



# Executive Committee

Tue 26 Mar  
2019  
7.00 pm

Committee Room Two  
Town Hall  
Redditch

**REDDITCH** BOROUGH COUNCIL

*making  
a  
difference*

[www.redditchbc.gov.uk](http://www.redditchbc.gov.uk)

**If you have any queries on this Agenda please contact  
Jess Bayley**

**Town Hall, Walter Stranz Square, Redditch, B98 8AH  
Tel: (01527) 64252 Ext: 3268**

**e.mail: [jess.bayley@bromsgroveandredditch.gov.uk](mailto:jess.bayley@bromsgroveandredditch.gov.uk)**

# Executive

Committee

Tuesday, 26th March, 2019

7.00 pm

Committee Room 2 - Town Hall  
Redditch

## Agenda

### Membership:

Cllrs:	Matthew Dormer (Chair)	Bill Hartnett
	David Bush (Vice- Chair)	Gareth Prosser
	Tom Baker-Price	Mike Rouse
	Greg Chance	Craig Warhurst
	Brandon Clayton	

### 1. Apologies

### 2. Declarations of Interest

To invite Councillors to declare any Disclosable Pecuniary Interests and / or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.

### 3. Leader's Announcements

### 4. Minutes (Pages 1 - 12)

### 5. Arrow Valley Catchment Restoration Project (Pages 13 - 20)

### 6. Homelessness Grant, Flexible Homelessness Support and Homelessness New Burden's Fund Report 2019/20 (Pages 21 - 26)

### 7. Worcestershire Strategic Direction for Tackling Homelessness (Pages 27 - 54)

### 8. Matchborough and Winyates District Centres - Update (Pages 55 - 60)

This item will be pre-scrutinised by the Overview and Scrutiny Committee at a meeting on 21<sup>st</sup> March 2019. Any recommendations arising from the meeting will be reported to the Executive Committee for consideration alongside the report for this item.

### 9. Finance System (Pages 61 - 64)

### 10. Finance Monitoring Quarter 3 2018/19 (Pages 65 - 78)

### 11. Investment Strategy - Update to the Strategy (Pages 79 - 86)

## **12. Overview and Scrutiny Committee**

There is no outstanding complete set of Overview and Scrutiny Committee minutes for Members' consideration.

Any recommendations arising from pre-scrutiny of items on the agenda will be reported separately under the relevant item on the agenda.

## **13. Minutes / Referrals - Overview and Scrutiny Committee, Executive Panels etc.**

To receive and consider any outstanding minutes or referrals from the Overview and Scrutiny Committee, Executive Panels etc. since the last meeting of the Executive Committee, other than as detailed in the items above.

## **14. Advisory Panels - update reports**

Members are invited to provide verbal updates, if any, in respect of the following bodies:

- a) Constitutional Review Working Panel – Chair, Councillor Matthew Dormer;
- b) Corporate Parenting Steering Group – Council Representative, Councillor Gareth Prosser;
- c) Grants Panel – Chair, Councillor Greg Chance;
- d) Member Support Steering Group – Chair, Councillor Matthew Dormer; and
- e) Planning Advisory Panel – Chair, Councillor Matthew Dormer.





## Executive Committee

Monday, 25 February 2019

### MINUTES

#### Present:

Councillor Matthew Dormer (Chair), and Councillors Tom Baker-Price, Greg Chance, Brandon Clayton, Bill Hartnett, Gareth Prosser, Mike Rouse and Craig Warhurst

#### Officers:

Kevin Dicks, Claire Felton, Sue Hanley and Jayne Pickering

#### Senior Democratic Services Officer:

Jess Bayley

#### 97. APOLOGIES

An apology for absence was received on behalf of Councillor David Bush.

#### 98. DECLARATIONS OF INTEREST

There were no declarations of interest.

#### 99. LEADER'S ANNOUNCEMENTS

A written update on the Leader's Announcements was circulated at the meeting.

#### 100. MINUTES

##### RESOLVED that

the minutes of the meeting of the Executive Committee held on Tuesday 5<sup>th</sup> February 2019 be agreed as a correct record and signed by the Chair.

.....  
Chair

# Executive Committee

Monday, 25 February 2019

---

## 101. MEDIUM TERM FINANCIAL PLAN 2019/20 TO 2022/23, INCLUDING PAY POLICY STATEMENT AND COUNCIL TAX SETTING

The Executive Director of Finance and Corporate Resources presented the Medium Term Financial Plan 2019/20 to 2022/23. During the presentation of this report the following matters were highlighted for Members' consideration:

- The Medium Term Financial Plan was designed to help the Council achieve its strategic purposes.
- The Budget Scrutiny Working Group had been reviewing the process for preparing the budget throughout the year and had been assisted by the Overview and Scrutiny Committee at its latest meeting.
- In the last Medium Term Financial Plan it had been assumed that in 2019/20 there would be a shortfall of £475,000 in the budget. The report set out the action that had been taken and the proposals that had been made to ensure that the budget balanced in 2019/20.
- The Council had achieved £1.1 million of savings and there were now no unidentified savings included within the Medium Term Financial Plan.
- The Government had confirmed that the Council would not need to pay back the negative revenue support grant in 2019/20 which had originally been built into the budget. Officers were assuming that the local authority would not need to pay this negative support grant in the subsequent three financial years.
- The Council had received more New Homes Bonus (NHB) funding than had been anticipated at the end of the previous financial year.
- The business rates bid for Worcestershire had been approved and the district Councils were putting forward bids for up front funding for projects that would help to reduce expenditure on social care overall.
- There was significant uncertainty moving forward about local authority budgets and this was impacting on the projected figures for the Council's budget in future years. By 2022/23 a deficit of £1.5 million was anticipated.
- In 2019/20 the Council would have balances of £1.4 million. Officers were anticipating that these would decline significantly during the period of the plan and by 2021/22 Officers were anticipating that balances would fall below the level set as a requirement by the Section 151 Officer.
- Unavoidable pressures had been included in the Medium Term Financial Plan. These were financial pressures that the Council had to deliver in order to continue to provide services.

## Executive Committee

Monday, 25 February 2019

---

- A contribution of £150,000 to the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) had been included in the plan. As the Council would be in the Worcestershire business rates pilot pool for a year, officers had built income from that pool into the budget to offset the costs in terms of the contribution to the GBSLEP.
- The bids and savings included the contract that had been secured by the Lifeline team with Cannock Chase District Council and the £50,000 in printing savings.
- The capital bids mainly comprised S106 funds, though there were also bids in respect of the fleet replacement process and for the North Worcestershire Water Management (NWWM) team.

Following the presentation of the report Councillor Baker, as Chair of the Overview and Scrutiny Committee, was invited to present the recommendations arising from the Committee's scrutiny of the Medium Term Financial Plan, which had occurred at a meeting that took place on 20<sup>th</sup> February 2019. Members were advised that the Overview and Scrutiny Committee had scrutinised the proposed budget in detail. Based on the discussions during the meeting the Committee had concluded that action needed to be taken to generate further income in order to address some of the significant gaps in the budget anticipated for the last three years of the plan. Members had suggested that the Council could investigate the potential to charge residents to attend Council-run events, such as Morton Stanley Festival. The Committee had also suggested that the Council could explore alternative ways to utilise Council assets, such as the Town Hall, in order to generate income. Finally the Committee had raised a number of concerns in respect of the sustainability of the budget and the inclusion of some elements, such as the Redditch Community Lottery.

Members subsequently discussed the proposed budget in detail and in doing so raised the following points:

- The exploration of the potential for alternative uses to be made of the Council's budget, which was already the subject of considerable work.
- The work Officers had already undertaken to explore the potential to charge for Council events. Difficulties had been identified with this, such as the need to fence off the area where an event was taking place.
- The alternative options to generate income from Council events, such as through sponsorship or voluntary contributions.
- The total increase of £60,000 on Members' allowances should the recommendations from the Independent Remuneration Panel (IRP) be approved.

# Executive Committee

Monday, 25 February 2019

- The reduction in grant funding for the Voluntary and Community Sector (VCS) of £20,000 as a result of changes to the Council's grants process.
- The introduction of £5,000 grants for each Councillor to distribute to VCS organisations in 2019/20 and the training that would be required by Members prior to distributing this funding.
- The introduction of the Redditch Community Lottery and the extent to which the financial projections for the lottery were realistic.

During consideration of this item an amendment was proposed by Councillor Bill Hartnett. This was seconded by Councillor Greg Chance.

The amendment proposed an alternative budget as detailed in the table below:

	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000
Departmental base budget	9,116	9,173	9,387	9,388
Incremental Progression/Inflation on Utilities	132	206	281	483
Unavoidable Pressures	373	287	227	255
Revenue Bids/Revenue impact of capital bids	133	113	105	105
Savings and Additional income	- 1,107	-821	-826	-796
Reserve release	-262	0	0	0
Efficiency savings rolled forwards	1,117	1,271	1,282	1,282
<b>Net Revenue Budget Requirement</b>	<b>9,503</b>	<b>10,229</b>	<b>10,456</b>	<b>10,717</b>
<b>FINANCING</b>				
Contribution to Worcestershire County Business Rate Pool	- 2,855	-2,899	-2,941	-2,986
Council Tax	- 6,241	-6,524	-6,857	-7,178
New Homes Bonus	-754	-430	-231	-209
Collection Fund Surplus (Council Tax)	-14	0	0	0
Parish Precept	8	8	8	8
Parish Precept income	-8	-8	-8	-8
Bad Debt Provision	50	50	50	50
Investment Income	-661	-952	-1,349	-1,673
MRP (Principal)	1,004	1,159	1,249	1,610

# Executive Committee

Monday, 25 February 2019

Interest payable	158	584	1,002	1,237
Recharge to Capital Programme	-38	-38	-38	-38
Discount on advanced pension payment	-193	-50	-50	-50
<b>Funding Total</b>	<b>9,543</b>	<b>-9,099</b>	<b>-9,164</b>	<b>-9,237</b>
<b>General Balances</b>				
Opening Balances	1,401	1,440	310	-982
Contribution (from) / to General Balances	40	-1,130	-1,292	-1,481
Agreed in year release of balances				
<b>Closing Balances</b>	<b>1,440</b>	<b>310</b>	<b>-982</b>	<b>-2,463</b>
<b>Alternative Budget Includes :</b>				
- reinstating the grants budget of £20k				
- reducing member allowances to previous year level saving £60k				
- improves the financial position by £160k over 4 years				

In proposing the alternative budget Councillor Hartnett explained that this would ensure that the £20,000 funding that had been removed from the grants process would be reinstated. The alternative budget did not include the additional £60,000 arising from the increase in Members' allowances proposed by the IRP. Nor would the alternative budget include the additional £9,000 in allowances that had been added by the Executive Committee on 5<sup>th</sup> February 2019 and which had not been proposed by the IRP. Councillor Hartnett noted that the alternative budget would have removed funding to establish the Redditch Community Lottery but this was not possible as this budget had already been spent.

In seconding the alternative budget Councillor Greg Chance commented that it was acknowledged that this would not resolve all of the financial difficulties facing the Council. However, the alternative budget would reinstate £20,000 to support VCS groups working in the local community. The alternative budget would also remove the increase of £60,000 in Members allowances which could instead be reinvested in frontline services.

Members subsequently debated the alternative budget and during this discussion raised the following matters:

# Executive Committee

Monday, 25 February 2019

---

- The financial challenges facing local government and the fact that the budgetary position for Councils had been difficult for a number of years.
- The £40,000 savings that would be achieved in each year should the alternative budget be approved.
- The increase in Members' allowances proposed by the IRP and the length of time that had passed since the Council had agreed an increase to the allowances for Members.
- The rate of allowances paid to Redditch Members in 2018/29 and the fact that these were 70 per cent lower than the remuneration received by Councillors elected to serve on Bromsgrove District Council.

On being put to the vote the amendment was defeated.

## RECOMMENDED

- 1) the approval of the Unavoidable costs as attached at Appendix1:  
2019/20 £373k  
2020/21 £287k  
2021/22 £227k  
2022/23 £255k
- 2) the approval of the Revenue Bids as attached at Appendix 2:  
2019/20 £193k  
2020/21 £173k  
2021/22 £165k  
2022/23 £165k
- 3) the approval of the Identified Savings as attached at Appendix 3:  
2019/20 £1,127k  
2020/21 £841k  
2021/22 £846k  
2022/23 £816k
- 4) the approval of the Capital Programme bids as attached at Appendix 4:  
2019/20 £1.875m  
2020/21 nil  
2021/22 nil  
2022/23 £1.352m
- 5) the approval of the Pay Policy Statement as attached in Appendix 6;

# **Executive Committee**

Monday, 25 February 2019

---

- 6) the approval of the Council Tax Resolutions to include the increase of the Council Tax per Band D at 2.2% and the following:
- a) that it be noted at its meeting on 8th January 2019, the Executive Committee calculated the Council Tax Base 2019/20
    - (i) for the whole Council area as 26,096.00 [Item T in the formula in Section 31B of the Local Government Act 1992, as amended (the “Act”)]; and
    - (ii) for dwellings in those parts of its area to which a Parish precept relates; this being Feckenham Parish as 370.10.
  - b) that the calculation of the Council Tax requirement for the Council’s own purposes for 2019/20 (excluding Parish precepts) is £6,240,858.40.
  - c) that the following amounts be calculated for the year 2019/20 in accordance with sections 31 to 36 of the Act:
    - (i) £50,996,528 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act (taking into account all precepts issued to it by Parish Councils) (*i.e. Gross expenditure*)
    - (ii) £44,747,370 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act. (*i.e. Gross income*)
    - (iii) £6,249,158 being the amount by which the aggregate of 3 (a) above exceeds the aggregate at 3 (b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
    - (iv) £239.47 being the amount at 3 (c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).

# Executive Committee

Monday, 25 February 2019

- (v) £8,300 being the aggregate amount of all special items (Feckenham Parish precept) referred to in Section 34 (1) of the Act.
- (vi) £239.15 being the amount at 3 (d) above less the result given by dividing the amount at 3 (e) above by Item T (1 (a) above), calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
- (vii) £261.58 being the amount given by adding to the amount at 3(f), the amount of the special item relating to the Parish of Feckenham 3(e), divided by the amount in 1(b) above.
- (viii) The amounts below given by multiplying the amounts at 3(f) and 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band, divided by the number which in that proportion is applicable to dwellings listed in Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwelling listed in different valuation bands.

Valuation Band	Proportion of Band D tax paid	Parish of Feckenham £	All other parts of the Council's area £
A	6/9	174.38	159.43
B	7/9	203.46	186.01
C	8/9	232.52	212.58
D	1	261.58	239.15
E	11/9	319.70	292.29
F	13/9	377.84	345.44
G	15/9	435.96	398.58
H	18/9	523.16	478.30



# Executive Committee

Monday, 25 February 2019

- d) it be noted that for the year 2019/20, Worcestershire County Council, Warwickshire and West Mercia Police & Crime Commissioner and Hereford and Worcester Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwelling in the Council's area as indicated below:

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Worcestershire County Council	840.50	980.58	1120.67	1260.75	1540.92	1821.08	2101.25	2521.50
Warwickshire and West Mercia Police and Crime Commissioner	144.44	168.51	192.59	216.66	264.81	312.95	361.10	433.32
Hereford and Worcester Fire and Rescue Authority	56.23	65.60	74.97	84.34	103.08	121.82	140.57	168.68

- e) Having calculated the aggregate in each case of the amounts at 4(h) and 5 above, that Redditch Borough Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992 hereby sets the amounts shown below as the amounts of Council Tax for 2019/20 for each part of its area and for each of the categories of dwellings:

Valuation Band	Proportion of Band D tax paid	Parish of Feckenham £	All other parts of the Council's area £
A	6/9	1,215.55	1,200.60
B	7/9	1,418.15	1,400.70
C	8/9	1,620.75	1,600.81
D	1	1,823.33	1,800.90
E	11/9	2,228.51	2,201.10
F	13/9	2,633.69	2,601.29
G	15/9	3,038.88	3,001.50
H	18/9	3,646.66	3,601.80

# Executive Committee

Monday, 25 February 2019

- f) that the Executive Director Finance & Resources be authorised to make payments under Section 90(2) of the Local Government Finance Act 1988 from the Collection Fund by ten equal instalments between April 2019 to March 2020 as detailed below:

	Precept £	Surplus on Collection Fund £	Total to pay £
Worcestershire County Council	32,900,532.00	74,370.00	32,974,902.00
Warwickshire and West Mercia Police and Crime Commissioner	5,653,926.95	12,089.00	5,666,015.95
Hereford & Worcester Fire	2,200,935.39	5,024.00	2,205,959.39

- g) that the Executive Director Finance & Resources be authorised to make transfers under Section 97 of the Local Government Finance Act 1988 from the Collection Fund to the General Fund the sum of £6,263,532.40 being the Council's own demand on the Collection Fund (£6,240,858.40) and Parish Precept (£8,300) and the distribution of the Surplus on the Collection Fund (£14,374);
- h) that the Executive Director Finance & Resources be authorised to make payments from the General Fund to Feckenham Parish Council the sums listed above (£8,300) by instalment on 1 April 2019 in respect of the precept levied on the Council;
- i) that the above resolutions 3 to 5 be signed by the Chief Executive for use in legal proceedings in the Magistrates Court for the recovery of unpaid Council Taxes; and
- j) that notices of the making of the said Council Taxes signed by the Chief Executive are given by advertisement in the local press under Section 38(2) of the Local Government Finance Act 1992.

**RESOLVED that**

the Overview and Scrutiny Committee's recommendations in respect of the Medium Term Financial Plan 2019/20 to 2022/23, proposed at a meeting of the Committee on 20<sup>th</sup> February 2019, be noted.

# Executive Committee

Monday, 25 February 2019

---

## 102. OVERVIEW AND SCRUTINY COMMITTEE

The Chair confirmed that there were no outstanding recommendations from the Overview and Scrutiny Committee meeting held on 4<sup>th</sup> February 2019 for consideration at the meeting.

### **RESOLVED that**

**the minutes of the meeting of the Overview and Scrutiny Committee held on Monday 4th February 2019 be noted.**

## 103. MINUTES / REFERRALS - OVERVIEW AND SCRUTINY COMMITTEE, EXECUTIVE PANELS ETC.

The Chair confirmed that there were no outstanding matters referred by other Committees for consideration at the meeting.

## 104. ADVISORY PANELS - UPDATE REPORT

- a) Constitutional Review Working Party – Chair, Councillor Matthew Dormer

Councillor Dormer advised the Committee that a meeting of the Constitutional Review Working Party had taken place on 12<sup>th</sup> February 2019. The recommendations arising from this meeting would be considered at the Council meeting on 25<sup>th</sup> February 2019.

- b) Corporate Parenting Steering Board – Council Representative, Councillor Gareth Prosser

Members were advised that, as discussed at the previous meeting of the Executive Committee, Councillor Baker-Price had attended the latest meeting of the Corporate Parenting Steering Board as a substitute.

Councillor Baker-Price explained that during the latest meeting of the Board Members had discussed the delays that could occur in terms of the provision of universal credit. Often when a young person left care s/he did not then receive universal credit for up to four weeks which could create difficulties and a Section 37 needed to be obtained to provide assistance.

- c) Grants Panel – Chair, Councillor Greg Chance

Councillor Chance confirmed that there was no update to provide.

## Executive Committee

Monday, 25 February 2019

---

- d) Member Support Steering Group – Chair, Councillor Matthew Dormer

Members were informed that the following meeting of the Member Support Steering Group was due to take place on the evening of Tuesday 26<sup>th</sup> February 2019. This was the rescheduled meeting of the group that had been due to take place in January and Members were asked to bring their agenda packs from that date in order to reduce the amount of paperwork generated for the meeting.

- e) Planning Advisory Panel – Chair, Councillor Matthew Dormer

Councillor Dormer explained that the following meeting of the Planning Advisory Panel was due to take place on 13<sup>th</sup> March 2019.

The Meeting commenced at 7.00 pm  
and closed at 7.32 pm

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**

26th March 2019

**ARROW VALLEY PARK SAFETY IMPROVEMENTS**

Relevant Portfolio Holder	Cllr Brandon Clayton, Portfolio Holder for Environmental Services Cllr Mike Rouse, Portfolio Holder For Leisure and Culture
Portfolio Holder Consulted	Yes
Relevant Head of Service	Guy Revans
Ward(s) Affected	Abbey, Winyates, Lodge Park, Greenlands & Matchborough.
Ward Councillor(s) Consulted	
Key Decision / Non-Key Decision	Yes

**1. SUMMARY OF PROPOSALS**

This report sets out the background to the proposed improvement works to the weirs in the Arrow Valley Park to provide safety and biodiversity improvements and the funding arrangements required to implement these works.

**2. RECOMMENDATIONS**

The Executive Committee is asked to **RECOMMEND** the following:-

1. The council agrees to additional capital funding of £35,000 in 2019/2020 in addition to the £180K already included in the Medium Term Financial Plan for the proposed improvement works to the weirs in the Arrow valley Park; and

to **RESOLVE**, subject to Recommendation 1 being approved that:

2. Authority be delegated to the Head of Environmental and Housing Property Services to procure the works at each of the sites.

**3. KEY ISSUES****Financial Implications**

- 3.1 Currently all the costs around the project are all based on estimates, the costs generated for each of the identified sites are based on figures provided by an external quantity surveyor. The “other” costs have been estimated (except the technical designs, which are being procured by the EA).
- 3.2 To implement the preferred option at each of the four sites, the total cost of works is approximately £312,000 as well as associated additional costs of

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE****26th March 2019**

£75,000. The estimated overall cost of all the works (including designs) is just below £440,000, due to other contributions highlighted, the cost to the council is estimated at approximately £215,000. Table 1 below shows a summary of the financial breakdown.

Table 1 - Current best estimated financial figures

<b>Summary of Total Project Costs</b>			
<b>Site Costs</b>		<b>Funding Available</b>	
New Meadow Weir	£ 100,442.54	Network Rail Contribution	£ 20,000.00
Broad Ground Road Weir	£ 115,328.44	Partnership Underspend	£ 13,500.00
Five Tunnels	£ 35,955.10	EA 18/19 FY Underspend	£ 50,000.00
Papermill Weir	£ 26,749.00		
Abbydale	£ 34,000.00	<b>Unsecured Funding</b>	
		Small Habitats Contribution	£ 141,500.00
<b>Other Costs</b>		RBC Capital Bid	£ 215,000.00
Technical Designs	£ 50,000.00	<b>Total</b>	<b>£ 440,000.00</b>
Interpretation	£ 5,000.00		
Watching Breifs	£ 20,000.00		
CDM Co ordination	£ 30,000.00		
PM Costs	£ 20,000.00		
Exc Abbydale & Design	£ 278,475.08		
Extra Costs Total	£ 75,000.00		
<b>Total</b>	<b>£ 353,475.08</b>	<b>Total Project Cost</b>	<b>£ 437,475.08</b>

3.3 There are a number of potential savings that are anticipated as a result of the proposed works:-

- Freeing up staff resources required for checking safety equipment. Since rescue equipment and signage were installed in 2014 there has been a requirement for staff to check this is in place. In 2018, 103 staff visits were made to check throw lines at paper mill and five tunnels sites. The burden of these inspections is also disproportionately required during summer months when park use is typically greater. Following completion of works this safety equipment would be removed.
- Sites which are assessed at high and increased risk under the RoSPA risk assessment method are re assessed ever year. A reduction in the risk classification means that sites can be assessed ever three years instead of annually.

3.4 There is currently no provision in existing budgets to finance this proposed work. It has been included within the council's Medium term Financial plan, however money for this work would have to be borrowed and the associated longer term

**REDDITCH BOROUGH COUNCIL****EXECUTIVE COMMITTEE****26th March 2019**

impact on council finances to consider. There would not be a requirement to transfer money from any exiting reserves.

- 3.5 As indicated in table 1 and paragraph 3.2 the overall cost to the council of works is around 50% of the total cost. Obviously while there is still a significant contribution required by the council, funding from other sources results in considerably more benefit being delivered for the council's investment.
- 3.6 There are limited other options which can be implemented to deliver the same safety improvements. There have already been suitable fencing and signage implemented at sites to reduce risks as far as possible. However it not possible to further reduce the risk, as scored by the ROSPA risk asset methodology, unless physical alterations are made to sites to sites as outlined in paragraph 3.10.
- 3.7 Proposed works would be procured following the councils standard rules. There would be no special arrangements required for this work. From an asset management perspective, one of the main aims of work is to remove engineered assets to reduce burden of managing and maintaining these assets.

**Legal Implications**

- 3.8 There are no specific legal implications arising out of the bid for funding for this project.

**Background / Service Implications**

- 3.9 In March 2014, a young man drowned in the weir pool at Paper Mill Weir located in the North of Arrow Valley Park (AVP). This event has driven a fundamental review of the approach to water safety by Redditch Borough Council (RBC). The council commissioned The Royal Society for the Prevention of Accidents (RoSPA) to undertake a complete review of the River Arrow corridor as it passes through the AVP area. The report scores the various riparian locations in terms of their risk and highlighted multiple sites through the park which were classified as at high and increased risk from a water safety perspective.
- 3.10 The RoSPA review made 10 key recommendations, all but one of which have been actioned and implemented. The remaining outstanding recommendation was that structural changes should be made to address the significant safety concerns at sites assessed as having high and increased levels of risk. In practice this involves implementation of several key physical changes at these sites: -
- Reducing the channel depth,
  - Removing weirs which cause dangerous recirculating currents,
  - Re-landscaping the banks to provide gentler slopes,
  - Removing or reducing free boards to discourage jumping into the river.

**EXECUTIVE COMMITTEE****26th March 2019**

- 3.11 Implementation of these activities has presented significant challenges, mainly around the cost of required work as well as development of proposals which are acceptable to all interested parties. Two of the sites identified are located in the Bordesley Abbey Scheduled Ancient Monument (SAM), where there are strict controls on what physical changes can be made by Heritage England.
- 3.12 Beside the safety improvements, there are a series of additional ecological and morphological benefits for the river which would be delivered as a result of these changes. This has led to the establishment of a partnership, in 2015, between RBC and the Environment Agency (EA), who have a strong joint interest in seeing these additional benefits delivered. The EA has provided technical and financial input needed for the design and planning of the practical redevelopment works. The partnership has to date provided approximately £85k of funding, which has been primarily directed into establishing a preferred solution at each of the five weir structures identified.
- 3.13 The improvement of safety at weir sites goes hand in hand with the improvements of the habitat and ecology of the river. There are existing good quality pockets of aquatic habitat on the Arrow. The separation of this habitat by weir structures is a major contributing factor to the Arrow currently being classified as “moderate” ecologically under the Water Framework Directive (WFD); this is despite the river being classified as good and high for fish and invertebrates respectively. Therefore, the river has the potential to support a “good” classification ecologically and the fragmentation of the river habitat is one of the major factors preventing this being achieved.
- 3.14 The weir structures also limit the flow of silt and constrain natural hydrological processes, which in combination with the straightened sections of the river, results in a lack of structural diversity and undermine the river’s ability to achieve its ecological potential. If proposed works are delivered it will result in significant improvements in the habitat and ecological value of the Arrow in Redditch as well as aesthetic improvements to the river.

**Project Aims**

- 3.15 The overall aim of the project is to implement safety improvement works at five separate sites identified: -
- Five Tunnels Weir
  - Paper Mill Weir
  - Abbydale Weir
  - New Meadow Weir
  - Broad ground Weir



**EXECUTIVE COMMITTEE**

26th March 2019

**Project Outcomes**

3.16 The anticipated outcomes of the project include:

- Improved water safety and safer access to the river banks for the general public,
- Reduced burden of liabilities, required inspection and maintenance of structures to the LA,
- Improvements to habitat and biodiversity value of the Arrow in the Redditch district
- Follow-up risk assessments of each of the weir sites to record safety improvements,
- Provision of fixed and interactive interpretative information on the ecological benefits of the scheme to improve public understanding and deliver enhanced public engagement,
- Improved the aesthetics of the river and AVP area through removal of large engineered structures.

3.17 Procuring these works and managing the relationship with a successful contractor will require a significant time commitment from one, or a more modest commitment from multiple officers within the council. Development of this work has been undertaken by NWWM, EA and RBC officers. From NWWM's perspective this is largely outside the paid service provided to RBC. If NWWM's on going involvement is on the basis of similar time commitments there would need to be a contribution from RBC to NWWM for this increased officer time.

3.18 Paragraphs 3.9 to 3.12 provide the back ground and context for this work. It is also important to consider that this work is closely aligned with one of the council's core strategic purposes, which is to keep the public realm safe. Clearly this proposed work will be in accordance with this purpose. While the council has been working on this issue for several years there are no previous executive level decisions which are relevant here. Previous work that has been done has been at an officer and managerial level.

3.19 There has been a series of supporting information and surveys that have been completed and commissioned by the partnership to support the design and planning stages of this work. This includes:-

- A preferred design for each site
- Topographical Surveys
- Depth and Velocity Surveys at sites
- Water Level Monitoring Data
- Service Search Information
- Consultation with stakeholders and the public

**Customer / Equalities and Diversity Implications**

There are no equalities or diversity implications of this project.

**EXECUTIVE COMMITTEE****26th March 2019**

---

**4. RISK MANAGEMENT**

- 4.1 The potential risks around this proposed work are similar to those anticipated with any civil engineering project. For example, these are around site health and safety, works over running or costs increasing due to some unforeseen problem. The secured European Structural Investment Fund (ESIF) also presents several risks. Delivery of ESIF projects are claimed back in arrears meaning the council will need to completely finance sites then claim back the 40% contribution from the ESIF on an agreed basis (i.e. quarterly or site by site). There is also a time expiration of when funds can be claimed, which is November 2020 so if works are delayed then there is a risk contribution funds can not be claimed.
- 4.2 There is also an on going public safety risk associated with these structures that will continue to exist if works are not undertaken. The proposed works would reduce the risks around weir sites however there is an inherent risk around sites and the wider river environment that can not be completely eliminated.
- 4.3 These risks would be managed by ensuring that there is sufficient planning and collation of background information produced. For example, a lot of the risk around delays and over spend on the engineering work can be mitigated by detailed survey and having a realistic programme of works in place with allowances for delays built in. It would also be ensured there is a detailed and prescriptive specification for works at each site to allow the contractor appointed to accurately programme works within the available time.
- 4.4 Due to the length and scale of works they would need to comply with Construction Design Management (CDM) Regulations.
- 4.5 This work would reduce risk of future negative publicity as a result of any future injuries or fatalities.
- 4.6 Disruption or delay to this work at one or more sites would mean there would be no associated ecological benefits delivered.

**EXECUTIVE COMMITTEE**26th March 2019

---

**5. BACKGROUND PAPERS**

RoSPA Report

**6. KEY**

This is an optional extra and may be particularly useful if you have used a number of acronyms throughout the report.

**RBC** (Redditch Borough Council)

**EA** (Environment Agency)

**NWWM** (North Worcestershire Water Management)

**CDM** (Constructions, Design & Management Regulations)

**RoSPA** (Royal Society for the Prevention of Accidents)

**ESIF** (European Structural Investment Fund)

**AVP** (Arrow Valley Park)

**WFD** (Water Framework Directive)

**River Morphology** - The shapes and form of river channels and how they change in dimension and direction over time.

**AUTHOR OF REPORT**

Name: Thomas Curwell

email: [thomas.curwell@nwwm.org.uk](mailto:thomas.curwell@nwwm.org.uk) / [tom.curwell@bromsgroveandredditch.gov.uk](mailto:tom.curwell@bromsgroveandredditch.gov.uk)

Tel.: 01527 881206/ 07929305921

This page is intentionally left blank

**EXECUTIVE**

**26<sup>th</sup> March 2019**

**Flexible Homelessness Support Grant and Homelessness Reduction Act  
New Burdens Funding**

Relevant Portfolio Holder	Cllr Craig Warhurst
Portfolio Holder Consulted	Yes
Relevant Head of Service	Judith Willis – Head of Community Services
Wards Affected	All
Ward Councillor Consulted	No
Key Decision	

**1. SUMMARY OF PROPOSALS**

- 1.1 This report seeks Members approval to award Flexible Homelessness Support Grant and Homelessness Reduction Act New Burdens Funding to specific schemes recommended by the Strategic Housing Manager, Additionally it seeks to delegate authority to the Head of Community Services, in consultation with the Portfolio Holder for Housing, to allocate any underspend of Flexible Homelessness Support Grant and Homelessness Reduction Act New Burdens Funding during 2019/20 on schemes to prevent homelessness and assist those actually homeless.

**2. RECOMMENDATIONS**

**2.1 The Executive Committee RESOLVE that:-**

**The Flexible Homelessness Support Grant is allocated to the initiatives in 3.7 and that the Homelessness Reduction Act 2017 New Burdens Funding be allocated as in 3.11.**

**Delegated authority be granted to the Head of Community Services following consultation with the Portfolio Holder for Housing to use any unallocated Grant during the year or make further adjustments to current initiatives as necessary to ensure full utilisation of the Grants for 2019/20.**

**3. KEY ISSUES**

**Financial Implications**

- 3.1 The Council has received £193,040 Flexible Homelessness Support Grant for 2019/20 which is ring fenced by the MHCLG for the prevention of homelessness. The Temporary Accommodation Management Fee previously received through the DWP has been amalgamated into this grant.

**EXECUTIVE**

**26<sup>th</sup> March 2019**

- 3.2 The Council has also been awarded £30,350 Homelessness Reduction Act 2017 New Burdens Funding awarded to local authorities to assist in meeting the added requirements of the act

**Legal Implications**

- 3.3 The Council has statutory duty under the Housing Act 1996 (as amended) to those people that are threatened with homelessness or homeless. In addition the Homelessness Reduction Act 2017 has placed additional duties on the Council regarding homelessness and the prevention of homelessness
- 3.4 The Flexible Homelessness Support Grant has been ring fenced to homelessness prevention by the Ministry of Housing, Communities and Local Government.

**Service / Operational Implications**

- 3.5 The main provisions of the Homelessness Reduction Act 2017 have extended the period during which the Council has to treat someone as threatened with homelessness from 28 to 56 days. This applies to all eligible households who approach the Council for homeless prevention assistance regardless of any priority need, intentionality or local connection criteria.
- 3.6 There is also a duty to relieve homelessness for all eligible applicants for up to 56 days, however the Council can take into account local connection at this stage. The Council's resources now have a greater focus on preventing homelessness wherever possible.
- 3.7 Proposed Allocation of Flexible Homelessness Support Grant £193,040

Initiatives	£
Homelessness Reduction Act Prevention – funding for posts  Detail – the latest Act created two new legal duties – to prevent and relieve homelessness. As a result the numbers of households living in temporary accommodation could rise and it also becomes increasingly important to help people remain appropriately housed. The proposed funding will therefore create 2 new posts to support the timely move-on	60,000

**EXECUTIVE****26<sup>th</sup> March 2019**

from temporary accommodation, and tenancy sustainment in the private rented sector in Redditch. (see 3.8) The Executive has already agreed to support these posts as part of the Medium Financial Plan 2019/20-2022/23 when it met in February 2019.	
<p>Rent Deposits and Spend to Save</p> <p>Detail – most local authorities operate a fund that helps people access the private rented sector, and which can also be used to intervene to prevent tenants losing their existing home. These interventions are far less than the cost of homelessness itself, so they represent good value for money, in addition to helping reduce homelessness in the borough. In the last two years the Council has provided over 80 rent deposits, so investing extra in this area and making spend to save interventions with local households should reduce homelessness in the borough.</p>	17,060
<p>Temporary Accommodation Management Fee replacement.</p> <p>The Council is legally obliged to provide temporary accommodation to eligible homeless households. The Temporary Accommodation Management Fee previously associated with this activity has now been rolled up into the new Flexible Homelessness Support Grant.</p>	66,380
<p>Redditch Nightstop - Outreach Worker up to 35yrs</p> <p>Detail – in August 2018, with financial support from the Council, Nightstop launched a new extended service to provide emergency housing for people aged 21 to 35. This was in response to increasing demand from this client group, who have been subject to some of the</p>	27,000

**EXECUTIVE****26<sup>th</sup> March 2019**

most significant changes inside the welfare benefits system. Since August, Nightstop have assisted 23 single people, often with complex and multiple needs, aged 21 to 35 with emergency housing placements, providing short term practical and emotional support whilst also reducing demand on other services. Nightstop also work closely with the Council on addressing the longer term housing needs of this client group.	
<p>CCP Rough Sleeper Outreach Service</p> <p>Detail – in the past year CCP have worked with 40 people, some of whom have been street homeless in Redditch, or have a street presence in the town centre since March 2018. CCP works closely with the Council to secure accommodation for these people, safeguarding their health and wellbeing, reducing costs and demand on other services such as the Police and Health, whilst ensuring the town centre remains an attractive and safe place for local residents and businesses alike. This funding also supports CCP interventions under the Severe Weather Emergency Protocol, which targets street homelessness at times of the year when temperatures are at their lowest.</p>	34,990
<b>Total</b>	<b>£205,430*</b>

\*£12,390 to be met from earmarked reserves

- 3.8 The Council's Housing Options service requires additional resources to meet the requirements of the new legislation and therefore £60,000 of Flexible Homelessness Support Grant has previously been agreed to recruit a Private Sector Tenancy Sustainment Officer and a Temporary Accommodation Officer both on 2 year fixed term contracts. The Council had originally earmarked this funding from 2018/19 grant and therefore the two year funding is available utilising 2018/19 grant in addition to the 2019/20 grant award.



**EXECUTIVE****26<sup>th</sup> March 2019**

- 3.9 Funding during 2018/19 was made available for partners to provide support to the Council's homelessness function. The funding provided additional outreach support through Redditch Nightstop for clients up to 35 years of age. In addition funding was awarded to St Basils to increase on-site support in order for them to be able to accept clients with more complex needs. Officers propose to extend the Outreach service provided by Redditch Nightstop for another year. St Basils have advised that they no longer require our grant funding to addition on-site support as they have organised funding through there their rental income. Officers are proposing that the Rough Sleeper Outreach Service provided by CCP is funded to extend this service through to April 2020. The service is currently funded through Rough Sleeper Grant which will end on the 24<sup>th</sup> July 2019.
- 3.10 An element of the funding replaces Temporary Accommodation Management Fund that previously met the cost of the management of Temporary Accommodation and the amount identified for this from the Flexible Homelessness Support Grant is £66,380.
- 3.11 Homelessness Reduction Act 2017 New Burdens grant has been awarded for a three year period on the basis that the Government expected increased workloads for Housing Options teams following the implementation of the new legislation. It is proposed that this funding be utilised to fund the required homelessness IT system with Housing Partners at £9,000 p.a., additional staffing resources and any appropriate training requirements.

**Customer / Equalities and Diversity Implications**

- 3.12 The Flexible Homelessness Support Grant and Homelessness Reduction Act 2017 New Burdens Funding will benefit customers by offering household's more options to tackle rough sleeping, prevent homelessness, provide support to help tenancy sustainment or help the Council to manage and support households in Temporary Accommodation.
- 3.13 These schemes and functions play a role in meeting the Council's Strategic Purposes:
- Help me live my life independently (including health and activity)
  - Help me find somewhere to live in my locality
  - Help me to be financially independent (including education and skills)
- 3.14 The grant will also benefit the larger community as opportunities to prevent homelessness will be maximised.

**4. RISK MANAGEMENT**

**EXECUTIVE**

**26<sup>th</sup> March 2019**

- 4.1 If the recommended schemes are not approved there is a risk that more households who are threatened with homelessness, or who are in housing need, will have limited alternative options. There is also therefore the risk that they may have to make a homeless approach and this could consequently lead to the following negative outcomes:

- Increased B&B costs
- Increased rough sleeping in the Borough
- Impacts on physical and mental health, educational achievement, ability to work and similar through increased homelessness

- 4.2 All partner recipients of Grant will enter into a grant agreement and have regular monitoring with officers on the delivery of the service

**5. APPENDICES and BACKGROUND PAPERS**

None

**6. KEY**

**AUTHOR OF REPORT**

Name: Amanda Delahunty [a.delahunty@bromsgroveandredditch.gov.uk](mailto:a.delahunty@bromsgroveandredditch.gov.uk)  
Tel: 01527 881269

**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

**WORCESTERSHIRE HOMELESSNESS STRATEGIC DIRECTION**

Relevant Portfolio Holder	Councillor Craig Warhurst
Portfolio Holder Consulted	Yes
Relevant Head of Service	Judith Willis
Wards Affected	All
Ward Councillor Consulted	Not Applicable

**1. SUMMARY OF PROPOSALS**

- 1.1 Under the Homelessness Act 2002 all housing authorities must have a homelessness strategy in place which is based on a review of all forms of homelessness in their district.
- 1.2 The Worcestershire Strategic Housing Partnership produced a high level Housing Partnership Plan in 2017, and a report detailing this came to the committee in 4<sup>th</sup> April 2017. The Strategic Direction for Tackling Homelessness contained in Appendix 1 expands on the themes contained in the 2017 plan, and sets out how councils across Worcestershire prevent and respond to homelessness.
- 1.3 The introduction of the Homelessness Reduction Act in April 2018 means that the Strategic Direction for Tackling Homelessness needs to be updated in light of these latest legislative changes.

**2. RECOMMENDATIONS**

**The Committee is asked to endorse and support:**

- 2.1 **the Worcestershire Strategic Direction for Tackling Homelessness.**
- 2.2 **that this document expands on previously agreed high level actions within the Housing Partnership Plan that relate to tackling homelessness.**
- 2.3 **that this document will need to be updated and renamed within the next 12 months to ensure compliance with the new national Rough Sleeping Strategy with amendments being made at officer level.**

**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

**3. KEY ISSUES**

**Financial Implications**

- 3.1 None

**Legal Implications**

- 3.2 Producing an up to date homelessness strategy is a legal requirement under the homelessness legislation.

**Service / Operational Implications**

- 3.3 In 2017 the Worcestershire Strategic Housing Partnership developed their first Housing Partnership Plan (HPP). This is the overarching document which sets out Worcestershire's combined strategic direction for housing including homelessness.
- 3.4 The HPP was subject to a 10 week public consultation ending on 31st December 2016 and committee endorsed the HPP in April 2017.
- 3.5 Many of the high level actions within the HPP and the projects/proposals developed to achieve them relate either directly or indirectly to the prevention of homelessness.
- 3.6 The conclusions and recommendations of the 2016 Worcestershire Homelessness Review fed directly into the development of the HPP. The review was a comprehensive assessment of the nature and extent of homelessness across the County, developed by analysing homelessness data and the views of customers and partner organisations.
- 3.7 Under the Homelessness Act 2002 all housing authorities must have in place a homelessness strategy based on a review of all forms of homelessness in their district.
- 3.8 The strategy must set out the local authority's plans for the prevention of homelessness and for securing that sufficient accommodation and support are or will be available for people who become homeless or who are at risk of becoming so.
- 3.9 The implementation of the Homelessness Reduction Act which came into force on 3<sup>rd</sup> April 2018 and the new Homelessness Code of Guidance developed by Government to assist Local Authorities to

**EXECUTIVE COMMITTEE****26<sup>th</sup> March 2019**

implement the Act has subsequently placed further requirements on Authorities strategic response to preventing homelessness.

- 3.10 The Act strengthens statutory duties to prevent homelessness for all eligible applicants, including those who do not have priority need or may be considered intentionally homeless. The Act also creates a new duty on certain public authorities to refer users of their services who are threatened with homelessness to a housing authority of their choice, which enables earlier identification of people at risk of becoming homeless through their interactions with other services.
- 3.11 The Strategic Direction for Tackling Homelessness has been written to expand on the high level actions within the HPP and in response to the new duties of the HRA (which were not known in as much detail at the time of developing the HPP).
- 3.12 It is also recognised that to be effective, a strategic homelessness prevention response will need to be developed and owned jointly with partners who will be responsible for its delivery. This document will now provide an opportunity to develop an effective implementation plan, with partners, to help ensure that the objectives set out in the homelessness strategy are achieved.
- 3.13 The Strategic Direction for Tackling Homelessness 2018-21 was publicly available for consultation from 24<sup>th</sup> April until 19<sup>th</sup> June 2018. A countywide Stakeholder event was also held at Wyre Forest District Council on 22<sup>nd</sup> May 2018.
- 3.14 On 13<sup>th</sup> August 2018, the Government published a Rough Sleeping Strategy with the aim of supporting everyone off the streets and into a home, and to end rough sleeping entirely by 2027.
- 3.15 Local Authorities have been directed to update their homeless strategies in light of this document and rebadge it as a Homelessness and Rough Sleeper Strategy by the end of 2019.
- 3.16 Whilst it is anticipated that some amendments to Worcestershire's homelessness strategy will need to be made, much of the national strategy is already encompassed within the document, so it is proposed those changes can therefore be made at officer level, rather than returning to the decision making process again at each district council. The Council will also involve the local cross-sector Redditch Homelessness Forum in making these amendments as appropriate.

**Customer / Equalities and Diversity Implications**

- 3.17 These are covered in the Equality Impact Assessment carried out for the original HPP.

**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

**4. RISK MANAGEMENT**

There are no risks identified.

**5. APPENDICES**

Appendix 1 – Worcestershire’s Strategic Direction for Tackling  
Homelessness 2019/20

**6. BACKGROUND PAPERS**

**None**

**AUTHOR OF REPORT**

Name: Derek Allen, Housing Strategy Manager  
E Mail: [d.allen@bromsgroveandredditch.gov.uk](mailto:d.allen@bromsgroveandredditch.gov.uk)  
Tel: 01527 881269 ext 1278



# Worcestershire's Strategic Direction for **Tackling Homelessness**



Page 31

2018-2021

Agenda Item 7



# Contents

<b>One</b>	<b>Foreword by the Chair of Worcestershire Strategic Housing Partnership</b>	3
<b>Two</b>	<b>Introduction</b>	4
<b>Three</b>	<b>Worcestershire Housing Partnership Plan 2017</b>	5
<b>Four</b>	<b>Defining Homelessness</b>	7
<b>Five</b>	<b>Impact of Homelessness</b>	8
<b>Six</b>	<b>Evidence Base - Worcestershire Homelessness Review 2016</b>	9
<b>Seven</b>	<b>Achievements - Worcestershire Homelessness Strategy 2012-2017</b>	12
<b>Eight</b>	<b>Positive Pathways Approach</b>	13
<b>Nine</b>	<b>Our Priorities for Tackling Homelessness</b>	14
	<ul style="list-style-type: none"> <li>● <b>Priority 1</b> Prevent homelessness at a much earlier stage</li> <li>● <b>Priority 2</b> Provide flexible and comprehensive responses to those in crisis and those with complex needs</li> <li>● <b>Priority 3</b> Improve supply of/access to good quality, affordable and supported housing</li> </ul>	14 16 17
<b>Ten</b>	<b>Delivering On Our Approach</b>	19
<b>Eleven</b>	<b>Implementation</b>	20
	<b>Appendix One – Legal Duties</b>	21
	<b>Notes</b>	23



# Foreword by the Chair of Worcestershire Strategic Housing Partnership

**I am very pleased to introduce Worcestershire's Strategic Direction for Tackling Homelessness. It is the third homelessness strategy developed for the County and comes at a crucial time with the implementation of the Homelessness Reduction Act in 2018.**



**T**his document represents the continued commitment that we have as a County to preventing homelessness in partnership, across sectors and districts. I would like to take this opportunity to thank all of the organisations and individuals who have contributed towards its development.

We are clear that we want to tackle homelessness in all its forms. Although the most acute and obvious form of homelessness can be seen among those sleeping rough, it is much wider than this. It can include those "hidden homeless" who might be sleeping on a sofa. It can also include those who have a roof over their head, but where it is not safe to remain, perhaps due to abuse or violence, or those living in a home that is unsuitable for a variety of reasons e.g. severe overcrowding, poor property standards, poor health.

Homelessness is experienced by single people, couples and families alike. It can be a consequence of individual risk factors and triggers, or wider structural issues that are beyond their control.

The effects of homelessness for families and individuals can be devastating and can have significant negative impacts on health and wellbeing, employment, education, and crime. It can also have significant costs to communities, local authorities and public services.

Tackling homelessness is becoming particularly challenging in today's tough external environment. Welfare reform has increased pressure on people's ability to manage their finances and access and sustain accommodation. The demand for social and affordable housing far outstrips supply.

Whilst reductions in public spending and additional duties contained within the Homelessness Reduction Act have increased pressure on housing and homelessness

services. We need to work together to ensure the best use and balance of limited resources.

This is why it is vital that this strategy sits at strategic partnership level within the umbrella of the Worcestershire Strategic Housing Partnership Plan - recognising that tackling homelessness benefits the economy, the health of our population, reduces crime and disorder, and reduces costs to the taxpayer. It should therefore be seen as all of our problem to solve.

Our approach to tackling homelessness is based around three priorities. Firstly, to prevent homelessness at a much earlier stage by targeting groups that are more vulnerable to becoming homeless (and developing complex needs in the future).

Secondly, to provide flexible and comprehensive responses to those in crisis and those with complex needs. We need to design services based on what is best for customers whose needs go beyond homelessness – so that they receive the services they need (not limited by existing practice or legislation).

Finally, to improve the supply of and access to good quality, affordable and supported housing.

This strategy will govern our approach for three years. However, in a period of new legislation, welfare reform and austerity measures, it is vital that it remains responsive.

**Kevin Dicks**

Chief Executive of Bromsgrove and Redditch Councils and  
Chair of the Worcestershire Strategic Housing Partnership

## Two

# Introduction

**The causes of homelessness are complex, and it is often a combination of individual circumstances as well as structural issues (that are often outside of someone's control) that lead up to crisis point.**

Each person or household's journey into homelessness is different and requires a tailored and flexible approach in order to prevent it from happening.

It is widely recognised that individual risk factors and triggers such as poor mental or physical health, adverse childhood experiences, substance misuse, and domestic abuse can increase the risk of homelessness. Recent research found that the chances of experiencing homelessness by age 30 can be predicted by childhood poverty, geography, adverse experiences as a teenager and early adult experiences.

It is vital that the right interventions and solutions are provided at the right time in someone's life, to prevent crisis and a reoccurring cycle of homelessness. The earlier, more "upstream" the intervention, the more chance there is of avoiding a situation that is complex and expensive to resolve, both in the human and financial sense.

Structural issues such as the demand for social and affordable housing outstripping supply, welfare reform, and affordability/access to private rented housing also impact on levels of homelessness.

In order to carry out more "upstream" prevention activities and to mitigate the risk of structural issues resulting in homelessness, true collaboration across statutory, voluntary and community sectors is required – now more than ever with the implementation of the [Homelessness Reduction Act](#) in 2018.

It is also important to recognise that however good our upstream prevention efforts, there will always be some people who find themselves homeless, therefore the need to take a systemic approach and co design services to help people not just at crisis point, but also to recover and move on from homelessness is essential.

To ensure this systemic approach is taken, this document sits within the umbrella of the [Worcestershire Housing Partnership Plan 2017](#), in recognition that homelessness is not just a housing issue and needs to sit within the wider context if we are to truly tackle it.





## Three

# Worcestershire Housing Partnership Plan 2017

**In 2017 the Worcestershire Strategic Housing Partnership developed their first Housing Partnership Plan. This is the overarching document which sets out Worcestershire's strategic combined approach for housing including homelessness.**

**The Plan's vision is:**

*“To create the right home environment for Worcestershire residents that is essential to their health, wealth and wellbeing, throughout life”*

This new way of developing a partnership document/approach to housing for the County is viewed as a real step forward. It recognises that to maximise the health, wealth and wellbeing of residents and make the most effective use of existing resources, we need to work very closely with partner organisations across a range of sectors.

Creating the right home environment and meeting housing need is not only essential for residents, but is vital to enable the Partnership's organisations to achieve their ambitions, policy objectives and duties, such as reduced homelessness, improved health and wellbeing, educational achievement of children and young people, employment, crime reduction and sustainable, resilient communities.





To achieve its Vision, the Partnership Plan sets out five High Level Actions and a number of Projects to deliver on those actions. The links to the prevention of homelessness are clear throughout many, if not all, of the projects. Therefore, it is important to note that the Partnership Plan has set the Strategic Direction for Tackling Homelessness.

#### Partnership Plan Projects

- Develop a county wide supported housing plan
- Undertake a whole systems review of support and accommodation for people with vulnerability or disability
- Develop an 'Housing First' approach to provide permanent housing quickly for homeless people and then provides services as needed
- Develop an intensive support provision for those with complex needs
- Establish clear pathways into support and accommodation for people with complex needs
- Deliver on the Interim Homelessness Action Plan 2017-2018<sup>1</sup>, central to which is preparation for the Homelessness Reduction Act 2018
- Jointly commission new models of accommodation for young people and care leavers
- Establish a multi agency approach to sharing information relating to issues in the private rented sector
- Demonstrate the impact poor housing has on health and social care intervention, to promote the strategic relevance and future design of services

This document will provide a more in depth focus on homelessness and provide the detail on how all the partners dealing with homelessness are going to work together to address the need at both a county and local level. It will provide the link to the wider strategies of our partners and each district council's corporate objectives.

<sup>1</sup> This action plan was developed as an interim measure to direct homelessness prevention activities whilst the Partnership Plan was in development and until the implications of the Homelessness Reduction Act were known. It will be superseded by this document.



## Four

# Defining Homelessness



Department for  
Communities and  
Local Government

**The Ministry of Housing, Communities and Local Government (MHCLG) says that someone is considered to be homeless if “they do not have accommodation that they have a legal right to occupy, which is accessible and physically available to them (and their household) and which it would be reasonable for them to continue to live in.”**

**L**ocal Housing Authorities are bound by various Housing Acts defining what assistance they should provide to those facing homelessness. For further details on definitions of homelessness and the legal duties, please see Appendix One.

However this current legislation has been amended to further extend legal duties and these are outlined below.



Homelessness  
Reduction Act 2017

## Homelessness Reduction Act 2017

The Homelessness Reduction Act (HRA) 2017 significantly reformed England's homelessness legislation by placing duties on local authorities to intervene at earlier stages to prevent and relieve homelessness in their areas. It also requires Local Housing Authorities (LHA) to try to help households to secure accommodation but it isn't a duty to rehouse all homeless households.

The HRA will also impose a duty on some public authorities to refer homeless cases to LHAs and the LHAs will work with public and non-public bodies to ensure an effective referral process. It is essential LHAs are clear to partners about the range of duties we now have.



## Five

# Impact of Homelessness

**Identifying and addressing the impact of homelessness for people at every stage of life is essential. The cost of homelessness is too high; for individuals, for communities, for Local Authorities and the tax payer, for it not to be considered a priority.**

One of the drivers of the Homelessness Reduction Act was the recognition that homelessness has a higher impact on single people and childless couples who are more likely to be considered “non priority” homeless. The Act will transform the way homelessness services are delivered and ensure that all eligible applicants are given some help to resolve their homelessness regardless of whether they have a “priority need.”

### The impact of homelessness on health and wellbeing

Homelessness affects many different household groups and happens for a variety of reasons. The table opposite outlines some of the reasons for homelessness and the variety of impacts homelessness can have on a person’s life. Some groups can be particularly adversely affected including young people and prison leavers, who perhaps don’t have the resilience, social networks and/or income to resolve the issues they face.

*“Young people who experience homelessness are at risk of embarking on a ‘career’ in homelessness, criminal justice and health systems, at significant cost to their own health and wellbeing, their families and communities, and to the public purse. Their potential to contribute to and benefit from society and the economy is affected by homelessness.”*

#### Social economic political factors that may lead to homelessness

- Housing market failure including low levels of housing supply
- Adverse childhood experiences
- Family breakdown or poor relationships
- Becoming a looked after child
- Domestic abuse
- Substance or alcohol misuse
- Low income or benefit dependency
- Involvement with the criminal justice system
- Not in education, employment and training
- Welfare reform
- Public sector austerity leading to cuts in housing related support and other services
- Teenage pregnancy
- Overcrowding

#### Consequences of homelessness

- Poor mental health including stress for adults/children – common mental health problems are over twice as high among people who are homeless compared with the general population, and psychosis is up to 15 times as high.
- Poor physical health- greater risk of infection (delayed access to health care / immunisations)
- Lower education attainment for children especially if access to school places is affected
- Social isolation and loneliness
- Additional financial burdens
- Greater likelihood of not being in education, employment or training
- Substance or alcohol misuse
- Young people in particular might face; exploitation, abuse and trafficking, involvement in gangs.
- Likelihood of premature death, dementia or other long term health condition
- Low self-esteem and confidence



## Six

# Evidence Base - Worcestershire Homelessness Review 2016

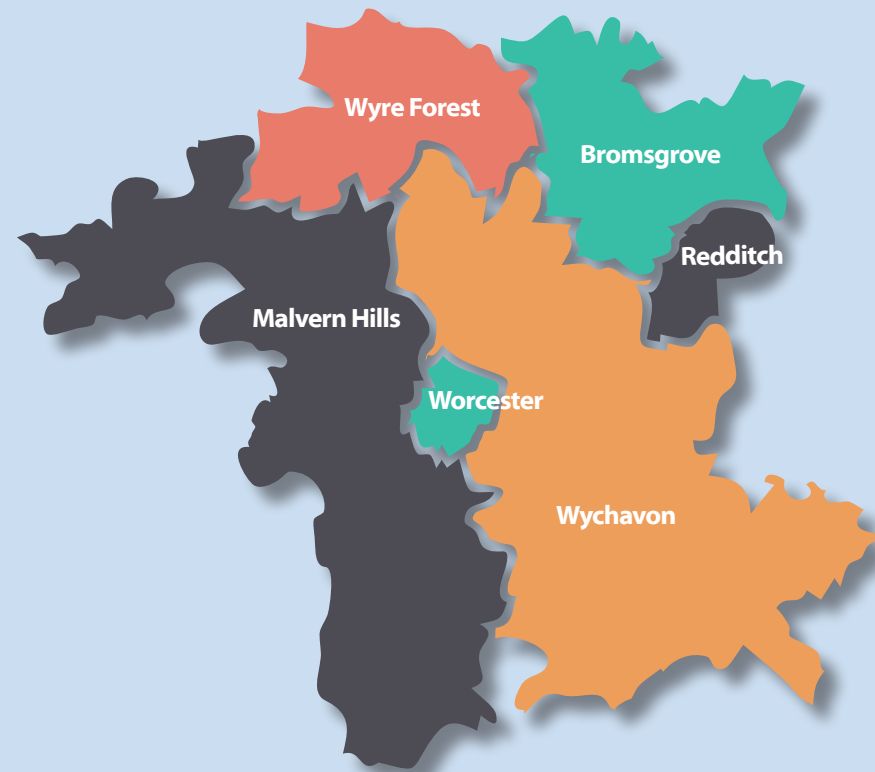
The evidence base for our Strategic Direction for Tackling Homelessness is the **Worcestershire Homelessness Review 2016**.

**T**he review is a comprehensive assessment of the nature and extent of homelessness across the County, developed by analysing homelessness data and the views of customers and partner organisations.

It draws a number of conclusions and recommendations which have been used to develop our approach to preventing and managing homelessness locally, and these fed directly into the development of the Worcestershire Strategic Housing Partnership Plan.

It is vital that services are developed and delivered in partnership if we are to truly prevent homelessness from an individual, structural and systemic point of view. We believe that sitting our approach firmly within the Partnership Plan is the key to achieving this, bringing together statutory, voluntary and community organisations.

Local Housing Authorities are also working with the County Council in the development of the Joint Strategic Needs Assessment. The JSNA is designed to inform decisions made locally about what services are commissioned to improve the public's health and reduce inequalities; therefore, it is vital to make sure it contains robust homelessness data and supports the county's homelessness prevention approach.



## What did the Homelessness Review tell us?

Homelessness is increasing locally, as it is nationally. Successful prevention work across the county continues to have an impact as homelessness applications have remained relatively static whilst approaches for homelessness assistance have increased.

The impact of legislation, national policy, austerity measures and welfare reform will have a huge effect on housing options and the ability to continue preventative work at the same levels.

Welfare reform will impact the affordability of housing. There are concerns about whether there are any affordable housing options for some households, especially large families and those under 35 in the private rented sector.

The demand for social and affordable housing far outstrips supply, a buoyant private sector housing market means private landlords can afford to be selective.

Pressures on temporary accommodation are set to increase with the Homelessness Reduction Act.

The homelessness service does not adequately meet the needs of people with complex needs and the reduction in public sector budgets have meant the removal of housing related support for most homeless households.

The ending of Assured Shorthold Tenancies continues to be a major reason for homelessness, and should become a priority for prevention work.



Supported accommodation in Worcestershire

General lack of supported accommodation especially for victims of domestic abuse, young people, prison leavers and those with low level mental health or learning disabilities.

General lack of good quality shared accommodation, particularly for young people and those under the age of 35. Particularly acute in some areas.

It is becoming increasingly difficult to move people on from temporary accommodation not just due to affordability, but also due to complex or higher support needs and poor tenancy histories – both in the private and social rented sectors.

The Single Person and Childless Couples service focuses on prevention work and quickly moving those newly arrived to the streets into long term housing, but there is gap in provision for continuing and entrenched rough sleepers – this will be reduced by the new MOATS service (rough sleeper outreach) commencing in April 2018.

The Audit of Services identified a number of gaps in provision for certain client groups and also geographically. Gaps could increase as services become unviable due to further funding cuts.



## Recommendations from the review

### Increase the range of prevention services

- Protect and increase good quality, cost effective support services that will prevent homelessness from the earliest possible stage and equip people with the skills to establish and maintain lifelong independence (systems thinking approach).
- Develop pathways to ensure a different and more integrated approach to meet the needs of single people and families with complex needs e.g. mental and physical health, social care, substance misuse. Increase service provision to assist entrenched rough sleepers move off the street.
- Increase the use of tenancy ready schemes and tenancy support especially for those in private rented accommodation to improve access and to prevent homelessness.
- Explore gaps in service provision identified by the audit of services - mediation and reconciliation services, support for ex offenders, those with mental health issues, low level Learning Difficulties and Autism.
- Work with partners to improve people's wealth and resilience to prevent homelessness occurring throughout their lives - getting people into work, provision of debt advice/financial management and maximising benefits.
- Upscale communications on housing options and support services to avoid crisis point and improve likelihood of preventing homelessness. Review whether current systems are achieving this.

### Increase the supply of accommodation

- Review and expand the provision of interim accommodation and permanent affordable accommodation, particularly for large families and those under 35 who are increasingly finding it hard to access any accommodation options. This may include a local authority owned/procured property.
- Consider how to overcome the lack of supported accommodation for care leavers (especially those with complex needs) and young parents.



Improving communications to prevent homelessness



Helping rough sleepers move off the street



Getting people into work



Improving access to debt advice

- Consider the lack of direct access accommodation for individuals who are homeless in an emergency.
- Improve data recording and analysis to reflect the true nature of homelessness across the County.
- Analyse the cost effectiveness of homelessness services (cost of statutory vs cost of prevention).

## Achievements - Worcestershire Homelessness Strategy 2012-2017

**Through the work of the Worcestershire Homelessness Strategy 2012-2017 and recommendations from the Homelessness Review, we have been able to improve services across Worcestershire. Under the four goals set out in the Homelessness Strategy 2012-2017 we have achieved the following:-**

### Improving Pathways

- Reviewed the housing and support pathway for 16/17 year olds.
- Introduced Young People's Pathway Workers within housing advice teams.
- Mapped out local single homeless services and implemented prison and hospital pathways.

### Partnership

- Developed a Mental Health and Housing Protocol.
- Established closer working arrangements with Clinical Commissioning Groups and Health and Wellbeing Boards
- Developed agreements with Registered Providers to ensure that their response to flexible tenancies and affordable rent schemes does not increase homelessness.
- We now have one set of generic information for homelessness assistance with local elements for the majority of districts.
- Developed joint arrangements on the use of temporary accommodation and Rent Deposit Schemes across the County.
- Enabled the extension of Domestic Abuse support services, protected refuge accommodation and been able to carry out Survivor and Freedom programmes.
- Improved practice and procedure across Housing Benefit and Strategic Housing.

### Preventing rough sleeping

- Established No Second Night Out.
- Developed more accommodation for single homeless people including emergency crash pads and move on accommodation.
- Developed a personalised approach for entrenched rough sleepers.
- Provided an emergency shelter during extreme cold weather and provisions for severe hot weather.
- Enabled support for rough sleepers to return to the area where they can access their support networks and services.

### Reducing Financial Deprivation

- Secured funding through the Homes and Communities Agency for housing development.
- Established discretionary welfare schemes across the County.
- Developed plans to mitigate the affects of welfare reform locally.

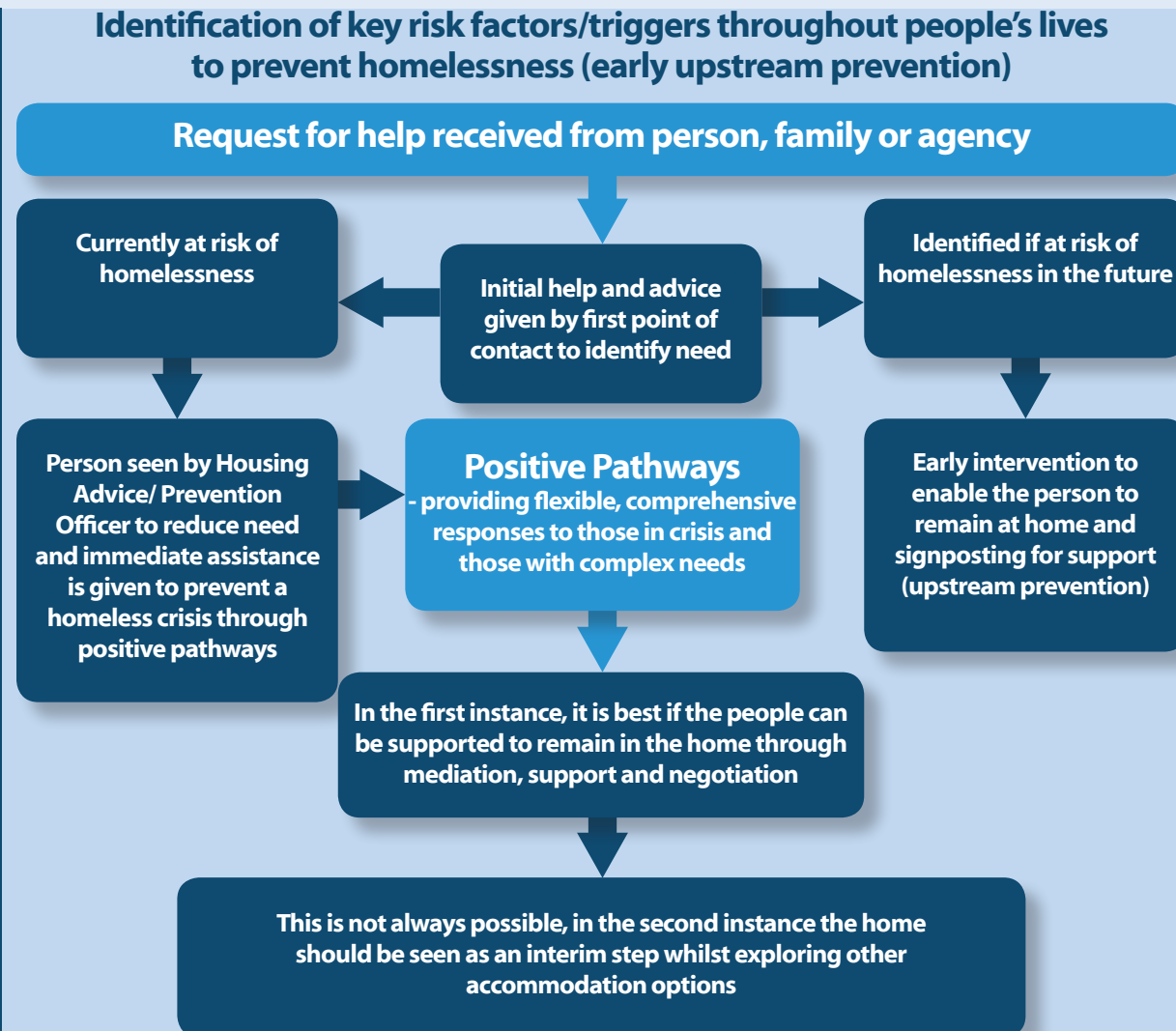
During 2017 and 2018, Worcestershire Local Housing Authorities have been working to an Interim Homelessness Strategy Action Plan – whilst this new strategy is in development. This has resulted in:

- Continued joint strategic work to implement the Homelessness Reduction Act.
- Utilising the Rough Sleepers grant of £380k to recruit six homelessness prevention officers working to prevent rough sleeping.
- Developing a new outreach service for entrenched rough sleepers through a joint bid led by Maggs Day Centre.
- The implementation of new data monitoring system to enable a better understanding of need and inform commissioning.
- Identification of funding to enable the continuation of the Hospital and Prison Pathway support work.

## Eight

# Positive Pathways Approach

Like many Local Authority Areas, the Positive Pathways Model first developed by St. Basil's (in relation to young people) has been successfully implemented in Worcestershire. We would like to build on that success and extend the concept across all groups that might be more vulnerable to becoming homeless. The adjacent diagram and priorities explain how we will do this.





## Nine

# Our Priorities for Tackling Homelessness

**The Homelessness Monitor 2017 suggests that priorities for homelessness prevention should be based around – ‘upstream’ prevention (preventing homelessness at the earliest stage), systemic prevention (designing services based on what is best for people in crisis) and structural prevention (mitigating the impact of things that are outside individual control e.g. lack of affordable housing, welfare reform).**

We need to minimise the risk of homelessness for people experiencing these factors to truly prevent it happening and reoccurring throughout life, to prevent a generation of homeless people with complex needs and to improve health and wellbeing.

The Homelessness Reduction Act provides opportunity to build on our preventative work with partner organisations and to identify those at risk of homelessness at a much earlier stage. However, it is becoming clear nationally and locally that the strengthened duties within the Act have increased pressure on local authority housing teams - and will require improved cooperation across sectors to truly prevent homelessness for all of our customers.

**T**he Partnership Plan and the Homelessness Review evidence identified a number of priorities and actions to aim to end homelessness from these perspectives – and there are clear links with the Pathways approach we want to achieve.

### Priority One

#### Prevent homelessness at a much earlier stage

##### What do we want?

We want to prevent homelessness by identifying the key risk factors/triggers in people's lives that can cause it, and take action at a much earlier stage.

##### What does this mean?

We know that individual risk factors and triggers such as poor mental or physical health, adverse childhood/early adult experiences, substance misuse, and domestic abuse can increase the risk of homelessness. Childhood poverty and geography also have a part to play in predicting homelessness.



### What will we do?

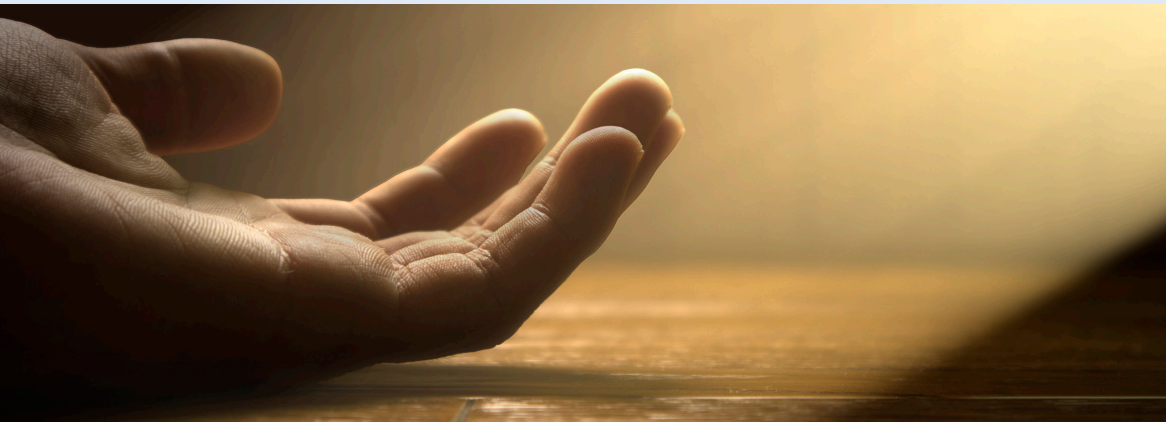
- Gain commitment to the **'Worcestershire Partner Agreement – Duty to Co-operate'** to achieve better joint working across sectors to prevent homelessness earlier.
- **Upscale engagement with/communications to customers, communities and partners** - it is vital that people know where to go to get help and advice on their housing and support options before crisis point – and that this continues throughout lifetimes.
- Identify **critical intervention opportunities** to divert people away from homelessness e.g. through GP's, schools, custody suites, care leavers panels, prisons etc. Develop a shared approach for going into schools.
- Develop **housing and support pathways for specific vulnerable groups** so that customers and partners are clear on what tools/services there are in place to prevent homelessness for certain groups. This is a key legal requirement for statutory bodies under the Homelessness Reduction Act and we must work together to achieve this.
- **Increase our focus on single people** (including young people) and childless couples who are more at risk of becoming homeless and with **complex needs**.
- Take a **'No First Night Out' approach** - going further upstream to prevent rough sleeping before it even occurs.
- Identify and work with people at risk of losing private and social rented accommodation by **building on relationships with private landlords and developing pre-eviction protocols** with registered housing providers.
- **Improve data collection and analysis** across all sectors to understand need, commission services based on 'what works' and demonstrate the cost effectiveness of those services. Only by doing this will we commission the right things, and in partnership to ensure continuation funding beyond the life of this approach.
- **Protect and increase** good quality, cost effective, proactive support services and practical homelessness prevention tools.
- Work with our partners to **build family stability and supportive social networks within communities** – a key buffer to preventing homelessness and improving resilience.



“ There must be a focus on helping people to remain in their own homes (where it is safe to do so), prevention and support services should view losing accommodation as the last resort. ”

“ By investing in proactive, front line services we will avoid crisis situations and the use of Bed and Breakfast accommodation which is expensive and unsuitable, especially when people have to be placed in temporary accommodation out of area. ”





## Priority Two

### Provide flexible and comprehensive responses to those in crisis and those with complex needs

#### What do we want?

To design services based on what is best for people in crisis and for those whose needs go beyond homelessness – so that they receive the services they need (not limited by existing practice or legislation).

#### What does this mean?

However good our upstream prevention efforts, there will always be some people who find themselves homeless or threatened with homelessness. This is why an improved systemic response (particularly in relation to single homeless people) provided for in the Homelessness Reduction Act is so important for us to achieve.

We must also focus on providing sustained support required by homeless people with needs beyond housing.

Our evidence locally tells us that large families and those with complex needs find it particularly challenging to maintain and access housing, often due to poor tenancy/housing histories. Their needs are not just about housing and they will require intensive support provision to resolve their housing need - for example those with mental health or substance misuse problems.

#### What will we do?

- Develop a **Housing First Model** - an approach to provide permanent housing quickly for homeless people with mental health issues and then provides services as needed. This is shown to drastically reduce rough sleeping.
- Develop different and more **integrated pathways to meet the needs of families and single people with complex needs**. Clearly set out what services are available, clarify how referrals are made and when posts/services are at risk/ending. Map services and identify gaps.
- Develop an **intensive support provision** for individuals and families with complex needs. Consider focus on mental health, substance misuse, domestic abuse, tackling loneliness and isolation, improving social skills.
- Address the current gap in provision for continuing and entrenched rough sleepers through providing an outreach support service and via the County's Severe Weather Emergency Protocol (which provides shelter to those sleeping rough over the winter period when temperatures hit zero degrees). Address the gaps in provision for care leavers; increasing housing provision for those with complex needs, improving processes to avoid B&B placements, ensuring they are tenancy ready and in work where possible and carrying out joint working/training across teams so that housing expectations are realistic.
- Consider the role of **complementary therapeutic treatments** and support/conciliation to help reduce conflict with neighbours/in shared tenancies.

*“The use of psychological or trauma informed care in commissioning and treatment/support services is key to the design of this intensive support service – the need to recognise the impact of life experiences on behaviours – and needs to be understood across sectors.”*

### Priority Three

## Improve supply of/access to good quality, affordable and supported housing

### What do we want?

We want to ensure that we work together with partners to make the best use of land and property assets – to meet affordable and supported housing needs.

We want any barriers to accessing accommodation for particular groups to be overcome for example low income households, those with poor tenancy histories, those with high support needs.

### What does this mean?

There is not enough affordable housing to meet the need, both nationally and locally. There are also some identified groups who are acutely affected by welfare reform including those under the age of 35 and large families for whom affordability is a huge factor, for any type of housing, including affordable housing.

Other groups such as those with certain support needs, or with poor tenancy histories find it difficult to access any type of housing. If people within these groups become homeless, they often have very limited housing options and remain in temporary or “move on” accommodation for some time. This is often not suitable for the household, and also expensive for local authorities.

In very simplistic terms, it can be said that homelessness is about money. If you have a low or insecure income, or you don't manage money well (for a variety of reasons which may or may not be outside your control) you can be at risk of homelessness or find it hard to access housing.

### What will we do?

- **Work closely with our Registered Housing Providers** in ensuring the most effective use of existing social housing stock and through their plans to develop new housing. We will also look to improve the dialogue with charities to support the expansion of provision.
- Ensure that the new funding for supported housing model supports the existing and future housing related support needs for Worcestershire residents.
- Develop a **county wide supported housing plan** based on housing need evidence.
- **Improve our Private Sector Offer** to potential tenants by ensuring the accommodation is of good quality and meets standards but also **improve our offer to landlords** to ensure they accept homeless applicants. This maybe through offering mediation/support to landlords, or through other incentives.
- Develop **‘tenancy ready’ training** and providing support to sustain tenancies. Including developing general principles around what tenancy ready training is and mapping what services are already being provided.
- Consider a **‘second chance’ housing model** and recognising the need to have open and honest conversations about past tenancy history in order to provide the right housing and support for that individual/family.

*“If landlords (social or private) can be assured that someone has the skills to manage a tenancy, including financial skills and the payment of rent, then the risk to them is reduced and they may be inclined to offer them housing. Add to that the fact that support will be in place should a problem arise, then the future risk is further reduced.”*



#### What will we do?

- **Review temporary accommodation** to provide more suitable and cost effective solutions for those who are homeless and having difficulty accessing permanent housing.
- **Work with partners to get people into work, improve digital skills, improve financial management skills and provide debt advice.** This is vital to address affordability, and improve people's economic resilience to prevent homelessness reoccurring throughout their lifetime.
- **Develop an approach to reduce former rent arrears** to assist with chances of being re-housed.

*“Getting into work and digital skills is a real focus with the introduction of Universal Credit and mitigating the impact of further welfare reform. There is a great deal of work being carried out by voluntary sector partners to address education, training and employment, we need to ensure the strategic links are made to make the best use of resources. Access to sustainable employment is crucial.”*





## Delivering on our Approach

### 1 Oversight

Worcestershire Strategic Housing Partnership (WSHP) is responsible for, and committed to ensuring that this Strategic Direction for Tackling Homelessness is realised. It is a multi-agency, and cross sector partnership, ensuring homelessness prevention is placed in the wider context.

The role of the WSHP is to influence commissioning and system change across sectors to resource and deliver on this Strategy.

### 2 Accountability

Worcestershire Strategic Housing Officers Group (WSHOG) is responsible for delivery of this document. WSHOG is a well established group, with a proven track record of housing and homelessness strategy delivery, representing each of the districts.

### 3 Assurance

WSHP will seek assurance from the delivery group on the effectiveness of partnership working in the development and implementation of Local Strategy Implementation Plans. In addition, Worcestershire Health and Wellbeing Board will seek assurance on the commitment to the Local Housing and Health Memorandum of Understanding and the Homeless Health Charter.



### 4 Monitoring

WSHOG will report progress against Local Strategy Implementation Plans to WSHP. WSHP will undertake a review of progress on an annual basis up to and including 2021.

### 5 Equality Duty

The Public Sector Equality Duty (Equality Act 2010) requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their activities. Our approach will adhere to this.

## 6 Governance Structure

### Worcestershire Housing Partnership Plan - Delivery Groups





# Eleven

## Implementation

**Our approach recognises that the causes of homelessness are complex and multi-faceted – and that to tackle it holistically, we need to prevent the structural as well as individual factors that lead to homelessness.**

**B**y sitting this Strategic Direction for Tackling Homelessness within the Partnership Plan, we will ensure that homelessness prevention will be placed at the forefront when designing system change needed to achieve our vision.

It is important to recognise that although this is a county approach, there are differences between districts that will need individual district focus. Some districts experience higher levels of rough sleeping, some have higher levels of deprivation and domestic abuse, some have a huge lack of supported and temporary accommodation as compared to others.

Worcestershire Strategic Housing Officers Group will be responsible for delivery of this strategy. Local Strategy Implementation Plans will be developed in partnership with local organisations and partners via local homelessness forums that currently exist or will need to be developed in each of the districts. They will identify a series of actions, initiatives and opportunities.

The Implementation Plan will be delivered by working with key partner agencies and will be achieved through task and finish groups and through the expertise and resources of existing meetings/groups. They will continually be reviewed and monitored by Worcestershire Strategic Housing Officers Group and the Worcestershire Strategic Housing Partnership – to keep up to date and have the flexibility it needs to have.

There will be briefings and regular training on the importance of tackling homelessness, including an annual stakeholder event.





# Appendix One - Legal Duties

## Legal duties

The primary homelessness legislation – Part 7 of the Housing Act 1996 – provides the statutory under-pinning for action to prevent homelessness and provide assistance to people threatened with or actually homeless.

In 2002, the Government amended the homelessness legislation through the Homelessness Act 2002 and the Homelessness (Priority Need for Accommodation) (England) Order 2002 to ensure a more strategic approach to tackling and preventing homelessness and to strengthen the assistance available to people who are homeless or threatened with homelessness by extending the priority need categories.

## Statutory Homelessness – where the rehousing duty is owed

Housing authorities have a legal duty to provide advice and assistance to anyone that is homeless or threatened with homelessness. If a housing authority has reason to believe that someone may be homeless or threatened with homelessness, they must investigate what duty they owe to them under the homelessness legislation.

A 'main homelessness duty' is owed where the authority is satisfied that the applicant is eligible for assistance, unintentionally homeless and falls within a specified 'priority need' group.

The 'priority need groups' include households with dependent children or a pregnant woman and people who are vulnerable in some way e.g. because of mental illness or physical disability. In 2002 the priority need categories were extended to include applicants who are aged 16 or 17, care leavers aged 18-20, people who are vulnerable as a result of time spent in care, in HM Forces, in prison or custody, and those who are vulnerable as a result of having to flee their home because of violence or the threat of violence.



## Homelessness Households not owed the rehousing duty

Homeless people not owed the full rehousing duty are typically single people or childless couples who are not assessed as being in 'priority need' or those deemed to be intentionally homeless. These groups are only entitled to advice and assistance if homeless, not the 'main housing duty'. Some non-priority homeless people are offered access to Local Authority commissioned housing support services.

## Street Homelessness

DCLG defines street homelessness as: "People sleeping, about to bed down (sitting on/in or standing next to their bedding) or actually bedded down in the open air (such as on the streets, in tents, doorways, parks, bus shelters or encampments). People in buildings or other places not designed for habitation (such as stairwells, barns, sheds, car parks, cars, derelict boats, stations, or 'bashes')"

# Notes



## Worcestershire's Strategic Direction for **Tackling Homelessness**



**Executive Committee**

**Date: 26 March 2019**

**MATCHBOROUGH AND WINYATES DISTRICT CENTRES – UPDATE**

Relevant Portfolio Holder	Cllr M Dormer
Portfolio Holder Consulted	Yes
Relevant Head of Service	Ruth Bamford
Ward(s) Affected	Matchborough and Winyates
Ward Councillor(s) Consulted	Yes, via Planning Advisory Panel
Key Decision / Non-Key Decision	Key Decision

**1. SUMMARY OF PROPOSALS**

This report provides an update in respect of the Matchborough and Winyates District Centres redevelopment and seeks Members' approval for the next steps.

**2. RECOMMENDATIONS**

**The Executive Committee is asked to RESOLVE that:**

- a) The positive outcome of the soft market testing is noted and officers are instructed to continue to analyse the results;**
- b) As a preparatory to procuring a preferred developer, to instruct officers to continue to work to develop the Council's parameters for a potential scheme (economic, social and environmental) and the frame of reference for joint working with a developer and delivery of a scheme; and**
- c) Officers report back with specific proposals for the formal procurement of a suitable development partner to work with the Council, stakeholders and the local community to develop and agree a comprehensive regeneration scheme for Matchborough and Winyates.**

**3. KEY ISSUES**

- 3.1** Following the decision of Executive Committee in January, officers have undertaken a 'no obligation' soft market testing exercise with developers on the Homes England Delivery Partner Panel 3 (DPP3). Five developers, representing a cross section of national and regional developers were asked to take part in the exercise, only one of which (a national developer who is now more focussed on other areas of the country) declined. The developers who have taken part in the exercise represent a range of national and regional house builders and regeneration companies, familiar with similar schemes elsewhere. All four developers have reported back that they believe that a comprehensive regeneration scheme could be achieved in partnership with the Council, and that

**Executive Committee****Date: 26 March 2019**

if the Council does now progress the formal procurement of a developer partner they will wish to tender. This is encouraging and it should be noted that any formal procurement process would be open to all developers listed on the Delivery Partner Panel, not just those that participated in the soft market testing.

- 3.2 The key findings from the initial feedback from the soft market testing exercise (details received on the 11<sup>th</sup> March) are that all developers agree with the Council that there is scope to create new commercial space, health provisions and community facilities supported by a significant number of new homes. The soft market testing exercise has demonstrated that it is likely that a viable regeneration scheme could be realised incorporating the following minimum parameters which have previously been developed with Members:

The options that need to be considered are:

- Refurbishment of existing District Centres
- Demolition and replacement of two District Centres
- One District Centre and potentially one parade/ corner shop
- Any additional alternatives that would be viable/ deliverable.

There are several elements that must be considered and delivered as part of any regeneration proposals:

- No loss of current affordable housing stock
- Provision of a new health centre and a local food retail presence
- Maintain bus access through the District Centres during and after redevelopment
- Possibility of business continuity during the regeneration process
- Continuity of community facilities during the regeneration process
- Provision of additional community facilities.

- 3.3 From their initial assessment of the potential for a comprehensive and viable regeneration scheme, the developers have provided the Council with feedback on both the scope of the potential redevelopment and on the basis upon which they might expect to enter into a partnership with the Council to develop and deliver a comprehensive regeneration scheme. The key findings from our initial appraisal of the soft market testing feedback are:

- i) All developers believe that there is a strong local market for new housing and that the Council's aim to create new market and affordable housing, across a range of house types, can be achieved. All developers would include the re-provision of Council housing within the new affordable housing.
- ii) Some of the developers suggest that the two local centres could be replaced within an overall development but others indicate that this may be less viable than developing a single new district centre serving both



**REDDITCH BOROUGH COUNCIL****Executive Committee****Date: 26 March 2019**

- areas. All four developers would ensure that the equivalent retail and community space is included in their development plans.
- iii) All developers would propose to create a high quality and sustainable development making the most of the landscape features such as the pond and water courses.
  - iv) All four developers would plan to phase their development to enable business continuity as far as practicable and to enable new homes to be provided before existing homes are demolished.
  - v) All developers would commit to extensive public engagement locally in the development of their scheme proposals.
  - vi) Three of the four developers would be prepared to invest their own capital resources and expertise into the scheme with the Council providing its land and property assets on the basis of shared risk and return. They each have experience of similar joint venture partnerships with local authorities elsewhere. One of the developers would prefer to act as the Council's development manager.
- 3.4 Further work is needed to analyse the detail of the developer responses received to assist the Council in setting the parameters and terms for the procurement of a suitable development partner. However at this stage it is clear that there is market appetite for the type of comprehensive regeneration scheme envisaged by the Council, and for working with the Council on joint venture basis.

**Next Steps**

- 3.5 Rather than progressing straight to DDP3 as originally envisaged, it is proposed that officers will analyse in detail the information provided from the soft market testing, and, drawing on this, prepare draft documents on the parameters for selecting a suitable development partner and the terms on which the Council will consider entering into a partnership with the developer to deliver the regeneration scheme and protect the Council's financial and other interests. The outcome the Council will be seeking from the formal procurement exercise is to select a developer who will have the expertise, financial resources and commitment to work with the Council, key stakeholders and the local community, to develop, plan and then build a regeneration scheme which delivers the Council's ambitions for new high quality housing, commercial and community space, and which offers best value in return for the use of the Council's land and property assets. Such a developer will need to demonstrate that they have a track record of similar and complex regeneration schemes, including extensive public engagement, and the acquisition of third party land and property interests if required.
- 3.6 Before embarking on a formal procurement process the Council will need to understand all the legal implications and risks of delivering a comprehensive regeneration scheme and will wish to be certain of the financial and legal basis on which it would enter a joint venture partnership. If Executive supports the recommendations of this report this work will be undertaken, with the use of

**Executive Committee**

**Date: 26 March 2019**

external advisors if required, and a full report on the proposed detailed specification of the Council's requirements to be included in tender documents will be brought back to Executive. The Council has successfully secured One Public Estate funding to support this development and it is intended to utilise this resource to support the Council's work throughout the next stages. Appendix1 shows the proposed timeline for this work including the procurement of a development partner and developing and implementing a deliverable scheme.

**Legal Implications**

- 3.7 The Council is required to obtain best value in any disposal of its assets and any joint venture arrangement would need to be subject to a full business case and Council approval. Moreover the mix of ownership and tenure type of land potentially required for any redevelopment means that there are complex legal implications in taking forward any scheme. These will now be explored so that before any formal tender process is commenced through DPP3 the Council has a full understanding of the legal implications and risk.

**Service / Operational Implications**

- 3.8 This can be met within existing workloads.

**Customer / Equalities and Diversity Implications**

- 3.9 None at this stage. A communication plan is being prepared to ensure that all members of the community are kept informed of developments and thereafter engaged in the development of proposals.

**4. RISK MANAGEMENT**

- 4.1 The next stage will examine all risks associated with this project and set out how such risks will be mitigated.

**5. APPENDICIES**

Appendix 1 – Project Timeline

**6. BACKGROUND PAPERS**

Report to Executive in January 2019

**AUTHOR OF REPORT**

Name: Paul Spooner

**Executive Committee**

**Date: 26 March 2019**

---

email: [paul.spooner@bromsgroveandredditch.gov.uk](mailto:paul.spooner@bromsgroveandredditch.gov.uk)  
Tel: ext 3078

**Executive Committee**

**Date: 26 March 2019**

---

**Appendix1.**

**Indicative Project Timeline**

Report to Executive on Procurement of a Developer Partner including draft tender documents setting out the parameters for the scheme and the detailed specification of the Council's requirements of any developer: June 2019.

Invitations to Tender: July 2019.

Tender documents issued. September 2019

Tenders returned: November 2019.

Tenders appraised: November 2019 - January 2020.

Report to Executive with preferred developer recommendation: March 2020.

**REDDITCH BOROUGH COUNCIL****EXECUTIVE****26<sup>th</sup> MARCH 2019****ENTERPRISE RESOURCE PLANNING SYSTEM**

Relevant Portfolio Holder	Councillor Tom Baker Price
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering
Ward(s) Affected	All
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

- 1.1 This report requests the financial requirements to progress the implementation of the Enterprise Resource Planning (ERP) system following the completion of the procurement exercise.

**2. RECOMMENDATIONS****Executive Committee NOTES;**

- 2.1 That the procurement exercise for the new council enterprise system has been completed and that if the project is to be progressed additional funding is required

**Executive Committee RECOMMEND to Council;**

- 2.2 That additional capital receipts to the value of £208k as detailed 3.4 are approved to fund the system in 2019/20 and that the Capital Programme is updated to reflect this expenditure.

**3. KEY ISSUES****Background**

- 3.1 As Members are aware approval was given in July 2018 to undertake a procurement exercise to secure a fully integrated Enterprise Resource Planning System to ensure the Council can view a more strategic, long term approach to financial management, ensure decisions are informed by accurate, real time information and enable flexible access for customers and officers. Therefore officers have undertaken a procurement exercise through the G Cloud framework.
- 3.2 The exercise involved a detailed specification being written by the council as part of a clarification exercise, and the suppliers on the framework responding to the clarification questions asked. Supplier responses were evaluated by officers against the Council's requirements and in accordance with the framework rules and this has resulted in the selection of a preferred supplier.
- 3.3 Officers are confident that the specification was structured so as to ensure the Council has the system with the most appropriate functionality to deliver financial

**REDDITCH BOROUGH COUNCIL****EXECUTIVE****26<sup>th</sup> MARCH 2019**

services and information within the commercial and constantly changing financial environment it is working within.

**Financial Implications**

- 3.4 The tendering exercise undertaken has demonstrated that initial cost estimates of the system were lower than the final preferred bidder's price. The original estimate was £395k total (£197.5k approved per council). The preferred supplier's price is £735.7k total (£367.9k per council) therefore an additional £171k per Council is required. In addition it is prudent to include a contingency of 10% to provide funding for unknown costs of £74k (£37k per Council). Therefore the total additional funding required is £208k (£171k + £37k) for the Council. The preferred supplier's price includes an implementation cost based on the number of days that it estimates will be required for implementation of the system. If less implementation days are used by the council than are budgeted for by the supplier then there will be a consequential reduction in implementation costs.
- 3.5 The Council is using capital receipts to fund the project and therefore there are no borrowing costs or requirement to deliver a return on the system. There are a number of posts currently vacant in the finance team that may be reassigned however it is anticipated that the annual license cost of £46k would be offset by the deletion of currently vacant posts

**Legal Implications**

- 3.6 A procurement exercise was undertaken for a new ERP system. This has resulted in the selection of a preferred supplier. The exercise has been concluded in accordance with the G Cloud framework and it cannot now be re-opened. If the Council does not wish to progress the project with the preferred supplier on the basis specified by the Council because the required funding is not available but still wishes to procure a new ERP system, the Council would need to conduct a new procurement exercise with a revised specification.

**Service / Operational Implications**

- 3.7 Moving to the new system will enable significant improvements in service delivery, both from a back office perspective and an end user viewpoint. Budget managers will be provided with their own real time dashboards so they can see their budgets and orders. This will significantly improve financial reporting timeliness and accuracy. It will also enable council customers to self-serve more and use new technologies to facilitate transactions making it easier for them to interact with the council.

**Customer / Equalities and Diversity Implications**

- 3.8 The new system will drive and support self-help for all users of the finance and HR services. We will co-design the future service, including the various interfaces and portals, to ensure that they are intuitive and easy to navigate. It is

**REDDITCH BOROUGH COUNCIL****EXECUTIVE****26<sup>th</sup> MARCH 2019**

anticipated that self-service becomes the most convenient approach to finance servicing for both internal and external customers to improve accessibility and realise further efficiencies

**4. RISK MANAGEMENT**

- 4.1 Should Members not approve the additional costs a new specification (reduced) and further procurement exercise would have to be undertaken. There are a number of risks associated with this; firstly the delay ( 6-12 months) which would have a significant impact on the financial management and innovation of the Council in supporting its transformational change needed to face future financial pressures. In addition there would be financial costs associated with extending current contracts which may be costly for the Council to enter into. Finally, procurement of a new system on a reduced specification may result in a system which is not fit for purpose or does not deliver all anticipated benefits and efficiencies.
- 4.2 Several departmental risks arise concerning the migration of data to a new system and the implementation of the new system which will require strong project management to ensure that the project remains on track and will deliver its anticipated benefits. These risks will be recorded in the departmental risk register which is monitored on an ongoing basis.

**AUTHOR OF REPORT**

Name: Chris Forrester

email: [chris.forrester@bromsgroveandredditch.gov.uk](mailto:chris.forrester@bromsgroveandredditch.gov.uk)

Tel.: 01527 64252 ext (1673)

This page is intentionally left blank



**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

**Finance Monitoring Quarter 3 2018/19**

<b>Relevant Portfolio Holder</b>	Councillor Tom Baker-Price
<b>Relevant Head of Service</b>	Jayne Pickering
<b>Non Key Decision</b>	

**1. Purpose and summary**

This report details the Council's final financial position for 2018/19 for both General Fund and Housing Revenue Account.

**2. Recommendations**

**The Executive Committee is asked to**

**RESOLVE that**

- 2.1 The Executive Committee note the current financial positions for the period April – December 2018 as detailed in the report.**

**That Executive RECOMMEND to Council**

- 2.3 Approval that an increase in the 2018-19 Capital Programme of £4.5k s106 monies for use on undertaking a traveller/trespass function for the council on land adjacent to Oakenshaw South roundabout.**
- 2.4 Approval of an increase in the 2018-19 Capital Budget of £96k for the Disabled facilities grant budget. This is due to further grant funding being received following the budget announcement in December 2018.**
- 2.5 Approval of the increase to the Capital Programme of £14.5k s106 monies for improvements to the play areas and open spaces on Feckenham Recreation Ground.**

**3. Revenue budgets**

- 3.1 This report provides details of the financial information across the Council. The aim is to ensure officers and members have relevant information to consider the overall financial position of the Council. The report reflects the finances across the Strategic Purposes to enable Members to be aware of the level of funding attributed to these areas and how this compares to budget. The summary at 3.4 shows the financial position for revenue funding for 2018/19**
- 3.2 Financial reports are sent to budget holders on a monthly basis and a detailed review is undertaken with financial support to ensure that all issues are considered and significant savings or cost pressures addressed. This report aims to focus on the key variances to budgets to ensure a focus is undertaken during the year on areas where there are significant savings or additional costs.**
- 3.3 The £9.094m original budget as included in the table below is made up of the budget approved in February 2018.**

**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

In addition the Latest Budget 2018/19 of £9.334m includes transfers to/from reserves of £241k which are shown in appendix 2.

**Revenue Budget Summary – Overall Council  
 Financial Year 2018/19**

Please note figures have been rounded

Strategic Purpose	Original Budget 2018/19 £'000	Revised budget 2018/19 £'000	Budget to date 2018/19 £'000	Actuals 2018/19 £'000	Variance 2018/19 £'000	Projected outturn 2018/19 £'000	Projected Variance 2018/19 £'000
Keep my place safe and looking good	3,829	4,102	3,284	3,205	-79	4,061	-42
Help me run a successful business	3	197	184	83	-101	96	-101
Help me be financially independent	358	222	-92	-90	2	202	-20
Help me to live my life independently	156	156	117	10	-107	72	-84
Help me find somewhere to live in my locality	864	863	648	490	-158	748	-115
Provide Good things for me to see, do and visit	1,391	1,181	1,004	959	-44	1,126	-55
Enable others to work/do what they need to do (to meet their purpose)	2,494	2,613	2,425	3,080	655	3,238	625
<b>Totals</b>	<b>9,094</b>	<b>9,334</b>	<b>7,569</b>	<b>7,735</b>	<b>167</b>	<b>9,543</b>	<b>209</b>
Corporate Financing	-9,094	-9,334	-11,563	-11,557	6	-9,307	27
<b>Grand Total</b>	<b>0</b>	<b>0</b>	<b>-3,993</b>	<b>-3,821</b>	<b>173</b>	<b>236</b>	<b>236</b>

**Financial Commentary:**

There are a number of significant variances across the strategic purposes. The summary above shows the overall position for the Council and the main variations are as a result of:

**Keep my place safe and looking good**

These budgets include those relating mainly to Environmental Services, Planning, CCTV and other activities to deliver against the purpose to ensuring an area is a safe and attractive place for the community. The variances to report are :

**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

- It is projected that Bereavement services will receive less income than expected on the burial fees by the end of 2018/19 and there has been some additional costs due to cremator repairs therefore showing a year end variance for the service of **£67k**.
- There is a saving within Community safety budgets due to salary vacancies which are being addressed in a service review. The underspend, however, will be offset against the overhead recharge to the HRA (shown in enabling services) due to the service being 100% attributable to the HRA of **£89k**.
- Whilst a significant growth in income has been achieved within Core Waste services, there have been additional costs required for running the domestic waste services. This is currently under review and therefore projecting an overspend by the end of 2018/19 of **£103k**.
- Development Management has achieved full year budgeted income by quarter 3 but the income trend is not expected to continue at the same rate due to one off large income of **£23k**.
- There have been some salary savings due to vacancies of **£99k** within Core Environmental Operations, Environmental management, Place teams and Planning.

**Help me run a successful business**

The budgets within the strategic purpose include economic development, all licenses and costs associated with the town and other Properties within the Borough.

- The variance shown in this strategic purpose is mainly due to savings on NNDR & utility budgets for leased building and also additional income.

**Help me be financially independent**

The strategic purpose includes all costs relating to the support of benefits and the administration and delivery of Council Tax services in the Borough.

- There are no significant variances this quarter to report.

**Help me to live my life independently**

There are a number of budgets relating to the delivery of the strategic purpose including; Lifeline and Community Transport.

- There has been additional income received within the Lifeline service due a new contract that has been procured with Cannock Chase District Council. This has been reflected in 2019/20 budgets.

**Help me find somewhere to live in my locality**

The costs associated with homeless prevention, housing strategy and land charges are all included in this strategic purpose. It is worth noting that these costs solely relate to those charged to the General Fund not the Housing Revenue Account

- The variance shown in this strategic purpose is due to salary savings as a consequence of posts not being filled. It is anticipated that this will be addressed in the full housing review.

**Provide Good things for me to see, do and visit**

- The majority of budgets within this purpose relate to Leisure and Culture services.

**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

- The variance shown is mainly to do with temporary salary savings due to the change of service delivery and new staff structure implementation.

**Enable others to work/do what they need to do (to meet their purpose)**

All support services and corporate overheads are held within the enabling purpose. These include; IT, HR, Finance, Management team and other support costs.

- There are a number of unallocated savings that sit within the corporate / enabling service of **£489k** to quarter 3. It is anticipated that these will be partially offset by service savings during the year as detailed with savings monitoring at point 4 below.
- Within Customer Services support there are projected savings of **£62k** due to salary vacancies and additional income received.
- There is an underspend with Legal services due to a vacant position and a one off additional income received. **£53k** is projected by the end of the financial year.
- There are other salary vacancies within Financial Services and Equalities & Policy projected as **£74k** by the end of 2018/19 however this is offset against some additional salary costs within PAs and Directorate support due to redundancy and pension costs following a restructure **£37k**.

**Corporate Financing**

The projected outturn variance mainly relates to capital and treasury activities (£35k overspend) where savings on minimal revenue provision and discount from the early repayment of pension contributions is offset by reduced recharges to the capital programme.

**4. Savings Monitoring**

- 4.1 The medium term financial plan included £721k of savings identified to be delivered during 2018/19. The breakdown of these savings is attached at Appendix 3. To quarter 3 £537k has been realised against the budgeted April to September savings of £541k.
- 4.2 In addition there are £777k of unidentified savings for 2018/19 which sit within the corporate / enabling service as highlighted in the table above. To date a projection for year-end 2018/19 of £476k has been identified against these unidentified savings.

**5. Cash Management**

- 5.1 The cash position of this Council at the start of the financial year and the expected end of year cash positions for the coming financial years is shown in the table below

Date	£m	Position
As at 31 <sup>st</sup> March 2018 (Actual)	7.0	Borrowing
As at 31 <sup>st</sup> December 2018	nil	Borrowing

**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

**5.2 Borrowing**

As at the 31<sup>st</sup> December 2018 there are no short term borrowings with associated borrowing costs within the quarter and £103.929m in long term borrowing with associated costs in the quarter of £888k. All long term borrowing costs relate to the HRA.

An interest payable budget has been set of £34k for 2018/19 due to expenditure relating to current capital projects.

**5.3 Investments**

At 31<sup>st</sup> December 2018 there were £7.2m investments held.

**6. Capital Budgets**

**Capital Budget Summary – Overall Council  
 Financial Year 2018/19**

**6.1**

Please note figures have been rounded

<b>Strategic Purpose</b>	<b>Original Budget 2018/19 £'000</b>	<b>Revised budget 2018/19 £'000</b>	<b>Budget to date 2018/19 £'000</b>	<b>Actuals 2018/19 £'000</b>	<b>Variance 2018/19 £'000</b>	<b>Projected outturn 2018/19 £'000</b>	<b>Projected Variance 2018/19 £'000</b>
<b>Keep my place safe and looking good</b>	3,273	3,273	2,455	1,375	-1,080	1,655	-1,618
<b>Help me run a successful business</b>	80	80	60	0	-60	0	-80
<b>Help me to live my life independently</b>	1,271	1,271	953	357	-597	603	-668
<b>Provide Good things for me to see, do and visit</b>	102	102	76	9	-67	44	-58
<b>Enable others to work/do what they need to do (to meet their purpose)</b>	150	150	112	112	-0	150	0
<b>Totals</b>	<b>4,876</b>	<b>4,876</b>	<b>3,657</b>	<b>1,853</b>	<b>-1,804</b>	<b>2,452</b>	<b>-2,424</b>

**Keep my place safe and looking good**

The variance for quarter 3 relates to the several projects including Locality Capital Projects, Cleansing vehicle purchases and Public Buildings.

**EXECUTIVE COMMITTEE****26<sup>th</sup> March 2019**

- Locality Capital Projects - this is due to majority of the schemes dependant on approval from Worcestershire County Council and therefore causing delays due to slow responses. It is likely that a request will be made to continue the project into 2019/20.
- Vehicle replacement budget - there are delays on the vehicle replacement programme due to specification delays. it is therefore anticipated that a request to carry forward the budget into next financial year 2019/20 will be made.
- Public Buildings – Projects have been delayed due to the transfer of Property Services from PPL back to RBC, these will recommence at the beginning of 2019/20.

**Help me run a successful business**

The variance relates to improvements at the Business Centres and this is now likely to be delayed until April 2019/20 and therefore a request will be made to carry forward the capital budget to the New year.

**Help me to live my life independently**

The underspend projected relates to a number of projects. Firstly, the Energy Efficiency installations. This fund has been unable to be spent this year due to the need to procure the energy advice service prior to restarting the Redditch Energy Efficiency Fund. The energy advice service will be procured with a 3 year contract April 2019 - March 2022. There is a underspend showing on discretionary home repairs assistance which is due to a lack of applications being received despite advertising. There will be a request to carry forward an underspend on the disabled facilities grants due to delays in referrals from occupational therapists and reduced demand in private sector.

**Provide Good things for me to see, do and visit**

There is a small underspend projected at quarter 3. This is a s106 budget for the regrading of football pitches at Terry's Field, Redditch . This is due to the project now requiring to take place post season and therefore will commence in April 2019 and will require the budget carrying forward to the new financial year.

**Enable others to work/do what they need to do (to meet their purpose)**

The projects are expected to be completed by the end of 2018/19.

6.2 The request for approval of an increased budget £4.5k at 2.3 relates to the Private Sector Housing who currently undertake the traveller/trespass function for the council. For the past two years a plot of council land adjacent Oakenshaw South roundabout has been repeatedly targeted by various groups of travellers, giving rise to anti-social behaviour and causing distress to nearby residents. It is clear that the land requires protection from further incursions and the cost of defensive work is approximately £7.5k. The existing Gypsies & Travellers' revenue budget will fund the remainder of the money required.

6.3 The request for approval of an increased budget £95,666 at 2.4 is due to an additional £55m for disabled facilities grant being distributed to all relevant authorities for the ministry of Housing, Communities and Local Government. The £95,666 allocated to Redditch Borough Council is planned to be used for the delivery of agreed joint plans between Adult Social Care, Clinical Commissioning Groups and the Housing authorities across the county.

6.5 The approval for the request of an increase to the capital budget of £14.5k s106 monies at 2.5 is to provide a contribution to the Feckenham Moated Manor Community Archaeology Project who are

**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

managing a volunteer group of the Scheduled Ancient Monument on site. The amount is also to go towards the improvements and updating of the existing play provision at Feckenham Recreation ground including re-surfacing of the whole play area.

**7. Housing Revenue Account**

Appendix 1 details the financial position for the Housing Revenue Account (HRA) for the period April – December 2018.

**8. Earmarked Reserves**

The position as at 31st December 2018 is shown in Appendix 2. The position at the 1st April 2018 was £1.6m and at the end of quarter 3 includes £3.1m that have been transferred to reserves. The majority of this relates to setting aside section 31 Business rate grant/estimated Business rate surplus to provide funding for future risks.

**9. General Fund Balances**

The General Fund Balance as at the 31<sup>st</sup> March 2018 is £1.790m. A balanced budget was approved in February 2018 to include identified savings which have been built into individual budget allocations. This also included a planned use of balances for 2018/19 of £89k.

During 2018/19 there has been a further approval of a use of balances of £300k towards a Public Sector Services Hub and the Council now operating the Facilities Management Services which was previously run by Place Partnership. Therefore, the current level of balances is £1.4m.

**10. Legal Implications**

No Legal implications have been identified.

**11. Service/Operational Implications**

Managers meet with finance officers on a monthly basis to consider the current financial position and to ensure actions are in place to mitigate any overspends.

**12. Customer / Equalities and Diversity Implications**

No direct implications as a result of this report.

**EXECUTIVE COMMITTEE**

**26<sup>th</sup> March 2019**

**13. Risk Management**

The financial monitoring is included in the corporate risk register for the authority.

**APPENDICES**

Appendix 1 – HRA Monitoring April – December 2018/19

Appendix 2 – Earmarked Reserves 2018/19

Appendix 3 – Savings Monitoring 2018/19

**AUTHOR OF REPORT**

Name: Kate Goldey – Business Support Senior Accountancy Technician  
E Mail: [k.goldey@bromsgroveandredditch.gov.uk](mailto:k.goldey@bromsgroveandredditch.gov.uk)  
Tel: (01527) 881208



## Appendix 1

**HOUSING REVENUE ACCOUNT (HRA)****REVENUE 2018/19 Quarter 3**

	2018/19 Full Year Budget £'000	2018/19 Budget to Date Apr - Dec £'000	2018/19 Actuals Apr - Dec £'000	2018/19 Variance Apr - Dec £'000	2018/19 Projected Outturn £'000	2018/19 Projected Variance £'000
<b>INCOME</b>						
Dwelling Rents	22,805	17,579	17,603	-24	22,810	-5
Non-Dwelling Rents	483	438	474	-36	501	-18
Tenants' Charges for Services & Facilities	648	473	491	-18	630	18
Contributions towards Expenditure	18	14	111	-97	124	-106
<b>Total Income</b>	<b>23,954</b>	<b>18,504</b>	<b>18,679</b>	<b>-175</b>	<b>24,065</b>	<b>-111</b>
<b>EXPENDITURE</b>						
Repairs & Maintenance	5,187	3,863	4,189	326	5,533	346
Supervision & Management	8,542	2,789	2,237	-552	8,292	-250
Rent, Rates, Taxes & Other Charges	149	112	253	141	333	184
Provision for Bad Debts	400	0	0	0	200	-200
Depreciation & Impairment of Fixed Assets	6,129	0	0	0	6,259	130
Interest Payable & Debt Management Costs	4,179	0	0	0	4,179	0
<b>Total Expenditure</b>	<b>24,586</b>	<b>6,764</b>	<b>6,679</b>	<b>-85</b>	<b>24,796</b>	<b>210</b>
<b>Net cost of Services</b>	<b>632</b>	<b>-11,740</b>	<b>-12,000</b>	<b>-260</b>	<b>731</b>	<b>99</b>
<b>Net Operating Expenditure</b>	<b>632</b>	<b>-11,740</b>	<b>-12,000</b>	<b>-260</b>	<b>731</b>	<b>99</b>
Interest Receivable	-36	0	0	0	-36	0
Revenue Contribution to Capital Outlay	280	0	0	0	181	-99
Use of Balances	-876	0	0	0	-876	0
Transfer to Earmarked Reserves	0	0	0	0	0	0
<b>(Surplus)/Deficit on Services</b>	<b>0</b>	<b>-11,740</b>	<b>-12,000</b>	<b>-260</b>	<b>0</b>	<b>0</b>

**Financial Commentary:**

Appendix 1 details the financial position for the Housing Revenue Account (HRA) for the period April - December 2018

The major variances are due to the following:

- Contributions towards Expenditure Worcs County Council funding reduction delayed until April 19 together with insurance reimbursement claims for major damage to properties
- Repairs & Maintenance: voids repairs and ad hoc repairs costs have been significantly higher than expected
- Supervision & Management: the variance is predominantly due to vacant posts pending the ongoing review of the Housing function
- Rents, Rates, Taxes & Other Charges backdated Council Tax charges for void properties & insurance excess costs on major damage claims
- Provision for Bad Debts the level of debts written off to date is lower than anticipated
- Depreciation the additional costs are related to purchased vehicles and new software costs (commenced during 2018)

For items where budgets to date show as zero this is due to these costs being allocated as part of the year end accounting processes

**HRA CAPITAL 2018/19 Quarter 3****Strategic Purpose****Help Me to Find Somewhere to Live in my Locality**

		2018/19 Full Year Budget £'000	2018/19 Budget to Date Apr - Dec £'000	2018/19 Actuals Apr - Dec £'000	2018/19 Variance YTD £'000
C1012	1-4-1 Housing Replacement	1,902	951	1,183	232
C1201	Catch Up Rep-Bath Replacements	100	50	3	-47
C1202	Catch Up Rep-Kitchen Upgrades	100	50	5	-45
C1203	Catch Up Repairs	0	0	51	51
C1204	Asbestos General	1,000	500	126	-374
C1205	Structural Repairs	60	30	0	-30
C1206	General Roofing	50	25	0	-25
C1207	Electrical Upgrades	400	200	293	93
C1209	Upgrade Of Central Heating Systems	400	200	248	48
C1210	Window Replacements	100	50	0	-50
C1222	Equipment & Adaptations	696	348	392	44
C1241	Solid Wall Insulation	0	0	18	18
C1242	Repairs To Sheltered Housing Stock	0	0	0	0
C1243	Winslow Close Heating	0	0	0	0
C1246	Ext Cladding & Wall Hanging	0	0	0	0
C1247	Insulation	0	0	0	0
C1248	Drainage	0	0	5	5
C1249	Water Supply	50	25	0	-25
C1250	Environmental Enhancements	375	188	22	-166
C1251	Masonry Works	0	0	0	0
C1253	Bathroom Voids	0	0	0	0
C1254	Kitchen voids	0	0	0	0
C1255	FRA Works	500	250	36	-214
C1256	Stock Condition Survey	150	75	12	-63
C1257	Fencing Renewals	90	45	0	-45
C6300	Design & Supervision	350	175	0	-175
		<b>6,323</b>	<b>3,162</b>	<b>2,394</b>	<b>-768</b>

**Financial Commentary:**

The projects form the basis of an interim capital improvement plan pending the outcome of a comprehensive stock condition survey. The survey will be used to inform the budgets required for the 30 year business plan.

Works are also currently being undertaken on a needs only basis pending the survey outcome

1-4-1 Housing Replacement: properties built or purchased using 1-4-1 capital receipts generated from Right to Buy sales

Description	Balance b/fwd 1/4/2018	Transfers in existing reserve 2018/19	Transfers out existing reserve 2018/19	New Reserve 2018/19	C/fwd 31/3/2019	Comment
<b>GF Earmarked Reserves</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b>Business Rates Grants</b>	(7)	0	0	(3,125)	(3,133)	Small Business Rate Relief - Ringfenced grant
<b>Commercialism</b>	(48)	0	10	0	(37)	To help fund costs in relation to commercialism projects
<b>Community Development</b>	(4)	0	0	0	(4)	To support the costs associated with community projects
<b>Community Safety</b>	(270)	0	270	0	(0)	External grant funding to be released over a number of years on Community Safety Projects ongoing
<b>Corporate Services</b>	(150)	0	0	0	(150)	Funding for Locality Enhancements
<b>Customer Services</b>	(12)	0	0	0	(12)	Contribution to WCC for an open portal
<b>Electoral Services</b>	(48)	(11)	8	0	(51)	To support the delivery of individual electoral registration and to set aside a reserve for potential refunds to government
<b>Equalities</b>	(11)	0	0	0	(11)	To fund licence fees
<b>Equipment Replacement</b>	(83)	0	10	0	(73)	ICT equipment reserve
<b>Housing Benefits Implementation</b>	(81)	(66)	0	(23)	(169)	Specific welfare reform grant received
<b>Housing Support</b>	(569)	(38)	6	0	(601)	Government Specific Grant - annual funding
<b>Land charges</b>	(9)	0	0	0	(9)	To fund potential litigation in relation to Land Charges
<b>Land Drainage</b>	(162)	0	0	0	(162)	To support costs associated with health and safety issues within the environment
<b>Leisure</b>	(21)	0	21	0	0	To support set up costs relating to the new Leisure company
<b>Mercury Emissions</b>	(34)	0	34	0	0	To be used to re line the cremators
<b>Parks and Open spaces</b>	(10)	0	0	0	(10)	To fund a review of the local allotments.
<b>Public Donations</b>	(13)	0	0	0	(13)	Accumulated donations for designated projects.
<b>Sports Development</b>	(20)	0	20	0	(0)	Ringfenced grants for a number of sports development activities to improve Health and Wellbeing in the Borough
<b>Town Centre</b>	(56)	0	0	0	(56)	To support improvements in the Town Centre High Street
<b>Warmer Homes</b>	(12)	0	0	0	(12)	To support the costs associated with community projects (repair)
<b>Totals</b>	<b>(1,618)</b>	<b>(116)</b>	<b>379</b>	<b>(3,148)</b>	<b>(4,503)</b>	
<b>HRA Capital Reserve</b>						
<b>Capital Reserve-HRA</b>	(19,835)	0	0	0	(19,835)	Reserve to enable the debt repayment on HRA, and future repairs and maintenance along with support for the Housing Growth Programme.
<b>Totals</b>	<b>(19,835)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(19,835)</b>	

This page is intentionally left blank

**REDDITCH - SAVINGS & ADDITIONAL INCOME FROM 18-19 BUDGET ROUND**

Appendix 3

Department	Description of saving	2018-19 £'000	Comments	Quarter 3			
				On target Y/N	Additional (add to to in yr savings) £'000	below target Y/N	Pressure £'000
Business Transformation	Annual Revenue Budget Saving	-177	Review of IT contract spend	Y			
Community Services	accommodation charge	-18	Review of budget required	Y			
Community Services	telephones	-4	Review of budget required	Y			
Community Services	travellers and unauthorised campers costs	-7	Review of budget required	Y			
Community Services	staff savings from reduced mileage and reduced hours	-3	Review of budget required	Y			
Community Services	additional income	-2	Review of income generated	Y			
Community Services	NNDR	-1	Savings identified	Y			
Community Services	accommodation charge	-18	Review of budget required	Y			
Corporate	Amalgamate postage budget	-14	Savings identified	Y			
Corporate	RBC staff awards	-3	Savings identified	Y			
Corporate	Insurance	-27	Savings identified	Y			
CAFS	Reduction in Hrs	-5	Savings identified	Y			
CAFS	Additional income	-125	Additional income based on previous year	Y			
Environmental Services	Fuel and Vehicle R&M	-67	Savings identified	Y			
Environmental Services	Materials, equipment and waste disposal	-21	Savings identified	Y			
Environmental Services	Overtime	-6	Savings identified	Y			
Environmental Services	Utilities	-4	Savings identified	Y			
Environmental Services	Contractors and Credit Card Fees	-5	Savings identified	Y			
Environmental Services	Increase in cremation income	-50	Additional income generated	Y			
Environmental Services	Additional work for County Council and inflation of fees	-15	Additional income generated	Y			
Environmental Services	Replacement waste bins	-72	Revenue savings achieved by capitalising all bin replacements	Y			
Corporate	Subscriptions	-4	Savings identified	N			4
Corporate	Subscriptions	-25	Savings identified	Y			
Corporate	Subscriptions	-8	Savings identified	Y			
Housing General Fund	General reduction in budget based on prior year(s) actuals	-0	}	Y			

Department	Description of saving	2018-19 £'000	Comments	On target Y/N	Additional (add to to in yr savings) £'000	below target Y/N	Pressure £'000
Leisure & Cultural Services	savings on spend budgets	-5	Mainstream funding no longer needed received/in place	Y			
Leisure & Cultural Services	Furniture purchase for Chamber and CR2/3 - budget allocation is more than required	-4	Savings identified	Y			
Leisure & Cultural Services	Vehicle Costs	-3	Savings identified	Y			
Leisure & Cultural Services	savings on accommodation costs	-8	Savings identified	Y			
Leisure & Cultural Services	Additional income	-20	Increased income generated at Palace Theatre	Y			
<b>TOTAL</b>		<b>-721</b>			0		4



**Redditch Borough Council****Executive****26/3/2019****Investment Strategy Report 2019/20**

Relevant Portfolio Holder	Councillor Tom Baker-Price
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering – Exec Director Finance and Resources
Wards Affected	All Wards
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

The Council invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as treasury management investments),
- to support local public services by lending to or buying shares in other organisations (service investments), and
- to earn investment income (known as commercial investments where this is the main purpose).

This investment strategy is a new report for 2019-20, meeting the requirements of statutory guidance issued by the Government in January 2018, and focuses on the second and third of these broad purposes.

**2. RECOMMENDATIONS**

**The Executive is asked to RESOLVE that**

**the Investment Strategy Report 2019/20 be approved and adopted**

**3. KEY ISSUES****Financial Implications**

- 3.1 The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure. These activities, plus the timing of borrowing decisions, leads to a cash surplus, which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA).

- 3.2 Any investments undertaken will be expected to make the minimum returns as specified in this report.

**Legal Implications**

- 3.3 This is a statutory report as per the updated guidance issued in January 2018, as per Local Government Act 2003.

**Service/Operational Implications**

- 3.4 None as a direct result of this report.

**Customer / Equalities and Diversity Implications**

- 3.5 None as a direct result of this report.

**4. RISK MANAGEMENT**

Failure to manage the investment strategy effectively to ensure the delivery of maximum return within a secure environment. Controls in place to mitigate these risks are as follows:

- Regular monitoring of the status of any investments undertaken
- Looking to wider market information from treasury advisors

**AUTHOR OF REPORT**

Name: Christopher Forrester – Financial Services Manager (Deputy S151)  
E Mail: [chris.forrester@bromsgroveandredditchbc.gov.uk](mailto:chris.forrester@bromsgroveandredditchbc.gov.uk)  
Tel: 01527 881673

## Investment Strategy Report 2019/20

### Redditch

#### Introduction

The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

This investment strategy is a new report for 2019/20, meeting the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

#### Treasury Management Investments

The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £0m and £7.5m during the 2019/20 financial year.

**Contribution:** The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

**Further details:** Full details of the Authority's policies and its plan for 2019/20 for treasury management investments are covered in a separate document, the treasury management strategy and capital strategy.

#### Service Investments: Loans

**Contribution:** The Council currently does not lend money to its subsidiaries, however it may do so in the next financial year to support local public services and stimulate local economic growth. Envisaged loans would be to a potential new housing company which may purchase and manage for rental properties. No loans will be made at lower than market rate.

**Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

*Table 1: Loans for service purposes in £ millions*

Category of borrower	31.3.2018 actual			2019/20
	Balance owing	Loss allowance	Net figure in	Approved Limit

			accounts	
	£m	£m	£m	£m
Subsidiaries	0	0	0	5
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>

Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts from 2018/19 onwards will be shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

**Risk assessment:** The Authority assesses the risk of loss before entering into and whilst holding service loans by using specialist advice to understand the market and the potential future demands of the market and the customers in it. It will also use benchmarking data from the market to determine future potential risks which need to be planned for.

### **Commercial Investments: Property**

**Contribution:** The Council is planning to invest in local (within the council's operating area boundary) commercial and residential property with the intention of making a surplus that will be spent on local public services. As yet the council has not made any investments. It is currently reviewing a number of potential investments in commercial property to ensure that the proposed investment makes a return and the risks of the investment are fully understood.

*Table 3: Property held for investment purposes in £ millions*

Property	Actual	31.3.2018 actual		31.3.2019 expected	
	Purchase cost	Gains or (losses)	Value in accounts	Gains or (losses)	Value in accounts
Property – to be purchased in 2019	5 (planned)	0	0	-	-

**Security:** In accordance with government guidance, the Authority considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

**Risk assessment:** The Authority assesses the risk of loss before entering into and whilst holding property investments by involving specialist advisors with expertise in the type of property being purchased, looking at historic data and speaking to other councils undertaking similar activities.

**Liquidity:** Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Authority ensures that properties purchased are in an active market where there is demonstrable demand to ensure that the authority does not purchase assets which it will not be able to sell on at a later date.

### Proportionality

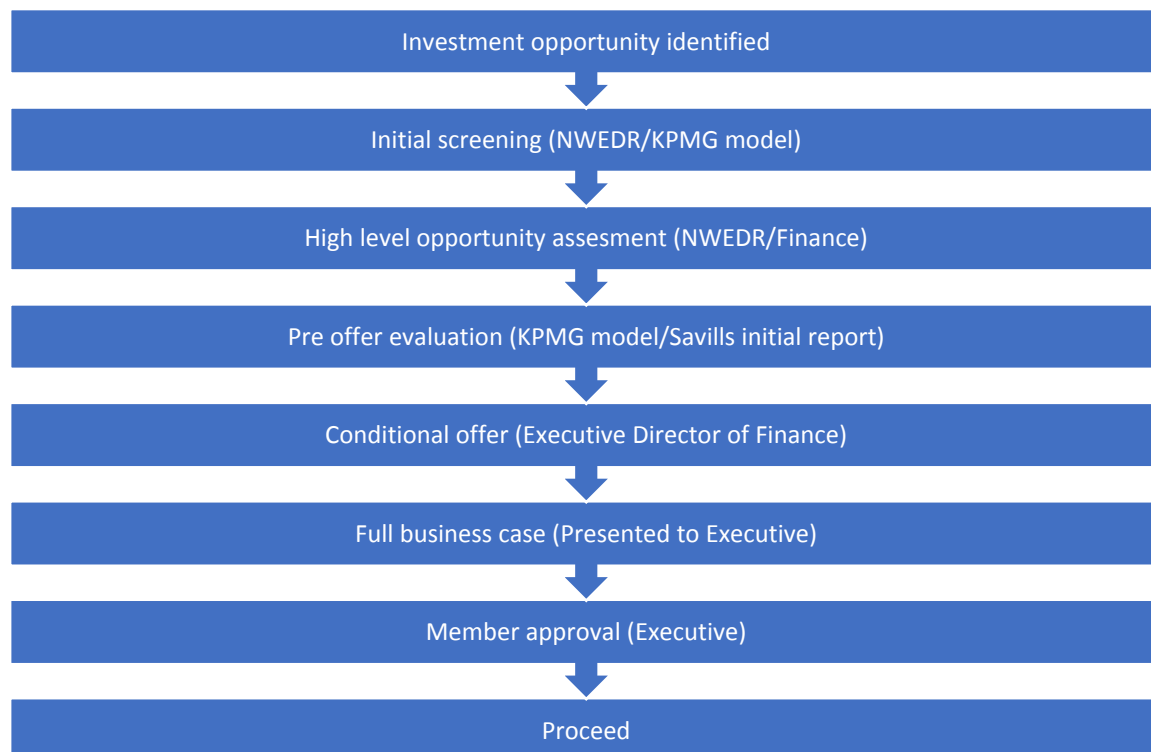
The Authority does not plan to become dependent on profit generating investment activity to achieve a balanced revenue budget.

### Capacity, Skills and Culture

**Elected members and statutory officers:** Member training will take place annually as part of the induction process. External advisors will provide reports to support investment decisions with officers ensuring that they fully understand them and can relate them to the strategic objectives and the risk profile of the authority.

**Commercial deals:** KPMG have developed a modelling tool for the authority to use when assessing potential purchases as a precursor to engaging with external consultants to ensure that potential purchases are likely to make sense from the perspective of the authority before incurring advisor costs. The minimum net yield on a purely for return investment is to be set at 0.75%. If there are regeneration and redevelopment benefits which will flow from the investment then these can be taken into account in the development of the business case, so if the net investment yield falls below 0.75% it can still proceed if these benefits are deemed to outweigh the lower than target yield. No investment can take place if the net yield is lower than 0.1%.

**Corporate governance:** when investment decisions are to be made, they are to be led by the Council's Executive Director of Finance in consultation with the Corporate Management Team. They will assess the potential investment opportunity, consulting NWEDR and using the KPMG finance appraisal model, and should they decide it presents a strong opportunity for the authority and complies with the relevant criteria a conditional offer can be made. A business case will then be developed and presented ensuring that once greater detail is included, it makes a satisfactory income yield and/or economic redevelopment and regeneration impact. When the business case is completed, if it is still compliant with the council criteria, it will be presented to Executive for approval before purchase is completed.



Once a purchase has been made the Executive Director of Finance will provide quarterly updates, in line with budget monitoring reports, on the status of the investment.

### **Investment Indicators**

The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.

**Total risk exposure:** The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third party loans.

*Table 4: Total investment exposure in £millions*

<b>Total investment exposure</b>	<b>31.03.2018 Actual</b>	<b>31.03.2019 Forecast</b>	<b>31.03.2020 Forecast</b>
	£m	£m	£m
Treasury management investments	0	0	0
Service investments: Loans	0	0	0
Commercial investments: Property	0	0	5
<b>TOTAL INVESTMENTS</b>	0	0	5
<b>TOTAL EXPOSURE</b>	0	0	5

**How investments are funded:** Government guidance is that these indicators should include how investments are funded. Since the Authority does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

*Table 5: Investments funded by borrowing in £millions*

<b>Investments funded by borrowing</b>	<b>31.03.2018 Actual</b>	<b>31.03.2019 Forecast</b>	<b>31.03.2020 Forecast</b>
	£m	£m	£m
Treasury management investments	0	0	0
Service investments: Loans	0	0	0
Commercial investments: Property	0	0	5
<b>TOTAL FUNDED BY BORROWING</b>	0	0	5

**Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.



*Table 6: Investment rate of return (net of all costs)*

<b>Investments net rate of return</b>	<b>2017/18 Actual</b>	<b>2018/19 Forecast</b>	<b>2019/20 Forecast</b>	<b>Minimum return</b>
	%	%	%	%
Treasury management investments	0	0	0	0.4
Service investments: Loans	0	0	0	0.75
Commercial investments: Property	0	0	0.75	0.75
ALL INVESTMENTS	0	0	0.75	0.62

*Table 7: Other investment indicators*

<b>Indicator</b>	<b>2017/18 Actual</b>	<b>2018/19 Forecast</b>	<b>Limit</b>
Debt to net service expenditure ratio	0	0	200%
Commercial income to net service expenditure ratio	0	0	3%

This page is intentionally left blank