

**To: Deputy Leader and Members of the Resources Board
(Councillors L Smith, Johnston, Bowden, Butcher,
N Dirveiks, Forwood, Fowler, Fox, Lea, Moore, Payne,
Smitten, Y Stanley and Winter)
For the information of other Members of the Council**

**For general enquiries please contact Emma
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via email – emmahumphreys@northwarks.gov.uk
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**For enquiries about specific reports please
contact the Officer named in the reports.**

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RESOURCES BOARD AGENDA

6 SEPTEMBER 2010

The Resources Board will meet in the Chamber at The Council House, South Street, Atherstone, Warwickshire on Monday, 6 September 2010 at 6.30 pm.

AGENDA

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Declarations of Personal or Prejudicial Interests.**
(Any personal interests arising from the membership of Warwickshire County Council of Councillors Fowler, Fox and Lea, and membership of various Parish Councils of Councillors Butcher, Smitten and Y Stanley (Polesworth), Fox (Shustoke) and Moore (Baddesley Ensor), are deemed to be declared at this meeting).

- 4 **Request for discussion of En Bloc items.**

**PART A – ITEMS FOR DISCUSSION AND DECISION
(WHITE PAPERS)**

- 5 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April – June 2010** - Report of the Chief Executive and the Deputy Chief Executive

Summary

This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to June 2010.

The Contact Officer for this report is Robert Beggs (719238).

- 6 **Voice Telecommunications Contract** – Report of the Assistant Director (Corporate Services)

Summary

This report details the process followed to evaluate the suppliers of telephone line rental and call costs and recommends the award of the contract to Global Crossing for the next 2 years with the option to extend for a further year provided costs are still competitive.

The Contact Officer for this report is Linda Bird (719327).

- 7 **Consultation on Local Referendum to Veto Excessive Council Tax Increases** – Report of the Deputy Chief Executive

Summary

The Department of Communities and Local Government has issued a consultation paper on the above subject. Responses are requested by 10 September 2010. This report outlines the proposals and attaches a draft response for the Board's consideration.

The Contact Officer for this report is Chris Brewer (719259).

- 8 **Tenant Services Authority Regulation – Annual Report for Tenants –** Report of the Assistant Director (Housing).

Summary

This report updates Members on the work of the Tenant Services Authority and presents a consultation document for consideration and response.

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

- 9 **Capital Programme 2010/2011 – Period Ending July 2010 –** Report of the Assistant Director (Finance and Human Resources)

Summary

The report updates Members on the progress of the 2010/11 Capital Programme in terms of both expenditure and outcomes.

The Contact Officer for this report is Sara Haslam (719489).

**PART B – ITEMS FOR EN BLOC DECISIONS
(YELLOW PAPERS)**

- 10 **Internal Audit – Performance for First Quarter 2010-11 -** Report of the Deputy Chief Executive

Summary

The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

The Contact Officer for this report is Barbara Haswell (719416).

- 11 **International Financial Reporting Standards – Progress Update –** Report of the Assistant Director (Finance and Human Resources)

Summary

Reports were brought to this Board in November 2008 and April 2009, explaining that new international financial reporting standards are being introduced from the 2010/11 accounts onwards and that a substantial amount of work has, and will be required, to ensure that the Council is fully compliant. This report details the progress made to date.

The Contact Officer for this report is Sara Haslam (719489).

- 12 **Treasury Management Update Quarter 1 2010/11** – Report of the Deputy Chief Executive

Summary

This report shows the Treasury Management activity during the first quarter of 2010/11.

The Contact Officer for this report is Jackie Marshall (719379).

**PART C – EXEMPT INFORMATION
(GOLD PAPERS)**

- 13 **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 item of business, on the grounds that it involves the likely disclosure of exempt information as defined by Schedule 12A to the Act.

- 14 **Irrecoverable Housing and Local Taxation Debts** – Report of the Assistant Chief Executive (Community Services)

The Contact Officer for this report is Mike Shaw (719338).

JERRY HUTCHINSON
Chief Executive

Agenda Item No 5

Resources Board

6 September 2010

Report of the Chief Executive and the Deputy Chief Executive

Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April - June 2010

1 Summary

- 1.1 This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to June 2010.

Recommendation to the Board

That Members consider the performance achieved and highlight any areas for further investigation.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 The Portfolio Holder and Shadow Portfolio Holder for Resources, Councillors Bowden and Butcher have been sent a copy of this report and any comments received will be reported to the Board.

3 Background

- 3.1 This report shows the first quarter position with the achievement of the Corporate Plan and Performance Indicator targets for 2010/11. This is the first report showing the progress achieved so far during 2010/11.

4 Progress achieved during 2010/11

- 4.1 Attached at Appendices A and B are reports outlining the progress achieved for all the Corporate Plan targets and the performance with the national and local performance indicators during April to June 2010/11 for the Resources Board.

- 4.2 Members will recall the use of a traffic light indicator for the monitoring of the performance achieved.

Red – target not achieved

Amber – target currently behind schedule and requires remedial action to be achieved

Green – target currently on schedule to be achieved.

5 Performance Indicators

- 5.1 The current national and local performance indicators have been reviewed by each division and Management Team for monitoring for the 2010/11. Members should be aware that the current set of national indicators are being reviewed by the Coalition government and maybe subject to deletion and or changes in the current year. For example the requirement to carry out a Place Survey has recently been announced as being cancelled.

6 Overall Performance

- 6.1 The Corporate Plan performance report shows that 81% of the Corporate Plan targets and 88% of the performance indicator targets are currently on schedule to be achieved. The report shows that individual targets that have been classified as red, amber or green. Individual comments from the relevant division have been included where appropriate. The table below shows the following status in terms of the traffic light indicator status:

Corporate Plan

Status	Number	Percentage
Green	22	81%
Amber	5	19%
Red	0	0%
Total	27	100%

Performance Indicators

Status	Number	Percentage
Green	30	88%
Amber	2	6%
Red	2	6%
Total	34	100%

7 Summary

- 7.1 Members may wish to identify any areas that require further consideration where targets are not currently being achieved.

8 Report Implications

8.1 Safer Communities Implications

8.1.1 There are community safety performance indicators which are reported to Executive Board.

8.2 Legal and Human Rights Implications

8.2.1 The national indicators have been specified by the Secretary of State for Communities and Local Government as part of a new performance framework for local government as set out in the local Government White Paper Strong and Prosperous Communities. They are currently being reviewed by the Coalition Government.

8.3 Environment and Sustainability Implications

8.3.1 Improvements in the performance and quality of services will contribute to improving the quality of life within the community. There are a number of actions and indicators which contribute towards the priorities of the sustainable community strategy including customer access strategy, outreach services, financial inclusion, health and well being services and decent and affordable housing.

8.4 Risk Management Implications

8.4.1 Effective performance monitoring will enable the Council to minimise associated risks with the failure to achieve targets and deliver services at the required performance level.

8.5 Equalities

8.5.1 There are a number of equality related actions and indicators highlighted in the report including developing outreach services, financial inclusion, decent and affordable housing, adaptations for people with disabilities and fuel poverty.

8.6 Links to Council's Priorities

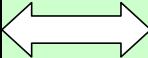
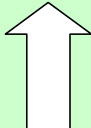
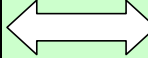
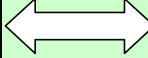
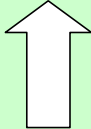
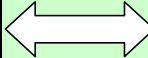
8.6.1 There are a number of targets and performance indicators contributing towards the priorities of access to services, improving housing in the borough, tackling health inequalities, achieving a balanced budget and developing our workforce.

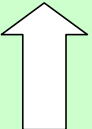
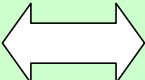
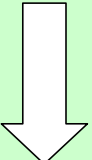
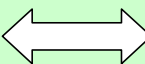
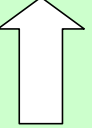
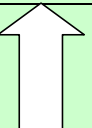
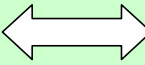

The Contact Officer for this report is Robert Beggs (719238).

Background Papers

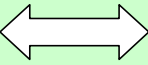

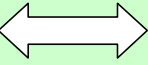
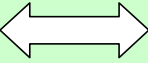
Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
National Indicators for Local Authorities and Local Authority Partnerships	Department for Communities and Local Government	Statutory Guidance	February 2008

Ref	Start Date	Action	Board	Lead Officer	Reporting Officer	Theme	Sub-Theme	Update	Traffic Light	Direction
1	Apr-10	Reviewing and adopting an updated Customer Access Strategy and Action Plan, which will focus on development of outreach services to complement those delivered from the One Stop Shop in Atherstone, promoting of self service channels and corporate wide promotional activities where they are supported by a business case	Resources Board	AD (R&B)	Bob Trahern	Community Life		Not due to be completed until November 2010. Currently reviewing our existing strategy with a view to take a report to board in February 2011	Green	
2	Apr-10	Implementing one stop shop services in up to two libraries in the borough by March 2011 under the Warwickshire Direct and BOB brand	Resources Board	AD (R&B)	Bob Trahern	Community Life		Discussions with County council continue and we are currently testing the technological platform to support any outreach delivery proposal. Aiming to take to Resources Board on 6/9/10 or as part of the wider accomodation review or at a date to be agreed	Green	
3	Apr-10	Improving the Council's website by the implementation of interactive self serve forms and acting on customer feedback received via the Gov Metric product by December 2010	Resources Board	AD (R&B)	Bob Trahern	Community Life		On target	Green	
4	Apr-10	Working with partners to identify projects and submit bids for access to services or transport projects, LEADER and other funding opportunities to support their potential implementation, including a bid with community groups and parish councils for PCs or Laptops in village halls, housing common rooms via hubs or at regular surgeries	Resources Board	AD (R&B)	Bob Trahern	Community Life		Concerns over the release of LEADER funding is currently being discussed. This is following the decision to review all spending commitments made in 2010/11 as a result of the economic downturn. If funding is ultimately released to the Council, we will be seeking to put together bids over the next 6 months for projects that we wish to seek support for from 2011 onwards	Amber	
5	Apr-10	Delivering a project with a health and well-being provider to take health and wellbeing services out into the community if a bid to the Department of Works and Pensions made in January 2010 is successful. This will also produce Health and Well-being outcomes	Resources Board	AD (R&B)/ AD (L&CD)	Bob Trahern	Community Life		Project started in June 2010 with a launch event for participating staff who have been drawn from across the organisation to take part in a structured programme of health and well being support. It is hoped that this programme will provide positive support and benefits to selected staff and reduce their sickness levels and improve their well being going forward	Green	
6	Apr-10	Progress to be determined by the outcome of the shared contact centre business case to be reviewed in April 2010	Resources Board	AD (R&B)	Bob Trahern	Community Life		Contact Centre recommendations delayed to be considered at the same time as the outreach office delivery solution	Green	

Ref	Start Date	Action	Board	Lead Officer	Reporting Officer	Theme	Sub-Theme	Update	Traffic Light	Direction
13	Apr-10	Subject to funding being available, continue to promote the Credit Union and CAB activity by providing an outlet facility and signposting customers via the One Stop Shop and Contact Centre. Funding a further CAB Debt Advisor	Resources Board	AD (R&B)	Bob Trahern	Community Life		Ongoing funding provided via the Council, B.O.B project and County Council area forum which is enabling activity to continue up to 31 March 2011	Green	
14	Apr-10	Seeking funding to continue the BOB project either from LEADER or other funding streams post March 2011	Resources Board	AD (R&B)	Bob Trahern	Community Life		Concerns over the release of LEADER funding is currently being discussed. This is following the decision to review all spending commitments made in 2010/11 as a result of the economic downturn. If funding is ultimately released to the Council, we will be seeking to put together bids over the next 6 months for projects that we wish to seek support for from 2011 onwards	Amber	
15	Apr-10	Continuing to work with neighbouring and welfare agencies to continue to promote take up of Council Tax, Housing and other welfare benefits work in a collaborative way in accordance with the actions in the Warwickshire Benefits Take-up Strategy and action plan 2010	Resources Board	AD (R&B)	Bob Trahern	Community Life		Take up activity is ongoing in 2010/11 albeit at a reduced level as a result of the decision to cut the LPS2 reward money which we were originally successful in bidding for by nearly half. This means that only one f.t.e will be supporting take up activity across the 5 district councils in the area of benefits maximisation up to 31 March 2012	Green	
16	Apr-10	Adopting a local Financial Inclusion Partnership for the Council which will ultimately feed into a County-wide financial inclusion partnership which will co-ordinate future financial inclusion activity with existing and new partners by December 2010	Resources Board	AD (R&B)	Bob Trahern	Community Life		Work is on target	Green	
17	Apr-10	Meeting the Decent Homes Standard in the Council's own stock by December 2010	Resources Board	DR / AD (H)	Angela Coates	Housing		We have completed works to meet the decent homes standard apart from 18 properties. Work is now underway to refresh our stock condition information to plan future work.	Green	
18	Apr-10	Completing Phase 1 by refurbishing and transferring the properties to Waterloo Housing Association by December 2010. Starting on Phase 2 with a view to completing the work by May 2011	Resources Board	DR / AD (H)	Angela Coates	Housing		Phase 1 is complete to a very high standard and satisfaction. Phase 2 is on target to meet the May 2011 deadline.	Green	
19	Apr-10	To report further to the Housing Portfolio Holder Group and Resources Board by June 2010 on current schemes and make recommendations for such a scheme in North Warwickshire	Resources Board	DR / AD (H)	Angela Coates	Housing		The Housing Portfolio Holder Group and Resources Board have considered this and decided not to implement a scheme at the current time. It will be reviewed in 6 months.	Green	
20	Apr-10	Completing new developments in Dordon and Ansley by April 2010	Resources Board	DR / AD (H)	Angela Coates	Housing		Both of the schemes were completed by April 2010.	Green	

Ref	Start Date	Action	Board	Lead Officer	Reporting Officer	Theme	Sub-Theme	Update	Traffic Light	Direction
21	Apr-10	Securing the development of sites at Warton, and Atherstone by Housing Associations by March 2011	Resources Board	DR / AD (H)	Angela Coates	Housing		Warton Parish Council have chosen another site to develop. Work continues to secure sites in Atherstone. However funding is currently not available through Social Housing Grant.	Amber	↔
22	Apr-10	Developing new Council properties at Arley, Fillongley, Kingsbury and Water Orton by March 2011	Resources Board	DR / AD (H)	Angela Coates	Housing		Work is underway to develop all of these sites.	Green	↑
23	Apr-10	Working proactively with Housing Association Preferred Partners and the Homes and Communities Agency to deliver a local investment plan by January 2011 that will identify opportunities for further affordable housing schemes in addition to those mentioned above	Resources Board	DR / AD (H)	Angela Coates	Housing		Work has started to develop the Local Investment Plan for Warwickshire based on the Coventry, Solihull and Warwickshire Growth Strategy. When the Plan is in place the Homes and Communities Agency will act to put in place a Local Investment Agreement specifically for North Warwickshire.	Green	↑
25	Apr-10	Responding to the Tenant Services Authority standards by updating current service standards, publicising them and reporting on performance to all Tenants by October 2010 and having new service standards in place by April 2011	Resources Board	AD (H)	Angela Coates	Housing		Work is underway to refresh our current standards by October 2010. This will provide a foundation for publicising agreed standards in 2011. A self assessment statement will be drafted for September 2010.	Green	↑
26	Apr-10	Acting on initiatives presented to Resources Board to set targets by July 2010 for the numbers of empty homes brought back into use and the numbers of private sector occupiers assisted in improving the condition of their homes by helping them access appropriate support and financial assistance	Resources Board	AD (H)	Angela Coates	Housing		Work is underway to explore options to bring empty homes back into use in Dordon and Hurley. Other opportunities will be taken up using Council Tax records.	Amber	↔
27	Apr-10	Act on action plan results from Borough Care Review	Resources Board	AD (H)	Angela Coates	Health and Well Being		The review of the Borough Care part of Community Support is underway. However an action plan will not be in place before January 2011.	Amber	↓
28	Apr-10	Establishing a new pilot service model to take forward the recommendations from the service review of the Home Improvement Agencies and related work streams in partnership with the County Council and other districts by March 2011	Resources Board	AD (H)	Angela Coates	Housing		Work continues on this project and it is expected that there will be a progress report to the Portfolio Holder Group in November 2010. In the meantime work is being undertaken to improve the delivery of DFGs in North Warwickshire.	Green	↑
73	Apr-10	Reviewing the benefits and issues of the new flexible working arrangements by December 2011	Resources Board	MT / AD (F&HR)	Sue Garner	Resources		This will commence later in the year.	Green	↔
74	Apr-10	Reducing office space by 30% if required to reflect the revised flexible working arrangements by March 2011	Resources Board	MT / AD (S)	Richard Dobbs	Resources		A reduction of around 20% has been identified to date.	Green	↔

Ref	Start Date	Action	Board	Lead Officer	Reporting Officer	Theme	Sub-Theme	Update	Traffic Light	Direction
75	Apr-10	Timetabling reviews for all Human Resource policies, completing those identified for 2010/11 and providing briefing sessions as required	Resources Board	MT / AD (F&HR)	Sue Garner	Resources		The policies to be reviewed in 2010/11 have been identified.	Green	
76	Apr-10	Continuing to contribute to the efficiencies and savings targets through the delivery of the Procurement Strategy Action Plan	Resources Board	AD (CS)	Linda Bird	Resources		Procurement Working Group Meeting to be arranged (Aug/Sept) at which progress is monitored.	Green	
79	Apr-10	Research and develop options for extending the councils consultation with stakeholders on financial reporting and council priorities by March 2011	Resources Board	DR	Chris Brewer	Resources		In progress.	Green	
80	Apr-10	Finalising the next stage of the Council's Accommodation Project work and updating the Council's Property Strategy and Asset Management Plan based on the outcomes of that project by March 2011	Resources Board	DCE / DR / AD (S)	Richard Dobbs	Resources		A further seminar is planned for Members in September.	Green	

Performance Indicators

PI Ref	Description	Division	Section	High/Low is good	2010/11 Target	2009/10 Outturn	National Best Quartile	Performance	Traffic Light	Direction	Comments	Suggested reporting interval	Board	Reported to MT
Finance & Human Resources														
F&HR LPI 3	The % of invoices for commercial goods and services which were paid by the authority within 30 days of such invoiced being received by the Authority	Finance & HR	Financial Accountancy	High	98%	98.23%	97.6%*	98.57%	Green	↑	Monitored monthly by EMT	Q	Resources Board	Yes
BVPI 12	The proportion of working days / shifts lost to sickness absence	Finance & HR	Human Resources	Low	10	10.46	8.4%*	2.86	Amber	↓		Q	Resources Board	Yes
BVPI 13	Voluntary leavers as a % of staff in post	Finance & HR	Human Resources	Low	10%	9.03%	N/A	1.69%	Green	↑		Q	Resources Board	Yes
NI 179a	VFM – total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008/09 financial year (October estimate)	Finance & HR	Management Accountancy	-	£1,575,500	£1,358,000	N/A	£1,734,710	Green	↑	This is a forecast figure to be achieved by the end of March 2011	Q	Resources Board	Yes
NI 179b	VFM – total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008/09 financial year (July actual)	Finance & HR	Management Accountancy	-	£1,575,500	Due July	£1,162,000	n/a	n/a	n/a		A	Resources Board	Yes
Housing														
HSG-LPI 9	Percentage of calls answered through the Central Control system within 30 seconds. (TSA national standard 80%) :	Housing	Community Support	High	97%	97%	N/A	97.10%	Green	↑		Q	Resources Board	No
HSG-LPI 10	Percentage of calls answered through the Central Control system within 60 seconds. (TSA national standard 96.5%):	Housing	Community Support	High	99.0%	99.3%	N/A	99.30%	Green	↑		Q	Resources Board	Yes
HSG-LPI 11	The percentage of new Lifeline phone and pendant connections installed within seven working days of receipt of the application, in the cases where there is an existing telephone jackpoint and nearby electric socket. :	Housing	Community Support	High	99%	99%	N/A	100%	Green	↔		Q	Resources Board	No
HSG-LPI 12	The percentage of client's details inputted and amended in the Central Control System within 12 hours of receipt. :	Housing	Community Support	High	100%	100%	N/A	100%	Green	↔		Q	Resources Board	No
HSG-LPI 13	To carry out a follow up check within 10 working days of lifeline installation, to check that the client is happy & familiar with the operation of the system	Housing	Community Support	High	98%	95.6%	N/A	100%	Green	↔		Q	Resources Board	No
HSG-LPI 14	The percentage of a representative sample of customers stating that they are satisfied with the overall service provided by Community Support when surveyed.	Housing	Community Support	High	99%	99.2%	N/A	none	n/a	n/a	None given out/returned due to the work pattern and the rounds of the CSO's.	Q	Resources Board	Yes
NI 158	Non decent homes	Housing	Housing Maintenance	Low	0.00%	1.02%	7%*	n/a	n/a	n/a		A	Resources Board	Yes
New	% of response repairs completed right first time	Housing	Housing Maintenance	High	50.00%	New	N/A	n/a	n/a	n/a	New recording system in place. Reporting from Quarter 2	Q	Resources Board	Yes
New	Average time taken to carry out responsive repairs to Council properties	Housing	Housing Maintenance		14 days		N/A	n/a	n/a	n/a	New recording system in place. Reporting from Quarter 2	Q	Resources Board	
HSG-LPI 3	Average waiting time to complete an adaptation from request and completion of work	Housing	Housing Maintenance	Low	130 days	131.14	N/A	121 days	Green	↑		Q	Resources Board	Yes

Performance Indicators

PI Ref	Description	Division	Section	High/Low is good	2010/11 Target	2009/10 Outturn	National Best Quartile	Performance	Traffic Light	Direction	Comments	Suggested reporting interval	Board	Reported to MT
HSG-LPI 4	The average waiting time for adaptations to local authority housing for people with disabilities: a, time taken between initial request and referral	Housing	Housing Maintenance	Low	90 days	93	N/A	96 days	Red	↓	This is an Adult Social Care performance indicator	Q	Resources Board	Yes
HSG-LPI 5a	The average waiting time for adaptations to local authority housing for people with disabilities(excluding major work): between, time taken between referral and completion of work	Housing	Housing Maintenance	Low	38 days	38.14	N/A	31.8 days	Green	↑		Q	Resources Board	Yes
HSG-LPI 5b	The average waiting time for adaptations to local authority housing for people with disabilities where an extension is required: between, time taken between referral and completion of work	Housing	Housing Maintenance	Low	12 months	18 months	N/A	n/a	n/a	n/a		A	Resources Board	Yes
HSG-LPI 6	Gas certificates outstanding	Housing	Housing Maintenance	Low	0.10%	5.23%	N/A	0.13%	Green	↑	4 appliances outstanding	Q	Resources Board	Yes
NI 156	Number of households living in temporary accommodation. (Snapshot at end of each quarter)	Housing	Housing Management	Low	3	1	9	0	Green	↑		Q	Resources Board	Yes
NI 160	The percentage of all council tenants, or a representative sample of council tenants, stating that they are satisfied with the overall service provided by their landlord when surveyed.	Housing	Housing Management	High	86%	89.9%	84.9%*	n/a	n/a	n/a		A	Resources Board	Yes
HSG-LPI 7	Local authority rent collection and arrears: : Rent collected by the local authority as a proportion of rents owed on Housing Revenue Account (HRA) dwellings.	Housing	Housing Management	High	99.00%	99.21%	99%*	n/a	n/a	n/a		A	Resources Board	Yes
New	Number of tenants with more than 7 weeks rent arrears	Housing	Housing Management	Low	2.80%	New	-	2.59%	Green	↑		Q	Resources Board	Yes
HSG-LPI 8	Average time taken to re-let local authority housing.	Housing	Housing Management	Low	21 days	22.4	24 days*	33 days	Red	↓	Volume of work. Action being taken to improve resource to reduce time to repair.	Q	Resources Board	Yes
EH-LPI 1	To respond to all complaints and requests for service within three working days (Pests, Dogs and general env health FLARE system)	Housing	Private Sector & Public Health	High	98%	98.7%	N/A	98.90%	Green	↑		M	Resources Board	Yes
EH-LPI 10	The number of private sector vacant dwellings that are found to be occupied, returned into occupation or demolished during the year as a direct result of action by the local authority :	Housing	Private Sector & Public Health	High	25	Not known	53.3	n/a	n/a	n/a		A	Resources Board	Yes
New	The average waiting time for adaptations to private sector housing for people with disabilities: a, time taken between initial request and completion of work	Housing	Private Sector & Public Health	Low	To be advised by 14/05	New	-	n/a	n/a	n/a	Data not currently available will be provided quarterly when available	Q	Resources Board	Yes
New	The average waiting time for adaptations to private properties for people with disabilities(excluding major work): time taken between initial request and receipt of OT referral	Housing	Private Sector & Public Health	Low	5 weeks	New	-	n/a	n/a	n/a	Data not currently available will be provided quarterly when available	Q	Resources Board	Yes
New	The average waiting time for adaptations to private properties for people with disabilities(excluding major work): time taken between date of OT referral and authorisation of grant application	Housing	Private Sector & Public Health	Low	6 months	New	-	n/a	n/a	n/a		A	Resources Board	Yes

Performance Indicators

PI Ref	Description	Division	Section	High/Low is good	2010/11 Target	2009/10 Outturn	National Best Quartile	Performance	Traffic Light	Direction	Comments	Suggested reporting interval	Board	Reported to MT
NI187 a	Tackling fuel poverty – % of people receiving income based benefits living in homes with a SAPenergy efficiency rating of below 35	Housing	Private Sector & Public Health	Low	To be advised by 14/05	9.00%	7.50%	n/a	n/a	n/a		A	Resources Board	Yes
NI187b	Tackling fuel poverty – % of people receiving income based benefits living in homes with a SAPenergy efficiency rating of over 66	Housing	Private Sector & Public Health	High	To be advised by 14/05	38.00%	34.49%	n/a	n/a	n/a		A	Resources Board	Yes
Corporate Services														
INFS-LPI 1	The percentage availability of corporate systems available to users Monday to Friday 8.00 am to 5.30 pm :	Corporate Services	Computer Services	High	99.70%	99.99%	N/A	99.91%	Green	↔		Q	Resources Board	No
INFS-LPI 3	The percentage of initial response to helpdesk calls within four hours of a call being placed :	Corporate Services	Computer Services	High	95%	99%	N/A	99%	Green	↔	We failed to achieve the response time target on 10 out of 1428 calls	Q	Resources Board	No
INFS-LPI 7	Percentage of Service Desk Calls resolved in target (total of IS3 to IS6)	Corporate Services	Computer Services	High	95%	97%	N/A	97%	Green	↔		Q	Resources Board	No
INFS-LPI 8	Analyse and report of e-service take up for the previous 12 months	Corporate Services	Computer Services	-	Increase	Increased	N/A	n/a	n/a	n/a		A	Resources Board	Yes
Revenues and Benefits														
CC-LPI 1	The Percentage of Calls answered in 20 seconds in the contact centre	Revs & Bens	Contact Centre	High	75%	74%	N/A	73%	Green	↔		Q	Resources Board	Yes
BEN-LPI 4	The percentage of all new claims processed within 14 days of receiving all relevant information :	Revs & Bens	Revs & Bens	High	96.5%	97.8%	N/A	94.95%	Green	↔		Q	Resources Board	Yes
LPI	Housing Benefit Security : : The number of prosecutions and sanctions, per 1,000 caseload..	Revs & Bens	Revs & Bens	-	5.5	6.3	N/A	1.51	Green	↔	Pro Rata on target	Q	Resources Board	No
LPI	Speed of processing : Average time for processing new claims	Revs & Bens	Revs & Bens	Low	21	17.9	24	23.9	Green	↓		Q	Resources Board	Yes
LPI	Speed of processing : Average time for processing notifications of changes of circumstance.	Revs & Bens	Revs & Bens	Low	7	3.5	7.1	7.1	Green	↔		Q	Resources Board	Yes
NI181	Overall Average Time for Processing Changes and New Claims	Revs & Bens	Revs & Bens	Low	8.5	5.11	N/A	10.58	Amber	↓	Significant increases in workload caused by the economic downturn as predicted are taking effect	Q	Resources Board	Yes
LPI	The amount of Housing Benefit overpayments (HB) recovered during the period being reported on as a percentage of HB deemed recoverable overpayments during that period. :	Revs & Bens	Revs & Bens	High	75%	73.45%	83.5%*	75.49%	Green	↑		Q	Resources Board	Yes
LPI	HB overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period plus amount of HB overpayments identified during the period. :	Revs & Bens	Revs & Bens	High	40%	41.04%	37.5%*	15.95%	Green	↔		Q	Resources Board	No
LPI	Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period, plus amount of HB overpayments identified during the period. :	Revs & Bens	Revs & Bens	Low	6%	3.24%	N/A	1.04%	Green	↑		Q	Resources Board	No
LPI	Percentage of Discretionary Housing Payment budget committed	Revs & Bens	Revs & Bens	High	100%	93.96%	N/A	5.33%	Green	↔		Q	Resources Board	No

Performance Indicators

PI Ref	Description	Division	Section	High/Low is good	2010/11 Target	2009/10 Outturn	National Best Quartile	Performance	Traffic Light	Direction	Comments	Suggested reporting interval	Board	Reported to MT
LPI	The percentage of non-domestic rates due for the financial year which were received by the authority. :	Revs & Bens	Revs & Bens	High	99.00%	99.35%	99.4%*	31.89%	Green	↑	Pro Rata on target	Q	Resources Board	Yes
LPI	Proportion of Council Tax collected. :	Revs & Bens	Revs & Bens	High	98.40%	98.52%	98.6%*	30.26%	Green	↑	Pro Rata on target	Q	Resources Board	Yes
CTAX-LPI 1	Proportion of Direct Debit take up for Council Tax collection. :	Revs & Bens	Revs & Bens	High	76% (or 1% more than baseline figure as at 31 March 2010)	75%	N/A	77.19%	Green	↑		Q	Resources Board	No
CTAX-LPI 2	Proportion of Direct Debit take up for NDR collection :	Revs & Bens	Revs & Bens	High	66% (or 1% more than baseline figure as at 31 March 2010)	64.92%	N/A	66.57%	Green	↑		Q	Resources Board	No

Agenda Item No 6

Resources Board

6 September 2010

Report of the Assistant Director (Corporate Services)

Voice Telecommunications Contract

1 Summary

- 1.1 This report details the process followed to evaluate the suppliers of telephone line rental and call costs and recommends the award of the contract to Global Crossing for the next 2 years with the option to extend for a further year provided costs are still competitive.

Recommendation to the Board

That the Board approves the award of the telephone voice contract to Global Crossing for a period of 2 years from October 2010, with the option to extend for a further year if costs remain competitive.

2 Background

- 2.1 The Council last awarded the contract for telephone lines and associated call tariffs in September 2007 to Global Crossing through the Office of Government Commerce's (OGC) Framework agreement for Voice Solutions. Using an OGC framework gives us access to companies that won a Europe wide tender. This saves us a significant amount of time on the procurement process; it gives us access to lower costs, based on higher volumes, than we could achieve on our own; it ensures we comply with Procurement legislation and it is in-line with procurement best practice by using a collaborative agreement.
- 2.2 It is estimated that the contract delivered an annual saving of around £8,000 despite call volumes rising and call patterns changing.

3 Evaluation and Selection Process

- 3.1 The OGC's Buying Solutions organisation has established a new framework agreement (RM 374/L1) for Voice calls and lines which contains 12 suppliers. All the suppliers on the framework have passed various financial and quality assessments and the remaining part of the selection process requires individual organisations to establish which supplier gives them best value. To help with the cost evaluation the OGC has developed a spreadsheet which holds all the charges from all the suppliers and into which call volumes and current costs are entered. This then gives a benchmark of costs against the current contract and quotes for each supplier based on past use and existing telephone lines.

- 3.2 The Council's call volumes and call patterns have been entered into the spreadsheet along with the current charges from Global Crossing and from our other suppliers BT and Opal. We still have a few residual lines with BT and Opal for various reasons but it is our intention to move all lines, which can be moved, to a single supplier for ease of administration and savings.
- 3.3 The results of the cost evaluation are shown in the table below. The supplier "Thus" only provides services in the Education sector, another supplier "Verizon" do not supply basic telephone lines only larger data lines and as such both were unable to provide quotes.

Supplier	% Saving (+) or Additional cost (-) compared with Current Provider	Estimated Additional Cost	Rank
Global Crossing (Current Costs)		0	1 st
Opal	-1.81%	£277	2 nd
Cable and Wireless	-5.54%	£849	3 rd
Daisy	-16.30%	£2,498	4 th
Global Crossing	-16.30%	£2,498	5 th
KCOM	-24.42%	£3,742	6 th
Azzuri (variable)	-24.80%	£3,801	7 th
Freedom THUS	-27.71%	£4,246	8 th
Freedom BT	-27.77%	£4,255	9 th
Telewest	-30.28%	£4,639	10 th
Azzuri (fixed)	-30.62%	£4,692	11 th
Siemens	-31.67%	£4,854	12 th
THUS (education sector)			N/A
Verizon			N/A

- 3.4 As can be seen from the table our current call tariff and line rental charges from Global Crossing are the cheapest. These have been arrived at through an ongoing review and negotiation process.
- 3.5 If we remain with Global Crossing we would enter into a new contract under the OGC Framework and continue our annual review process so that our tariffs remain competitive.
- 3.6 Where possible we would move any residual lines to Global Crossing and it is estimated that this would deliver an annual saving of approximately £1,500.

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 We have made significant savings against the telephone budgets over the last few years. However, our ability to make further saving is diminishing, especially as call volumes have increased and as we are making more calls to mobile phones, which are much more costly to phone than a local number.

4.1.2 Migrating all services that can be moved to Global Crossing will provide a saving of £1,500.

4.2 **Legal and Human Rights Implications**

4.2.1 Procuring through an OGC Framework Agreement ensures we are compliant with Procurement legislation.

4.3 **Risk Management Implications**

4.3.1 The risks associated with remaining with a proven and current supplier are low.

4.4 **Links to Council's Priorities**

4.4.1 The savings achieved by establishing this contract and implementing the changes identified will contribute to savings targets and help deliver the Council's priority to make best use of resources and achieve a balanced budget.

The Contact Officer for this report is Linda Bird (719327).

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

Agenda Item No 7

Resources Board

6 September 2010

Report of the
Deputy Chief Executive

Consultation on Local Referendum
to Veto Excessive Council Tax
Increases

1 Summary

- 1.1 The Department of Communities and Local Government has issued a consultation paper on the above subject. Responses are requested by 10 September 2010. This report outlines the proposals and attaches a draft response for the Board's consideration.

Recommendation to the Board

That the draft response be approved.

2 Introduction

- 2.1 The Government has issued a consultation on proposals for local referendums on excessive Council Tax increases. This can be found at: <http://www.communities.gov.uk/publications/localgovernment/vetocounciltaxincreasesconsult>. A draft response is attached at Appendix B for consideration.

- 2.2 The consultation paper states that Band D Council Tax has more than doubled since 1997-98 and high increases in the past have led to various measures designed to constrain local discretion, including Council Tax capping. Often these measures appeared to be based on the presumption that Government ministers and their civil servants knew better than local communities what was in their best interest. The Government is determined to reverse this presumption and to rebalance the role of the central state and local communities. This will see the Government playing a much smaller role, with powers and responsibilities being devolved to the most appropriate level, wherever possible empowering local people so that they have a direct say in important decisions that affect their lives. In relation to Council Tax, this means abolishing capping and giving local people a stronger role in determining annual increases. The Government intends to introduce legislation to achieve this at the earliest opportunity.

3 The Proposals

- 3.1 The Government will introduce legislation at the earliest opportunity requiring any billing or precepting authority which sets an excessive Council Tax increase to hold a referendum. The key elements of the scheme will be as follows:

- (a) The Secretary of State will have the power each year to determine a principle based on a comparison of an authority's level of Council Tax with the level in the previous year. The legislation will enable the Secretary of State to set additional principles; it will also allow him to determine different sets of principles for different categories of local authorities.
- (b) These principles will be published in a report for approval by the House of Commons. If the principles are approved, any authority planning an excessive Council Tax increase will be required to prepare a "shadow budget" based on the maximum non-excessive Council Tax increase allowed by the principles. They will also be required to inform the Secretary of State by notice.
- (c) Any billing authority, local precepting authority or major precepting authority which exceeds the principles will be required to hold a referendum of all registered local electors. Local authorities will be free to hold referendums at any point after the House of Commons has approved any principles set. Referendums must take place no later than the first Thursday in May, to ensure that the process is not subject to delay and that local authorities have certainty over their budgets as quickly as possible in the new financial year.
- (d) The organisation and administration of referendums will fall to billing authorities and will be modelled on the existing provisions for mayoral referendums where relevant and appropriate. The legislation will allow billing authorities to recoup costs where referendums are held on behalf of a precepting authority. It will also require that only one referendum is held in circumstances where an excessive increase is set by more than one authority in the same geographical area.
- (e) The legislation will require the authority proposing the excessive increase ("the relevant authority") to prepare supporting factual material setting out the proposed Council Tax increase and budget, the comparative non-excessive Council Tax rise and shadow budget, and the estimated cost of holding the referendum. At the same time that bills are sent to Council taxpayers, the billing authority will send this information, together with polling cards, to every registered local elector. Local councillors would of course be free to make the case for any excessive increase, but the relevant authority would be prohibited from campaigning on the issue.
- (f) If the proposed rise in Council Tax were rejected, the relevant authority would immediately adopt the shadow budget and transfers from the Collection Fund would be reduced accordingly. It would also be able to issue new bills immediately, offer refunds at the end of the year or allow credits against liability in the following year. However, consistent with existing legislation, billing authorities will be required to refund (and re-bill) any local resident who requests this.

- 3.2 This scheme will be applicable to each billing authority, local precepting authority and major precepting authority (including police authorities, fire and rescue authorities and the Greater London Authority). It would also apply to directly elected Police and Crime Commissioners when they come into being. Whilst there would only be one referendum in each geographical area, there would be a separate vote for each element of the overall Council Tax bill where an authority had set an excessive increase. Voters in these areas would be given a number of voting forms (or a number of separate questions on the same form).
- 3.3 The Government intends to propose its principles at the same time as the provisional local government finance report in December each year. This will allow local authorities to complete their budget setting and billing process in the normal way and to prepare shadow budget in good time.
- 3.4 There are occasions when authorities may set Council Tax increases that are very large when expressed in percentage terms, even though the absolute cash increase is very small. To prevent such authorities from being required to hold a referendum – and to protect the large majority of smaller parish councils and other local precepting authorities – the Government intends, again as a matter of policy, to include a standard *de minimis* principle which would provide a “double lock” mechanism. This would exclude authorities where **either** (a) the increase in the basic amount of Council Tax is below a defined amount **or** (b) the total income generated (i.e. the Council Tax requirement) is below a fixed level.

4 **The Process**

- 4.1 The Government believes it is right to require billing authorities to organise referendums given their existing responsibility for administering local government elections. The Government also believes that the referendum franchise should extend to all local electors, not just those liable for Council Tax, since all benefit in some way from the provision of local services. It is aware that this proposal would exclude Council taxpayers who, for whatever reason, do not have a right to vote in local elections.
- 4.2 The Government intends to model the provisions for Council Tax referendums on the existing provisions for mayoral referendums where relevant and appropriate. In particular, this would:
- place certain restrictions on the steps that may be taken, and the expenditure that may be incurred, by a local authority in connection with a referendum
 - require the referendum to take place within a specified time period
 - set out the structure of the question to be asked
- 4.3 There will be no minimum requirement for voter turnout and a simple majority of those voting will be sufficient to determine the outcome of the referendum. If a majority vote in favour of an excessive increase, the relevant authority would continue to receive transfers from the Collection Fund based on its original budget. If a majority vote against an excessive increase, the relevant

authority would immediately adopt the shadow budget and transfers from the Collection Fund would be reduced accordingly. In either case, the authority would be required to inform the Secretary of State of the outcome of the referendum and explain to Council taxpayers the process for repayment of money where appropriate.

- 4.4 A proposed timetable for announcing the Council Tax principle, local authorities budgeting and billing process, and holding referendums, is attached at Appendix A.

5 Abolition of Capping

- 5.1 The introduction of Council Tax referendums will provide a direct link between local residents and spending decisions. The Government therefore intends to repeal the capping legislation, however, until provisions for these referendums are in place, the Government reserves the option to use existing capping powers.

6 Report Implications

6.1 Environment and Sustainability Implications

- 6.1.1 The use of a referendum is a blunt method to allow local residents an ultimate say on the level of Council Tax increases. A proactive approach to involving local communities in decision making would be a more sustainable way to ensure local residents are aware of the local circumstances and what level of services are needed and valued.

6.2 Equalities Implications

- 6.2.1 The use of a referendum may result in adverse impacts arising from any reduction or capping in a council tax increase depending upon the subsequent decisions on how the reduction would be determined. The single majority voting approach may also impact on vulnerable groups disproportionately.

The Contact Officer for this report is Chris Brewer (719259).

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

Local Referendums: Illustrative Timetable

Late November/ early December	<ul style="list-style-type: none"> • Provisional Local Government Finance Report published for consultation. • Provisional council tax referendum principles announced.
December to March	<ul style="list-style-type: none"> • Precepting and billing authorities draw up budgets and proposed council tax levels in the usual way. • Authorities planning to set excessive council tax increases also draw up shadow budgets and prepare material informing residents about the forthcoming referendum (including how they will be able to vote), and billing authority calculates cost of referendum.
January	<ul style="list-style-type: none"> • Provisional Local Government Finance settlement consultation ends. Ministerial decisions on Formula Grant and council tax referendum principles announced.
February	<ul style="list-style-type: none"> • Parliament approves the final Local Government Finance Settlement allocations and the report containing the council tax referendums principles. • 14 February – deadline for bodies that levy on local authorities to set their levy.
March	<ul style="list-style-type: none"> • 1 March – major precepting authorities set budgets, and shadow budgets where necessary. • 11 March – billing authorities set budgets and shadow budgets where necessary. • Billing authorities send out council tax bills and details of referendum and supporting material.
May	<ul style="list-style-type: none"> • Referendums to be held by the first Thursday in May at the latest. • Billing authority to: <ul style="list-style-type: none"> - inform relevant precepting authorities, council taxpayers and electors of result of referendums - send out details of new budget/refunds where necessary - charge relevant precepting authorities for cost of holding the referendum • If the rise in council tax is rejected, the relevant authority immediately adopts the shadow budget.
February/March of the following year	<ul style="list-style-type: none"> • Refunds paid to residents where necessary.

Draft Response for the Board's Consideration

- 1 Do you agree that local precepting authorities, such as town and parish councils, should be included within the provisions for council tax referendums? If so,**
- are there details about the budget setting process for local precepting authorities which need to be taken into account?
 - will the “double lock” mechanism work to protect the majority of town and parish councils?

The Council does not believe the Town and Parish Councils should be included within the provisions for council tax referendums. These are tiny organisations and would not have the resources to deal with the requirements set out in the consultation paper. Small items of expenditure can sometimes result in significant cash and percentage increase in council tax at parish level and it would be impractical for a District Council with many parishes to hold referendums each time this occurred. In addition, with small parishes, the cost of the referendum may outweigh the costs of the council tax increase being voted on, and, if the vote is lost, many parishes would not have the reserves to pay for the referendum. It is therefore important if parishes are to be included, that any de-minimus levels are set at a realistically high level.

- 2 Are the Local Authorities (Conduct of Referendums) (England) Regulations 2007 the right model for organising and administering council tax referendums?**

We have no objection to their use.

We would extend this also to the triggering of a referendum which requires a petition of 5% of the local electorate.

- 3 Are there any practical difficulties in requiring council tax referendums to take place no later than the first Thursday of May?**

Provided we are aware that an authority has breached the principles by the beginning of March, we see no issues with the timetable.

- 4 What are the advantages and disadvantages of holding a council tax referendum on the same day as another local referendum, or jointly with a local and/or general election? Current regulations allow for higher expenses per elector in a referendum than in a local election – would this raise any concerns if both votes are held on the same day?**

The advice from the Electoral Commission is not to have elections and referendums on the same day. Although it ensures higher turnout and reduces costs, it can result in the referendum questions getting lost.

- 5 What provision, if any, should be made for properties where the council tax payer is not a local elector?**

If this is a referendum on council tax increases it seems bizarre that the individuals who are not council tax payers are eligible to vote whilst council tax payers who are not local electors are not.

6 Does the timetable at Annex A provide sufficient stability and certainty for local authorities when planning their budgets? Does it provide sufficient time to organise and administer referendums?

Yes.

7 Is it right to give local authorities the discretion to issue new bills immediately, offer refunds at the end of the year or allow credits against liability in the following year?

A no vote would require the reissue of bills immediately as currently happens if capping is enforced. Council tax payers will not expect to wait twelve months to get a credit. The cost of rebilling will need to be passed onto the authority requiring the referendums and in the case of parishes there may be issues of affordability around these costs.

8 How should billing authorities treat bank interest earned on excessive increases that have been rejected in a referendum?

Interest should be retained by the billing authority.

9 What practical difficulties, if any, would there be for a billing authority seeking to recoup the cost of a referendum held on behalf of one or more precepting authorities?

There will be significant practical difficulties in agreeing the costs of any referendum particularly if more than one authority is involved. The costs involved are not just the costs of holding the referendum and rebilling if a no vote, but there are incidental costs falling on the billing authority arising from an increase in customer contact querying the process and delayed cash flow as council tax payers are likely to delay payment pending the outcome of the vote. What is being proposed is onerous and expensive and will inevitably lead to disputes.

10 Are there any technical difficulties with the removal of alternative notional amount reports?

We feel these reports should be kept. If council tax increases are above the specified amount as a result of changes to grant distribution or functional changes, then it is best that these are identified by Government.

11 With the abolition of capping, is there any reason why authorities should be required to calculate a budget requirement each year?

We believe this is no longer necessary.

The council does not believe the proposals in the consultation paper are workable or proportionate, nor do they improve on the current situation. The proposal which allows people who do not pay council tax to vote on increases and yet prevents others who pay, but are not electors, not to vote seems inequitable. Rises in council tax can arise for many reasons, some of which are outside of the authority's control, e.g. transfers of functions which are not fully funded or changes to grant distribution methodology which reduce an authority's grant entitlement. Explaining these complex issues to lay people will be extremely difficult and potentially expensive.

This consultation raises the question why are local authorities and local taxation issues being treated differently to national ones. Referendums are not held on national taxation issues, other than every 4 to 5 years at a general election. This council believes that local

taxation should be treated the same. We do not, therefore, support these proposals other than the removal of capping and believe local elections every 4 years are the electorate's opportunity to reflect the level of council tax they support.

The council does not support the proposal that the Secretary of State should have a power to determine principles about what constitutes an excessive council tax increase. This goes against the localist agenda to which the Government is committed.

Agenda Item No 8

Resources Board

6 September 2010

**Report of the
Assistant Director (Housing)**

**Tenant Services Authority
Regulation – Annual Report for
Tenants**

1 Summary

- 1.1 This report updates Members on the work of the Tenant Services Authority and presents a consultation document for consideration and response.

Recommendation to the Board

- a That the requirements for the publication of an annual report to tenants be noted; and**
- b That the content of the Draft Annual Report for Tenants 2010 be agreed.**

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 The work of the Tenant Services Authority has been considered by the Housing Portfolio Holder Group. The Group have considered the draft Annual Report to Tenants 2010 and amendments have been made and included in this version in response to their feedback.

3 Background

- 3.1 The Housing and Regeneration Act 2008 introduced a new body to regulate all registered social landlords – the Tenant Services Authority.
- 3.2 The introduction of such a body followed on from the Cave Review which stated that ‘every Tenant matters’ and the nature of the provider should not determine the quality of the service the Tenant expects.
- 3.3 For the purpose of regulation all local authorities who currently manage their own stock automatically become registered providers. This means that North Warwickshire Borough Council became a registered provider from 1st April 2010. The regulation does not include the private sector landlords.

2 **Publication of an Annual Report to Tenants**

2.1 The regulatory framework published in April of this year instructs all social landlords to publish an annual report for their tenants. The Tenant Services Authority has given a timescale for the report but no set format. However they have given certain guidelines.

2.2 The Tenant Services Authority Regulatory Guidance states that the report must give an assessment against the **required** standards set out in the framework and

:

- The report has to be published by 1st October each year
- It has to assess compliance against standards – including how we measure that
- It has to note any gaps and associated improvement plans
- It has to include our offer to tenants against the standards over the next year – including local service offers
- It needs to include how report contents are validated and how tenants have been involved in scrutiny and mention where appropriate benchmarking
- It needs to include how tenants were involved in producing and scrutinising the report
- For 1st October 2010 edition we need to set out our plans for developing local offers.

2.2 Other guidance has made it clear that:

- The report must be honest and useable – simply stated and easy to understand
- It needs to be short but not shallow
- It needs to indicate current performance/ service delivery: gaps: future work
- Value for money considerations need to run through it

... 2.3 The draft content of the annual report to tenants for 2010 is attached for the Board's consideration and comment.

3 **Report Implications**

3.1 **Finance and Value for Money Implications**

3.1.1 The cost of producing and delivering the annual report will be £1500. As there is a requirement to publish a report annually and send it out to all tenants this will have to be built into future budgets. There is current budget provision available to produce and deliver the report this year.

3.1.2 The Council can demonstrate that it provides good quality services for its Tenants and any future changes to standards will have that as a strong base. Any changes to standards which would have a financial implication will be brought back to the Resources Board for consideration in detail.

4.2 Legal and Human Rights Implications

4.2.1 The Housing and Regulatory Act 2008 sets out the legal framework for the work of the Tenant Services Authority.

4.3 Risk Management Implications

4.3.1 The Government has established the Tenant Services Authority to regulate registered landlords. As a landlord, North Warwickshire Borough Council will be registered automatically from 1 April 2010. If the Council does not adhere to the regulator requirements and/ or does not sustain good services for its Tenants it risks facing the enforcement powers of the new regulator.

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

Appendix 1 – Proposed Content of Annual Report

North Warwickshire Borough Council

Annual Report to Tenants

Improving Our Annual Report for Tenants

For over 20 years the Housing Division has provided tenants with information about its performance. This has taken the form of a newsletter. In May 2010 we provided our usual annual newsletter. This report is more comprehensive report with additional information about the services we provide to enable you to comment.

The Borough Wide Tenants Forum and the Housing Portfolio Holder Group work closely to ensure our housing services are delivered to a good standard. Your representative group the Borough Wide Tenants Forum have been fully involved in the development of this report.

In their inspection report in 2008 the Audit Commission recognised that the Council had made improvements to its services for tenants. Tenant feedback also told us that we were making progress. This report shows that we have made further improvements to services. It also sets out our commitment to do more by listening to tenants, understand their priorities and to take action.

We hope that you find the report interesting and welcome your feedback. If there is anything you would like us to include in next year's report let us know.

Housing Portfolio Holder
Councillor Kath Johnston

Chair of Borough Wide Tenants Forum
Steve Povey

[Photographs and signatures]

You can contact us at:

The Council House, South Street, Atherstone, CV9 1DE

By telephone on 01827 715341

Out of hours on 01827 719306

By e-mail at: housingservices@northwarks.gov.uk

Our website at: northwarks.gov.uk

Please give us your feedback.

1 Was this annual report useful?

Very useful

Useful

OK

Not useful

2 What could the Housing Division do better?

3 What information would you like in future reports?

Name

Address

All those returning this questionnaire will be included in a free prize draw. First prize will be an MP3 player with two prizes of £25 worth of shopping vouchers.

Please Return to: The Council House, South Street, Atherstone, CV9 1DE

Our Services for Council Tenants

In 2005 tenants told the Council loud and strong that they wanted it to continue to be their landlord. Since then we have worked with the Borough Wide Tenants Forum to ensure all homes are modernised and services have been improved. This report updates you on our progress and lets you know where we still need to make improvements.

Facts In Brief:

- ✓ The Council owns 2722 properties
- ✓ We are adding to our stock this year by building 25 new homes.
- ✓ The service is provided by the Housing Division's 67 staff including 2 young apprentices.
- ✓ Repairs are carried out by our in house workforce team
- ✓ The Neighbourhood Warden Team takes direct action on estates
- ✓ Councillors at the Resources Board consider issues about the service
- ✓ How we work with tenants is set out in our 'Tenant Partnership Agreement'
- ✓ The Borough Wide Tenants Forum is involved in scrutinising the service
- ✓ Our performance in all service areas has improved in the last two years
- ✓ The Council has spent over £22 million modernising Council homes since 2006

We Can Help

Our core opening hours are 8.30am to 5.15pm Monday to Friday at the Council's offices in Atherstone. Telephone lines are open at these times. We have an out of hours emergency service available. Staff work flexibly to accommodate customers different contact requirements. All staff have had customer care training and understand the different needs of our tenants.

Most tenants contact us by telephone. A smaller number visit our offices in Atherstone.

- 87% of tenants surveyed said the staff that they spoke to were helpful.
- 82% of tenants surveyed said it was easy to speak to someone who could help
- 9% said it was difficult to get to the person they needed.

We have acted to provide all tenants with a leaflet of key contacts and will do more to improve access for customers.

We can provide tenants with information about our services or contact them in a way that suits them. It can be by traditional letter or telephone. You can also ask for something different:

- ❖ by e-mail,
- ❖ text,
- ❖ audiotape,
- ❖ by fax machine or
- ❖ through a translation service.

If you let us know we can help.

How we can help meet your needs is in your Tenants Handbook. If a tenant tells us about their circumstances we are happy to adjust how we provide our service. For example if a tenant needs a small adaptation to their home because they have a disability we act without a formal assessment or we can make appointment times to meet your requirements.

As part of our commitment you only need to tell us once how you want us to help. We keep the information in a way that means any staff contacting you will know and help as requested. The information is kept up to date by our regular contact with you when you request a service or from our annual visit to your home.

Standards of Service You Can Expect

Tenants expect the Council to deliver good standards of service. Our success is tested through the feedback tenants give us and formal monitoring of our services.

Our performance is monitored by

- ❖ Councillors at formal Council meetings,
- ❖ the Borough Wide Tenant Forum
- ❖ the Council's senior Management Team.

All tenants are sent information about performance twice a year in our newsletters. How we perform is also considered by Government through an organisation called the Tenant Services Authority.

We agreed local service standards with our tenants in 2007. We published them and they are set out in your Tenants Handbook and on our website. This year we are reviewing those standards to ensure they still meet your expectations as well as what the Government expects all public landlords to achieve.

We wish to tailor our services around what is important to tenants. That is why we want to talk directly to you to pinpoint what that is. We can then act to offer local services which are important to tenants.

The review of our local service standards started with the Borough Wide Tenants Forum. Over the summer we have consulted local groups and had a road show to encourage tenants in outlying areas to give us feedback. We will also ask a group of tenant volunteers to give us their comments. When we have collected views we will send them to tenants.

- Our new local standards will be published in March 2011
- Next year's annual report will set out our performance against the local standards

What you told us

Every year we ask tenants to give feedback about the services we provide. We ask what is most important to you. In January 2010 you set out your preferences in order of importance. The tenants surveyed:

1. Said the repairs service and the overall quality of your home are what matter most.
2. Asked that we keep you informed
3. Told us to ensure that your neighbourhood is a good place to live
4. Said you expected us to address anti social behaviour
5. Asked us to ensure that our service to you is good quality and cost effective.

Tenants surveyed gave the services we provide an overall rating of 89.9%. This improved on the previous year with an 85% satisfaction rate. 45.3% of those responding said they were very satisfied. We are striving to improve and are using the feedback given to do that.

The Housing Division received 24 formal complaints in 2009-2010. This is 27 less than the year before when we received 51. Over half of the 24 complaints were about our maintenance service.

Unfortunately we don't always get it right. We welcome feedback and when something has gone wrong take the opportunity to put it right. In order to do that we act to ensure you get the service you have requested and apologise. We will also use the feedback we have received to improve our services. The Audit Commission inspection of our services in 2008 found that it was easy for our

customers to make a complaint and that they are taken seriously. Our own satisfaction survey of tenants who have complained supports this view with nearly everyone telling us they are happy with how we have dealt with their complaint.

In 2009-2010 23 customers wrote to us specially to give us a compliment.

Tenants surveyed gave feedback on our overall service. The rest of this report provides information about how we perform in customer service, maintenance, neighbourhood and tenancy services, allocating houses and value for money.

Each section sets out:

- ✓ What tenants have told us in their feedback;
- ✓ Informs you about the Housing Division's performance during 2009-10;
- ✓ Says what actions we are taking to improve during 2010-2011

Where we compare our performance to other organisations doing the same work we have indicated how we contrast with the best performers. A handy pull out is included to show our performance at a glance.

Informed, Listened to and Involved

You told us

- ✓ 86% of tenants surveyed said that we are good at keeping them informed
- ✓ 71% of tenants surveyed said that they were satisfied that we take tenants views into account
- ✓ 70% of tenants surveyed said they were satisfied with the tenant participation compact (Tenant Partnership Agreement)

How did we perform?

We use telephone and other surveys to 'health check' our services during the year. The action we have taken is stated in the service sections of this report. In our regular customer care survey tenants said we were good at listening to their issues and were helpful. However we need to improve on providing privacy for office visits. We fed back this concern to staff who will ensure a private room is offered.

Most tenants told us that they like to be contacted by letter. In addition to the information in your Tenant Handbook we keep you up to date informed through our quarterly newsletters, our website and at local meetings.

We have introduced an outreach service the 'Branching Out Bus – BOB' which helps with a range of services - UChoose, repairs, welfare benefits, debt advice or training and skills. You can find out more about the 'BOB' on our website – northwarks.gov.uk or by telephoning 01827 715341.

Every year the Borough Wide Tenants Forum agrees a Tenant Partnership Agreement (also known as a Compact) with the Council. This is sent to all Tenants. It gives information about how tenants can get involved in the housing service. The Agreement is on our website and available in other formats on request.

We offer a wide range of involvement opportunities for tenants. By joining the Borough Wide Tenants Forum you can influence policy making decisions. You can set up a Tenant Led Community Panel, attend local meetings or neighbourhood walks. Tenants can get involved in services locally or attend troubleshooting specialist groups if they have points to make about a particular service. If you want to get find out more please contact our Tenant Participation Officer Tracy Hodgkins on 01827 719402 or tracyhodgkins@northwarks.gov.uk

This year the Borough Wide Forum's work included:

Working in partnership with the Housing Portfolio Holder Group of Councillors	Giving feedback on the Tenant Services Authority service standards
Reviewing the rent collection service	Reviewing service standards for Council tenancies
Improving gas servicing procedures	Monitoring the decent homes modernisation programme
Giving feedback on the reform of Council housing finances	Involvement in improving our cleaning service procedures
Contributing to UChoose choice based letting system	Service champions and working groups to monitor services, provide scrutiny for performance and suggest service improvements
Reviewing the Council's allocations policy	Involvement in training such as mystery shopping and delivering service standards
Improving disabled adaptations services	Contributing to the Sustainable Community Plan

We worked with the Forum to assess what involvement opportunities have had the most impact. They will use this information to focus their time on the most productive ways to get involved.

If you want to know more you can contact Steve Povey, Chair of the Borough Wide Tenants Forum on bwtfnwbc@talktalk.net

Tenant Led Community Panels have worked locally to:

Improve the communal areas on estates	Improve parking facilities
Tell us how they would like to use their communal facilities	Worked with the Police to improve safety and security
Give feedback on the cleaning services we provide	Give feedback on the Council's service standards

Action to improve our services

We are pleased that many tenants say that we keep them informed. However we understand that we need to do better at listening and acting on feedback and let you know how you can get involved.

To do this we will be working with the Borough Wide Tenants Forum in 2010 to:

- Renew the Tenant Partnership Agreement
- Promote the Agreement with tenants
- Focus their time on involvement which has the most impact
- Encourage a wide range of tenants to champion a service they are interested in
- Use our newsletters to let you know about the feedback we have received and how we will act
- Start to review the information on our website with a mystery shopping exercise
- Use our road shows and local meetings to get feedback about what standards tenants want
- Encourage tenants to suggest and get involved with community projects
- Work with younger tenants to understand their views
- Provide information to allow the Forum to scrutinise our performance

You told us

- ✓ 92% of tenants surveyed said that they were satisfied with the quality of their home
- ✓ 89% of tenants surveyed said that they were satisfied with the condition of their home
- ✓ 84% of tenants surveyed said that they were satisfied with the maintenance service
- ✓ 96% of tenants surveyed said they were happy with the attitude of our workforce
- ✓ 91% of tenants surveyed said they were satisfied with the quality of our work
- ✓ 27% of tenants surveyed said we could improve on telling you when workers will call
- ✓ 28% of tenants surveyed said we can improve on the time taken to do the work

We received 15 formal complaints about the repairs service during 2009. This is less than half compared to the previous year when we received 32. The complaints varied widely but there was a trend which suggested that in some cases we are not resolving a repair problem as quickly as you expect. We are introducing new systems of work which will directly address this. We received a serious complaint about the length of time it took us to complete an adaptation. We recognised the difficulties that this caused the tenant concerned and apologised. Staff worked hard to put things right and when the work was completed also received a compliment for the support they had provided.

We had 10 written compliments about the service giving praise to the staff about the work they had carried out and their helpfulness.

How did we perform?

Tenants consistently tell us that the repairs service is very important to them. Over the last 3 years staff have worked tirelessly to improve our service. When the Audit Commission inspected our service in 2008 they commended our progress but said there was more to do. Since then we have made significant achievements. Our performance in 2009 compared well with other top performing landlords:

- 98.57 % of our urgent jobs were completed in 5 days
- 98.45 % of our routine repairs were completed in 28 days
- 97% of the appointments we made for work ordered were kept
- 99% of our properties meet the Government's decent homes standard
- 95% of our gas safety certificates were in date at 31st March 2010
- We completed 8525 jobs in 2009-2010
- We installed gas mains supplies to estates which did not have access to gas
- We installed energy efficient boilers and insulation as part of our modernisation scheme
- Worked with Waterloo Housing Association to attract £4m to regenerate properties on an estate of 34 properties in Arley
- Provided an improved Handyman Scheme in partnership with the County Council

Everyone wants a comfortable home in good repair. In the last two years the Council has spent over £12 million modernising homes and meeting the decent homes standard. It has acted to improve energy efficiency and modernised kitchens and bathrooms. This has included doing work to provide special adaptations if a tenant required them – from a simple grab rail to a walk in shower. Tenants were given choices wherever possible in the work that was done to their home. This included style and colour of external doors, kitchen units and bathroom fittings.

We will meet the Government's decent homes standard by their deadline of December 2010. The work has been monitored throughout by the Borough Wide Tenants Forum, is on time, below expected budget and with efficiencies expected of around £160,000.

Our standards and responsibilities for the maintenance service are set out in your Tenants Handbook. We provide a responsive service during office hours and an emergency service. We

provide additional information about important matters such as asbestos in your home, gas and fire safety in our regular newsletters. If there is something you would like more information about please let us know.

We can adapt our services to meet particular needs when requested. This includes providing minor adaptations on demand, doing work for more vulnerable tenants that we would normally ask tenants to undertake themselves and providing a decorating service for older tenants.

Getting adaptations work done to quickly to help tenants is important. Over the last two years two members of the Borough Wide Tenant Forum have been working with countywide service providers to improve access to services and their delivery. Improvements include better procurement, information on available services and feedback.

We carry out planned works to keep tenants' homes in good condition. This can be installing low maintenance doors and windows or doing good housekeeping repairs before we do external painting.

As a landlord your safety is very important to us. We expect tenants to allow us to carry out gas servicing work on time. Our specialist staff are trained and approved by Gas Safe (previously CORGI). We now install carbon monoxide monitors as part of the annual gas service. Our specialist electrical staff are NICIEC approved. We have provided general and specific information about asbestos in your home. We act to prevent against Legionella with a rigorous testing regime.

You expect our service to be cost effective. Our most recent Audit Commission inspection report said we had to do better in this in respect of our response repairs service. As part of our improvements we have:

- ✓ Introduced a multi skilled workforce
- ✓ Built a team which can carry out all repairs including gas and electric
- ✓ Improved how we buy materials
- ✓ Increased productivity
- ✓ Streamlined our processes and reduced staff administration costs

We know from benchmarking with other landlords that our average cost of £165.28 per property for day to day repairs compares well. Others have an average cost of £246 per property.

Action to improve our service

Tenants tell us they are pleased with our workforce. We want to make sure the systems we have in place support their work and target what is important to you. The whole team, including senior managers, has been working to understand what works well and what not so well. We are now using what we learned to make changes in 2010:

- We will improve our appointments system
- Aim to do more repairs work right first time
- Sustain our improved performance of 99% gas services completed
- Work to ensure no gas service certificates are overdue
- Work to understand the level of service that would help vulnerable tenants
- Set up a tenant panel to monitor and suggest service improvements
- Work with the Borough Wide Tenants Forum to set out future improvement and planned works
- Publish our programmes of work to keep all tenants informed

8 A Nice Place to Live

You told us

- ✓ 92% of tenants surveyed said that they are generally satisfied with their neighbourhood)
- ✓ That parking could be a problem
- ✓ That for the tenants surveyed harassment is not a problem at all
- ✓ For some tenants disruptive children or teenagers is a problem (14% of those surveyed)
- ✓ Rubbish and litter can be a problem in some areas (16% of those surveyed)
- ✓ That while tenants are generally satisfied with our cleaning service improvements could be made.
- ✓ That we could improve on how we act on reports of anti social behaviour
- ✓ That those receiving the service are very happy with our support for older people

We received 2 complaints about our services to keep neighbourhoods clean. One was specifically about the cleaning service and another about some work we had carried out in a communal garden. 4 customers sent us compliments about our neighbourhood services. They were particularly pleased with how quickly we acted to address problems that had been reported.

How did we perform?

It is important that homes are in good repair. Tenants also expect estates to be safe, secure and welcoming places where people want to live. How we do this is set out in your Tenants' Handbook and is based on our published Anti Social Behaviour Policy and Procedures.

In 2008 we introduced new ways of working and new staff to ensure that we can work closely with tenants to ensure this is the case. Your feedback tells us that our work so far has been successful but there is more to do now the new teams have been established.

Everyone knows our Neighbourhood Team. Out and about in their bright yellow vans, walking our estates, looking after the sheltered schemes, working with Community Panels and always ready and able to troubleshoot where required. Last year they dealt with:

- 100% of reported fly tipping dealt with in 24 hours
- 100% of abandoned vehicles dealt with in 24 hours
- 100% of graffiti dealt with in 24 hours

Meeting these targets is important because it keeps estates clean. We also want to work with neighbours locally to promote community initiatives. There is an open invitation to residents and Councillors to join our estate walkabouts. For special projects we have involved colleagues from the Police and the Council's Streetscape and Community Development Teams. Our community clean up days are always productive and fun with partners and residents working together to make a difference. This year the 'Dig In' project in Atherstone has been particular hit. Staff and residents have worked together to create a community garden with those involved benefitting from the delicious produce grown.

If you want to join us on an estate walkabout or you would like us to help you organise a community event in your area you can contact Debbie Fitter the Neighbourhood Services Officer on 07970248236 or deborahfitter@northwarks.gov.uk

The Neighbourhood Team supports older people and encourages the use of communal rooms. We learned from feedback that whilst everyone is happy with the service we provide that drop in sessions in some areas might be useful. We acted on that suggestion. We are also talking to tenants at all sheltered schemes about how we can support them better. We have acted on some suggestions already – introducing 'Wii Fit' and Tea Dances with our popular singing policeman.

The neighbourhood and tenancy teams are keen to promote respectful behaviour between tenants and residents. To show our commitment we signed up to the Government's 'Respect Standard' for

landlords. The standard sets out how we will work with tenants to resolve issues and also how we work with other organisation such as the police and voluntary organisations.

The Tenancy Services Team support tenants in all tenancy matters. This can be from settling in new tenants, collecting rent or dealing with complaints of nuisance. When they deal with complaints it is important that they act quickly and resolve issues as soon as possible. If legal action is required the case is passed to the Tenancy Enforcement Officer. In 2009:

- 96% of nuisance complaints were responded to in 5 days
- 84% of customers said they were satisfied with the outcome
- The team had regular meetings with the police to address hot spots
- Fact finding anti social behaviour surveys were set out to understand problems
- Good neighbour agreements were introduced to assist in some areas
- Trained in house mediators acted to resolve disputes

Action to improve our service

Your feedback says that the new ways we are delivering neighbourhood and tenancy services are reaping rewards. Now we need to work with you to evaluate the progress and make sure the teams are working efficiently: To do this in 2010 we will:

- Work with the Borough Wide Tenants Forum to review how we deal with nuisance complaints
- Talk to complainants to get their suggestions about how we can improve
- Consult with tenants about the next steps from our review of sheltered schemes
- Promote our successful community projects to encourage other groups to do the same.
- Work with a group of tenant volunteers to pin point how we can improve our cleaning service
- Work with young people volunteers and older tenants to promote positive intergenerational relationships
- If finance allows consider a phased parking improvement scheme

A Secure Home

You told us:

- ✓ 85% of tenants surveyed said they are satisfied with how we deal with enquiries
- ✓ 84% of tenants surveyed said that we are helpful in giving advice on rent payments
- ✓ That we could do more to provide support for vulnerable tenants

We received 2 formal complaints about our management of tenancies. Both arose out of misunderstanding between us and the tenants concerned. One of them was considered by the Local Government Ombudsman who upheld part of the complaint. Both have now been resolved.

We had 4 compliments about tenancy services which indicated that it is appreciated when our staff go 'the extra mile' to assist customers.

How did we perform?

All of the Council's tenants have a secure tenancy. This means that that you are secure in your home as long as you do not break the conditions of your tenancy agreement. This type of tenancy means that you have specific rights in law– such as being able to do an exchange with another tenant and to carry out improvements to your home.

We updated your tenancy agreement in 2008 and sent everyone a new copy. This sets out both the Council's responsibilities and your responsibilities. There is additional information in your updated

Tenant Handbook. Each area has a designated Tenancy Services Officer who looks after the tenancies within their patch. Their role includes supporting tenants, giving advice and collecting rent payments. Last year they compared well with other top performing landlords and:

- Collected 99.21% of the overall rent due from tenants
- Served 53 legal notices when tenants did not pay the rent due
- Acted to address rent arrears as soon as they arose
- Continued to carry out annual visits to understand tenants needs
- Introduced a community gardening scheme called for older tenants
- Worked with colleagues from other organisations to get the right support for tenants
- Promoted the Branching Out Bus (BOB) outreach service to help tenants with budgets and skills back to work
- Organised family fun days alongside the BOB to promote services

It is very important that we collect the rent due so that we can pay for services you receive. We act quickly when a debt occurs and offer support. However if a tenant does not co-operate and the debt increases they can be evicted. We evicted 8 tenants for none payment of rent last year.

The Council does not set the rent for your tenancy. The rent you pay is set by government which aims to harmonize rents for similar size properties. The size of your home, the area in which you live and the value of the property are all taken into account in the rent you pay. Rents for Council properties in this Borough are currently an average of £61.44 a week.

The Council does set the charges for services not all tenants receive. They cover the costs of providing the services. In order to make them cost effective and improve quality we recently reviewed the communal area cleaning service. We ask contractors to bid for the window cleaning service every three years in order to get a good competitive price.

Action to improve our service

Last year we reviewed how we manage our rent collection service. This included working with the Borough Wide Tenants Forum to scrutinise letters that we send out and payment options offered. To improve our tenancy services in 2010 we will be:

- Undertaking an efficiency review of tenancy services
- Ensuring we act on our promises from the rent review
- Working to understand and provide services for tenants with particular needs

A Fair and Easy to Use Lettings Service

You told us

- ✓ 38% of applicants surveyed chose to apply on the website
- ✓ 36% of applicants chose to have assistance from the team to apply
- ✓ 65% of applicants were satisfied with the UChoose experience
- ✓ 97% of new tenants surveyed said we offer good services to support them
- ✓ That the information on the UChoose website could be improved

We received 5 formal complaints about our lettings service in 2009. They were all different but we will be learning from them when we revised our vacant property procedures and standards this year which include how we help customers when they move through an exchange. We will also focus on ensuring all of our customers have good support to meet their housing needs.

We received 5 written compliments about this service with customers letting us know that they were happy with the support they received when they moved and the quality of their new home.

How did we perform?

At the 1st April 2010 there were 1687 applicants on the register. Last year 156 Council properties were let. 5 vacancies were let to applicants not living in the Borough. The lettings were made up of:

- 76 flats (70 in 2008)
- 35 bungalows (33 in 2008)
- 45 houses. (62 in 2008)

80 housing association properties were also let using the Council's Housing Register. All properties are let in accordance with our published allocations policy. There is a big gap between the number of vacancies we have and the number of people waiting for housing.

In 2009 we introduced UChoose choice based lettings to compliment our service which has performed well over many years with clear lettings standards, tenant audit inspections and speedy turn around of vacancies. Our performance in this area compares well with other organisations. In 2009 we:

- Assessed every new application in 10 working days
- Let vacant properties on average in 22 days
- Spend an average of £1,700 to get properties ready for reletting
- Provide information about different housing options which are available
- Carried out 100% out accompanied visits
- Arrange a settling in visit with all new tenants
- Updated our allocation policy to address housing need – including overcrowding and under occupation

UChoose brings together in one place the Council's vacancies and those of housing associations in this area. For ease of access it combines adverts for properties locally with those of 6 other landlords across Warwickshire and Staffordshire. Applicants only have to complete one form, can select their lead landlord and can choose vacancies across a range of different local authority areas. The UChoose partnership also has a common allocations framework.

HomeSwapper helps tenants find an exchange. We helped 15 tenants to exchange properties last year.

UChoose is new – it offers a different way of seeing vacancies and expressing an interest. We understand that some applicants may need help with the change. We want to support all applicants. If you want know more about UChoose or need assistance please contact our housing options team on 01827 719214 or housingservices@northwarks.gov.uk.

UChoose aims to help applicants looking for housing to find out about vacancies easily. It does not create more homes. Since 2008 we have provided 151 affordable homes in partnership with housing associations. In 2010 we are building our own new homes and working with housing associations to develop new properties in the area. By bringing additional funding of £2.3 million into the Borough this will include:

- 16 new 2 bedroom bungalows in Old Arley
- 6 new 2 and 3 bedroom houses in New Arley
- 9 new 2 bedroom bungalows in Water Orton
- 6 new 2 and 3 bedroom houses in Kingsbury
- 4 new 2 and 3 bedroom houses in Fillongley

All new homes will be well designed and achieve high levels of energy efficiency. The type of new properties developed is based on what our housing needs information tells us for a particular area.

Action to improve our service

Our lettings service receives positive feedback and we have a good track record develop new affordable homes. In 2010 we want to do more to:

- Build more new affordable homes to rent or part buy
- Ensure all applicants have easy access to UChoose
- Let properties to a higher standard with a quicker turn around
- Understand and provide services for applicants with particular needs
- Review the vacant property standard with tenants
- Get feedback on our settling in visits in order to improve them

Providing Good Value Services at a Good Price

Tenants expect the Council to provide good value services. This means that they should be of good quality, provide positive satisfaction levels and be cost effective.

Over the last two years we have completely overhauled a number of our services to ensure they meet this expectation. We worked hand in hand with the Borough Wide Tenants Forum to:

- Introduce a partnering contract to deliver modernisation work
- Monitor the partnering contract to deliver the work on time, with high levels of satisfaction and efficiency savings
- Restructure our response repairs service to deliver a better service at less cost
- Introduced a Neighbourhood Warden service for all tenants to replace scheme caretaking
- Provide a more responsive cleaning service
- Attract Government funding to introduce a choice based lettings scheme
- Improve how we work with tenants to prevent rent debts
- Introduce an outreach service to promote financial inclusion with the Branching Out Bus

In our most recent survey the majority (91%) of tenants said they were satisfied that the Council's services provide value for money for their rent.

We have improved productivity in the response repairs team by having a multi skilled workforce and streamlining procedures. This has allowed us to reduce our staffing levels in the back office.

Modernisation work included improvements to the energy efficiency of our properties. This saves tenants money on heating bills. We were awarded £80,000 in grants for our energy efficiency initiatives.

We compare our costs and quality of our services with other organisations. In January 2010 an independent report stated that the results of this comparison showed that we perform well on quality and costs with regard to:

- Tenant Involvement (top performing)
- Maintenance Services (*good performing*)
- Tenancy Services (*top performance*)
- Neighbourhood Services (good performance)

We will continue to work to improve on this in the ways we have set out in this report so that all of our services are top performing.

This **pie chart** (please insert) shows how we spend your rent money:

The average **weekly** rent is £61.44

Housing management costs are £9.74

Repairs costs are £16.74

Subsidy payments to Government are £22.29
Payments towards modernisation work are £13.21

Rent income from Council tenants pays for spending on services Council properties. By law this is separate from Council Tax payments and other Council services. Rent is paid into a special account – the Housing Revenue Account. How this is managed is set out in Government regulation. It includes the repayment of some money to central Government. This is called subsidy and for North Warwickshire the annual payment is around £3 million. This year there has been a review of this system with a view to improving how it works. If the changes proposed happen the Council and its tenants will have a bigger say locally about to spend the rent we collect on different services.

Tenants consistently tell us that our repairs service and the quality of their home is their top priority. That means it is ours too. In order for the Council to stay as landlord and modernise homes to meet tenants' requirements the Council has prioritised a lot funding over the last 3 years to improve properties. This year we will be sharing stock condition information with the Borough Wide Tenants Forum in order to prioritise a 3 year programmes of work from April 2011. They have already told us that energy efficiency measures are high on their list of priorities.

The biggest budget is for the repairs and maintenance service with £2.3 million being spent annually. Our efficiency review is already helping us to reprioritise our resources to meet your expectation that we should do work quickly, right first time at a time convenient to you.

In the forthcoming year we will work closely with the Borough Wide Tenants Forum to undertake key service reviews to scrutinise performance, quality and ensure keen costs. The reviews will include:

- Dealing with anti social behaviour
- Arrangements for tenant involvement
- Vacant property management (including mutual exchanges)
- Providing adaptations

There will also be an opportunity for tenants outside of the Forum to get involved and give us their views at focus meetings and through surveys.

We hope that you have found this report informative. Our aim is to listen to tenants, understand their priorities and tailor our services where possible to meet them. To do this we need your feedback. What tenants have told us in the last 3 years has helped us to improve. Please take the opportunity to give us your views.

Agenda Item No 9

Resources Board

6 September 2010

**Report of the Assistant Director
(Finance and Human Resources)**

**Capital Programme 2010/11
Period Ending July 2010**

1 Summary

- 1.1 The report updates Members on the progress of the 2010/11 Capital Programme in terms of both expenditure and outcomes.

Recommendation to the Board

- a That the Board notes the progress made against the 2010/11 Capital Programme; and**
- b That the Board approves the virement of £16,000 from the Memorial Hall Car Park Wall budget; with £10,000 going to the Accommodation Project Budget and £6,000 towards tree preservation and wall work required at the garden at Old Bank House.**

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Councillors Bowden and Butcher have been informally consulted and any response will be verbally updated at the meeting.

3 Introduction

- 3.1 The Executive Board approved the Council's Capital Programme of £5,489,050 for 2010/11 in February 2010.

- 3.2 At the Executive Board on 28 June, it was agreed to carry forward £169,110 of unspent 2009/10 budgets and to increase the Disabled Facility Grants and Lifelines budgets by £86,800 and £6,000 respectively. This gives a total approved capital programme for 2010/11 of £5,750,960.

4 **Budget Profiling**

- 4.1 To ensure that the Capital Programme projects are completed in a manageable time frame, a schedule of works is arranged by each budget holder and each of the schemes are timetabled for completion throughout the year. This schedule then feeds through to the budget profiling exercise, which identified that there are a number of capital schemes which were not due to have started by the end of July. The table below indicates the breakdown:

	£
Schemes not due to have started before end of July 2010	1,208,920
Schemes due to have started before end of July 2010	4,542,040
TOTAL	5,750,960

5 **Schemes Not Yet Started in July**

- 5.1 The total value of the projects not yet started is £1,208,920 (21% of the 2010/11 Capital Programme). The particular schemes are shown in Appendix A.

...

6 **Housing Schemes**

- 6.1 At this early stage in the year, a programme of works is yet to be established for the garage improvements and quotes are being obtained from specialist stone masons for the work required at Coleshill shops. The Housing DSO will be carrying out the electrical improvements in the housing stock shortly and the Lovells contingency exists for any unforeseen costs that may be incurred once the main account for the decent homes work has been completed. Work is underway to close this contract and should be completed soon.

7 **General Fund Schemes**

- 7.1 In the General Fund, some invoices are expected later in the year such as the Warwickshire Direct Partnership and the Home Improvement Agency whilst some projects are scheduled to start later in the year such as the electrical works to the Council House and other council owned buildings.
- 7.2 Works are underway on schemes to replace the leisure booking system and the IT Exchange Upgrade along with the implementation of ground source heating at Hill Top in Arley.
- 7.3 However, some projects will not get underway until further reviews are undertaken. This is the case with the replacement of the Borough Care system, the new telephone and switch gear projects and the Arcade improvements.
- 7.4 Further detail is provided in the Appendix and as the year progresses, reports brought to this board will provide an update on these schemes.

8 Schemes already started in July 2010

- ...
- 8.1 Those schemes that were planned to start by the end of July 2010 total £4,542,040 (79% of the 2010/11 Capital programme) and are shown in Appendix B. The expenditure expected to date was £996,904, but actual spend or committed was £801,717; an under spend of £195,187.
- 8.2 Several work streams are underway in housing; the initial Lovells contract for Decent Home Standard work is coming to an end with the final kitchens, windows and asbestos work now being completed. Roofing work has been undertaken on a Community Centre at Hudson Avenue, Coleshill and the purchase of 3a Church Walk, Mancetter has now gone through. The development of former garage sites where the Council is building 25 new Council houses is also underway with site preparation work being undertaken by Frank Haslam Milan, the nominated contractor. In addition, some new fencing has been erected around the borough, funded by the External Works budget but yet to be invoiced.
- 8.3 In terms of General Fund schemes, 2 new play areas have been installed at Ridge Lane and Baddesley. Although there is no budget for these works, funding has been received from the Play Builder Scheme to cover the costs. The leisure equipment budget has also exceeded its original budget with the complete refurbishment of the gym equipment at Atherstone Leisure Complex. This work has been well received by users of the gym and is to be funded from the Leisure Equipment Replacement reserve which has been built up over the last few years.
- 8.4 Other works completed to date is the purchase of the final year of the Microsoft licence upgrade, decent homes improvements to 7 private sector houses and disabled facility adaptations to 28 homes also in the private sector.
- 8.5 The Memorial Hall Car Park Wall works were completed below budget by £16,400 following further analysis of the works required. However, since setting the original budget, there are now 2 areas where additional funding is required.
- 8.6 Firstly, the Accommodation Project budget of £13,590 will not be sufficient to cover the next stages of work agreed by the Special Sub-Group to be carried out in 2010/11. Market testing work has been completed on certain key council owned sites and now design work is being undertaken to assess the practicalities of incorporating partners into the new scheme. It is requested that £10,000 of the Memorial Hall Car Park Wall budget is vired to the Accommodation Project to ensure that members have the necessary information to make a sound decision on all the options to establish which offers the best value for money.

- 8.7 In addition, there is a report being taken to the Planning and Development Board regarding improvement works required to the wall in the garden at Old Bank House and some tree works. This report details significant evidence that the trees are having a direct impact on the condition of the wall, which has caused structural problems and will cause it to further decline in future years. It is planned to remove and replace some trees; all of them are considered to have poor structural form or are causing damage to the wall, or there is a foreseeable risk of future damage. Repairs will then be carried out to the wall including re-pointing and the filling of significant cracks. It is recommended then that the remaining under spend of £6,000 is vired to this project to minimise the impact of this essential work on the general fund building maintenance reserves.

9 Report Implications

9.1 Finance and Value for Money Implications

- 9.1.1 Of the total capital programme, schemes to the value of £1,208,920 were not started by July 2010. Of the remaining £4,542,040 capital programme, £996,904 was profiled to be spent and £801,717 has actually been spent or committed, leaving an under spend of £195,187 to date.

- 9.1.2 The schemes will contribute to various outcomes which will increase the services provided by the Council, from providing decent Council homes, assisting in carrying out adaptations to resident's houses to helping to fund efficient heating systems to promote carbon reduction and encouraging fitness and wellbeing.

9.2 Safer Communities Implications

- 9.2.1 The Home Safety Check Scheme provides a service with Age Concern to help elderly residents be safe within their homes.

9.3 Environment and Sustainability Implications

- 9.3.1 Expenditure incurred as part of the Council's Capital Programme enables the Council to continue to improve and deliver a range of services to the people of North Warwickshire. The implementation of the capital programme will lead to improvements in the quality of life for the communities of North Warwickshire.

9.4 Risk Management

- 9.4.1 Failure to make reasonable adjustments to ensure our buildings and facilities are accessible could expose the Council to potential litigation and risks damage to its reputation.

9.5 Equalities Implications

9.5.1 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 DDA. 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.

The Contact Officer for this report is Sara Haslam (719489).

Background Papers

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

Background Paper	Author	Nature of Background Paper	Date

Capital Schemes not yet started by the end of July 2010

Appendix A

Expenditure Proposals	2010/11 Original Budget	2009-10 slippage	2010-11 Approved Budget	Comments
HRA Assets				
Electrics	224,000		224,000	HDW to start works soon
Garage refurbishments	40,000		40,000	Programme of works to be established
Lovells Contingency	349,110		349,110	Not required to date
Coleshill Shops	20,000		20,000	Obtaining quotes for specialist stone mason works
HRA TOTAL	633,110	-	633,110	
GENERAL FUND Assets				
The Council House Electrical Installation	30,000		30,000	Works are planned to be undertaken in November
Other Council Electrical Installations	15,000		15,000	Works are planned to be undertaken in November
WDP	10,000		10,000	Expect invoice in October
Improve Arcade	193,000		193,000	Further analysis of the viability of retaining the Arcade and future usage options to be carried out before this expenditure is to be incurred
IT Exchange upgrade	30,000		30,000	Works are planned to be undertaken in December
Leisure Book System Replacement	50,000		50,000	Work is under way to assess the options available and quotes are being obtained.
New Telephone System	65,000		65,000	This work is tied in to the accommodation project and will be progressed alongside these other works
New Switch Gear	55,000		55,000	This work is tied in to the accommodation project and will be progressed alongside these other works
Tenants Removal Expenses	20,000	-5,350	14,650	This scheme is now completed and this budget will not be required
Ground Source Heating	50,000	1,560	51,560	Expect invoice shortly
Home Improvement Agency	11,600		11,600	Expect invoice at the end of the year
Borough Care System Replace	50,000		50,000	A review is currently underway to determine the requirements of the Borough Care service
Total	1,212,710	(3,790)	1,208,920	

Capital Schemes started by the end of July 2010

Expenditure Proposals	2010/11 Original Budget	2009-10 slippage	2010-11 Approved Budget	Profiled Budget	Committed as at end July 2010	Actuals as at end July 2010	TOTAL as at end July 2010	Variance to profiled budget
HRA Assets								
Kitchens/Bathrooms	119,410		119,410	2,000		1,819	1,819	(181)
Windows and Doors		40,000	40,000	40,000		39,075	39,075	(925)
Heating	142,520		142,520	10,000		10,367	10,367	367
Aerials		4,950	4,950	4,950		3,273	3,273	(1,677)
External Works	38,000		38,000	12,667		460	460	(12,207)
Housing Staffing	170,000		170,000	56,667		53,997	53,997	(2,670)
Disabled Facility Adaptations (C/H)	175,000		175,000	58,333		7,880	7,880	(50,453)
Community Centres	125,000		125,000	25,000		24,360	24,360	(641)
Picadilly		2,500	2,500	2,500		2,540	2,540	40
Roofing	140,000		140,000	8,500		8,424	8,424	(76)
Asbestos		9,000	9,000	9,000		10,127	10,127	1,127
Prelims		6,000	6,000	6,000		5,430	5,430	(570)
Profit and Overheads	48,280	3,760	52,040	6,000		6,135	6,135	135
Purchase of 3a Church Walk, Mancetter		57,000	57,000	57,000		57,000	57,000	-
New Build Housing Project	2,222,120		2,222,120	310,000	11,900	298,009	309,909	(91)
HRA TOTAL	3,180,330	123,210	3,303,540	608,617	11,900	528,895	540,795	(67,822)
GENERAL FUND Assets								
DDA	204,220		204,220	3,000		2,870	2,870	(130)
Renewal of Play Areas	8,390		8,390	-	50,780	50,750	101,530	101,530
Renewal of Play Areas Play Builder Funding						(95,489)	(95,489)	(95,489)
Leisure Equipment	20,000		20,000	7,400	7,442	112,435	119,877	112,477
Leisure Equipment Funding						(112,435)	(112,435)	(112,435)
Mem Hall Carpark Wall	20,000		20,000	20,000		3,600	3,600	(16,400)
Accommodation Project		13,590	13,590	5,000		5,335	5,335	335
ICT Infrastructure Development	20,000		20,000	6,000	3,741	2,456	6,197	197
ICT hardware & software purchase	40,000		40,000	29,000		28,848	28,848	(152)
Operating System Upgrade		6,080	6,080	6,080	-	5,567	5,567	(513)
EDRMS	11,000	-2,400	8,600	5,600	5,610		5,610	10
Capital Salaries Management	54,000		54,000	18,000		18,220	18,220	220
Temporary DHS Project Officer	27,000	3,210	30,210	10,070		8,486	8,486	(1,584)
Decent Homes (Private Sector)	229,900	-8,280	221,620	73,873		23,337	23,337	(50,536)
Home Saftey Check Scheme	7,500		7,500	7,500		7,211	7,211	(289)
			0	-			-	-
Disabled Facilities Grants-Private Sector	442,000	124,290	566,290	188,763		124,133	124,133	(64,630)
Capital Life Lines	12,000	6,000	18,000	8,000	1,417	6,608	8,025	25
Total	4,276,340	265,700	4,542,040	996,904	80,890	720,827	801,717	(195,187)

Agenda Item No 10

Resources Board

6 September 2010

Report of the Deputy Chief Executive

Internal Audit – Performance for First Quarter 2010-11

1 Summary

- 1.1 The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

2 Recommendation to the Board

That the report be noted.

3 Introduction

- 3.1 The CIPFA Code of Practice on Internal Audit in Local Government defines standards of best practice for internal audit. The Code requires that Members both approve the Internal Audit Section's strategic work plan and receive periodic reports on performance against plan. This report summarises performance for April 2010 to June 2010.

4 Summary of Work Completed

- ... 4.1 Appendix A to the report summarises progress on the s151 audit plan for the period, identifying audits completed and indicating the extent of progress on those audits still outstanding. The appendix shows that all key planned areas have been addressed within time. The 90% performance target was exceeded with 100% completion of planned audits. Appendix B provides definition for the levels of assurance applied.
- 4.2 Internal Audit can place a high level of assurance on the following final reviews. Performance Indicators & Management, Fees & Charges, Procurement, Concessionary Travel and Mortgages.
- 4.3 The Internal Audit Section has undertaken some work recorded under contingency audits. These are reviews carried out either resulting from departmental requests, external audit suggestions, counter fraud activity and monitoring of reporting information from the National Fraud Initiative.
- 4.4 The performance standards set by the Audit Commission require that Internal Audit complete at least 90% of planned work in the year unless there are good reasons otherwise. In calculating that statistic, planned work deferred at client request is ignored if such deferrals have appropriate justification. All client requests for deferrals have been based on sound, service based justifications.

5 Report Implications

5.1 Risk Management Implications

5.1.1 Failure to provide an effective Internal Audit Service may adversely affect the level of internal control operating within the Council and will attract criticism from external assessors such as the Audit Commission and the External Auditor.

5.2 Links to Council's Priorities

5.2.1 The audit programme agreed and delivered is aligned to both the priorities of the Council and the requirements of external assessors.

The Contact Officer for this report is Barbara Haswell (719416).

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

Appendix A

Audits Completed first quarter 2010-11

Audit	Quarter Due	Status	Assurance Level *	Tot No. of Recs	High Priority	Medium Priority	Low Priority	H/M Recs not Agreed(see att)
Performance Indicators & Management	1	Final	High	0				
Fees and Charges	1	Final	High	2	0	0	2	
Procurement	1	Final	High	1	1			
Concessionary Travel	1	Final	High	0				
Mortgages	1	Final	High	0				

Reasons for not providing a high assurance level on final reports

Not applicable

Progress Against Audit Plan

Audit	Status	Due
Corporate Governance	Ongoing	Quarter 2
Performance Indicators & Management	Completed	
Fees and charges	Completed	
Choice Based Lettings	Ongoing	Quarter 2
Mortgages	Completed	
Concessionary travel	Completed	
Procurement	Completed	

Performance of Audit 2009-10 for Quarterly Indicators			
No.	Indicator	Suggested Frequency	Performance for 2009-10
1	Performance reports to Resources Board	Quarterly	September 2010
3	Number of audits where time taken to complete the work is more than 10% longer than planned.	Quarterly	1
4	Number of audits completed by set deadline	Quarterly	All 5
5	Final report issued within 4 weeks of completion of fieldwork	Quarterly	5
9	Questionnaire:Feedback obtained from report recipients is good (average 4 out of 5)	Quarterly	2
10	% of sickness levels within Audit is below 5%	Quarterly	0.00%

Appendix B

Assurance level definitions:

Overall Audit Opinion	
High	Controls are in place and operating satisfactorily. Reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively.
Medium	There are some control weaknesses but most key controls are in place and operating effectively. Some assurance can be given that the system, process or activity should achieve its objectives safely and effectively.
Low	Controls are in place but operating poorly or controls are inadequate, failing or not present to satisfaction. Only limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively.

Recommendation Priority Levels definitions:

High	Action is agreed for implementation within one month of the report date
Medium	Action is agreed for implementation within three months of the report date
Low	Action is agreed for implementation within twelve months of the report date

Agenda Item No 11

Resources Board

6 September 2010

Report of the Assistant Director (Finance and Human Resources)

International Financial Reporting Standards – Progress Update

1 Summary

- 1.1 Reports were brought to this Board in November 2008 and April 2009, explaining that new international financial reporting standards are being introduced from the 2010/11 accounts onwards and that a substantial amount of work has, and will be required, to ensure that the Council is fully compliant. This report details the progress made to date.

Recommendation to the Board

That the progress made on implementing International Financial Reporting Standards be noted.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Councillors Bowden and Butcher have been informally consulted and any response will be verbally updated at the meeting.

3 Introduction

- 3.1 Currently the Council, along with all other Local Authorities, completes its annual financial statements based on UK financial accounting standards that are interpreted by the Chartered Institute of Public Finance and Accountancy (CIPFA) and included in a working manual called the Statement of Recommended Practice (SORP). The external audit of the accounts then assesses the Council to ensure that it complies with these regulations.
- 3.2 However, all public sector accounts are changing to being based on international financial reporting standards (IFRS), as is the practice in the private sector. The NHS and central government converged in 2009/10, whilst Local Authority accounts must be compliant for 2010/11 onwards.
- 3.3 The impact of these changes is that some of the calculations within the accounts may need to change. For example, the way we deal with leases, the methods used to value assets and a new assessment of employee benefits. The presentation and layout of the accounts will also change, along with a greater level of mandatory disclosure notes.

3.4 It is important therefore that, as a Council, we are aware of the detail of these changes required, so that the impact on the Council Taxpayer is either neutral or, at best, minimal. We also need to be sure that the calculations within, and format of the accounts, are accurate, so that we comply with the requirements of the external auditors. An adverse auditor opinion would impact on the Council's reputation.

... 3.5 Attached at Appendix A is a report from the Audit Commission detailing the areas that this Board should be aware of in terms of the IFRS transition.

4 **Progress to date**

4.1 The Corporate Finance Accountant has been allocated the task of co-ordinating this project and a project team has been established, consisting of all senior finance staff who will have a role to play in implementing the changes. A project plan was drawn up based on external advice as to key milestones, and each member of the team has been allocated a set of standards to research and has assessed the impact on the Council's processes or systems. The team has met periodically over the last 18 months and has been updating the Deputy Chief Executive of progress and potential issues. Meetings have also taken place with other departments, such as Human Resources and Legal and Estates, who will also be affected by the changes.

4.2 Suggested project milestones were included in a document published by CIPFA which our own plan was, in part, based on. However, some of the guidance notes from CIPFA and the CLG were not published as early as expected which has resulted in some slippage in our project plan. However, in November, PwC carried out a survey of this Council's progress to date (against an Audit Commission checklist) and concluded that we were part of 63% of local authorities that had only "minor issues" with the transition to IFRS. A project plan with key dates and progress is attached at Appendix B.

... 4.2 Whilst a number of the new international reporting standards will not affect the Council, either due to the nature of it being a local authority or because the current UK standards are compliant, there is still a number that will result in the Council having to re-state it's previous 2 years balance sheets and also prepare the entire financial statements from 2010/11 onwards in a different manner.

- 4.3 On the whole, the changes are not expected to have an impact on the General Fund or Housing Revenue Account balances. For example, there will be a change to the way in which the Council accounts for grants received, simplification of the method of asset valuations, amendments to the transactions required to account for revaluation losses and a firming up of the definition of “assets held for sale”. There will also be a need to identify significant “components” of assets which may require changes to the way we hold information on our capital accounting system and might apply to, say, kitchens and bathrooms within our housing stock. However, further guidance is expected shortly on the approach we will need to take on this.
- 4.4 There is now a need to make provision for any untaken employee annual leave but legislation has been introduced to ensure that this does not impact on the Council Tax payer. The number of disclosure notes in the accounts will also increase, thereby altering their format and potentially the time it takes to complete the final accounts.
- 4.5 A key area of change however is that of the classification of leases. A significant amount of work has been done to identify any lease arrangements that the Council has (either as a Lessee or Lessor) and an assessment made as to whether they are operating leases (revenue in nature) or finance leases (capital in nature). Whilst this review is not fully completed to date, the outcome is likely to be that some leases/assets will now show on our balance sheet that had not previously. It is not expected that this will impact on the General Fund or Housing Revenue Account balances but, there is going to need to be careful management of lease arrangements where the Council rents out shops or industrial units. Currently this income is revenue and the financial estimates have assumed it will continue to be accounted for as such. Under the new regulations, there may be instances when the income might need to be classified as a capital receipt. Whilst there have been mitigating regulations introduced that allow leases that were in place before April 1st 2010 to remain as revenue income, any new leases need to be carefully negotiated in an attempt to maintain this position and so protect revenue income streams.
- 4.6 Having assessed the impact of each of the new standards, read the CIPFA transition guidance and attended training seminars, the project team are currently re-stating the 2008/09 and 2009/10 Balance Sheets. This means that when the 2010/11 accounts are completed on an IFRS basis, the previous years comparison figures will also be in this format.
- 4.7 Whilst the Corporate Finance Accountant, Sara Haslam, has obtained a new position with Warwickshire County Council, and will be leaving the Authority in September, it is expected that the restatement of the 2008/09 and 2009/10 balance sheets should be completed before Sara leaves. This will leave the Council on track to close the 2010/11 accounts on the new basis. Until her post is filled, the project team will need to cover any further work the post would have undertaken.

5 Report Implications

5.1 Finance and Value For Money Implications

5.1.1 The work required to research and implement the changes to the financial standards has resulted in a shift in the workload for key finance staff over the last 18 months and will continue to do so until at least the middle of 2010/11 when the first set of accounts are completed under the new regime. Currently this has been absorbed within the established staffing structure and is expected to do so in the future.

5.1.2 There is a small contingency set aside to be drawn upon if additional resources or advice is required to ensure compliance with the new legislation. This has been used recently to acquire some advice on leases from PwC to assist in our transition.

5.1.3 It is expected that the only cause for concern in terms of the revenue position of either the General Fund or Housing Revenue Account is that of leases but until the leases are due for renewal, the level of impact cannot be determined.

5.2 Human Resources Implications

5.2.1 Staff roles have been amended in a recent re-structure that will assist in accommodating the work required to implement these standards.

5.3 Risk Management Implications

5.3.1 External auditors have constantly indicated that a detailed project plan and structure will be required in order to implement these changes effectively. A recent review by PwC of the Council's progress to date against an Audit Commission checklist indicated that it was "amber" with substantial progress being made although key pieces of work were not yet completed.

5.3.2 The establishment of a project team with a detailed plan aims to reduce the risk of problems occurring during implementation. A risk assessment is included along with this report.

5.4 Links to Council's Priorities

5.4.1 The work on financial standards links into the priority of "making best use of our resources".

The Contact Officer for this report is Sara Haslam (719489).

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



Countdown to IFRS

Checklist for members

From 2010/11 local government will be required to prepare accounts in accordance with international accounting standards (IFRS). A failure to achieve successful transition to IFRS would cause significant reputational damage not only to individual authorities but to the local government sector as a whole. Poor preparation will heighten the risk that accounts will not meet requirements and so attract a qualified auditor's opinion or be published late. At a practical level, there is a risk that avoidable additional costs will be incurred if the implementation timetable is not well managed or is allowed to slip. The transition process is a real test of self regulation by local government.

The audit committee (or its equivalent) needs to be sufficiently aware of the requirements of IFRS to ensure the transition project is on track. In order to help members discuss their IFRS transition plan with relevant officers we have set out a number of suggested questions overleaf.

Countdown to IFRS

Checklist for members

- Have we assessed what impact IFRS will have on our authority?
- What role should the audit committee play in supporting the transition to IFRS?
- How much is it going to cost? What is the impact on our budgets?
- Do we have a project plan? How are we doing against this plan? Are we where we need to be?
- What are the main problem areas?
- Do we have the skills and expertise to resolve them? Are we taking any external advice?
- What are the risks to delivery and are these included in the risk register? What are we doing to mitigate these risks?
- What are the consequences for us if we don't achieve the transition to IFRS according to the plan?
- Have we engaged with the external auditors?
- Are we producing mock/shadow accounts in IFRS format? What is the audit committee's role in reviewing these?

Further information on IFRS please refer to our briefing paper [Countdown to IFRS](#) and other briefing papers are available at www.audit-commission.gov.uk/IFRS

International Reporting Standards Project Plan

Task	Planned Due Date	Progress
Set up project team and identify other stakeholders/divisions to discuss likely implications. Establish a budget	Apr-09	Completed. Project team made up of Sara Haslam, Sue Garner, Nigel Lane and Jackie Marshall. Other divisions affected are HR, Legal and Estates and EMT and communication has taken place with all to inform them of their role and potential information required from them. Contingency budget identified.
Carry out an impact assessment and allocate all IFRS as high, medium or low priority. Allocate each IFRS to a member of the project team to carry out research	Apr-09	The key issues will be leases, asset valuations/categorisations and employee benefits. All IFRS have been allocated to the most relevant team member.
Take a report to Resources Board with progress update	Apr-09	Completed - 27th April 2009 Resources Board
Research each relevant IFRS (based on priority high to low impact) by using CIPFA, Audit Commission, PwC and CLG guidance and advice. Attend seminars where applicable	Dec-09	CIPFA guidance on each relevant standard downloaded, membership of International Accounting Standards Board taken up for 12 months, WCC update conference attended, CIPFA Update seminars attended, IFRS mitigating legislation obtained, purchase of CIPFA Code 2010/11 with transition guidance.
Collate additional information as required to re-state the balance sheets and ensure compliance from 2010/11 onwards	Dec-09	Confirmation of asset values from valuer completed. Information on leases and employee benefits still being finalised but expected to be completed by September 2010. PwC consulted with regarding lease transactions.
Assess changes to systems required	Dec-09	Completed. No changes required to TASK Financial System, processes introduced to collate employee benefit information and Capital Accounting System tested to ensure compliance
Re-statement of 2008/09 Balance Sheet	Dec-09	This was delayed due to some guidance not being confirmed as this stage. However, as additional guidance and advice has become available, this is being carried out in conjunction with the re-statement of the 2009/10 accounts,
Completion of 2010/11 budgets on an IFRS basis	Feb-10	Completed - 8th February 2010 Resources Board
Take a report to Resources Board with progress update	Sep-10	Completed - 6th September 2010 Resources Board
Re-statement of 2009/10 Balance Sheet	Sep-10	Work started on restating the 2008/09 balance sheet in terms of government grants, accounting for changes in asset valuations and categorisations and changes in impairment rules. 2009/10 re-stated balance sheet due for completion on time, along with the 2008/09 balance sheet
Discuss approach and work carried out to date with external auditors (PwC)	Sep-10	
Communicate to relevant staff any on going implications of IFRS, in particular with regard to letting leases and recording employee benefits	Sep-10	
Assess need to update Accounting Policies	Oct-10	
Produce 2010/11 Financial Accounts on an IFRS basis	Jun-11	

Agenda Item No 12

Resources Board

6 September 2010

Report of the Deputy Chief Executive

Treasury Management Update Quarter 1 2010/11

1 Summary

- 1.1 This report shows the Treasury Management activity during the first quarter of 2010/11.

Recommendation to the Board

That the Treasury Management Update Report for Quarter 1 be noted.

3 Report

- 3.1 CIPFA issued the revised Code of Practice for Treasury Management in November 2009. The revised Code suggests that members should be informed of Treasury Management activities at least twice a year, but preferably quarterly. This report therefore ensures that the Council is following Best Practice in accordance with the Code.

4 Economic Forecast

- 4.1 The Council's Treasury Advisers, Sector, provides the forecast: shown below.
- The forecast is based on moderate economic recovery and MPC inflation forecast being below target in two years' time
 - The first Bank Rate increase is expected to be in 2011; and to reach 3.75% by March 2013
 - Long term PWLB rates are expected to steadily increase to reach 5.25% by early 2013 due to huge gilt issuance, reversal of Quantitative Easing (QE) and investor concerns over inflation
 - There is considerable uncertainty in all forecasts due to the difficulties of forecasting the timing and amounts of QE reversal, the tough cuts outlined in the Emergency Budget, speed of recovery of banks profitability and balance sheet position, changes in the consumer saving ratio, rebalancing of the UK economy in terms of export and import etc
 - The balance of risks is weighted to the downside

- There is still some risk of a “double dip” recession.

NOW	Bank Rate Forecast	5 year PWLB rate	10 year PWLB	25 year PWLB	50 year PWLB
NOW	0.50%	2.48%	3.83%	4.46%	4.49%
Sept 10	0.50%	2.95%	4.30%	4.70%	4.70%
Dec 10	0.50%	2.95%	4.40%	4.75%	4.75%
March 11	0.75%	3.15%	4.45%	4.75%%	4.80%
June 11	1.00%	3.30%	4.55%	4.85%%	4.90%
Sept 11	1.50%	3.50%	4.60%	4.90%	4.95%
Dec 11	1.75%	3.60%	4.65%	5.00%	5.05%
March 12	2.25%	3.95%	4.70%	5.05%	5.05%
June 12	2.50%	4.30%	4.75%	5.15%	5.20%
Sept 12	3.00%	4.55%	4.90%	5.20%	5.25%
Dec 12	3.50%	4.70%	4.95%	5.25%	5.25%
March 13	3.75%	4.80%	5.10%	5.25%	5.25%

5 Treasury Management Strategy Statement

5.1 Annual Investment Strategy

5.1.1 The Treasury Management Strategy Statement (TMSS) for 2010/11 was approved by Resources Board on 2 February 2010. The Council’s Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council’s investment priorities as follows:

- Security of Capital
- Liquidity

5.1.2 The Council will also aim to achieve the optimum return on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term, and only invest with highly credit rated financial institutions, including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Sector.

5.1.3 Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the first quarter of 2010/11. Investment rates are currently at an historical low point, illustrated by the amount of interest earned in quarter 1, £27,350 (budgeted interest £25,480) compared to the same period last year, £53,425. The average interest rate on investments for this period was 2.22% compared to the benchmark of the 7 day LIBID rate of 0.42%. The average investment made in the first quarter was £733,600 and the average total level of investments held was £7,356,000.

5.1.4 Appendix A shows the investments held at 30 June 2010.

6 Borrowing

6.1 Prudential Indicators

6.1.1 It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". The Council's approved Prudential Indicators (affordability limits) are outlined in the approved TMSS. Officers can confirm that the Prudential Indicators were not breached during the first quarter of 2010/11.

6.1.2 The Council has borrowed funds short term on one occasion to fund a shortfall in cash flow. (£2 million for 36 days at 0.35%)

7 Report Implications

7.1 Finance and Value for Money Implications

7.1.1 During Quarter 1, interest earned on investments was £27,350 and interest paid on borrowings was £690.

7.2 Environment and Sustainability Implications

7.2.1 By having effective and prudent treasury management, this contributes towards sustainability and providing services that improve the quality of life for the communities of North Warwickshire.

7.3 Risk Management Implications

7.3.1 Credit ratings are used in assessing the institutions on the authorised lending list and the maximum investment level permitted.

The Contact Officer for this report is Jackie Marshall (719379).

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

APPENDIX A

Treasury Management Update, Quarter 1, 2010/11

Investments held at 30 June 2010

Name of Institution	Credit Rating	Call, Fixed, 7 day, MMF	Amount £	Date of Investment	Maturity Date
BARCLAYS	AA- FI+	FIXED	1,000,000	30/08/2009	01/08/2011
SANTANDER	AA- FI+	FIXED	1,500,000	31/03/2010	30/09/2010
NATIONWIDE	AA- FI+	FIXED	1,000,000	31/03/2010	30/09/2010
CLYDESDALE	AA- FI+	FIXED	1,000,000	07/06/2010	07/11/2010
CLYDESDALE	AA- FI+	FIXED	1,000,000	15/06/2010	16/05/2011
PRIME RATE, BANK OF NEW YORK MELLON	AAA	MMF (call)	1,308,000		