide them with the sufficient flexibility in delivering services to enable them tailor services to meet their needs. 84% of survey respondents said that they think our staff are friendly and approachable. Information held within the housing management software helps to guide staff about what tenants have told us about their circumstances and how they can be best assisted.

- 4.5.2 Satisfaction with the service is regularly monitored by way of customer surveys and complaints and compliments. This will continue to inform our work. Performance against agreed measures is also monitored and reported to Councillors and tenants. Costs are benchmarked with other social housing providers.
- 4.5.3 There is a commitment to keep an in-house repairs workforce because of the level of flexibility and customer care it can deliver, however it needs to be efficient and effective. The team undertake works included in the Housing Repairs Fund for

planned revenue and cyclical works and allows for a number of trades as part of the team. Work streams include:

- Responding to tenant repair requests
- Replacement fascia programme
- Disabled adaptations
- Gas servicing and central heating repairs
- Electrical testing and remedial works
- Minor planned works

Following the implementation of the new structure in order to ensure the team is able to work efficiently actions for the forthcoming year will include monitoring access rates, materials purchase and right first time delivery of repairs. Consideration will also be given to the interaction between capital programmes and responsive work. We will use this information to inform and identify our work to find an appropriate balance between responsive and planned work.

4.6 Risks

A number of risks are identified as part of the Plan and will be addressed as objectives arising from the Action Plan, the Corporate Plan and the Housing Division's Forward Work Plan:

- Challenges to income revenue arising from Government policy reducing what rent can be charged and changes to welfare benefit arrangements
- Rent income loss and Council Tax liabilities when properties are vacant for over 7 days
- Increase in 'Right to Buy' sales to a level at which there is an impact on the Financial Business Plan
- The requirements of an ageing stock and the need to meet the Decent Homes Standard and sustaining the resource both in budget and staffing levels to keep premises in an acceptable standard
- Any reduction in the performance of Housing Direct Works which will put pressure on the Council to use external contractors and therefore impact on the level of expenditure available
- Costs of asbestos removal from properties to allow works to be undertaken are putting pressures on budgets
- The levy for high value voids if introduced would require a reduction in spending on services for tenants
- The Lettings Scheme priorities do not deliver mixed and sustainable communities

Action	Lead Officer	Start Date	End Date	Priority	Measurement of Success	Resources – including Value for Money (VFM) Implications
blocks of flats that require extensive structural repairs					<ul style="list-style-type: none"> • Consultation with residents and tenants and schemes of work agreed and 	decisions are made to regenerate an area consideration will be given to accessing external grant funding.
Ensure efficient and effective systems of work within Housing Direct Works	Martyn Juggins	April 2018	Ongoing	High	<ul style="list-style-type: none"> • Deliver and then evaluate new systems of work and make improvements necessary to ensure the workforce can be productive and cost effective • Evaluate materials procurement to ensure it meets the needs of the service • Ensure that principles of customer care are at the heart of the service • Evaluation of the performance of the gas installations contractor 	Staff Time. Part of the Repairs Fund provides funding for the Housing Direct Works Service. The budget is for the responsive repairs service, voids repairs and cyclical maintenance contracts
Develop an action plan to keep under review arrangements for safe systems of work for health and safety.	Angela Coates	April 2018	Annual review of plan	High	<ul style="list-style-type: none"> • Action plan developed annually and monitored regularly for: <ul style="list-style-type: none"> ➢ Asbestos management ➢ Electrical installation inspections ➢ Annual gas services ➢ Management of water supplies ➢ Fire safety arrangements ➢ Health and safety risk assessments 	Funding to sustain the employment of a designated health and safety officer for the Maintenance Service The capital programme and Repair Fund budget support the actions required.
To develop procedures and information for tenants to address issues of damp in properties	Angela Coates	May 2018	July 2018	Medium	<ul style="list-style-type: none"> • Procedure developed and disseminated to staff • Information for tenants developed and distributed to provide advice about condensation • Monitoring process in place to assess complaints of damp 	Staff time to develop a procedure and tenant information.

Action	Lead Officer	Start Date	End Date	Priority	Measurement of Success	Resources – including Value for Money (VFM) Implications
					received from tenants and action taken	
Act on garage survey condition information	Angela Coates & Geoff Josepeh	June 2018	Ongoing	Medium	<ul style="list-style-type: none"> • Agree remedial action for each garage site • Report to Resources Board sites which are not economical to repair • Evaluate garage sites for possible redevelopment • Agree a programme of remedial works 	The capital programme and Repair Fund budget support the actions required.
Build new homes to add to the Council's stock to meet expressed housing needs	Angela Coates	April 2018	Ongoing	High	<ul style="list-style-type: none"> • Options considered to use Housing Revenue Account funds and land to build new affordable homes or take up opportunities to buy properties from developers. 	The first call on the Council's Housing Revenue Account is sustaining its current assets. However funding is identified in the Business Plan subject to other constraints.
Review Lettings Scheme & Ensure Systems of work to re-let vacancies are effective	Angela Coates & Helen Hughes	May 2018	September 2018	High	<ul style="list-style-type: none"> • Revised Lettings Scheme in place which ensures preventing homelessness is a priority, meets housing need and is customer focussed • Lettings scheme to provide for temporary accommodation to comply with new Relief Duty • Customer centred lettings procedures in place with properties brought up to letting standard quickly 	This work can be done with current resources

Action	Lead Officer	Start Date	End Date	Priority	Measurement of Success	Resources – including Value for Money (VFM) Implications
Have actions and resources in place to deal with challenges to rent collection posed by welfare benefit changes	Helen Hughes & Caroline Morris	May 2018	Ongoing	High	<ul style="list-style-type: none"> Staff capacity in place and officers fully informed to deal with welfare changes Actions in place to fully inform and support customers Partnership working on a sound basis to provide necessary services for customers Rent collection rate sustained at over 98% 	Funding has been made available for additional staff resource.
Deliver proactive tenancy and neighbourhood	Helen Hughes & Caroline Morris	April 2018	March 2019	High	<ul style="list-style-type: none"> Review tenancy management procedures and working practices to ensure that the condition of tenancies is managed proactively and effectively Review the procedures and working practices of the Neighbourhood Wardens Team to provide effective services to flats and sheltered schemes and ensure that they are safe Keep under review and monitor the service level agreement for grounds maintenance services Proactive work with Tenant Led Community Panels to meet their priorities for action Undertake a survey of estates to understand issues with parking and propose schemes of work 	<p>The Tenancy Services Team and Neighbourhood Services Team have both been reviewed recently to provide for these actions.</p> <p>Once the survey is undertaken an options appraisal will be required to set out priority areas and resources required</p>
Keep under review the Tenant Partnership Agreement and support the scrutiny role of the Borough Wide Tenants Forum	Helen Hughes	Annually in March		High	<ul style="list-style-type: none"> Production of a revised and agreed Tenant Partnership Agreement Support for two scrutiny exercises annually to provide detailed feedback on specific services in provided for tenants 	Resource is available to support this work and there is a designated Neighbourhoods and Tenant Involvement Officer in post to support the Forum and local Panels.

Action	Lead Officer	Start Date	End Date	Priority	Measurement of Success	Resources – including Value for Money (VFM) Implications
Review arrangements for leaseholder management and procedures for service charges	Angela Coates	September 2018	May 2019	Medium	<ul style="list-style-type: none"> • Procedures agreed for raising charges for leaseholders • Review of current lease and changes made as agreed 	This review should improve the Council's ability to raise service charges for work undertaken and to be reimbursed
Review our response to the Regulator's requirements to ensure compliance	Angela Coates	July 2018	July 2019	Medium	<ul style="list-style-type: none"> • Complete and audit of the Housing Division's position against the requirements set out in the published standards. • Action plan agreed for tasks required to meet the standards 	The audit can be completed within current resources. Actions required are likely to be funded from current budgets.

Appendix 1

TOTAL PROPERTIES HELD BY NORTH WARWICKSHIRE BOROUGH COUNCIL

As at 8 August 2017	BEDSIT	Flat	Flat	Flat	Maisonette	Maisonette	House	House	House	Bungalow	Bungalow	Grand Total
	Total	1 BED	2 BED	3 BED	2 BED	3 BED	2 BED	3 BED	4+ BED	1 BED	2 BED	
Ansley							33	19		20	2	74
Ansley Common		6	1				1	24	3	4		39
Arley		8	8				18	57	5	48	20	164
Atherstone	14	128	21	1	8	1	127	228	18	30	20	596
Austrey								9		7	5	21
Baddesley Ensor		1		1			46	43	1	56	6	154
Baxterley							2	3	2		12	19
Birchley Heath							1	1				2
Chapel End											24	24
Coleshill		47	1	7			12	31	1	26	12	137
Corley							1	1			6	8
Curdworth								5			2	7
Dordon		34	9		6		13	42		9	14	127
Fillongley		26		1			7	8	2	6		50
Grendon		2	2				16	14	5	8		47
Hartshill	1	29	37				17	43	3			130
Hurley	1		4				5	7		13	1	31
Kingsbury		35			13		11	38		4	13	114
Lea Marston								1				1
Mancetter	8	19					16	56	4	8	55	166
Maxstoke							1	3			4	8
Middleton							1	4	2			7
Nether Whitacre							2	4	1			7
Newton Regis								20		6		26
No Mans Heath								4				4
Over Whitacre								1				1
Piccadilly								39		10	2	51

Polesworth		32	14	1			54	106	2	36	48	293
Ridge Lane		30	15					7				52
Shustoke		5					8	10	1		2	26
Shuttington			1				3	18	2	3	2	29
Warton							8	22	1	4	2	37
Water Orton		35					16	23	1	9	15	99
Wishaw								3				3
Witherley								2	2			4
Wood End		18	8					38	2	4	34	104
Grand Total	24	455	121	11	27	1	419	934	58	311	301	2662

DECENT HOMES STANDARD

ANNEX A

Component lifetimes and definition of 'in poor condition' used in the national measurement of the disrepair criterion

1. Table 1 shows the component lifetimes within the disrepair criterion to assess whether the building components are 'old'. These are used to construct the national estimates of the number of dwellings that are decent and those that fail. These lifetimes are those considered appropriate for use in planning for newly arising renewal works for social Landlords. They are the same as those used to calculate the MRA which were agreed following consultation in November 1999. Landlords will wish to consider whether these lifetimes are appropriate within their own stock for predicting the age at which the component ceases to function effectively.

Table 1: Component lifetimes used in the disrepair criterion				
Building components (key components marked*)	Houses and bungalows	All flats in blocks of below 6 storeys	All flats in blocks of 6 or more storeys	
Wall structure*	80	80	80	
Lintels*	60	60	60	
Brickwork (spalling)*	30	30	30	
Wall finish*	60	60	30	
Roof structure*	50	30	30	
Roof finish*	50	30	30	
Chimney*	50	50	N/A	
Windows*	40	30	30	
External doors*	40	30	30	
Kitchen*	30	30	30	
Bathrooms	40	40	40	
Heating central heating gas boiler*	15	15	15	
Heating central heating distribution system	40	40	40	
Heating other*	30	30	30	
Electrical systems*	30	30	30	

19. Kitchens are assumed to require replacing on grounds of repair every 30 years, bathrooms every 40 years. Therefore, the age aspects in the disrepair criterion are set at 30 and 40 years respectively. These lifetimes were agreed following consultation on the MRA. It is clear that social landlords and tenants prefer these amenities to be replaced more frequently to enable them to be maintained at a reasonable modern standard. Thus different ages are required for kitchens and bathrooms under the reasonably modern facilities and services criterion.

Asset Management Plan 2018 -2022

Landlord Stock - Capital Programme priority spend proportions based on a budget of £3.5m submitted to Resources Board

Proposed Programme	Share of budget 2018-2019	Share of budget 2019 -2020	Share of budget 2020-2021
Electrical Installations Inspection report (EICR), rewire, Cat 1 works, smoke alarms, safety lighting	13%	13%	13%
This is a new work stream	1000 EICR Urgent rewires & remedial works	500 EICRS Programmed rewires	500 EICRS Programmed rewires
Kitchens & Bathrooms	20%	13%	11%
The first year is a catch up programme and then to meet the Decent Homes Standard	Average 150 kitchens and bathrooms	Average 80 kitchens and bathrooms	Average 70 kitchen and bathrooms
Heating (Gas & Electric)	9%	8%	7%
The first year includes replacement electrical heating systems. There has been an extensive programme in place over 3 years to provide efficient boilers.	Average of 130 heating systems	Average of 80 heating systems	Average of 65 heating systems
Windows & Doors (Fire doors, door entries)	15%	8%	8%
A new programme will be developed to replace old and defective windows, provide for new fire doors and develop a new door entry programme			
Energy Efficiency measures	9%	3%	3%
There has been an extensive programme over the last 3 years to provide for external wall insulation. The need for a full programme diminishes from 2019			
Roofing (includes garages)	15%	13%	13%

This programme is for roofs on flats, individual properties and garages.			
Multi Contractor Works	13%	13%	13%
Bespoke works to individual properties, Housing Direct Works fascia programme & priority fire safety works. Parking schemes as budget allows.			
Alder & Heather Flats Atherstone	Carried forward budget	None	None
Extensive programme of work to complete external improvements should be completed during 2018/2019			
Improvement works for blocks of flats – external and common areas.	N/A	23%	30%
From 2019 we will start a rolling priority programme of remedial works to blocks of flats. The works will deal with structural issues and			
Adaptations	6%	6%	6%



Tenant Satisfaction Measures

15. Although landlords are already required to give tenants timely and relevant performance information, including the publication of an annual report, the format and content of this information can vary significantly. Private registered providers and local authority landlords should be giving tenants access to a set of clear, comparable tenant satisfaction measures on the things they care about to ensure they can understand their landlord's performance. This information is also important in informing the Regulator of Social Housing's ("the regulator's") approach to regulating landlords.

16. **The Regulator of Social Housing will develop a process for collecting and publishing a core set of tenant satisfaction measures for all social landlords.** These should follow the themes set out in the social housing Green Paper, widely supported by tenants, around properties being in good repair, building safety, engagement and neighbourhood management, including measures on anti-social behaviour. They should include both objective quantitative measures and tenant perception measures.

17. These measures will provide tenants with greater transparency about their landlord's performance. They will also inform the regulator about how the landlord is complying with the consumer standards under a proactive consumer regulation regime. The regulator should consider the best way of publishing measures so that they are clear and accessible for all tenants, and how to ensure landlords publicise them, but we would expect an annual statement to be provided to every tenant as a minimum and, unless there are special reasons, for technology to be used (such as an app) to provide this more directly and accessibly.

18. We have worked with groups across the sector including tenant representatives, landlords, trade bodies and the regulator to develop the draft set of tenant satisfaction measures set out in **Box A**. We expect the regulator to do further work, engaging with tenants and landlords, to finalise these and embed them within the regulatory system. The importance of careful design of the tenant satisfaction measures was highlighted in responses to the Call for Evidence about the regulatory regime for social housing. Many respondents expressed concern about the comparability of different landlords and the regulator will need to consider this. The regulator will also work with the Building Safety Regulator as it develops performance standards and reporting requirements as part of the new building safety regime for higher-risk buildings.

Box A: Draft Tenant Satisfaction Measures

Theme:

Draft tenant satisfaction measures.

Keeping properties in good repair:

Decent Homes Standard compliance.

Responsive repairs completed right first time.

Tenant satisfaction with landlord's repairs and maintenance service.

Maintaining building safety:

Compliance with health and safety obligations:

- Gas safety
- Electrical safety
- Fire safety
- Asbestos
- Water safety
- Lift safety

Tenant satisfaction with the health and safety of their home.

Effective handling of complaints:

Number of complaints relative to the size of the landlord.

Percentage of complaints resolved within agreed timescale.

Tenant satisfaction with landlord's complaints handling.

Respectful and helpful engagement:

Number of complaints relating to fairness and/or respect, relative to the size of the landlord.

Tenant satisfaction that their landlord listens to their views and takes notice of them.

Tenant satisfaction with landlord's engagement with tenants.

Responsible neighbourhood management:

Percentage of communal areas meeting the required standard.

Number of complaints relating to communal areas, relative to the size of the landlord.

Tenant satisfaction with landlord actions to keep communal areas clean and safe.

Tenant satisfaction with landlord contribution to the neighbourhood associated with their home.

Number of complaints relating to anti-social behaviour, relative to the size of the landlord.

Tenant satisfaction with landlord's handling of anti-social behaviour.

Overall:

Tenant overall satisfaction with the service their landlord provides.

~~10. In addition, we will expect landlords to publish three financial measures alongside these tenant satisfaction measures, providing clear and accessible information on how much landlords are spending on administrative costs and executive~~

Agenda Item No 14

Resources Board

25 January 2021

**Report of the Corporate Director
- Resources**

**Capital Programme 2020/21 to
2023/24**

1 Summary

- 1.1 This report identifies changes to the Council's 2020/21 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 2020/21 revised capital programme;**
- b To support the schemes shown in Appendix A, previously approved within the Council's three-year capital programme, including any 2023/24 additions relating to previously approved schemes;**
- c To support the growth bids included in the 2021/22 capital programme;**
- d To note the schemes which will not be included within the capital programme, shown in Appendix B; and**
- e To support the proposed vehicle replacement schedule, shown in Appendix C.**

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 2020/21 to 2022/23 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 2021/22 to 2023/24.

3 2020/21 Revised Capital Programme

- 3.1 The table below summarises the overall change in the 2020/21 revised capital programme with the main movements explained below:

	2020/21 Approved	Additions/ (Reductions)	2020/21 Revised
HRA (Housing)	8,815,930	0	8,815,930
General Fund (Housing)	117,560	794,290	911,850
General Fund (Other Services)	3,929,540	(2,710,710)	1,218,830
Total	12,863,030	(1,916,420)	10,946,610

- 3.2 There have been a number of virements made within the budget for HRA Housing, but no change to the overall level of provision.
- 3.3 Within the General Fund programme, some provision has been left in the Disabled Discrimination Adaptations budget to cover the parking works in Baddesley and Baxterley, with the remaining budget of £262,310 being pushed back into 2021/22 and 2022/23, respectively. The replacement of the Financial Management System has been delayed until 2021/22.
- 3.4 Budget provision of £1,074,000 for the Materials Recycling Facility, has been moved into 2021/22, whilst changes in the timings of the vehicle replacement programme requires £357,230 to be moved into 2021/22.
- 3.5 The budget provision of £195,000 for the replacement of the roof cladding at Innage Park has been delayed until 2021/22, along with the schemes to replace the roofing at the Maya Restaurant and the Atherstone Leisure Complex. The Electrical Upgrade at the Old Bank House is also now expected to take place in 2021/22.
- 3.6 The Council has received Disabled Facilities Grant funding of £794,290 and is expected to transfer this funding to the HEART project, as it has in recent years.

4 Updating the Approved Capital Programme

- 4.1 A number of schemes relating to this Board were included in the 2020/21 to 2022/23 approved capital programme and these are detailed in Appendix A, including any 2023/24 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 and have been excluded from the proposed programme, are shown in Appendix B.

5 Growth Bids Included in the Approved Capital Programme

- 5.1 The Council owns seven properties at High Street, Coleshill, comprising of retail shop units and flats. It has been identified that, due to the deterioration of their condition, work will be required within 2021/22 to improve these properties, at an approximate cost of £1,000,000.
- 5.2 A major works programme will be required at Alexandra Court in 2021/22, at an approximate cost of £1,200,000. This has been added to the budget for improvement works to blocks of flats.
- 5.3 A further £600,000 has been requested to enable essential works to be carried out to electrical installations in 2021/22, and this has been added to the existing budget provision.
- 5.4 The provision for adaptations has been increased by £50,000, to allow a further downstairs extension which will be needed at a property in Westwood Crescent.

6 Vehicle Replacement Schedule

- 6.1 Appendix C 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.
- 7.1.3 It will be necessary to borrow to fund the Materials Recycling Facility and the work at Coleshill Shops and Flats. Whilst borrowing costs for the Material Recycling Facility will be repaid as part of the project, the borrowing costs for the work at Coleshill will be a further pressure on the General Fund revenue budget. Funding for the additional HRA works has been included in the 2021/22 estimate prepared for the Housing Revenue Account.

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 Daniel Hogan (719337).

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 Approved 3 Year Capital Programme 2021/22 to 2023/24

Appendix A

Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
		2021/22	2022/23	2023/24	3 Year Programme
Electrics	A scheduled programme to replace consumer units and to bring wiring in Council properties up to date.	1,014,440	426,870	439,680	1,880,990
Staffing	Housing officers who deliver the capital programme to Council properties.	278,860	284,210	291,300	854,370
Kitchens and Bathrooms	Replacement programme to ensure these facilities meet the Decent Homes Standard.	414,440	426,870	439,680	1,280,990
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.	255,040	262,690	270,570	788,300
Windows and Doors	Programmes of window and door replacements to address older installations that are not energy efficient and those that are defective.	255,040	262,690	270,570	788,300
Energy Saving Measures	External Wall Insulation and Loft Insulation programmes to ensure properties meet the necessary levels for energy usage.	270,640	98,510	101,470	470,620
Adaptations	Undertake adaptations to properties to improve accessibility in accordance with recommendations from social care assessors.	241,280	197,020	202,930	641,230
Roofing	To replace roofs (flat or pitched) which do not meet the Decent Homes Standard and cannot be repaired to extend their use.	414,440	426,870	439,680	1,280,990
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.	1,933,240	755,270	777,900	3,466,410
Replacement of DLO Vehicles	Replacement as per the vehicle replacement schedule.	-	214,010	60,000	274,010
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.	414,440	426,870	439,680	1,280,990
New Build - Atherstone	Demolition and rebuild of flats at Coleshill Road and Long Street, Atherstone.	1,255,000	1,280,100	1,305,700	3,840,800
TOTAL HRA EXPENDITURE		6,746,860	5,061,980	5,039,160	16,848,000

2) General Fund Approved 3 Year Capital Programme 2021/22 to 2023/24

Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
		2021/22	2022/23	2023/24	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.	25,000	25,000	25,000	75,000
Borough Care Lifelines	To provide new lifelines and replace units that are beyond repair and/or are obsolete.	23,000	23,000	23,000	69,000
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.	30,000	30,000	30,000	90,000
Replacement of scanner/plotter	Replacement of the existing separate scanner and plotter with a single solution.	10,000	-	-	10,000
Replacement Financial Management System (FMS)	A new Financial Management system will be required, as it will not be fit for purpose in the near future and support for the existing system will be withdrawn.	300,000	-	-	300,000
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
Telephone System	Replacement of the existing telephone system.	-	20,000	-	20,000
Operating System Upgrade	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.	25,000	-	-	25,000
Payment Management System	Upgrade to Payment Management System to meet new encryption standards and introduce contactless payments.	10,000	-	15,000	25,000
Uninterruptable Power Supply	A large 'battery' which ensures power to all systems. This supply is unaffected by power cuts etc.	-	10,000	-	10,000
Atherstone Leisure Complex - Replacement Roof	The leisure complex has a single ply flat roof covering virtually all of the facility that has an estimated life span of around 10 years and may need replacing in 2021/22.	252,170	-	-	252,170

Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
		2021/22	2022/23	2023/24	3 Year Programme
Innage Park Phase 2 - Cladding/roof works	Replacement of the roof cladding.	195,000	-	-	195,000

Maya Restaurant (Bear and Ragged Staff)	To replace the roof covering the building.	120,000	-	-	120,000
Refurbishment of Council Owned Buildings	To carry out necessary improvements to all council owned property.	45,000	-	-	45,000
Disabled Discrimination Adaptations	To undertake work where appropriate to improve access to and around our facilities for disabled users of the service.	25,000	237,310	-	262,310
Works required at High Street, Coleshill	Refurbishment works to shops and flats.	1,000,000	-	-	1,000,000
Depot - Removal Works	To carry out the remodelling of some of the existing cellular offices and minor works on the ground floor.	-	-	-	-
Depot - Demolition Works	To undertake work to demolish the single storey building currently used as the main Housing office and archive store.	-	-	-	-
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.	150,000	-	-	150,000
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.	2,664,000	-	-	2,664,000
Replacement of Pool Vehicles	Replacement as per the vehicle replacement schedule.	-	-	26,000	26,000
Replacement of Refuse Vehicles	Replacement as per the vehicle replacement schedule.	-	1,429,620	-	1,429,620
Replacement of Cesspool Vehicles	Replacement as per the vehicle replacement schedule.	-	-	126,000	126,000
Replacement of Rodent Control Vehicles	Replacement as per the vehicle replacement schedule.	-	-	22,000	22,000
Replacement of Street Cleaning Vehicles	Replacement as per the vehicle replacement schedule.	163,310	11,280	22,000	196,590
Replacement of Horticulture Vehicles	Replacement as per the vehicle replacement schedule.	161,030	166,770	7,170	334,970
Replacement of Leisure Services Vehicles	Replacement as per the vehicle replacement schedule.	15,720	-	-	15,720
Replacement of Borough Care Scheme Vehicles	Replacement as per the vehicle replacement schedule.	75,670	-	-	75,670
Capital Salaries - Management	General Fund staffing.	18,300	18,630	19,090	56,020
TOTAL GENERAL FUND EXPENDITURE		5,328,200	1,991,610	335,260	7,655,070
TOTAL PROGRAMME		12,075,060	7,053,590	5,374,420	24,503,070

1) Schemes Not Included in the 3 Year Capital Programme 2021/22 to 2023/24

Appendix B

Fund	Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
			2021/22	2022/23	2023/24	10 Year Programme
HRA	Replacement Housing/Rents	The current system (IBS) will be more than 10 years old and it is Council practice to review and assess systems to ensure they still meet user needs.	-	100,000	-	100,000
GF	Electronic Document and Record Management System (EDRMS) - Development and Corporate roll-out	To review and assess system to ensure it still meets user needs and replace if required.	-	70,000	-	70,000
GF	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
GF	Replacement Planning System	To review and assess system to ensure it still meets user needs and replace if required.	-	-	50,000	50,000
GF	Improvements to Ansley Hall Sports Ground to include refurb of Pavillion	If a review shows a need to retain Ansley Hall Sports Ground, there will be a need to carry out improvement works at the sports pavilion, the extent and nature of which will be determined once future management options for the site have been agreed.	-	35,000	-	35,000
Total			-	255,000	50,000	305,000

<u>Registration</u>	<u>Vehicle type</u>	<u>Purchase Date</u>	<u>Expected Life</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>
Pool Vehicle						
KV08 KWL	Ford Connect	17/03/2008	7 Years			£5,000
RX11 FVA	Land Rover Breakdown Vehicle	16/05/2011	10 years			£21,000
Refuse Vehicles						
BJ65 JFG	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years		£196,270	
BK65 ECZ	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years		£196,270	
BT65 UTH	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years		£196,270	
BJ65 JFV	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years		£196,270	
BP65 FGA	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years		£196,270	
BP65 FHL	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years		£196,270	
FM65 UNW	DAF 12T Narrow RCV	15/01/2016	7 Years		£142,000	
CA65 UYM	FUSO 7.5T Canter Refuse Vehicle	03/02/2016	7 Years		£110,000	
Cesspool						
BV16 AFO	DAF Tanker	19/04/2016	7 Years			£126,000
Rodent Control						
EY66 KXA	Connect 200	08/09/2016	7 Years			£22,000
Street Cleansing						
KU13 UET	Ford Transit 260	04/03/2013	7 Years	£28,000		
FH63 GRK	Ford Transit 350	22/01/2014	7 Years	£23,740		
LG65 GGF	CX201 Compact Sweeper	25/02/2016	5 Years	£93,000		
KV08 KJU	Transit 260	01/04/2008	7 Years	£18,570		
KM59 XZW	Ford Fiesta Van	21/01/2010	7 Years		£11,280	
ET66 HJG	Ford Transit 260	25/01/2017	8 Years			£22,000
HDW Vehicles						
KX65 WXM	Ford Transit 270	01/09/2015	7 Years		£18,180	
KX65 WXP	Ford Transit 270	01/09/2015	7 Years		£18,180	
KX65 WXT	Ford Transit 270	01/09/2015	7 Years		£18,180	
EY66 KTT	Ford Transit Custom 2.2T	09/09/2016	7 Years			£20,000
EY66 KYJ	Ford Transit Custom 2.2T	09/09/2016	7 Years			£20,000
EY66 KXC	Ford Transit Custom 2.2T	09/09/2016	7 Years			£20,000
EA65 MBO	Ford Transit Custom 2.2T	17/11/2015	7 Years		£18,210	
EK65 XTR	Ford Transit Custom 2.2T	17/11/2015	7 Years		£18,210	
EK65 ZSN	Ford Transit Custom 2.2T	17/11/2015	7 Years		£18,210	
EA65 LZE	Ford Transit Custom 2.2T	17/11/2015	7 Years		£18,210	
EK65 ZSE	Ford Transit Custom 2.2T	17/11/2015	7 Years		£18,210	
EK65 XTS	Ford Transit Custom 2.2T	17/11/2015	7 Years		£18,210	
EK65 ZPX	Ford Transit Custom 2.2T	17/11/2015	7 Years		£18,210	
KP16 RCZ	Ford Transit 350	29/03/2016	7 Years		£32,000	

<u>Registration</u>	<u>Vehicle type</u>	<u>Purchase Date</u>	<u>Expected Life</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>
Horticulture Vehicles						
EA65 MEV	Transit H2 2.2T	17/11/2015	7 Years		£22,050	
EK65 ZNZ	Transit H2 2.2T	17/11/2015	7 Years		£22,050	
EA65 LZJ	Transit H2 2.2T	17/11/2015	7 Years		£22,050	
Gang Mower	Ransome TG 340	27/05/2014	7 Years	£25,890		
Unregistered (Mower)	Kubota GZD21 Zero Turn	03/08/2015	5 Years	£12,720		
KS57 PNO	Ford Fiesta Van	14/02/2008	7 Years	£10,560		
BX66 OXA	Kubota Mower	01/03/2018	5 Years		£24,100	
FH63 GWP	Ford Transit 350	22/01/2014	7 Years	£23,050		
BX65 VYL	Kubota Tractor	22/09/2015	7 Years		£25,460	
EK65 XTE	Transit H2 2.2T	17/11/2015	7 Years		£22,050	
EK65 ZPU	Transit H2 2.2T	17/11/2015	7 Years		£22,050	
WX65 CDV	Ransome Highway Mower	01/02/2016	5 Years	£34,560		
WX65 CDY	Ransome Highway Mower	01/02/2016	5 Years	£34,560		
Trailers			1 Year	£19,690	£6,960	£7,170
Leisure Vehicles						
KR09 AUN	Ford Transit 260	03/07/2009	7 Years	£15,720		
Community Support Scheme						
KS57 POH	Ford Fiesta Van	14/02/2008	7 Years	£10,810		
KS57 PMY	Ford Fiesta Van	14/02/2008	7 Years	£10,810		
KS57 PMX	Ford Fiesta Van	14/02/2008	7 Years	£10,810		
KS57 PKX	Ford Fiesta Van	14/02/2008	7 Years	£10,810		
KS57 POJ	Ford Fiesta Van	22/01/2008	7 Years	£10,810		
KS57 PNZ	Ford Fiesta Van	22/01/2008	7 Years	£10,810		
KS57 PMO	Ford Fiesta Van	22/01/2008	7 Years	£10,810		
HRA Total				£0	£214,010	£60,000
General Fund				£415,730	£1,607,670	£203,170
Grand Total				£415,730	£1,821,680	£263,170

Agenda Item No 15

Resources Board

25 January 2021

Report of the Corporate Director Resources

Customer Contact / Reception Service

1 Summary

- 1.1 This report proposes changes to the operation of the Council's reception service and area.

Recommendation to the Board

To approve the move to an appointment only reception service;

To reduce the staffing establishment in line with section 5.

2 Introduction

- 2.1 The Customer Services team currently provide the Council's main telephony and front of house reception services. The reception area was closed at the end of March, when national restrictions relating to Coronavirus were implemented. Changes were made to allow the team to provide the main telephony service from home, and this has been working effectively.
- 2.2 The Council already had a significant savings requirement before Coronavirus, and the financial impact of the Coronavirus has increased that requirement. The current closure of the reception area has provided an opportunity to look at customer contact; what is needed going forward and what cost reductions can be achieved to assist the Council's overall financial position.
- 2.3 As technology has improved and electronic working is used to improve service efficiency, the workload of the team has been changing. More information and service processes are going on line, which has seen some reduction in both the number of telephone contacts that the Council receives and the number of visits to the physical reception area.

3 Options for Customer Contact

- 3.1 Whilst the need for customer contact remains, there are different options for how it is provided. These are set out below.
- 3.2 The Council could choose to reopen the reception area when this is feasible and provide the service unchanged. As changed ways of working have reduced the demand for both telephony and reception services, this would be

a missed opportunity, ignoring the continuing increase in electronic communication.

- 3.3 Performance statistics go back to 2006. Whilst telephone contacts have reduced from an original level of 112,808 in 2006/07, a substantial number of contacts are still received, with 95,272 received in 2019/20. Visits in the reception area have also reduced from 25,369 in 2008/09 (first full year of data available) to 19,807 in 2019/20. Of greater interest, the nature of contacts has also changed, particularly in the last 3 years. Many of the contacts now are brief, showing a reduced need for face to face interaction.
- 3.4 Given the reduced and changing requirements of the public for contact with the Council, and the financial costs associated with providing this level of service, going back to the original service is not recommended.
- 3.5 An alternative option available would be to provide a 'virtual' receptionist. This has been discounted, as the cost of the solution is expected to remove the saving that could be made.
- 3.6 Another option would be to change existing processes to remove the need to maintain a constant staff presence in the reception area. The front of house service previously provided required 2 FTE to cover the main reception desk and one of the stations in the One Stop Shop, so that customers could be seen and assisted with more complex queries. The implementation of Universal Credit has led to a reduction in the number of queries, as many of these are now dealt with by the CAB, who receive funding to provide assistance with UC.
- 3.7 Although the number of complex queries has reduced, there is still some demand. Changing the service so that it is available by appointment would still allow these queries to be dealt with, whilst allowing a reduction of at least 1 FTE within the team.
- 3.8 Many of the visits prior to the closure of the reception area, have been to make card payments for services offered by the Council or request services. These payments / service requests could be made on line, or by telephoning the Customer Services team. It is proposed to have one or more fast track telephone lines in the reception area, that customers could use to contact the Customer Services team, to either make payments or request services.
- 3.9 A number of Council teams receive visitors and have appointments with service users. This would still be available, again by appointment. The telephones in the reception area would be used by visitors / service users with appointments to notify staff of their arrival for meetings / appointments. The Customer Services team will be able to manage the administration of meeting rooms, using existing software. Deliveries would need to be managed using the fast track telephones.
- 3.10 A small number of residents use the Reception service to drop off post to the Council, but these can be directed to the Councils mail box on the side of the building.

4 Impact on Existing Staff

4.1 There are two part time vacancies within the Customer Services team, amounting to 1.4 FTE. It is proposed that if it is agreed to move to an appointment's only front of house service, that neither of the posts are filled.

4.2 In addition, it is planned to reduce the management of the Customer Services Team. The structure currently includes a Customer Contact Manager and two Customer Contact Supervisors. A significant proportion of the Manager's time was taken up in implementing the current Customer Relationship Management (CRM) system. As the need for this has reduced, the Customer Service Manager has taken the opportunity to reduce her hours. She plans to retire shortly. It is considered that the Customer Contact Supervisors will provide an appropriate level of management for the Team, without replacing the Manager post.

5 Report Implications

5.1 Finance and Value for Money Implications

5.1.1 The Council has a substantial savings target of £700,000 for its 2021/22 budget. Reducing the Customer Services team by 1.4 Customer Services Officers and not filling the Customer Contact Manager post will produce a saving of £84,340 towards that target.

5.2 Environment and Sustainability Implications

5.2.1 The Council has not provided a front of house service for face to face contacts since March 2020 when the Coronanvirus outbreak dictated major changes to the way we were able to conduct business. Since that time, customers have used alternative methods of contact to interact with the Council and to date there hasn't been negative feedback or complaints regarding the loss of this service.

5.3 Equality Implications

5.3.1 The report proposes a change to offering appointments for people wishing to attend in person at the Council House reception area. Options to carry out transactions over the telephone via Customer Services within the reception area are included as part of the recommended new arrangements. The report identifies that most transactions are made via the telephone and through the Council's website. This demonstrates that most customers are making a choice to carry out their transactions via the telephone or using the website. Customer Services can make reasonable adjustments in dealing with individual customers depending upon their circumstances and needs. This includes for example offering translation services, help with hearing impairments and other disability needs.

- 5.3.2 Customers can also access Council Services through the facilities in the Community Hubs across the borough. The Hubs help with improving digital inclusion to access services.
- 5.3.3 The numbers of people visiting the One Stop Shop reception in the Council are reducing from a peak of 28,520 in 2012/13 to 19,807 in 2019/20.
- 5.3.4 If the recommendations are approved by the board proactive monitoring of any adverse impacts for people identified in the protected characteristics will be carried out and complaints analysed to see if any further adjustments need to be arranged.

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

Equality Impact Assessment Summary Sheet

Please complete the following table summarised from the equality impact assessment form. This should be completed and attached to relevant Board reports.

Name of Policy Procedure/Service	Customer Contact & Reception Area
Officer Responsible for assessment	Sue Garner Director of Resources

Does this policy /procedure /service have any differential impact on the following equality groups /people

- (a) Is there a positive impact on any of the equality target groups or contribute to promoting equal opportunities and improve relations or:
- (b) could there be a negative impact on any of the equality target groups i.e. disadvantage them in any way

The report shows that most people are choosing to contact the Council via the telephone or through the website. There are options for people to continue to access the Council House reception included in the proposed new arrangements. The Community Hubs provided across the Borough also help people access services locally without the need to visit the Council House. The arrangements can help improve access to services and therefore be a positive impact for people defined under the protected characteristics.

Equality Group	Positive impact	Negative impact	Reasons/Comments
Racial			No adverse impacts have been identified.
Gender			No adverse impacts have been identified.
Disabled people	X		The options to use telephone and the website can help disabled people contact the Council more easily. The choice to attend in person is still available and The Council House reception area is accessible for disabled people.
Gay, Lesbian and Bisexual people			No adverse impacts have been identified.
Older/Younger people	x		No adverse impacts have been identified. Younger people are more likely to use technology to access services.
Religion and Beliefs			No adverse impacts have been identified.
People having	x		No adverse impacts have been

dependents caring responsibilities			identified. The options to use telephone and the website can help people with caring responsibilities contact the Council more easily.
People having an offending past	x		The options to use telephone and the website can help people with an offending history contact the Council more easily
Transgender people			No adverse impacts have been identified.

If you have answered **No** to any of the above please give your reasons below

Please indicate if you believe that this document

Should proceed to further Impact assessment

Needs no further action

Agenda Item No 16

Resources Board

25 January 2021

Report of the Corporate Director - Resources

Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2021/22

1 Summary

- 1.1 This report outlines the Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Investment Strategy for 2021/22.

Recommendation to the Council

That the proposed strategies for 2021/22 be approved.

2 Introduction and Background

- 2.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) recommends that the Council adopts the following form of words to define the policies and objectives of its treasury management activities:
- “The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 2.2 ‘Investments’ in the definition above covers all the financial assets of the organisation, as well as other non-financial assets which the organisation holds primarily for financial returns, such as investment property portfolios. This may therefore include investments which are not managed as part of normal treasury management or under treasury management delegations. All investments require an appropriate investment management and risk management framework under the CIPFA code.
- 2.3 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of Treasury Management activities focus on their risk implications for the organisation, and any financial instruments entered into in order to manage these risks.
- 2.4 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury

management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management. These principles will be applied across all investment activities, including any more commercially based investments.

3 Statutory requirements

- 3.1 The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the CIPFA Prudential Code, the Ministry of Housing, Communities and Local Government (MHCLG) Minimum Revenue Provision Guidance, the CIPFA Treasury Management Code and the MHCLG Investment Guidance.

4 CIPFA requirements

- 4.1 The CIPFA Code of Practice on Treasury Management (2017 revision) was adopted by this Council on 29 January 2018. The primary requirements of the Code are as follows:

- 4.1.1 The organisation will create and maintain, as the cornerstones for effective treasury management:

- a treasury management policy statement, stating the policies, objectives and approach to risk management of the Council's treasury management activities;
- Suitable treasury management practices (TMP's), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMP's will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key principles.

- 4.1.2 The Resources Board will receive reports on treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

- 4.1.3 This organisation delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Resources Board, and for the execution and administration of treasury management decisions to the Section 151 Officer, who will act in accordance with the Council's policy statement and TMPs and if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

- 4.1.4 This organisation nominates the Full Council to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

... 4.2 The current version of the Treasury Management Policy Statement is attached at Appendix A.

5 Treasury Management Strategy for 2021/22

5.1 The suggested strategy for 2021/22 in respect of the following aspects of the treasury management function is based upon the treasury officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury adviser, Link Asset Services.

5.2 The strategy covers:

- treasury indicators which will limit the treasury risk and activities of the Council
- the current treasury position
- the borrowing requirement
- status under 'Market in Financial Instruments Directive II' (MIFID II)
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- the investment strategy
- creditworthiness policy
- policy on use of external service providers
- the MRP strategy.

6 Balanced Budget Requirement

6.1 It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:-

- Increases in interest charges caused by increased borrowing to finance additional capital expenditure, and
- Any increases in running costs from new capital projects

are limited to a level which is affordable within the projected income of the Council for the foreseeable future.

7 Treasury Limits for 2021/22 to 2023/24

7.1 It is a statutory duty under Section 3 of the Act and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The Authorised Limit represents the legislative limit specified in the Act.

- 7.2 The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future Council Tax and Council rent levels is “acceptable”.
- 7.3 The Authorised Limit covers the capital plans to be considered for inclusion, incorporating financing by both external borrowing and other forms of liability, such as credit arrangements. It also includes an assessment of potential risks and allows some headroom for additional short term borrowing in the event that this is needed, for example, if the timing of capital income or expenditure changed.
- 7.4 The operational boundary focuses on the expected treasury management activity during the year and reflects the levels of debt included within the estimates.
- 7.5 The Authorised Limit and the Operational Boundary are to be set, on a rolling basis, for the forthcoming year and two successive financial years. Details of the Authorised Limit and the Operational Boundary can be found in Appendix B of this report.

8 Current Portfolio Position

- 8.1 The Council’s treasury portfolio position at 31/12/2020 comprised:

	Principal £m	Average Rate %
Fixed Rate Funding	15.500	0.40
Variable Rate Funding	6.000	0.36*
Short Term Funding	15.000	0.01*
Total Net Investments	36.500	0.32

* - Please note that these rates are variable and the figures quoted are reflective of a point in time. These rates will fluctuate dependent on prevailing economic and market conditions.

9 Borrowing Requirement

- 9.1 The Council’s Borrowing Requirement or Capital Financing Requirement (CFR) is expected to be £59,974,544 at 1 April 2021.

10 Prudential and Treasury Indicators for 2021/22 to 2023/24

- ... 10.1 Treasury Indicators, as shown in Appendix B, are relevant for the purpose of setting an integrated treasury management strategy. Other prudential and capital indicators will be reported to Executive Board before submission to full Council.

11 Status under Market in Financial Instruments Directive II (MIFID II)

- 11.1 Following the introduction of the Market in Financial Instruments Directive II on 3 January 2018, which reclassified all local authority investors as retail investors, the Council opted up to a return to professional status, having met the criteria specified by the Financial Conduct Authority.

12 Prospects for Interest Rates

- 12.1 The Council has appointed Link Asset Services as a treasury advisor to the Council and part of their service is to assist the Council to formulate a view on interest rates. Their forecast for long term interest rates is shown below:

	March 2021	June 2021	Sept 2021	Dec 2021	March 2022	June 2022	Sept 2022
Bank Rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
5yr PWLB Rate	0.80%	0.80%	0.80%	0.80%	0.90%	0.90%	0.90%
10yr PWLB Rate	1.10%	1.10%	1.10%	1.10%	1.20%	1.20%	1.30%
25yr PWLB Rate	1.50%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%
50yr PWLB Rate	1.30%	1.40%	1.40%	1.40%	1.40%	1.50%	1.50%

- 12.2 There has been no interest rate change since March 2020. Following a significant recovery in Q3 that did not restore UK GDP to its pre-pandemic level, recent economic data indicates that UK GDP reduced in 2020 Q4. The November Bank of England Monetary Policy Report projected that UK GDP would begin to recover during 2021, however, this was based on an assumption that the Covid related impact upon the economy would reduce. There is much uncertainty surrounding the expected Bank Rate level in 2021. The MPC have stated that they are prepared to take further action to assist the economic recovery if necessary and much will depend on whether Covid restrictions can be eased throughout the year. Another factor to consider will be how well the UK adjusts to the new trading arrangements, following the formal departure from the EU that took place on 31st December 2020.
- 12.3 The level of inflation rose to 0.6% in November and the Monetary Policy Report forecasted that CPI was expected to remain around that level for the first quarter of 2021, before beginning to rise towards the target level of 2% in the remaining months.

13 Borrowing rates

- 13.1 The Council has a borrowing or Capital Financing Requirement of £59.975 million. Of this, £46.291 million relates to the HRA refinancing and the

remainder is wholly internal borrowing. Because we have a number of capital and revenue reserves which have not yet been used, we have temporarily used these to finance our capital spending rather than the Council borrowing externally. These reserves amounted to £25.963 million at the beginning of 2020/21.

- 13.2 Over the next three years, investment rates are expected to be below long term borrowing rates and so value for money considerations indicate that value is best obtained by continuing to use internal reserves. However, this policy should be regularly monitored to take advantage of changes in the economic forecast. The Corporate Director of Resources will monitor the interest rate market and adopt a pragmatic approach to changing circumstances, reporting any decisions at the next available opportunity.

14 Policy on Borrowing in Advance of Need

- 14.1 The Council will not borrow more than or in advance of its needs purely to profit from the investment of the extra funds borrowed. Any decision to borrow in advance will be within the forward Capital Financing Requirement estimates and will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

- 14.2 In determining whether borrowing will be undertaken in advance of need the Council will;

- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need
- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered
- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
- consider the merits and demerits of alternative forms of funding
- consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.
- Consider the impact of borrowing in advance of temporarily increasing investment cash balances (until required to finance capital expenditure) and the consequent increase in exposure to counterparty risk and the level of such risks given the controls in place to minimise them.

15 Annual Investment Strategy

- 15.1 The Council's investment policy has regard to the MHCLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.

- 15.2 In accordance with the above guidance from the MHCLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy

counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

- 15.3 Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
- 15.4 Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- 15.5 Investment instruments identified for use in the financial year are listed in Appendix C under the ‘specified’ and ‘non-specified’ investments categories. Counterparty limits will be as set through the Council’s treasury management practices and are shown at Appendix F.
- 15.6 In the event that this Council undertakes to enter any commercial investment, for example investment in property, it will ensure that the investments will be proportional to the level of resources that are available to the Council. Owing to the greater level of risk to the Council of undertaking a commercial investment, any such investment will be subject to enhanced decision making and scrutiny. All potential investments will be assessed individually, with due diligence carried out, and external expertise utilised where needed. Investment limits will not be set, as each opportunity will be reported to Members for a decision.

16 **Creditworthiness Policy**

- 16.1 This Council uses the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody’s and Standard and Poor’s. The credit ratings of counterparties are supplemented with the following overlays:
- credit watches and credit outlooks from credit rating agencies;
 - CDS spreads to give early warning of likely changes in credit ratings;
 - sovereign ratings to select counterparties from only the most creditworthy countries.
- 16.2 The Link Asset Services’ creditworthiness service uses a wider array of information than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency’s ratings.

- 16.3 Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.
- 16.4 All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of the Link Asset Services' creditworthiness service.
- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
 - In addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
- 16.5 Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on any external support for banks to help support its decision making process.

17 **Country limits**

- 17.1 The Council has determined that it will only use approved counterparties from a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies if Fitch does not provide). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix D. This list will be added to or deducted from by officers should ratings change in accordance with this policy.
- 17.2 Officers, in conjunction with the treasury advisers, will continually monitor both the prevailing interest rates and the market forecasts.

18 **Interest Rate Outlook**

- 18.1 In March 2020, the Bank of England reduced interest rates, initially to 0.25%, and then to 0.10%, from the previous level of 0.75%. These are the most recent interest rate changes. There are differing opinions on the exact timing of any future rate changes as economic forecasting remains difficult with many external influences weighing on the UK. Link Asset Services have estimated that there will be no interest rate change until the 2022/23 financial year, at the earliest.
- 18.2 For its cash flow generated balances, the Council will seek to utilise its business reserve accounts, money market funds and short-dated deposits in order to benefit from compounding of interest.

19 End of Year Investment Report

- 19.1 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

20 Policy on the use of Treasury Management Consultants

- 20.1 The Council uses Link Asset Services as its external advisers. The Council recognises that responsibility for treasury management decisions remains with the Council and it will make decisions after taking into account advice or information given from Link, but the Council will not solely rely on this advice. It recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and are subject to regular review.

21 Scheme of Delegation

21.1 Full Council

- Receiving and reviewing reports on treasury management policies, practices and activities
- Approval of annual strategy.

21.2 Resources Board

- Scrutiny/Approval/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- Budget consideration and approval
- Receiving and reviewing regular monitoring reports and acting on recommendations.

22 Role of the Section 151 Officer

- 22.1 The treasury management role of the Section 151 Officer includes:-

- Recommending clauses, treasury management policy / practices for approval, and reviewing the same regularly, and monitoring compliance
- Submitting regular treasury management policy reports
- Submitting budgets and budget variations
- Receiving and reviewing management information reports
- Reviewing the performance of the treasury management function
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- Ensuring the adequacy of internal audit, and liaising with external audit
- Recommending the appointment of external service providers.

23 **Minimum Revenue Provision**

23.1 The Council's Minimum Revenue Provision Policy Statement for 2021/22 is shown at Appendix E.

24 **Report Implications**

24.1 **Finance and Value for Money Implications**

24.1.1 There are no financial implications arising directly from this report. An Annual Report on Treasury Management, including investment activity will be presented to the Resources Board and Full Council by 30 September each year.

24.2 **Environment and Sustainability Implications**

24.2.1 Having appropriate financial controls through the Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Investment Strategy contributes towards the sustainable provision of services.

24.3 **Risk Management Implications**

24.3.1 The stringent controls in place for the treasury management function all help to minimise any risk. Establishing the credit quality of counter-parties reduces the risk of investments. Further risks have been identified for non-specified investments and are shown in Appendix C. In making any investment decision, whether it is an overnight investment or for a period of longer than one year, the risk attached is always taken into account.

24.4 **Links to Council's Priorities**

24.4.1 Making best use of our resources through achieving a balanced budget and developing our workforce.

The Contact Officer for this report is Daniel Hogan (719337).

Treasury Management Policy Statement 2021-22

- 1.1 The Council defines the policies and objectives of its treasury management as the management of the Council's investments and cash flows, its banking, money market and capital market transaction; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 1.2 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 1.3 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best practice in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management. It is important, therefore, that the Council's investment framework should seek to safeguard the Council's funds rather than to maximise returns. Due consideration must, therefore, be given to:
- Security: the creditworthiness of the counterparty;
 - Liquidity: how readily available to cash is; the term of the investment;
 - Yield or the rate of return on the investment.

The Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that robust due diligence procedures cover all external investment. Security and liquidity will take priority over yield, but the highest yield possible may be sought once security and liquidity have been assured.

- 1.4 The Council will receive reports on its treasury management policies, practices and activities including an annual strategy and plan in advance of the year, an annual report after its close, and an update report at other intervals, so that Members are informed of activities at each Board cycle. These reports will be in the format prescribed in the Council's Treasury Management Practices (TMP).
- 1.5 The Council delegates responsibility for the implementation of its treasury management policies and practices to the Resources Board, and for the execution and administration of treasury management decisions to the Corporate Director (Resources), who will act in accordance with the Council's statement and TMP's and if he/she is a CIPFA member, CIPFA's "Standard of Professional Practice on Treasury Management".

January 2021

APPENDIX B

Treasury Indicators

Treasury Indicator	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Authorised Limit for External Debt	81,967	83,673	82,993	80,586
Operational Boundary	59,975	61,280	60,192	57,368
Upper Limit for Fixed Interest Rate Exposure	62,000	60,000	58,000	56,000
Upper Limit for Variable Rate Exposure	31,000	30,000	29,000	28,000
Upper Limit for Total Principal Sum Invested for over 364 days (per maturity date)	50%	50%	50%	50%

Maturity Structure of New Fixed Rate Borrowing	Upper Limit	Lower Limit
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

LOCAL GOVERNMENT INVESTMENTS (England)**SPECIFIED INVESTMENTS**

All investments listed below must be sterling-denominated, with maturities up to a maximum of 1 year.

Investment	Repayable/ Redeemable within 12 months?	Security / 'High' Credit Rating criteria	Circumstance of use	Maximum period
Money Market Funds (MMF) - Including USDBFs <i>These funds do not have any maturity date- structured as Open Ended Investment Companies (OEICs)</i>	Yes	Yes AAA rated	In-house	the period of investment may not be determined at the outset but would be subject to cash flow and liquidity requirements
Debt Management Agency Deposit Facility¹	Yes	Yes AAA rated	In-house	365 days
Term Deposits- Local Authorities	Yes	N/A	In-house	365 days
Term Deposits- Banks and Building Societies	Yes	See Strategy	In-house	365 days
Banks nationalised by high credit rated countries (sovereign rating)	Yes	Sovereign rating	In-house	365 days
Government guarantee on ALL deposits by high credit rated countries (sovereign rating)	Yes	Sovereign rating	In-house	365 days
UK government support to the banking sector (implicit guarantee)	Yes	UK sovereign rating	In-house	365 days

Monitoring of credit ratings : All credit ratings will be monitored ***weekly or more frequently if needed.***

Forward Deposits: Forward deposits may be made. However, the forward period plus the deal period should not exceed one year in aggregate.

Support: Banks eligible for support under the UK bail-out package and which have debt guaranteed by the Government are eligible for a continuing guarantee when debts mature and are refinanced. The banks which have used this explicit guarantee are:

Bank of Scotland; Barclays; Clydesdale; Coventry Building Society; Investec Bank; Nationwide Building Society; Rothschild Continuation Finance plc; Standard Life Bank; Royal Bank of Scotland; Tesco Personal Finance plc; West Bromwich Building Society; Yorkshire Building Society.

LOCAL GOVERNMENT INVESTMENT (England)

NON-SPECIFIED INVESTMENTS - A maximum of 50% may be held in non-specified investments

Maturities in excess of 1 year Investment	(A) Why use it? (B) Associated risks?	Repayable/ Redeemable within 12 months?	Security / Minimum credit rating **	Circumstance of use	Max % of overall investments	Maximum maturity of investment
Term deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	(A) (i) Certainty of rate of return over period invested. (ii) No movement in capital value of deposit despite changes in interest rate environment. (B) (i) Illiquid : as a general rule, cannot be traded or repaid prior to maturity. (ii) Return will be lower if interest rates rise after making the investment. (iii) Credit risk : potential for greater deterioration in credit quality over longer period	No	Period and amount will be dependent on credit ratings, as shown on authorised list	In-house		<i>Suggested limit : 5 years</i>
Callable deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	(A) (i) Enhanced income ~ Potentially higher return than using a term deposit with similar maturity. (B) (i) Illiquid – only borrower has the right to pay back deposit; the lender does not have a similar call. (ii) period over which investment will actually be held is not known at the outset. (iii) Interest rate risk : borrower will not pay back deposit if interest rates rise after deposit is made.	No	Period and amount will be dependent on credit ratings, as shown on authorised list	To be used in-house after consultation/ advice from Link		<i>Suggested limit : 5 years</i>
Term deposits- local authorities	Going concern	No	N/A	In house		<i>Suggested limit : 5 years</i>

Property Funds	(A) (i) Enhanced income ~ Potentially higher return than using a term deposit with similar maturity (average 5% yield since 1970). (ii) Reduces Portfolio Risk through a diversified portfolio (B) (i) Illiquid – Property is an illiquid asset class and it is not always possible to sell units immediately. (ii) High Cost of Dealing (iii) high market risk as the property value and performance will fluctuate based on condition of Real Estate market.	No	N/A	To be used in-house after consultation/ advice from Link		<i>Suggested limit : 10 years</i>
UK Gilt Government	A) Enhanced income – potentially higher return than using a term deposit with similar maturity B) Interest rate risk. However, if held to maturity, both principal and interest will be paid. Price will move throughout the life of the gilt		AAA	To be used in-house after consultation/advice from Link		<i>Suggested limit 10 years</i>
Bonds issued by a financial institution guaranteed by the UK Government	A) Enhanced income – potentially higher return than using a term deposit with similar maturity B) Interest rate risk. However, if held to maturity, both principal and interest will be paid. Price will move throughout the life of the bond		AAA	To be used in-house after consultation/advice from Link		<i>Suggested limit 10 years</i>
Bond Funds Gilt Funds (Collective Investment Schemes structured as Open Ended Investment Companies)	A) Enhanced income – potentially higher return than using a term deposit with similar maturity B) Interest rate risk. However, if held to maturity, both principal and interest will be paid. Price will move throughout the life of the bond		AAA	To be used in-house after consultation/advice from Link		<i>Suggested limit 10 years</i>
Sovereign Bonds (i.e. other than the UK Government)	A) Enhanced income – potentially higher return than using a term deposit with similar maturity B) Interest rate risk. However, if held to maturity, both principal and interest will be paid. Price will move throughout the life of the bond		AAA	To be used in-house after consultation/advice from Link		<i>Suggested limit 10 years</i>

Bonds issued by Multilateral Development Banks	<p>(A) (i) Excellent credit quality. (ii) relatively liquid. (although not as liquid as gilts) (iii) If held to maturity, known yield (rate of return) per annum, which would be higher than that on comparable gilt ~ aids forward planning, enhanced return compared to gilts. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity)</p> <p>(B) (i) 'Market or interest rate risk' : Yield subject to movement during life of bond which could negatively impact on price of the bond i.e. potential for capital loss. (ii) Spread versus gilts could widen</p>	<p>No</p>	<p>AAA or government guaranteed</p>	<p>Buy and hold to maturity : to be used in-house after consultation/ advice from Link</p>	<p><i>Suggested limit 10 years</i></p>
Sub- Regional Materials Recycling Facility	<p>(A) Enhanced income - Investment opportunity to provide good returns.</p> <p>(B) (i) Limited market if there is a wish to sell shares. (ii) Commercial risks have been taken into account in the business case modelling.</p>		<p>N/A</p>	<p>8 local authorities are in partnership to develop a wholly local authority owned/operated Materials Recycling Facility.</p>	<p><i>Limit 25 years</i></p>

*

Treasury Management Strategy Statement 2021/22

Approved Countries for Investment

AAA

Australia
Denmark
Germany
Netherlands
Singapore
Sweden
Switzerland
United States of America (AA+ with S&P)

AA+

Finland
Canada (AAA with S&P)

AA

France
United Arab Emirates

AA-

Belgium (AA with S&P)
Qatar
United Kingdom (AA with S&P)

Minimum Revenue Provision Policy Statement 2021/22

The Council implemented the new MRP Guidance in 2008/09 and have assessed their Minimum Revenue Provision since then in accordance with the main recommendations contained within the Guidance issued by the Secretary of State under section 21 (1A) of the Local Government Act 2003. In particular, the council are satisfied that the guidelines for their annual amount of MRP set out within this Policy Statement will result in their making the requisite prudent provision that is required by the Guidance.

The MRP for the financial year 2008/09, and thereafter, will continue to be charged at the rate of 4%, in accordance with the recommendations and intent of Option 1¹ and the discretion available under the Guidance.

In subsequent financial years, further amounts of new capital expenditure may continue to be charged at the rate of 4%, and added to the above mentioned base CFR amount, up to an amount equivalent to the Council's annual SCER allocation. The expenditures ranking for this method of charge will be assessed on a cumulative basis, where appropriate, rather than confined to individual financial years. To the extent that expenditures cannot be treated in this manner, they will be subject to MRP principles outlined in Option 3².

Also, application of this provision will be on a discretionary basis, in that any utilisation of the continuing 4% option is entirely discretionary and may if necessary be "stored up" until a later financial year.

The Council will treat all expenditures as not ranking for MRP until the year after the scheme or asset to which they relate is completed and/or brought into use, rather than confine this approach solely to expenditures treated for MRP purposes under Option 3.

What is meant by this is that it is considered both proper and prudent to adopt the uncompleted scheme aspect as recommended under the heading of Option 3 for all expenditures, in recognition of the fact that there is essentially no difference in MRP charging terms between any new capital expenditures.

In cases where new capital expenditure is incurred in relation to an existing asset or similar, MRP will be spread over a period which reflects the life/beneficial use of the associated asset or item.

These periods are determined for MRP purposes only, and the Council may account for depreciation of assets under SORP over different periods, after having had regard to the different conditions that may apply to these for accounting purposes.

The spreading of the MRP charge under the estimated life period approach will be carried out in an aggregate manner, as details of individual schemes, whilst required for supporting information purposes in the year for which MRP liability is first being assessed, have no beneficial purpose thereafter. Schemes/expenditures will accordingly be grouped within differing life periods where such apply.

The Council also determines that available resources for financing capital expenditure, such as capital receipts, will be applied to new capital expenditure in a manner that is

¹ Option 1 – for debt which is supported by the Government. This is subject to a 4% charge per annum.

² Option 3 – provision to repay borrowing is made over the estimated life of the asset.

considered appropriate in any financial year. For example, it will not be considered imprudent to apply such resources in the first instance to expenditures that have a shorter estimated lifespan, as the process for allocating either actual resources, or treatment under the various options, can only operate on a selective basis, as envisaged by the Guidance.

When adopting this aspect of the recommendations contained within Option 3, the Council may, where applicable, treat any new capital expenditures/schemes which are both commenced and finalized within the financial year as having been financed from any associated grants, s.106 monies, or similarly earmarked funds. This is however entirely at their discretion. In cases where expenditure is incurred on only part of a scheme which is not completed by the year end, any grant or similar financing resources will either be allocated to other new expenditures under delegated powers, or carried forward for MRP purposes, as necessary or appropriate.

Final decisions regarding the manner in which such resources are deemed to be allocated to schemes will be taken under delegated powers.

Estimated life periods will also be taken under delegated powers. In the case of new capital expenditure in respect of land, it is considered that the recommended life period of 50 years contained within the Guidance does not adequately reflect a realistic life period, which is considered to be at least as great as would be the case if a building were to be placed upon it. The Council are aware when approving this that the Guidance recommends only that the life period should bear some relation to that over which the asset is estimated to provide a service.

To the extent that expenditures are not on the creation of an asset and are of a type that are subject to estimated life periods that are referred to in the Guidance, these periods will generally be adopted by the Council. However, in the case of long term debtors arising from loans or other types of capital expenditure made by the Council which will be repaid under separate arrangements (such as long term investments), the Authority will give separate consideration as to whether a Minimum Revenue Provision will be made. The Council are satisfied that a prudent provision can be achieved after exclusion of these capital expenditures from the MRP requirements.

In view of the variety of different types of capital expenditure incurred by the Authority, which is not in all cases capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefits that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure, and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

The determination as to which schemes shall be deemed to be financed from available resources, and those which will remain as an outstanding debt liability to be financed by borrowing or other means will be assessed under delegated powers.

Counter Party Limits

Group Limit	Up to 30% of total investments
Other Limits	Up to 50% of total investments may be invested for a period of more than 1 year
	Up to 100% of total investments may be invested with UK institutions
	Up to 50% of total investments may be invested in non UK institutions
	Up to 100% of total investments may be invested for a period of up to 1 year
	Up to 20% of the investment portfolio in any one country outside the UK
Ultra-Short Dated Bond Funds	As the funds are spread over a large number of institutions, these do not form part of any group limit.
Cash Funds	As the funds are spread over a large number of institutions, these do not form part of any group limit.
Property Funds	As the funds are spread over a range of properties, these do not form part of any group limit.

Individual Investment Limits

Fitch Ratings	Investment Duration	Investment Limit
AAA – Money Market Fund (MMF)	12 months and over	£5,000,000
AAA – Cash Fund (USDBF)	12 months and over	£3,000,000
AAA – Property Fund	12 months and over	£2,000,000
AAA – Supranational Bank	12 months and over	£2,500,000
AAA – Supranational Bank	Less than 12 months	£3,000,000
AA+	12 months and over	£2,000,000
AA+	Less than 12 months	£2,500,000
AA	12 months and over	£1,750,000
AA	Less than 12 months	£2,250,000
AA-	12 months and over	£1,500,000
AA-	Less than 12 months	£2,000,000
A+	6 to 12 months	£1,500,000
A+	Less than 6 months	£1,750,000
A	6 to 12 months	£1,000,000
A	Less than 6 months	£1,500,000
A-	6 to 12 months	£750,000
A-	Less than 6 months	£1,250,000
Nationalised/Part-Nationalised	12 months and over	£1,750,000
Nationalised/Part-Nationalised	Less than 12 Months	£2,250,000

Commercial Investments – These will be assessed on an individual basis.

Agenda Item No 17

Resources Board

25 January 2021

Report of the Corporate Director - Streetscape

Sheepy Road Football Ground

1 Summary

- 1.1 This report proposes that the Council enters into a Tenancy at Will with Atherstone Town Community Football Club in respect of its use of the Football Ground, Sheepy Road Atherstone.

Recommendation to the Board

That the Board agrees to enter into a Tenancy at Will with Atherstone Town Community Football Club in respect of its use of Sheepy Road Football Ground, subject to the agreement of the terms by the Chairman and Vice-chairman of the Resources and Community and Environment Boards and that the Head of Legal Services is granted authority to complete the necessary documentation.

2 Background

- 2.1 The history of the Council's involvement with the ground at Sheepy Road dates back to 1972 when the Council first acquired the land. The Council has owned the football ground at Sheepy Road, Atherstone since 2004 when Atherstone United Football Club went into liquidation and the site was purchased by the Council. The ground was subsequently leased to the newly formed Atherstone Town Football Club Limited. Under the terms of the lease, ATFC was responsible for all aspects of the maintenance, upkeep and operation of the ground including all issues relating to Health and Safety.
- 2.2 Atherstone Town Football Club Limited has undergone a number of changes at Board level over the intervening period and it is understood that, for some time, the day-to-day running of the ground and all footballing matters were left to the football team which was an entirely separate entity to the leaseholder.
- 2.3 In October 2018 Atherstone Town Community Football Club (ATCFC) Management Committee Ltd took over responsibility for the team and the running of the Sheepy Road ground, under the title Atherstone Town Community Football Club. The lease was still held by ATFC Ltd which continued to allow the football team to play at the ground.
- 2.4 In February 2019 a successful application was made to register the Football Ground as an Asset of Community Value.

2.5 In December 2019 the longstanding Chair of ATFC Ltd (the leaseholder) stood down and the company changed its name to RRUBA Ltd. ATCFC was still allowed to play at the ground. On 8 December, 2020 following an application by the leaseholder to Companies House, RRUBA Ltd was dissolved. At that point full responsibility for the football ground reverted to the owners of the site, North Warwickshire Borough Council.

3 Council Motion

3.1 At its meeting on 4 December, 2019 the Council committed to:

- Seek all available legal routes to end the lease of the current leaseholder with immediate effect.
- Enter into negotiations with Atherstone Town Community Football Club with a view to the asset transfer of the site or providing them with a long-term lease enabling them to access the readily available funding from Sport England and others.
- Publicly declare its commitment to the football ground remaining a sporting facility for the benefit of the community

3.2 As set out in the background to the report, the lease ended on 8 December, 2020 upon the dissolution of the company which held the lease. Officers have met and been in regular communication with representatives of the football club, ATCFC, since December 2019 especially in regard to the need to undertake urgent health and safety improvements to the ground. Officers have also spoken to representatives of Sport England and the Football Foundation about the availability of suitable funding and the conditions under which any funds might be accessed.

4 Tenancy at Will

4.1 Following the dissolution of the previous leaseholder, RRUBA Ltd (and while long term discussions over the future use of the football ground are ongoing) there is a need to formalise the relationship between the Council and ATCFC. It is proposed that this is done through a Tenancy at Will.

4.2 A Tenancy at Will is a temporary contract entered into between two parties, whereby one party (the Landlord) provides the other party (the Tenant) with the right of lease to the Property, with the mutual agreement that the tenancy is terminable at any time by either of the parties, subject to the provision of "reasonable notice". Such an agreement is ideal in cases where two parties are working towards a more formal, longer-term arrangement. It contains the essential clauses necessary to protect both parties and also affords an opportunity for the associated activity to be undertaken.

4.3 The Board, therefore, is asked to agree that the Council enters into a Tenancy at Will with ATCFC in respect of its future use of Sheepy Road Football Ground. If the Board wishes to pursue a Tenancy at Will, it is proposed that the terms of the agreement be approved by the Chairman and Vice-chairman of the Resources and Community and Environment Boards. It is, nevertheless, anticipated that these terms would include the following matters:

- Definitions
- Interpretations
- Granting of the Tenancy at Will
- Payments
- Tenant's Obligation
 - Use of the Property
 - Maintenance
 - Risk Management / Assessment
 - Indemnity Against Losses
 - Insurances
 - Meetings with the Landlord
 - Terms
 - Agreements Required of the Landlord
 - Subletting
 - Occupation, Community Access and Community Events

- Landlord's Obligations
 - Costs
 - Maintenance
 - Indemnity Against Losses
 - Insurances
 - Meetings with the Tenant
 - Terms
 - Use by the Landlord

- Signatories

4.4 It is proposed that the term of the Tenancy at Will be set at twelve months.

5 Report Implications

5.1 Finance and Value for Money Implications

5.1.1 Entering into a Tenancy at Will with Atherstone Town Community Football Club in respect of its use of Sheepy Road Football Ground would ensure that ATCFC was responsible for all the day-to-day costs of operating and maintaining the site. Any future long-term agreement would only be on terms that do not adversely affect the Authority's revenue position.

5.2 Legal, Data Protection and Human Rights Implications

5.2.1 If the Board is minded to pursue such an agreement, it is proposed that its terms be approved by the Head of Legal Services in consultation with the

Chairman and Vice-chairman of the Resources and Community and Environment Boards.

5.2.2 If the Board is minded to accept the recommendation, then the Council should seek to regularise the position as soon as possible and negotiate the terms of a longer lease with ATCFC. Since the ground is registered as an asset of community value, certain limitations apply to the terms of any lease that is granted. Since it is not proposed to lease the ground with vacant possession these limitations should not be relevant however, it is essential that the terms of any tenancy at will and/or lease are carefully drafted to ensure that those limitations are not compromised. A further report would be brought to the Board in relation to any formal lease that is proposed.

5.2.3 There are no data protection or human rights implications arising directly out of this report.

5.3 Environment, Sustainability and Health Implications

5.3.1 Officers are working with ATCFC to enhance the access to and use of the Football Ground by the local community which should have a positive impact on the health and wellbeing of individuals and communities by providing opportunities for formal and informal outdoor recreation and by contributing to an improved quality of life.

5.4 Human Resources Implications

5.4.1 There are no human resource implications arising directly out of this report.

5.5 Risk Management Implications

5.5.1 The Council's priority for the Football Ground at Sheepy Road is to ensure that it complies with all relevant Health and Safety legislation and can be safely used and enjoyed by players, spectators and visitors. The terms of the Tenancy at Will will require that all relevant Health and Safety regulations are adhered to.

5.6 Links to Council's Priorities

5.5.1 The proposal that is the subject of this report will have direct and positive links to the corporate priorities in respect of:

- Responsible financial and resource management
- Creating safer communities
- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities.

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

Agenda Item No 18

Resources Board

25 January 2021

**Report of the
Chief Executive**

Exclusion of the Public and Press

Recommendation to the Board

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

Agenda Item No 19

Confidential Extract of Minutes of the Resources Board held on 8 September 2020

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Agenda Item No 20

Borough Care Report – Report of the Director of Housing

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Agenda Item No 21

Adaptation at a Property in Atherstone – Report of the Director of Housing

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Agenda Item No 22

High Street, Coleshill – Report of the Corporate Director (Streetscape)

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

In relation to the item listed above members should only exclude the public if the public interest in doing so outweighs the public interest in disclosing the information, giving their reasons as to why that is the case.

The Contact Officer for this report is Emma Humphreys (719226).