

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

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

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

**For general enquiries please contact Democratic Services on 01827 719221 or via email – [democraticservices@northwarks.gov](mailto:democraticservices@northwarks.gov).**

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

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

## **RESOURCES BOARD AGENDA**

**9 November 2020**

The Resources Board will meet on Monday 9 November 2020 at 6.30pm via Teams. An email invite will be sent to all Members and the meeting will be live streamed on the Council's YouTube channel, accessible from the home page of the Council's website or at <https://www.youtube.com/user/northwarks>

### **AGENDA**

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

- 4 Minutes of the Resources Board held on 8 September 2020 – copy herewith to be approved as a correct record and signed by the Chairman

5 **Public Participation**

Up to twenty minutes will be set aside for members of the public to put questions to elected Members. Questions should be submitted by 9.30am two working days prior to the meeting. Participants are restricted to five minutes each.

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

Members of the public wishing to address the Board must register their intention to do so by 9.30am two working days prior to the meeting. Participants are restricted to five minutes each.

If you wish to put a question to the meeting, please register by:

Email to [democraticservices@northwaarks.gov.uk](mailto:democraticservices@northwaarks.gov.uk) or telephone 01827 719221/719226.

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

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

- 6 **Internal Audit Half-Yearly Report 2020-21-** Report of the Corporate Director – Resources

**Summary**

The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year and consider some proposed changes as a result of the COVID-19 pandemic. It also provides the Board with a summary of the work completed by the Council's Counter Fraud Officer.

The Contact Officer for this report is Linda Downes (719416).

7 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April – September 2020** - Report of the Chief Executive

**Summary**

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

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

8 **Homelessness Service** – Report of the Director (Housing)

**Summary**

This report provides the Board with information about the Council's homelessness service and how it is addressing the housing needs of applicants.

The Contact Officer for this report is Helen Parton (719494).

9 **Capital Programme 2020/21 Period 6 Update** - Report of the Corporate Director – Resources

**Summary**

The report updates Members on the progress of the 2020/21 Capital Programme in terms of expenditure up to the end of September 2020.

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

10 **General Fund Budgetary Control Report 2020/21 Period Ended 30 September 2020** – Report of the Corporate Director – Resources

**Summary**

The report covers revenue expenditure and income for the period from 1 April 2020 to 30 September 2020. The 2020/21 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

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

- 11 **Housing Revenue Account Budgetary Control Report 2020/21 Period Ended 30 September 2020** - Report of the Corporate Director – Resources

**Summary**

The report covers total Housing Revenue Account revenue expenditure and income from the period from 1 April to 30 September 2020.

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

- 12 **Treasury Management Update 2020/21** – Report of the Corporate Director – Resources

**Summary**

This report shows the Treasury Management activity for the period up to the end of September 2020

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

- 13 **Exclusion of the Public and Press**

**Recommendation:**

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

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

- 15 **Procurement of Contract**

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

STEVE MAXEY  
Chief Executive

# NORTH WARWICKSHIRE BOROUGH COUNCIL

## MINUTES OF THE RESOURCES BOARD

8 September 2020

Present: Councillor Symonds in the Chair

Councillors Davey, Deakin, Dirveiks, Hayfield, D Humphreys, Simpson and Singh.

Apologies for absence were received from Councillors Chambers and Farrow.

Councillors Bell, D Clews, T Clews, Downes, M Humphreys, Jenns, Lees, Macdonald, Moss, Smith and D Wright were also in attendance.

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

None were declared at the meeting.

### 2 **Internal Audit Plan 2020-21 and Counter Fraud Activity 2019-20**

The Corporate Director Resources set out the proposed Internal Audit Plan for 2020-21 and updated Board Members on the work of the Counter Fraud Officer.

#### **Resolved:**

**That the Internal Audit Plan as set out in Appendix A to the report of the Corporate Director Resources be approved and that the work of the Counter Fraud Officer be noted.**

### 3 **Internal Audit Annual Report 2019-20**

The Corporate Director Resources presented the Head of Internal Audit's Annual report 2019-20.

#### **Resolved:**

- a That the findings of an assessment of the internal audit function against the PSIAS and the quality assurance programme be noted;**
- b That the summary of internal audit work as set out in Appendix A of the report of the Corporate Director Resources, which supports the Head of Internal Audit's opinion be noted; and**

**c That the Head of Internal Audit's overall opinion on the control of the environment, be noted.**

**4 Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April 2019 – March 2020**

Members were informed of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April 2019 to March 2020.

**Resolved:**

**That the report be noted.**

**5 Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April – June 2020**

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

**Resolved:**

**That the report be noted.**

**6 Parking in North Warwickshire**

Members were asked to note the submission of a joint application from Warwickshire County Council and North Warwickshire Borough Council to the Department of Transport to begin the formal process for the implementation of Civil Parking Enforcement across the Borough by 1 November 2021 at the latest. Members were also asked to recommend that the Executive Board allocates funding within this year's capital programme to enable improvement works at Water Orton car park.

**Resolved:**

**a That the formal submission of the application for the implementation of a Civil Enforcement Area to the Department for Transport with the aim of the Civil Parking Enforcement being in place by 1 November 2021 at the latest be noted; and**

**Recommendation to Executive Board**

**b That a supplementary budget of £85,000 be added to this year's capital programme to fund improvement works to Water Orton car park.**

**7 Capital Programme 2020/21 Period Ended 31 July 2020**

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

**Resolved:**

**That a virement of £257,630 from Kitchens and Bathrooms to the Multi Trade budget, be approved.**

**8 General Fund Budgetary Control Report 2020/21 Period Ended 31 July 2020**

The Corporate Director Resources reported on revenue expenditure and income for the period from 1 April 2020 to 31 July 2020. The 2020/21 budget and the actual position for the period, compared with the estimate at that date were given together with an estimate of the out-turn position for services reporting to the Board.

**Resolved:**

**That the report be noted.**

**9 Housing Revenue Account Budgetary Control Report 2020/2021 Period Ended 31 July 2020**

The Corporate Director Resources reported on the Housing Revenue Account revenue expenditure and income for the period from 1 April to 31 July 2020.

**Resolved:**

**That the report be noted.**

**10 Annual Treasury Report for 2019/20**

The Corporate Director Resources reported on the out-turn for 2019/20 and highlighted any areas of significance.

**Resolved:**

**a That the Annual Treasury Report for 2019/20 be noted; and**

**Recommended:**

**b That the Annual Treasury Report be approved.**

**11 Risk Management Annual Report 2019/20**

Members were informed of risk management actions undertaken during 2019/20 and the risk identified for 2020/21.

**Resolved:**

**That progress be noted.**

**12 Members' Allowances 2019/20**

The Corporate Director Resources advised Members of the allowances paid for 2019/20. The Council also has a duty to publish the amounts paid to Members under the Members' Allowance Scheme.

**Resolved:**

**That the report be noted.**

**13 Exclusion of the Public and Press**

**Resolved:**

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

**14 Request to Purchase Garages**

The Director of Housing informed the Board of a request to purchase garages on the Council garage site in Coleshill.

**Resolved:**

**That the request to purchase the garages in Coleshill shown at Appendix A be declined and that instead a license be offered to the applicant.**

**15 Procurement of Contracts**

The Board were provided with information about the progress of two capital works contracts and requests for an extension to both.



**Resolved:**

- a That the contract with G Purchase be extended until November 2021 on the current terms; and**
- b That the contract with Danescourt be extended until March 2022 on the current terms.**

**16 Housing Service Area**

The Director of Housing reported on a proposal for the future of part of her Service Area in consideration of the Council's General Fund savings programme.

**Under Standing Order No 9 (9) the following amendments to the recommendation contained in the report were proposed by Councillor Deakin and seconded by Councillor Dirveiks:**

- a That the need for savings in the General Fund be noted;**
- b That consideration be given to changing the way the Council provides that service in order to provide savings and a sustainable service for the people of North Warwickshire;**
- c That a Task and Finish Group be established of 5 Members, to consider other service delivery methods to report back within 4 weeks;**
- d That, any decision to change the service will be subject to a detailed report at a future meeting of Resources Board, setting out the full implications and feedback from consultation with unions, staff, customers and other agencies; and**
- e That the format of the communication with customers to consult with them on future changes be agreed through the Task and Finish Group.**

**On being put to the vote the amendment was declared as lost.**

**The following amendment to the recommendations contained in the report were proposed by Councillor Symonds and seconded by Councillor Davey.**

- a** That the need for savings in the General Fund be noted;
- b** That consideration be given to ending the direct provision of that service in this Borough in order to provide sufficient contribution to the savings required and offering to facilitate the transfer of customers to another suitable alternative provider;
- c** That, a detailed report be submitted to a future meeting of the Resources Board setting out the full implications and feedback from consultation with Unions, staff and customers;
- d** That the format of the communication with customers to inform them of the Council's proposals and consult with them be agreed with the Chair of the Resources Board; and
- e** That a Task and Finish Group be formed to explore how the Council can work with the voluntary sector to support vulnerable residents of the Borough.

Upon being put to the vote the amendments were carried.

(The Chief Executive has subsequently received a notice signed by Councillors Chambers, Deakin, Dirveiks and Farrow) under Standing Order No 30(1)(b) (Minority Report) with regard to the decision of the Board on this matter and it is therefore referred to Council for confirmation.)

C Symonds  
Chairman

**Agenda Item No 6**

**Resources Board**

**9 November 2020**

**Report of the  
Corporate Director - Resources**

**Internal Audit Half-Yearly Report  
2020-21**

**1 Summary**

1.1 The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year and consider some proposed changes as a result of the COVID-19 pandemic. It also provides the Board with a summary of the work completed by the Council's Counter Fraud Officer.

**2 Recommendations to the Board**

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

**3 Progress Against the Internal Audit Plan**

3.1 The Internal Audit Plan for the current year was approved by the Resources Board in September 2020. A copy of the Plan and the progress to date is attached at Appendix A.

...

3.2 A summary of the work completed, and the findings is shown in Appendix B, but it should be noted that this is only a snapshot of the position at the time of the audit. Where areas for improvement are identified an action plan is agreed which sets out the changes that will be introduced, the responsible officer and the target date for completion. The team carry out follow-up reviews to ensure that agreed actions have been implemented and, where necessary, they will revise the internal audit opinion to reflect the change in the overall control system.

...

3.3 The COVID-19 pandemic has had an impact on some of the Council's services so since the Audit Plan was approved senior officers have been consulted to identify any necessary changes to the Plan. The proposed changes arising from this consultation is set out at Appendix C. When considering these proposals, it should be noted that because of home working and the additional work that has been given to local authorities as a result of the pandemic; it is taking longer to complete audit reviews and obtain the information required. Also, there have been changes within the audit team with two part-time employees leaving so in the short-term there are resource issues that have had to be considered

...

#### 4 Counter Fraud Activity

4.1 The current Counter Fraud Officer has been employed by the Council since June 2018, this is a shared role with Nuneaton and Bedworth Borough Council (NBBC), the Officer spends 40% of his time investigating fraud allegations at NWBC and 60% at NBBC. The types of fraud allegations that he investigates include:

- Right-to-Buy;
- Tenancy fraud such as sub-letting and abandonment of the property;
- Council Tax and Housing Benefit; and
- Single Persons Discount.

4.2 Since joining the Councils, the Counter Fraud Officer has introduced a much more pro-active approach to the investigation process which has been very successful. So far this financial year, at NWBC he has identified cashable savings to the Public Purse of approximately £5,220 and notional savings of £6,476, mainly in relation to Housing Benefit and Council Tax fraud. He has also reviewed twenty-six Right-to-Buy applications which resulted in two being withdrawn.

#### 5 Report Implications

##### 5.1 Risk Management Implications

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

5.1.2 Failure to investigate allegations of fraud could result in poor publicity for the Council and some reputational damage.

##### 5.2 Links to Council's Priorities

5.2.1 The audit programme agreed and delivered, and the counter fraud activity are aligned to both the priorities of the Council and the requirements of external assessors.

The Contact Officer for this report is Linda Downes (719416).

#### Background Papers

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

Background Paper No	Author	Nature of Background Paper	Date

**Internal Audit Plan 2020-21**

<b>Audit</b>	<b>Current Position</b>
<b>Operational Audits</b> <ul style="list-style-type: none"> <li>• <i>Assisted Burials</i></li> <li>• Civic Silver and Security</li> <li>• Cleaning (HRA)</li> <li>• Community Centres</li> <li>• Contaminated Land</li> <li>• <i>Corporate Feedback (complaints and compliments)</i></li> <li>• Economic Development</li> <li>• <i>Equalities</i></li> <li>• Events and Publicity</li> <li>• Food Hygiene and Inspection</li> <li>• Housing Lettings</li> <li>• Housing Repairs (excluding voids)</li> <li>• <i>Insurance</i></li> <li>• Leaseholder Management</li> <li>• <i>Partnerships and Shared Services</i></li> <li>• Recycling</li> <li>• <i>Risk Management</i></li> <li>• Stores</li> </ul>	<p style="text-align: center;"><i>Completed see Appendix B</i></p> <p style="text-align: center;"><i>In progress</i></p> <p style="text-align: center;"><i>In progress</i></p> <p style="text-align: center;"><i>In progress</i></p> <p style="text-align: center;"><i>In progress</i></p> <p style="text-align: center;"><i>Completed see Appendix B</i></p>
<b>Annual Reviews</b> <ul style="list-style-type: none"> <li>• Leisure</li> </ul>	
<b>Follow-up Reviews</b> <ul style="list-style-type: none"> <li>• Affordable Housing</li> <li>• Capital Projects</li> <li>• Corporate Governance</li> <li>• Flexitime/Home Working/Lone Working</li> <li>• Housing Voids</li> <li>• Petty Cash (exc. Leisure)</li> <li>• Refuse Collection</li> <li>• <i>Tree, Wall and Fence Management</i></li> </ul>	<p style="text-align: center;"><i>Completed see Appendix B</i></p>

The reviews in italics have either been completed or are in progress

We are also in the process of finalising three reviews brought forward from 2019-20 – Council Tax, Fly-tipping and Fleet Management (Transport)

## Summary of Audit Findings

### Assisted Burials

#### Audit Scope

The purpose of this review was to provide assurance that the council is fulfilling its legal responsibilities regarding Assisted Funerals and that the cost to the council is properly managed. The audit therefore checked to ensure that:-

- (i) The appropriate legislation is being complied with and information is publicly available regarding the responsibilities of the Council;
- (ii) Procedures are in place to ensure that requirements regarding the death certificate and registration of death are followed;
- (iii) Funeral prices have been tested and an appropriate Funeral Director appointed;
- (iv) Adequate action is taken to ensure that all possible contributions to funeral costs are obtained from the estate of the deceased or from their relatives; and
- (v) Invoices for Assisted Funerals are correct, properly authorised and correctly coded to the Ledger.

#### Audit Findings

The overall audit opinion was '**Satisfactory Assurance**'. The key issue arising was that the arrangement with the current Funeral Director has been in place since 2016/17, having been agreed by the previous Senior Legal Assistant, and no price comparisons appear to have been carried out. There is therefore no assurance that the Council is obtaining the best price in an increasingly competitive business.

A follow-up review has since been completed, a market testing exercise has been completed and a different supplier has provided a more competitive quote. Our overall audit opinion has therefore been revised to '**Significant Assurance**'.

### Risk Management

#### Audit Scope

The audit work was structured to establish the effectiveness of the controls in place to mitigate the key risks to the Council's risk management arrangements. The audit focused on reviewing the high 'red' scored operational risks to ensure that they were being managed in accordance with the requirements set out in the Council's Risk Management Manual.

#### Audit Findings

Our overall audit opinion was '**Satisfactory Assurance**'. There is basically a sound system of internal controls although there are some minor weaknesses and/or evidence that the level of non-compliance may put some minor systems objectives at risk. The Council's Risk Management Manual when referring to the Risk Profile

scoring matrix states that “the risks in the red area should be “managed down as a matter of urgency”. The Financial Accountant carries out a mid-year risk review of all red and amber strategic and operational risks with Directors and Heads of Department and summarises the outcomes in a report to the Corporate Director – Resources. To help progress any issues raised this report will be taken to Management Team in the future.

### **Tree, Wall and Fence Management Follow-up Review**

One of the four issues raised was outstanding and this related to the maintenance of a register to improve the effectiveness of the inspection programme. Our overall audit opinion was therefore revised from ‘**Limited Assurance**’ to ‘**Satisfactory Assurance**’.

**Proposed Changes to the Internal Audit Plan 2020-21****Audits to be Removed**

<b>Audit</b>	<b>Reasoning</b>
Community Centres	Community Centres are closed due to COVID-19
Events, Communications and Publicity	Due to COVID-19 there have been no events in current financial year
Housing Repairs	COVID-19 has had an impact on the number and type of repair being undertaken
Environmental Protection	Environmental Health are heavily involved with COVID-19 related priorities e.g. signage, track and trace etc.
Cesspool Emptying	There is a local review of this service being completed so it is best to defer our audit until the new process is in place
Civic Silver and Security	To complete this audit, we need to have access to the items and due to COVID-19 we are being encouraged to stay at home wherever possible

**Audits to Add to the Plan**

<b>Audit</b>	<b>Reasoning</b>
Discretionary Grant Scheme Payments	Compliance check to ensure that appropriate evidence was provided to support the payments made on a sample of applications
Self-isolation Scheme Payments	Compliance check to ensure that appropriate evidence was provided to support the payments made on a sample of applications
Detailed follow-up of petty cash arrangements within Leisure Centre's	Since last audit review revised procedures have been introduced so will check compliance with these new procedures



**Agenda Item No 7**

**Resources Board**

**9 November 2020**

**Report of the Chief Executive**

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

**1 Summary**

- 1.1 This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to September 2020.

**Recommendation to the Board**

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

**2 Consultation**

- 2.1 Consultation has taken place with the relevant Members and any comments received will be reported at the meeting.

**3 Background**

- 3.1 This report shows the second quarter position with the achievement of the Corporate Plan and Performance Indicator targets for 2020/21. This is the second report showing the progress achieved so far during 2020/21.

**4 Progress achieved during 2020/21**

- 4.1 Attached at Appendices A and B are reports outlining the progress achieved for all the Corporate Plan targets and the performance with our local performance indicators during April to September 2020/21 for the Resources Board.

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

Red – target not achieved (shown as a red triangle)

Amber – target currently behind schedule and requires remedial action to be achieved (shown as an amber circle)

Green – target currently on schedule to be achieved (shown as a green star)

## 5 Performance Indicators

- 5.1 The current performance indicators have been reviewed by each division and Management Team for monitoring for the 2020/21 year.

## 6 Overall Performance

- 6.1 The Corporate Plan performance report shows that 94% of the Corporate Plan targets and 53% of the performance indicator targets are currently on schedule to be achieved. The report shows that individual targets that have been classified as red, amber or green. Individual comments from the relevant division have been included where appropriate. The table below shows the following status in terms of the traffic light indicator status:

### Corporate Plan

Status	Number	Percentage
Green	16	94%
Amber	1	6%
Red	0	0%
Total	17	100%

### Performance Indicators

Status	Number	Percentage
Green	8	53%
Amber	7	47%
Red	0	0%
Total	15	100%

## 7 Summary

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

## 8 Report Implications

### 8.1 Safer Communities Implications

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

## 8.2 Legal Data Protection and Human Rights Implications

8.2.1 The national indicators were specified by the Secretary of State for Communities and Local Government. They have now been ended and replaced by a single list of data returns to Central Government from April 2011.

## 8.3 Environment and Sustainability Implications

8.3.1 Improvements in the performance and quality of services will contribute to improving the quality of life within the community. There are actions and indicators which contribute towards the priorities of the sustainable community strategy including the community fund, the HEART Board and preventing homelessness.

## 8.4 Risk Management Implications

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

## 8.5 Equality Implications

8.5.1 There are equality related actions and indicators highlighted in the report including the ICT Strategy, the borough care review and providing adaptations and preventing homelessness.

## 8.6 Links to Council's Priorities

8.6.1 There are targets and performance indicators contributing towards the priorities of responsible financial and resource management, creating safer communities and promoting sustainable and vibrant communities.

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

### Background Papers

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

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

Resources Board 20/21								
	Action	Priority		Reporting Officer	Quarter 1	Quarter 2	Status	Direction
4	To update the 30 Year HRA Business Plan by January 2021, ensuring all Council housing meets the Decent Homes Standard and the opportunities for estate regeneration and safe car parking are assessed	Responsible Financial & Resource Management	Resources Board	Sue Garner/Angela Coates	Work to be undertaken later in the year	Some preparatory work has begun	Green	↔
5	To continue to contribute to the effective provision of services through implementing the actions and projects which help deliver the ICT Strategy and to report on progress to the Resources Board by March 2021	Responsible Financial & Resource Management	Resources Board	Linda Bird	Many projects were put on hold while the ICT service responded to Covid-19 and specifically the demands for home working and remote meetings. The Office 365 deployment resumed in June and other projects have now started.	Office 365 deployment is nearing completion for Office based staff. Work on the replacement of the Council's Storage Area Network (SAN) is in progress as are projects to upgrade the Housing and the Payments systems.	Green	↑
6	To continue to improve cyber security measures and implement the Action Plan developed from the 2019 LGA Cyber Security Stocktake and report progress to the Resources Board by March 2021	Responsible Financial & Resource Management	Resources Board	Linda Bird	The Covid-19 pandemic has escalated the risk of malicious cyber attacks on organisations and prompted Covid specific scams and fraudulent activity. Raising awareness of the current cyber security threats and good prevention practices has been our priority.	Work has started to prepare for the Annual ICT Security Health Check which is an essential part of our work on Security risk management and compliance.	Green	↑
9	To continue to seek opportunities to rationalise the Council's property portfolio including:- a) Working with partners in the public and voluntary sectors and reviewing the Council's property assets to ensure they support the Council's priorities and deliver key services in the most efficient and cost-effective way, including delivery of the One Public Estate Programme and alternative models of housing development such as modular housing	Responsible Financial & Resource Management	Resources Board	Richard Dobbs	The OPE project is investigating ways to deliver shared-services and bring forward housing on the back of the Leisure Facilities review and partnership work with other agencies.	OPE work is ongoing. Options for replacement leisure facilities are being included in shared service considerations and overall office requirements are being reviewed in light of new ways of working post-Covid	Green	↔
9 (b)	Continue to work through a programme of capital and maintenance improvements to key Council buildings, community buildings, shops and industrial units, including seeking ways to reduce, where possible, our carbon footprint.	Responsible Financial & Resource Management	Resources Board	Richard Dobbs	This work is ongoing	This work is ongoing	Green	↔
9 (c)	Identify any land or property which is surplus to requirements (and dispose of, as appropriate) but also look to identify opportunities to expand the Council's corporate property portfolio where that would generate additional revenue income	Responsible Financial & Resource Management	Resources Board	Richard Dobbs	This work is ongoing	This work is ongoing	Green	↔
9 (d)	Develop a Local Authority Trading Company and explore investment opportunities for the company	Responsible Financial & Resource Management	Resources Board	Richard Dobbs/Sue Garner	No work carried out in quarter 1	No work carried out in quarter 2	Amber	↔
10	To deliver the agreed Asset Management Plan from April 2018-22 and report to Resources Board on progress annually	Responsible Financial & Resource Management	Resources Board	Richard Dobbs/Angela Coates	This work is ongoing	This work is ongoing and linked to the work on property and shared services set out above	Green	↔
11	To ensure good collection rates of rent revenue for the Council's Housing Revenue Account by taking action to mitigate risks to income from changes to welfare benefits and to report quarterly to Board	Responsible Financial & Resource Management	Resources Board	Angela Coates	The Tenancy Services Officers continue to prioritise rent collection. Procedures have changed recently because Government requires 3 months notice to be given & there are no possession proceedings until after 24 August 2020.	The Tenancy Services Officers continue to prioritise rent collection. Procedures have changed recently because Government requires 6 months notice to be given & there are new procedures for possession hearings.	Green	↔

Resources Board 20/21								
	Action	Priority		Reporting Officer	Quarter 1	Quarter 2	Status	Direction
12	To continue to ensure that all debts due to the Council, wherever possible, are recovered efficiently in accordance with the Council's Corporate Debt Framework	Responsible Financial & Resource Management	Resources Board	Sue Garner	Recovery action was not actively progressed during quarter 1, however the team continued to work with residents and businesses on the management of debt. The prompt payment of available grant and discounts was undertaken to assist with the financial stability of businesses and residents.	Recovery action was only progressed in a limited way during quarter 2, however the team continued to work with residents and businesses on the management of debt. Payment of available grant and discounts continued.	Green	↔
13	To review the Local Council Tax Reduction Scheme, to ensure that it remains affordable and fit for purpose by December 2020	Responsible Financial & Resource Management	Resources Board	Sue Garner	To be carried out later in the year	To be carried out later in the year	Green	↔
18	To review the future service requirements of Borough Care by March 2021	Creating Safer Communities	Resources Board	Angela Coates	A report will be submitted to the Resources Board at its meeting in September.	A further report will be considered by the Resources Board in December when the consultation with customers and staff is complete.	Green	↔
37	Ensure the successful promotion and administration of the Community Fund, through which financial support will be given to projects of local importance across North Warwickshire and to report on the outcomes of the scheme by March 2021	Promoting Sustainable & Vibrant Communities	Resources Board	Simon Powell	The Local Community Fund has been launched and is being managed in accordance with the criteria approved by the C&E Board	The Local Community Fund has been launched and is being managed in accordance with the criteria approved by the C&E Board	Green	↔
41	To report on the recommendations from the review of the HEART Partnership and report to Board in May 2020	Promoting Sustainable & Vibrant Communities	Resources Board	Angela Coates	The HEART Board has received an independent report about the service. This will be reported to Resources Board.	A report has been drafted for sign off by the HEART Board & will be submitted to the Resources Board at its meeting in January 2021.	Green	↑
42	To deliver the actions set out in the Homelessness Strategy and report on progress by September 2012	Promoting Sustainable & Vibrant Communities	Resources Board	Angela Coates	The Strategy is being delivered.	A report about homelessness nationally and locally will be considered by the Resources Board at its meeting in November 2020.	Green	↑
43	To report on the implications of new legislation with regard to standards and licensing in the private sector by September 2019	Promoting Sustainable & Vibrant Communities	Resources Board	Angela Coates	New requirements came into force in July 2020. A report will be submitted to the Resources Board.	New requirements came into force in July 2020. A report will be submitted to the Resources Board.	Green	↔
45	To report by January 2021 on progress on the take-up of online services, the increased take-up of online forms and the success of driving channel shift electronic payments and social media	Promoting Sustainable & Vibrant Communities	Resources Board	Linda Bird	The Council has had to rely on online services. in many instances, when face to face was not an option due to the pandemic. Several new online services had to be created quickly to support new activities such as those relating to business grants, food delivery and virtual meetings. Some of the metrics associated with these services have been published on social media and will be included in Board report in January.	We are continuing to create new online services in response to new service demands. Our social media channels such as Facebook, Twitter and now Instagram and LinkedIn have been key to sharing Covid 19 messages and service updates. A redevelopment of the Council's website is being planned to coincide with a required upgrade in 2021.	Green	↑

NWPI Resources 20/21									
Ref	Description	Section	Priority	Year End Target 2020/21	Outturn 2019/20	April - Sept Performance	Traffic Light	Direction of Travel	Comments
NWLPI 052	The % of invoices for commercial goods and services which were paid by the authority within 30 days of such invoiced being received by the Authority (former BV8)	Management Accountancy	Public Services & Council Tax	98.00%	98.07%	94.60%	Amber	↓	Departments have had to prioritise workloads due to Covid-19, performance has therefore dipped.
NWLPI 57	Percentage of calls answered through the Central Control system within 180 seconds. (TSA national standard 99%):	Community Support	Housing	99	99.33%	99.84%	Green	↑	
NWLPI 135	Percentage of response repairs completed right first time	Housing Maintenance	Housing	85.00%	81.79%	84.68%	Green	↑	
NWLPI 068	Gas certificates completed	Housing Maintenance	Housing	100.00%	100.00%	95.60%	Amber	↑	The lower than usual performance is caused by tenants refusing access during the lock down period. Access and completions are improving now with a move towards our usual high performance in this area.
@NW:NI156	Number of households living in temporary accommodation (snapshot at end of each quarter)	Housing Management	Housing	6	3	4	Green	↑	
NWLPI 136	Number of tenants with more than 7 weeks rent arrears - as an average over the year	Housing Management	Housing	2.75%	3.17%	4.89%	Amber	↓	During this period more tenants have had cause to seek assistance from welfare benefits. The Universal Credit arrangements have caused an increase in arrears generally and for more tenants to be in arrears for longer.
NWLPI 070	Average time taken to re-let local authority housing (former BV212)	Housing Management	Housing	35 days	47.8 days	53.6 days	Amber	↓	This is as a result of extensvie work being required in some properties.
NWLPI 039	The percentage availability of corporate systems available to users Monday to Friday 8.30 am to 5.30 pm :	Computer Services	Public Services & Council Tax	99.7	99.98%	99.98%	Green	↔	
NWLPI 040	The percentage of initial response to helpdesk calls within two hours of a call being placed :	Computer Services	Public Services & Council Tax	95	98%	96%	Green	↓	
NWLPI 041	Percentage of Service Desk Calls resolved in target (total of IS3 to IS6)	Computer Services	Public Services & Council Tax	95	96%	95%	Green	↓	

NWPI Resources 20/21

Ref	Description	Section	Priority	Year End Target 2020/21	Outturn 2019/20	April - Sept Performance	Traffic Light	Direction of Travel	Comments
NWLPI 096	The Percentage of Calls answered in 20 seconds in the contact centre	Contact Centre	Public Services & Council Tax	75%	79%	78%	Green	↑	
NWNI181	The average time taken in calendar days to process all new claims and change events in Housing Benefit and Council Tax Benefit	Revenues & Benefits	Public Services & Council Tax	7.5	15.56	23.36	Amber	↓	Since April the team have taken on extra work, with no extra resources. There has been additional grants to be awarded, every case with Working Tax Credits needed to be looked at and assessed and there has been a large increase in claims for CTS. However the team have kept as up to date as possible and are still administering government schemes as required.
NWLPI 106	The percentage of non-domestic rates due for the financial year which were received by the authority (former BV10)	Revenues & Benefits	Public Services & Council Tax	98.6	99.36%	50.63%	Amber	↓	Target as at the end of September was 58.0%. We have now restarted issuing reminders notices and will shortly be following with Final notices and Summons. We are awaiting a Virtual court date for LO
NWLPI 107	Proportion of Council Tax collected (former BV9)	Revenues & Benefits	Public Services & Council Tax	97.8	97.11%	56.48%	Amber	↓	Target as at the end of September was 57.0%. We have restarted issuing reminders notices, Final notices and will be following with Summons.
NWLPI 161	Percentage of abandoned calls in the Contact Centre	Contact Centre	Public Services & Council Tax	5%	4%	4%	Green	↔	

**Agenda Item No 8**

**Resources Board**

**9 November 2020**

**Report of the  
Director (Housing)**

**Homelessness Service**

**1 Summary**

- 1.1 This report provides the Board with information about the Council's homelessness service and how it is addressing the housing needs of applicants.

**Recommendation to the Board**

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

**2 Consultation**

- 2.1 The Council consulted with all key partners and stakeholders on the content of the Homelessness Strategy and Action Plan after it was approved by the Resources Board in March 2018 (Appendix 2).

...

- 2.2 During this year partnership working has improved because of the need address the additional risks to customers during the COVID-19 pandemic. The development of a countywide homelessness strategy underpins these partnerships. The strategy recommendations have been published as part of the consultation process.

**3 National Picture**

- 3.1 Nationally during the period of the pandemic there has been a significant focus on rough sleeping initiatives. The 'everyone in' requirement was a direct response to public health concerns and the need to take action to stop the spread of the virus. The requirement to find accommodation for all rough sleepers (including those with no recourse to public funds) was made at the same time that many hotels closed. It has been a significant effort by local authorities and their partners nationally (and locally in Warwickshire) to find accommodation to house rough sleepers in an environment which met the



requirements of the COVID 19 safety measures. The Government supported the requirement with funding.

- 3.2 Since March the Government has acted to prevent tenants from being evicted. They did this by giving clear guidance to all landlords – social and private – to instruct them not to evict their tenants. This was supported by the introduction of a stay all of possession hearings for rent arrears or on mandatory grounds by the Courts. Cases for serious anti-social behaviour have been heard during the period. Landlords were able to serve notice during the period from March to September but the required term was extended to 3 months in all cases. During this period the Court offices were closed. The Courts are now open and can hear possession cases however official guidance makes it clear that Judges must take into account any circumstances which are directly related to the pandemic. The Government position remains that during this period landlords should avoid seeking possession and evicting tenants. Since 29 August there has been a requirement for 6 months notice to be given in all cases. Bailiffs have been instructed not to execute warrants over the Christmas period.
- 3.3 Government guidance continues to make it clear that shared accommodation poses a greater public health risk for infection rates. Much supported accommodation and temporary accommodation is shared. The circumstances of this type of accommodation has had a particular focus for public health professionals. Authorities have had to ensure that in any temporary accommodation households had their own bathing and cooking facilities.
- 3.4 On the same principle of preventing the risk posed by living in shared accommodation during May and June the Government decided to release some prisoners early back into the community. Additional funding was given to the Probation Service to assist with this initiative, but it remained difficult to achieve given the pressure on Authorities facing other requirements with regard to rough sleepers and the provision of temporary accommodation.
- 3.5 During the full lockdown period Government guidance made it clear that households should only move home if it was essential to do so. This meant many social landlords stopped letting their vacancies.
- 3.6 It is probable that the Government will continue to act to protect tenants from eviction in the foreseeable future. However landlords will ultimately have the right to gain possession of their properties in certain circumstances. The forthcoming economic shock caused by the pandemic and the expected job losses will have an impact on households who are renting homes, living with family or friends or paying their mortgage. This will put additional pressure on housing supply at a time when nationally there is already a significant use of temporary accommodation for homeless households for long periods of time.
- 3.7 Every local authority is expected to submit data about its homelessness activity to Government quarterly. What follows is the national picture from this data. The most recent publication is up to March 2020 and therefore does not reflect the pandemic period.

- 3.8 The national statistics produced by the Ministry of Housing Communities and Local Government show that in 2019-20, 288,470 households were owed a prevention or relief duty in the first instance from local authorities. There has been a 14.9% increase in relief duties owed since 2018-19 and 71.0% of this increase is attributed to single adult households.
- 3.9 Most households with children have their homelessness application taken at the prevention stage, whereas most single adult households are applying for assistance at the relief stage in crisis - when they are actually homeless. Main duty acceptances have fallen by 29.3% from 56,600 in 2017-18 before the HRA to 40,040 in 2019-20. This is because more households are receiving assistance at an earlier stage, through prevention and relief duties.
- 3.9.1 For households owed a prevention duty, the most common reason for loss of last settled home was termination of a private rented assured shorthold tenancy (AST), which accounted for 43,260 or 29.1% of households owed a prevention duty. The most common reason for ending a private rented tenancy was due to the landlord wishing to sell or re-let the property (53.5%) and 24.4% were due to rent arrears. The second most common reason was "friends or family no longer willing to or able to accommodate", which accounted for 23.9% of households owed a prevention duty. For those households owed a relief duty, the main reason for loss of accommodation was "friends or family no longer willing or able to accommodate (27.7%) with 12.6% due to a violent relationship breakdown.
- 3.9.2 The majority of households in temporary accommodation have been placed under the main homelessness duty, but temporary accommodation is also provided during the relief stage to households who the local authority has reason to believe may have priority need, or on interim basis in other circumstances such as pending the outcome of a review on a homelessness decision. There has been a 9.4% increase in the number of households in temporary accommodation from 85,040 on 31<sup>st</sup> March 2019 to 93,000 on 31<sup>st</sup> March 2020. This has been largely driven by single households, while the number of households with children in temporary accommodation has remain more stable. There was a spike at 31<sup>st</sup> March 2020 which is most likely linked to the local authority response to the Covid-19 pandemic and the call to bring 'Everyone in' from rough sleeping, shared shelters or to prevent rough sleeping. Of the 93,000 households in temporary accommodation at the end of March 2020, there were 8,180 households in B&B/Hotel accommodation.

## 4 Local Position

- 4.1 Nationally and locally, in other Districts and Boroughs in Warwickshire, the main focus during the period of the pandemic has been to act to resolve the problem of rough sleeping. This has ranged from preventing rough sleeping from occurring due to changing circumstances because of the pandemic as well as acting to resolve the complex, long standing issues for some rough sleepers. Council officers have worked closely with colleagues in public health during this period but have not had the same focus as other areas because

North Warwickshire does not have a significant issue with regard to rough sleeping or any long-standing cases.

- 4.2 The first action the Housing Options Team took as the public health requirements became apparent was to ensure that all household who were in temporary accommodation were not in a position where they had to share facilities with another household. To do this we decided to continue to let vacant properties during the whole period on the basis that moving people who are in housing need is essential. In doing so we acted to prevent overcrowding and sharing. In April the new supported housing project for single men/ Veterans opened. The project has supported four households to date with one moving on successfully during the period. As the Managing Agent of the supported accommodation at Meadow House we have also been able to offer move on accommodation to households which has made room for other young people to get the service they require.
- 4.3 In accordance with Government requirements officers in the Housing Options Team have been working from home. This means that homelessness enquiries are being dealt with on the telephone. The need to prevent homelessness with early intervention remains critical both in terms of legislative duties and to avoid the need for crisis intervention. The team has continued to work closely with applicants to find ways of preventing their homelessness where possible. Central to the homelessness legislation is the Personal Housing Plan. There is a duty to provide for this and a needs assessment. The Plan requires the applicant to take responsibility for their circumstances. The role of the Council is to support the applicant to do so.
- 4.4 Partnerships have strengthened during the last seven months. Regular meetings involve public health and County Council colleagues as well as third sector support services and the probation service. Activity has included how to respond to local circumstances as well as nationally driven initiatives – such as the early release of prisoners.
- 4.5 Whilst crisis management activity has been required partners have also acted during this period to set out strategic priorities and interventions that will support the prevention of homelessness in Warwickshire. This includes the development of a homelessness strategy for Warwickshire and the production of a strategy for addressing domestic abuse.
- 4.6 North Warwickshire Borough Council has submitted data using MHCLG reporting and has also retained its own data in order to monitor homelessness performance and trends. During 2019-20, there were 201 homelessness applications, compared with 273 applications during the previous year, equating to 17 applications per month. For the 9 months up to the end of September 2020, 123 applications have been received, equating to 14 per month. The main causes of homelessness for the past 3 years are broken down as shown at Appendix 1. In 2019/20, the main cause was Family or Friends no longer willing to accommodate (26%), End of Private Rented Tenancy (26%), End of non-violent relationship (14%), Friends no longer willing to accommodate (9%) and (Fleeing Domestic Abuse (6%).

- 4.7 The trend has changed slightly for the 9 months to the end of September 2020 with less households presenting as homeless due to End of a Private Rented Tenancy (16%) and more due to Family no longer willing to accommodate (36%), Fleeing Domestic Abuse (14%), End of a non-violent relationship (10%) and Friends no longer willing to accommodate (6%). The likely reason for the change is because private landlords have been unable to bring the tenancy to an end due to the Covid-19 pandemic and Government legislation preventing notices and evictions taking place and the Courts being closed.
- 4.8 In 2019-20 the prevention duty was ended for 88 households (44%) presenting as homeless. A relief duty was accepted for 104 households with 75 (72%) where the relief duty was ended. The Council accepted a main statutory duty for 35 households (17%) presenting to the Council as homeless. The Council made 21 hostel placements during 2019/20 and 5 for the 9 months to the end of September 2020. Currently there are 4 households in the Council's hostel accommodation with 6 households being placed in the Council's own stock (Non-Secure Tenancies). 29 households were placed in bed and breakfast/hotel accommodation during 2019-20 but only as a short-term measure whilst other accommodation was being sought. The average stay in this type of accommodation was 13 days but more typically was for one or two nights only. There is 1 household in B&B/hotel accommodation currently. The Council has done well to avoid having to place households in B&B accommodation during the Covid-19 pandemic.
- 4.9 The protections offered by Government to social housing and private tenants to date has helped to prevent homelessness. Financial support will also have had a positive effect for some households with regard to paying for their accommodation. This is likely to change over the next 12 months as the economic shock we are expecting bites both nationally and locally. We have already seen a rise in families deciding that they can no longer accommodate households staying with them and this is likely to continue as no national intervention can prevent this. Cases due to mortgage default are rare but this may change as the Government's financial protections for households diminish and the job market becomes more challenging. All of this will increase caseloads and put additional pressure on vacancies and the use of temporary accommodation. If over the next 12 to 18 months more applicants seek help from the Council due to rent or mortgage arrears due to the pandemic economic shock we will struggle to allocate them accommodation from our current social housing stock.

## **5 Robust and accessible prevention tools**

- 5.1 A key objective in the Homelessness Strategy is to prevent people from becoming homeless and this is a requirement in the Act.
- 5.2 We have a Homelessness Prevention Policy that provides front line Officers with the tools they need to prevent homelessness. The funding is provided from the Government's homelessness prevention funding. The types of initiative being used are assisting applicants to obtain private rented

accommodation by contributing towards a rent deposit or rent in advance or to stay in their existing accommodation by mediating with the landlord and agreeing a payment plan. The policy is flexible and Officers can access it where they are able to arrange for the applicant to find accommodation that can be sustained for at least 6 months. It is a one off payment and where successful enables the Council to meet its prevention duty. It is more cost effective than to deal with the applicant in relief and having to source temporary accommodation. Furthermore, the Council would struggle to accommodate all applicants who it has a statutory duty to re-house in its own stock. During 2019-20, 12 households were assisted to prevent their homelessness using the prevention fund, totalling £6,247.72. The funding was mainly used to secure a private let by assisting with the rent deposit and rent in advance. For the 9 months to the end of September 2020-21, 4 households have been assisted totalling £1,810.00.

- 5.3 The ways in which homelessness has been prevented for those households presenting as homeless (in prevention and relief) is shown in the table below:

Prevention Tool	No. 2019-20	No. Apr – Sept 2020-21
Rehoused from Housing Register/Social Housing	33	13
Secured a Private Let	29	9
Moved to Supported Housing	11	4
Remained at home	7	1
Cleared rent arrears	1	-
Found alternative accommodation	1	-

## 6 Robust and effective partnerships

- 6.1 It is a clear objective in the Homelessness Strategy that strong partnership working is an essential ingredient to preventing homelessness. The Council has always had good partnership networks operating in North Warwickshire including both statutory and non-statutory organisations and has been working to ensure that these relationships are maintained and strengthened during the current crisis.
- 6.2 During the last 7 months we have continued to meet with organisations individually and together as part of the homelessness partnership group. We have arranged meetings to with front line staff and this has helped to improve the working relationships with those organisations concerned.
- 6.3 The countywide strategy has been developed and is out to consultation about the recommendations with a view to submitting it to the Health and Well Being Board in the New Year.

- 6.4 The County Council are currently reviewing their commissioned housing related support services which provides funding for services provided by P3, St Basils, Doorway and Together. These are none statutory services commissioned by the County Council to provide support to homeless applicants – including to sustain tenancies. The Council is able to make referrals to these organisations to enable the individual to access support and get assistance to sustain their tenancy. There are other organisations that provide this support such as Refuge that provide domestic abuse support and Change Grow Live who provide support for those who are drugs and alcohol dependent. The Council also has a Tenancy Sustainment Officer who provides support to Council Tenants. This Officer provides support to applicants in temporary accommodation and to Council tenants such as assisting tenants to maximise their income, claim the correct benefits and anything else that will assist them to sustain their accommodation.
- 6.5 The Housing Division provides a service to support hospital discharge and prevent homelessness in partnership with Public Health. The project has been in place for 18 months and is highly valued by both hospitals and social care. Whilst at an early stage it is maturing, being developed countywide and is proving to be productive.
- 6.6 The Homelessness Strategy and Action Plan sets out the actions required to meet the Strategy objectives. A homelessness partnership steering group has been established to monitor and oversee the delivery of the action plan. The steering group is providing opportunities for improved partnership working.

## **7 Preventing Homelessness Improving Lives (PHIL) Trailblazer project**

- 7.1 When the Homelessness Reduction Act was introduced Government funded a number of trailblazer projects to seek out new ways of preventing homelessness. These trailblazers would direct the ambition of the Act to prevent homelessness rather than deal with its consequences. PHIL is the Warwickshire trailblazer project bid for and attracted national funding. It is hosted by Rugby Borough Council.
- 7.2 The service prevent homelessness at a very early stage by encouraging residents and the service providers they might see (DWP, Social Care, Probation, Revenues & Benefits Services) to recognise the early triggers of homelessness and to act by referring people to a service that can help them. When the PHIL team receive a referral they act in a variety of ways to prevent homelessness and the intervention will be appropriate to the customer's need.
- 7.3 Over 1000 households have approached PHIL (North Warwickshire Borough is 168) that have engaged and been within the scope of the project. Of these, 267 have had their homelessness prevented (North Warwickshire Borough, 33) and up to a further 35% (North Warwickshire Borough, 29%) could have had positive intervention through the advice and assistance they received. Of the 267 preventions, 86% (North Warwickshire Borough, 94%) stayed in their own home and 82% of were sustained for at least 6 months. In addition,

£516,000 (£42,354 for North Warwickshire Borough) of supplementary household income was achieved for Warwickshire residents through income maximisation work.

- 7.4 PHIL is a service which reaches out to service providers and residents in a different manner to Local Authorities and as such is positioned well to provide early intervention to prevent homelessness. It acts to seek out early indications of financial crisis or housing problems which with early intervention can be resolved. This could be by income maximisation, negotiation with landlord or family or working with households to resolve their issue before it reaches crisis by providing independent advice.
- 7.5 The Housing Options Team often has to support applicants with complex needs however not all people who require assistance to resolve their housing problems have additional needs. Interventions from the PHIL service can help households find a clear direction to resolve their housing issues and in doing so they reduce the demand on the Housing Options Team.

## **8 The Duty to Refer (DtR)**

- 8.1 From October 2018 some public authorities were given legal responsibilities to refer users of their service who they think may be homeless or threatened with homelessness to the Local Authority of the individual's choice. The impulse of the Act is that preventing homelessness must be achieved in partnership. This information is captured and reported by Local Authorities when the referral results in a new homelessness application. Public authorities with a duty to refer are;

- Adult Secure Estate (prison)
- Youth Secure Estate
- National Probation Service
- Community Rehabilitation Company
- Hospital A&E, Urgent Treatment Centres and in-patient care
- Mental health in-patient care
- Job Centre Plus
- Adult Social Services
- Children's Social Services
- Secretary of State for defence in relation to member of the armed forces

It is a duty for these authorities to do a referral if their client will be homeless in 56 days or as soon as possible. Whilst it is a legal duty the response to the legislation by these organisations has been uneven.

- 8.2 Nationally the largest numbers of referrals have been made by Jobcentre Plus followed by the National Probation Service. These two authorities represent over one third of referrals under the duty to refer. Households can also be referred to local authorities by public bodies without a duty to refer. Locally the largest numbers of referrals have been made by the DWP and the

Probation Service. We have been meeting locally with public authorities with responsibilities for making referrals with a view to maximising referral opportunities and to discuss the benefits of making these referrals at the earliest opportunity. The more notification and information we receive about households that may be homeless or threatened with homeless the better as we are able to plan for dealing with this in a planned way rather than in crisis.

8.3 The following table indicates the duty to refer activity in North Warwickshire.

Duty to Refer	Source of Referral
2018/19 – 17	9 x DWP 2 x Social Services 2 x Prisons 3 x Probation 1 x Urgent Treatment Centres
2019/20 - 23	6 x Probation 6 x DWP 5 x Social Services 4 x Prisons 1 x Urgent Treatment Centres 1 x Hospital Patient In Care
Commitment to Refer	
2018/19 - 4	1 x Age UK 2 x Midland Heart
2019/20 – 10	1 x Waterloo 1 x Barnandos 1 x Womens Aid 1 x WCC Customer Services 1 x Refuge 1 x Castle Bromwich Housing Office

## 9 Availability of accommodation

9.1 Although some households obtain private rented accommodation with assistance with bonds and rent in advance payments from the homeless prevention funding, we rarely use private rented accommodation as a way of discharging our homeless duties. The discharge of duty has mainly been by way of offering a social housing home either our own stock or a housing association property.

9.2 Generally we have been able to meet the needs of priority single households using our own stock and single man support project has assisted with this. We continue to have a shortage of family homes particularly for those households with a 2 bedroom need. During the next 12-18 months, there will be a good number of much needed affordable new build homes becoming available for applicants from the Council's Housing Register. However; there remains a gap between supply and demand. There are currently 27 applicants in Band 1 and 142 in Band 2 registered on the Housing Register, waiting to be re-housed; these bands are for applicants who are assessed as having an urgent or high priority need for re-housing. As we act to prevent housing crisis



we expect the numbers of households registered on the list to increase. This year we have let 20 two bedroom houses and 16 3 bedroom houses as well as 21 one bedroom flats and 4 two bedroom flats.

- 9.3 In order to meet the HRA requirements and the relief duties we have used the Council's shared hostel facilities and offer non secure tenancies in our own stock. These facilities have served us well however, the situation is subject to change and therefore, there is a need for continuous review of the provisions that are available. In addition, the additional resources required to manage households residing in temporary accommodation should be noted.
- 9.4 Nationally there has been a 9.4% increase in the number of households being placed into bed and breakfast/hotel accommodation. Whilst there has been an increase in the number of households placed into bed and breakfast/.hotel accommodation in North Warwickshire, we have managed to keep this to a minimum and for short term use only where there are no other options available to the household. During 2019-20 there were 29 households placed in bed and breakfast/hotel accommodation. These are emergency cases and for a short duration of time.
- 9.5 The Homelessness Strategy identifies that there needs to be a review of the Council's Lettings Scheme and the supported accommodation that is available and to ensure that those ready for move on from supported accommodation can do so in a timely way. There were some minor changes made to the Lettings Scheme to recognise efforts of households seeking to prevent their homelessness by placing them into Band 2 and only being placed into Band 1 if their homelessness cannot be prevented or relieved and the Council accepts a main duty. The Lettings Scheme is working generally well helping us to assist those in the greatest need however, a further review of the Scheme is planned to ensure that we are making the best use of our stock.
- 9.6 There is a supported housing complex for young families at Meadow House, Meadow Street, Atherstone. This has provided much needed supported accommodation for young families. When the young family is ready for moving on into more permanent accommodation, the Council places them on to the Housing Register in a high priority banding in line with the Move-on protocol. The building is owned by Bromford Housing and there has been various support agencies providing the support commissioned by the County Council. The Council is the managing agent for the Scheme which includes managing the building, letting the properties and collecting the rent.
- 9.7 It should be noted that we have a Tenant's Incentive Scheme which assists us to free up larger family accommodation by offering incentives to households who are under occupying their homes. This can facilitate older people who may be living in family homes to move to bungalows and ground floor flats freeing up homes for families. 98 tenants have been able to downsize since the scheme was introduced in 2014.

## **10 Report Implications**

### **10.1 Finance and Value for Money Implications**

10.1.1 Government has been providing grant funding to support Local Authorities meet statutory requirements for homelessness for some years. The Council receives a homelessness prevention grant from the Government which enable us to deliver our homelessness services. The Council currently has £359,000 of homelessness grant funding retained in a reserve. The Council received homelessness grant funding of £111,572 in 2019/2020 and £94,029 Flexible Homelessness Grant in 2020/21 combined with £37,206 Homelessness Reduction Act grant. The funding is ring fenced for homelessness and is being used to meet the costs of delivering front line services.

10.1.2 The grant funding provided by Government is to enable Local Authorities to provide services and initiatives to prevent homelessness. In addition to grant funding to Local Authorities it provided Trailblazer project monies. Warwickshire was awarded £900,000 for the PHIL project from this scheme. The County Council also provides funding to District and Boroughs to support the prevention of homelessness. It has a budget of just over £3m to commission Housing Related Support services across the county, funds initiatives to resolve rough sleeping and in this area has given £200,000 to establish the single homeless men's support project.

10.1.3 Over the next 12 to 18 months the Council intends to utilise its grant funding to pay for front line staff. This will ensure that we have sufficient resources to prevent homelessness. Some of the funding will be used as grants or loans to prevent homelessness. A commitment has been made to be the managing agent of the Meadow Street supported housing project which requires a payment for the lease however Bromford Housing Association intend to sell the premises so the future of this arrangement is uncertain. As the Government funding for PHIL ends in December 2020 we propose to use some of the grant reserve to fund this project in partnership with others for the next 15 months. This will ensure that we have a proven service in place to offer early intervention to prevent cases arriving at the Council in crisis. This will require funding of £117,000 to be committed from the grant reserve. Future funding opportunities for the project are currently being considered.

### **10.2 Safer Communities Implications**

10.2.1 An important part of the role of the Housing Management Team is to help create nice neighbourhoods where people choose and like to live. Successful prevention strategies will assist with reducing homelessness and safer communities as a consequence.

### **10.3 Legal, Data Protection and Human Rights Implications**

10.3.1 The Council is required to conform to the housing regulator's Regulatory Framework and Standards. The Council has a number of statutory duties to those people who present themselves as homeless which are set out in the Housing and Homelessness Acts which were extensively modified by the Homelessness Reduction Act 2017.

#### 10.4 Environment and Sustainability Implications

10.4.1 The Governments focus continues to be on preventing homelessness. Achieving this will have a positive effect on communities.

#### 10.5 Equalities Implications

10.5.1 We ensure that homelessness services are accessible. The PHIL project support this aim. All initiatives assist with achieving more cohesive communities by focusing on enabling people to stay in their homes.

10.5.2 The Homelessness Strategy aims to ensure that homelessness and support services are accessible to all client groups and do not discriminate against any particular client group. The Council is required to ensure that policies and decisions relating to homelessness and threatened with homelessness do not amount to unlawful conduct under the Equality Act 2010 and must also comply with the public sector equality duty.

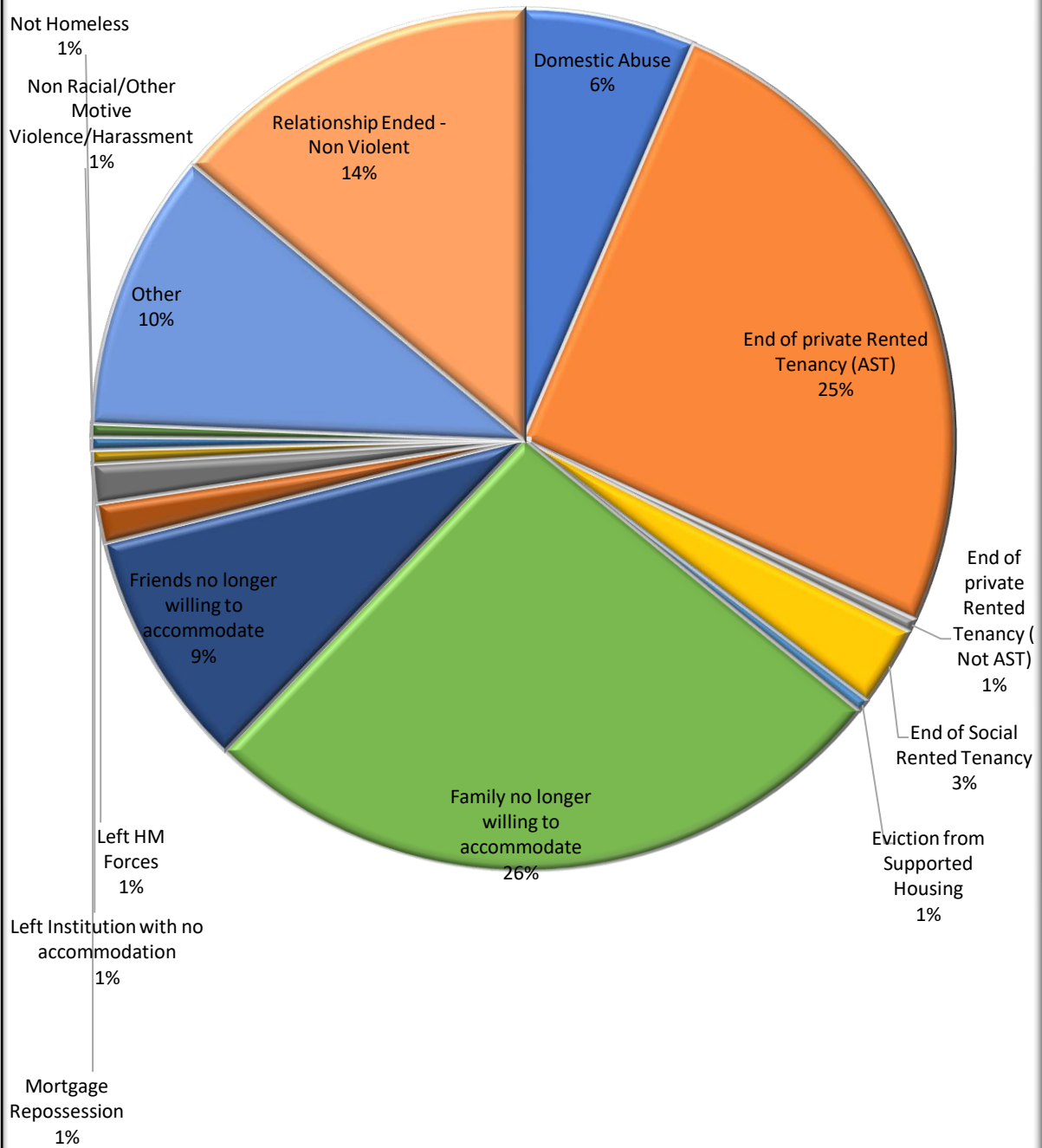
The Contact Officer for this report is Helen Parton (719494)

#### Background Papers

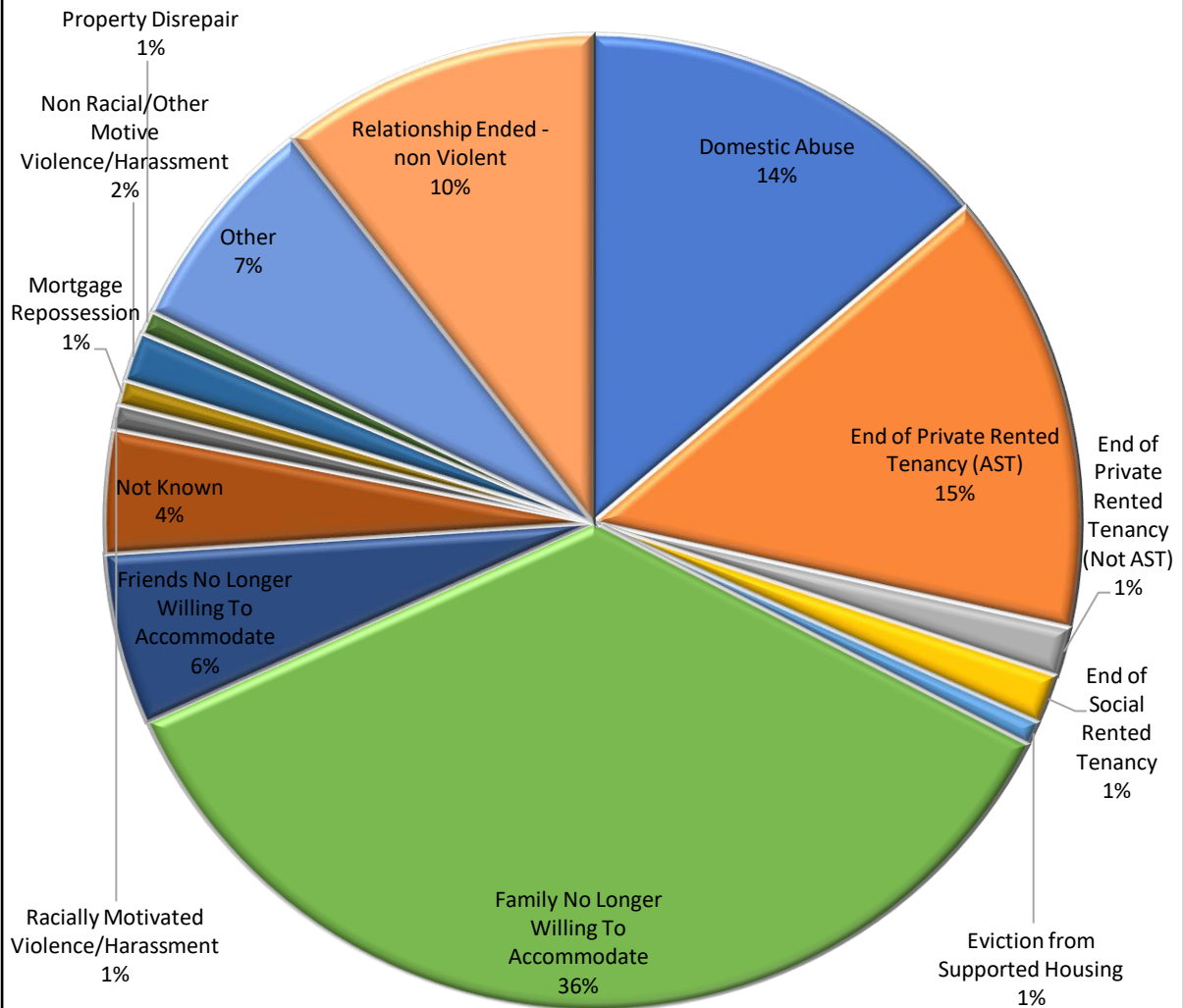
Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

## Homelessness Enquiries April 19 - March 20



# Homelessness Enquiries April - Sept 20



North Warwickshire Homelessness Strategy Action Plan 2018-2023 – update October 2020

Key Priority	Objectives	Strategic Actions	By when	Lead Officer	Update
<b>1. Ensure people are well informed about their housing options</b>	To raise awareness and promote the homelessness and housing options service with the public and partner agencies	Attend team meetings and other networks and promote the work of the homelessness and housing options service	On going. Initial promotion by May 2018	Housing Services Manager/Housing Options & Lettings Team Leader	Complete and on-going. Regular network meetings are in place. Meetings have been held with all partners individually and as a group.
		Promote PHIL internally and externally	On going	Housing Services Manager/Assistant Director (Housing)/Housing Options & Lettings Team Leader	Complete and on-going. PHIL is well promoted in North Warwickshire and across the County. Referrals to the service have increased.
	To ensure there is easy access to high quality information about the services provided and where to get help	Develop the information provided on the website and self assessment tools	September 2018	Housing Services Manager	Completed. Information on the website is regularly updated.
		Develop leaflets that can be issued by hand	September 2018	Housing Services Manager	Information is issued during the housing assessment process in an appropriate format for the applicant. Information is available in electronic and paper formats.
	To improve customer	Develop	September 2018	Housing Services	Processes are in place to

	service, involvement and satisfaction	mechanisms for obtaining feedback from customers		Manager	learn from complaints and housing application reviews. New tenants survey in place. Some specific homelessness interviews undertaken by an external provider as part of a wider piece of research.
<b>2. Prevent people from becoming homeless</b>	To further develop and improve the prevention tools to assist households in different situations and to meet local need	Develop prevention tools to ensure they are robust and accessible. This includes access to Discretionary Housing Payments, the availability of a prevention fund, rent deposits, mediation, home visits, joint working and access to specialist advice services	Initial review by April 2018. More comprehensive review on going	Assistant Director (Housing)/Housing Services Manager	Homelessness Prevention fund policy introduced May 2018. Monitoring is in place.
	To actively support, promote and develop partnership networks to ensure a coordinated and multi agency approach to homelessness prevention	Linked to promotion of the service with all relevant partners, develop and promote a coordinated and multi agency approach to achieve buy in from all key agencies. This will include consideration	Initial consultation by June 2018. Establishment of a strategic homelessness coordination group by September 2018.	Housing Services Manager	Complete. On-going partnership work networks are in place. The Homelessness Strategy Partnership Group is established. There are linkages to other Forums such as the Financial Inclusion Partnership and the

		of establishing a strategic homelessness coordination group that could oversee delivery of the action plan			County-wide Homelessness Partnership Group.
	To develop strong protocols for multi-agency working to support and appropriately refer individuals and families at risk linking into the work of PHIL	Review referral arrangements to other support agencies that may assist to prevent homelessness	September 2018	Housing Services Manager	Complete. Partnership referral arrangements have been reviewed. Arrangements are subject to on-going monitoring and review. The County-wide Housing Related Support contracts are being reviewed and re-commissioned by the County Council currently, with District and Boroughs being involved in the review process.
	To design and implement early and targeted interventions for groups identified as higher risk of homelessness linking into the work of PHIL	Identify and implement early interventions for high risk groups	September 2018	Housing Services Manager/Housing Options & Lettings Team Leader	On going work with PHIL and other support agencies. The Duty to Refer and Commitment to Refer process is assisting to identify high risk applicants at an earlier stage.
<b>3. Assist people as soon as soon as</b>	To review systems and processes to	Review processes to ensure we are	Initially by April 2018 to meet	Housing Services Manager	Systems are in place to ensure we are meeting



<b>possible if they do become homeless so that homelessness can be relieved by securing sufficient accommodation and support</b>	ensure the Homelessness Reduction Act requirements are fully implemented	meeting the HRAct requirements	requirement then on-going review		requirements. HCLIC monitoring in place as well as reporting against key performance indicators.
		Review what accommodation we have available to ensure we can achieve the relief duty for all eligible households	Initially by April 2018 then on-going review	Assistant Director (Housing)/Housing Services Manager	On going review of all initiatives available to meet our relief duty including assisting applicants to secure a private let and increasing the provision of supported housing and new-build Social Housing.
	Strengthen partnerships with local housing related support providers and other organisations who provide accommodation and support to homeless persons	Review local provision, ensure robust referral and move on arrangements are in place. Consider how support services provided could be developed further	September 2018 and ongoing	Housing Services Manager/Housing Options & Lettings Team Leader	Work on-going. Move-on arrangements in place and working well.
	Review temporary accommodation provision and ensure it is adequate to meet local need	Review temporary accommodation provision	On going review based on need.	Housing Services Manager/Housing Options & Lettings Team Leader	On going review to meet need. New initiatives have been introduced including provision of supported accommodation for single males and additional accommodation for homeless households.

		Provide an additional hostel for use as temporary accommodation	April 2018	Housing Services Manager/Housing Options & Lettings Team Leader	Achieved.
	Reinforce commitments to minimise the use of bed and breakfast provision particularly for families with children and maintain zero usage for 16-17 year olds	Review of temporary accommodation provision should avoid the need to use bed and breakfast provision. On going work with statutory and non statutory agencies regarding accommodating 16-17 year olds	Re-enforce commitment and work to joint working protocols for young people – on going	Housing Services Manager	Commitment has been achieved. Strong working arrangements are in place for young people in North Warwickshire.
<b>4. Support people to recover from their experience and stay out of homelessness</b>	To review the effectiveness of the tenancy sustainment service provided by the Council and ensure those most at risk of becoming homeless or losing their accommodation are assisted	Review effectiveness of the tenancy sustainment service	June 2018 and on going	Housing Services Manager	Arrangements are in place to review the tenancy sustainment service and ensure it is meeting need.
	To maximise referrals to housing related support providers to assist people to sustain their accommodation and receive the	Encourage referrals to providers and monitor outcomes. Promote services with Housing Options team	On going	Housing Services Manager/Housing Options & Lettings Team Leader	On going. Partners have attended team meetings to promote their services and provide clarity regarding referral processes.

	support they require				
	To develop financial inclusion services in conjunction with the North Warwickshire Financial Inclusion Partnership ensuring a coordinated approach to offering advice on housing benefit, debt and welfare benefit	Contribute to the work of the Financial Inclusion Partnership to help ensure there are initiatives that will help support homeless persons or those at threat of becoming homeless	On going	Housing Services Manager	On-going work in progress. A new Financial Inclusion Partnership Group has been established that operates across North Warwickshire and Nuneaton. A key objective of the group is to identify ways to prevent debt that often leads to homelessness.
<b>5. Enable people to secure homes they can afford and maintain</b>	To ensure adequate provision of housing to meet housing need in the Borough to include more supported housing	Work in partnership with our Registered Social Landlords and other housing providers to increase supply throughout the Borough  Work with developers to determine need for housing schemes coming forward to ensure that appropriate accommodation comes forward	On going	Assistant Director (Housing)/Strategy & Development Officer/ Housing Services Manager	Close working between development and front-line team to understand housing need. Close working with partner RSL's. 62 affordable rented homes were offered to applicants from the Council's Housing Register in 2019-20. Further new build properties will be available over the next 12-18 months providing much needed homes.
	To increase the supply of affordable housing through				

	existing and new partnerships				
	To review and monitor the Council's Lettings Scheme to ensure best use of stock and that social housing properties are let to those in most need	Undertake a review of the Lettings Scheme	September 2018	Assistant Director (Housing)/Housing Services Manager	The current Lettings Scheme is enabling us to meet our homelessness duties and address housing need in the Borough. No changes are proposed currently.
	To develop work with private landlords and initiatives that will improve access to the private rented market locally	Work alongside PHIL to develop models that will encourage private landlords to accommodate people in housing need	On going	Housing Services Manager/Housing Strategy & Development Officer	The situation has become increasingly more difficult particularly in the current environment. There is further potential to utilise the expertise within PHIL to develop our relationships with local landlords.
	To ensure those ready to move on from supported accommodation can do so in a timely way	Work closely with the support providers in making sure that the Move-On Protocol is being used effectively and is reviewed on a regular basis	Start quarterly monitoring from April 2018 with an annual review of the protocol in April 2019	Housing Options and Lettings Team Leader/Housing Services Manager	The County-wide move-on protocol was reviewed and is working well. This is important to ensure that there is a steady through put into temporary then permanent accommodation.

## Agenda Item No 9

### Resources Board

9 November 2020

## Report of the Corporate Director - Resources

## Capital Programme 2020/21 Period 6 Update

### 1 Summary

- 1.1 The report updates Members on the progress of the 2020/21 Capital Programme in terms of expenditure up to the end of September 2020.

#### Recommendations to the Board

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

### 2 Introduction

- 2.1 The Council's Capital Programme for 2020/21 totals £13,494,166; £500,000 was approved for an HRA electrical scheme in September 2019; a programme of work amounting to £9,705,830 was approved in February 2020; and at the Executive Board meeting on 8 September, it was agreed to carry forward £3,288,336 of unspent 2019/20 budget.

### 3 Budget Profiling

- 3.1 A schedule of works is arranged by each budget holder and each of the schemes are timetabled for completion throughout the year. This schedule is monitored on a monthly basis and discussed with Budget Holders.

### 4 Housing Schemes

- 4.1 The original budget for 2020/21 was £6,341,410 and there was an agreed carry forward of £2,474,522 from the 2019/20 budget, which provides a total Housing Capital budget of £8,815,932 (Appendix A).

- 4.2 There has been a total of £2,249,802 spent on the housing capital programme during the first six months of 2020/21; this is compared to a profiled budget of £2,288,270.

- 4.3 The New Build programme consists of a number of schemes. The schemes at Polesworth and Mancetter are complete, although there are some residual costs still to pay. Work on the flats at Long Street and Coleshill Road in Atherstone has continued and further work was carried out at Trinity Close, Warton in September.
- 4.4 External wall insulation works have been carried out at Stratford Avenue and works at Welcome Street have started. Planned work at Delves Crescent is expected to commence in January. The planned Windows and Doors scheme has been delayed due to limitations on the part of the contractor. The delayed installations are still scheduled to take place within the current financial year.
- 4.5 The Kitchens and Bathrooms scheme is yet to begin due to the Covid-19 related safe working practices that are currently required. This scheme is not expected to begin until the spring. Within the Roofing scheme, the expenditure to date relates to the completed works at Little Brum, Grendon, whilst work at Lister Road is now underway.
- 4.6 The Remedial Works to Flats scheme is progressing well and has seen a number of works take place at Monument View, Polesworth. This scheme is expected to be underspent in the current year, with a reduced budget provision required. Conversely there are two areas which require additional budget provision. It will be necessary to implement walk-in showers on a weekly basis for the remainder of the current financial year, in the Disabled Facilities Adaptations scheme. Within the Multi Trade budget, it has been necessary to carry out unplanned major structural works at individual properties, however there are a further four to be undertaken within the current financial year. To relieve the pressure on these two budgets, it is requested that virements of £215,000 and £100,000 be made from the Remedial Works to Flats budget to the Disabled Facilities Adaptations and Multi Trade budgets respectively.
- 4.7 Within the Vehicle Replacement Programme, five DLO vehicles have been purchased, along with six neighbourhood warden vehicles and four vehicles for housing inspectors. All vehicles purchased to date were funded from the budget that was carried forward from 2019/20, at a combined underspend of £3,208.
- 4.8 The schemes to cover Electrics, Alder and Heather Court Flats and Heating are ongoing and progressing.

## 5 General Fund Schemes

- 5.1 The original budget for 2020/21 was £3,864,420 and there is an agreed carry forward of £813,814. This gives a total General Fund Capital budget of £4,678,234 (Appendix A).
- 5.2 There has been a total of £764,903 spent against the general fund capital projects for 2020/21, compared to a profiled budget of £704,225.

- 5.3 The cladding works at Innage Park are due to go out to tender in the New Year. This scheme is not expected to commence until June 2021 at the earliest. The work to replace the roof covering the Maya Restaurant building is also expected to need moving back to 2021/22.
- 5.4 A further £25,518 has been committed on the project to develop the sub-regional Materials Recycling Facility for use by local authority partners, and no further work has been carried out on the office refurbishment at the Sheepy Road Depot since the end of July. The electrical upgrade planned for the Council Offices at the Old Bank House has been delayed until 2021/22.
- 5.5 Within the Parks and Playing Fields scheme, the approved pitch improvement works have started at Boot Hill Recreation Ground. Work has begun at Wood End Recreation Ground, with the installation of a new footpath and bench. This will be funded from contributions received. At the Atherstone Leisure Complex, improvements to the pool were carried out in July, together with some health and safety related works.
- 5.6 A web mapping update has been applied to the Graphical Information System at a cost, whilst the Payment Management System upgrade is due to take place in December, with further spending on enhanced security features. Infrastructure Improvements are expected to be made towards the end of the year, with the purchases of servers and core switches. Some computer projects have been affected by changes to work priorities during the first part of the year.
- 5.7 The Environmental Health System replacement is planned to take place in the later months of this financial year, with the tender process due to commence in November. Following Covid related delays in 2019/20, the planned replacement of the existing CCTV system is also expected to begin in November. The life lines budget has been used to fund the purchase of 6 fall detectors, 20 touch pendants and a spare reach battery pack.
- 5.8 Within the Vehicle Replacement scheme, two mowers were purchased in June, at a combined cost of £29,963. In September, three refuse vehicles were purchased at a cost of £192,637 each.

## **6 Report Implications**

### **6.1 Finance and Value for Money Implications**

- 6.1.1 Capital schemes will contribute to services provided by the Council, from maintaining decent Council homes, assisting in carrying out adaptations to resident's houses to helping to fund efficient heating systems to promote carbon reduction and encouraging fitness and wellbeing.

### **6.2 Environment and Sustainability Implications**

- 6.2.1 Expenditure incurred as part of the Council's Capital Programme enables the Council to continue to improve and deliver a range of services to the people of

North Warwickshire. The implementation of the capital programme will lead to improvements in the quality of life for the communities of North Warwickshire.

### **6.3 Risk Management Implications**

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

### **6.4 Equality Implications**

- 6.4.1 The Council is required to ensure it meets the requirements of the Equality Act 2010. The Act brings together all previous equality legislation and includes a public sector duty (the equality duty). The capital programme includes some provision for improving accessibility as required by the current Equality Act 2010 and other relevant legislation.
- 6.4.2 Failure to make reasonable adjustments could result in limiting access to services provided from our buildings and facilities by disabled people and the potential for legal challenges being taken against the Council.

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



**Capital Budgetary Control Summary 2020/21 - as at period 6 (September)**

Cost Centre Description	Original Budget 2020/21	Budget Brought Forward from 2019/20	Virements & Supplementary Budgets	(A)	(B)	(C)	(D)
				Total 2020/21 Approved Budget £	Profiled Budget £	Total Year To Date £	Total v Profiled Budget £
Housing Disabled Facility Adaptation CH	185,710			185,710	60,000	57,908	(2,092)
Housing Insulation	92,850	521,711		614,561	20,000	19,855	(145)
Housing Windows and Doors	247,610	9,647		257,257	55,000	8,368	(46,632)
Housing Kitchens and Bathrooms	402,370		(257,630)	144,740	0	0	0
Housing Multi Trade Contract	402,370		257,630	660,000	500,000	562,006	62,006
Housing Remedial Work to Flats	711,900	377,884		1,089,784	380,000	325,282	(54,718)
Housing Roofing	402,370	101,411		503,781	60,000	59,437	(563)
Housing Heating	247,610	200,385		447,995	80,000	81,759	1,759
Housing Electrics	902,370	233,952		1,136,322	460,000	465,788	5,788
Housing Alder and Heather Court Flats	0	184,912		184,912	60,000	58,665	(1,335)
New Build Housing Project	2,343,800	639,120		2,982,920	270,000	270,671	671
Housing Replacement DLO Vehicles	88,420	80,500		168,920	80,500	78,503	(1,997)
Housing Replacement Warden Vehicles	0	75,000		75,000	75,000	74,274	(726)
Housing Replacement Housing Vehicles	38,490	50,000		88,490	50,000	49,516	(484)
Housing Capital Salaries	275,540			275,540	137,770	137,770	0
<b>Total HRA</b>	<b>6,341,410</b>	<b>2,474,522</b>	<b>0</b>	<b>8,815,932</b>	<b>2,288,270</b>	<b>2,249,802</b>	<b>(38,468)</b>
Innage Park Cladding	195,000			195,000	0	0	0
Pavilions Roof	105,000			105,000	0	0	0
Atherstone Leisure Complex Roof Replacement	210,000	42,170		252,170	0	0	0
Materials Recycling Facility	1,124,000	10,000		1,134,000	25,000	25,518	518
Disability Discrimination Adaptation	0	267,310		267,310	0	0	0
Depot Works	0	70,000		70,000	10,000	7,419	(2,581)
Maya Restaurant Roof	120,000			120,000	0	0	0
Council Offices Electrics	150,000			150,000	0	0	0
Parks and Playing Fields	200,000	120,130		320,130	50,000	49,263	(737)
General Leisure Equipment	20,000			20,000	0	633	633
Wood End Recreation Ground	0			0	0	27,519	27,519
ALC Pool Improvement	0			0	0	13,071	13,071
ALC Gym Equipment	250,000			250,000	0	0	0
Computer Software	40,000			40,000	25,000	23,082	(1,918)
Infrastructure Improvements	20,000	25,400		45,400	0	0	0
Financial Management System Replacement	300,000			300,000	0	0	0
Network Infrastructure Replacement	40,000			40,000	0	0	0

Payment Management System Upgrade	18,000			18,000	0	0	0
Server Virtualisation Replacement	50,000			50,000	0	0	0
Environmental Health System Replacement	85,000			85,000	0	0	0
Life Lines	23,000			23,000	1,000	1,172	172
Transport	871,450	109,240		980,690	584,240	607,875	23,635
Decent Homes Standard Assistance	25,000			25,000	0	0	0
CCTV System	0	69,564		69,564	0	366	366
Community Fund Local Partnership	0	100,000		100,000	0	0	0
Capital Salaries	17,970			17,970	8,985	8,985	0
<b>Total General Fund</b>	<b>3,864,420</b>	<b>813,814</b>	<b>0</b>	<b>4,678,234</b>	<b>704,225</b>	<b>764,903</b>	<b>60,678</b>
<b>Total Expenditure</b>	<b>10,205,830</b>	<b>3,288,336</b>	<b>0</b>	<b>13,494,166</b>	<b>2,992,495</b>	<b>3,014,705</b>	<b>22,210</b>

## Agenda Item 10

### Resources Board

9 November 2020

#### Report of the Corporate Director - Resources

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

## 1 Summary

- 1.1 The report covers revenue expenditure and income for the period from 1 April 2020 to 30 September 2020. The 2020/21 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

### **Recommendation to Resources Board**

**That the report be noted and that the Board requests any further information it feels would assist it in monitoring the budgets under the Board's control.**

## 2 Introduction

- 2.1 Resources Board is responsible for monitoring the Council's overall financial position on the General Fund, and this report gives details of the position at 30 September 2020.
- 2.2 The Board is also directly responsible for a number of internal and front line services. Accounting rules require front line services to show the total cost of providing the service, which includes support costs such as finance and IT services, as well as costs and income directly incurred.
- 2.3 Internal service costs are therefore recharged to all the services they support, both those that remain within Resources Board and those which are the responsibility of other Boards. This report provides some detail on both the front line services relating to this Board and the internal service costs that are recharged, at 30 September 2020.
- 2.4 Where possible, the year-to-date budget figures have been calculated with some allowance for seasonal variations, in order to give a better comparison with actual figures.

### **3 Services Remaining Within Resources Board**

3.1 The total expenditure for those services that remain within Resources as at 30 September 2020 is £1,313,252 compared with a profiled budgetary position of £1,138,856; giving an overspend of £174,396 for the period. Appendix A to this report provides details of the profiled and actual position for each service reporting to this Board, together with the variance for the period.

### **3.2 Democratic Process**

3.2.1 The current underspend is mainly due to lower spend on mayoral activity, transport and telephone costs. This is not currently taking place due to the pandemic.

### **3.3 Council Tax Collection**

3.3.1 The current overspend is mainly due to lower than profiled income from the recovery of legal costs. This is because debt recovery action was put on hold by the Authority due to Covid-19 and therefore summons or liability orders have not been issued. Recovery action will recommence, but the Council will work with customers where they are struggling with current payments due to Covid-19.

### **3.4 Compensation and Pension Increases**

3.4.1 The budget included the expected reduction in costs from paying pension contributions in advance. The prepayment was due in April 2020 but given the uncertainty around finances and cash flow at that time, the decision was taken not to proceed. The overspend reflects the loss of the expected reduction for the year.

### **3.5 Corporate and Democratic Core**

3.5.1 The current underspend is due to lower than expected Bank Charges.

### **3.6 Rent Allowances, and Rent Rebates and Administration**

3.6.1 The current overspend on Rent Allowances and Rent Rebates of £50,055 relates to lower than expected income from the recovery of housing benefit overpayments. This is because debt recovery action has been put on hold by the Authority due to Covid-19 and therefore liability orders or attachment of benefit orders have not been issued. The benefits team have also been dealing with a significant increase in Council Tax Support claims and change in circumstances forms due to Covid-19. This has been partially offset by an under spend in Housing Rent Allowances and Rent Rebates due to a reduction in the net cost of benefits paid out.

### **3.7 Meadow House Young People Support**

3.7.1 In September 2019, the Council entered into a lease agreement with Bromford Housing Group for Meadow House for 3 years. The current spend for this project relates mainly to the lease payment made to Bromford Housing Group for 2020/21. The costs for the project will be funded from rent due from the occupants.

### **3.8 Homeless Project Watling Street Dordon**

3.8.1 The Council received funding of £200,000 from Warwickshire County Council in April 2020 to support the Homeless project at Watling Street, Dordon. The project is for homeless single males identified as needing some support before going into their own tenancies, whether they are with the Council or another provider. Whilst there is a focus on veterans, it is available to all single males including civilians. The 5 bed property is leased from Cornerstone Partnership who are a social enterprise for affordable housing. Expenditure for the project will not exceed the funding that has been received and Appendix A shows the net position to date.

## **4 Services Recharged to Other Directorates and Services**

4.1 Net expenditure for those services that are recharged to other Directorates and Services, as at 30 September 2020, is £17,003 compared with a profiled budgetary position of £244,911, giving an under spend of £227,908 for the period. However the Council's budget requirement for 2020/21 assumed that there would be a salary vacancy saving in the year of £234,000 and this was included as a central amount. When the appropriate proportion of this is taken into account, there is an under spend of £110,908.

... 4.2 Appendix B shows each service profiled and actual positions for the period, together with the variance. The central vacancy factor has been added into the budget columns shown in Appendix B to enable easier comparison with the actual position.

4.3 The underspend on Council Offices is due to a reduction in the Non Domestic Rates payable as a result of a reduction in the ratable value of the Council House. In addition there are underspends on electricity costs, supplies and services and employee costs due to cleaner vacancies.

### **4.4 Directorate Budgets**

4.4.1 Current vacancy levels within the Directorates are greater than the profile budget after allowing for the use of agency staff to cover some key duties, any recruitment costs resulting from these vacancies and excluding vacancies that relate to the Housing Revenue Account.

4.4.2 The areas with vacancies are Corporate Director – Environment, Democratic Services, Environmental Health, Customer Contact, Central Services, Community Support, Financial Services and Procurement. This level of vacancies will not continue, following the successful recruitment to some posts. The table below relates to the General Fund only.

	£
Current agency staff variance	185,098
Current salaries underspend	(374,388)
<b>Sub Total</b>	<b>(189,290)</b>
Less Central vacancy factor	117,000
<b>TOTAL</b>	<b>(72,290)</b>

4.4.3 In addition to the salary savings identified above there are underspends on officer travel expenses due to less travel as a result of Covid-19, IT professional fees, and conference fees.

## 5 Performance Indicators

5.1 In addition to the financial information provided to this Board, when the budgets were set in February, performance indicators were included as a means of putting the financial position into context. These are shown at Appendix C.

5.2 The majority of the Performance Indicators are comparable with the profiled position.

5.3 The main reason for the variance in the performance figures for council tax collection is due to lower recovery of legal costs.

5.4 The main reason for the variance in the performance figures for rent allowances is due to lower recovery of housing rent allowance overpayments. In addition there has been a lower number of claimants', therefore resulting in a higher net administration cost per claimant.

5.5 The main reason for the variance in the performance figures for rent rebates is due to lower recovery of housing rent rebate overpayments. In addition there has been a lower number of claimants', therefore resulting in a higher net administration cost per claimant.

5.6 The NDR collection rate is currently behind the profile position, as businesses have been affected by the pandemic and recovery action was put on hold. Work with businesses is ongoing to provide support where possible, whilst maximising income collection.

5.7 The number of Council Tax Support claimants has increased due to Covid-19.

## 6 Overall General Fund Position

6.1 Appendix D provides an analysis of Board expenditure and the overall position for the General Fund for this report.

6.2 The actual level of Board expenditure for the period to 30 September 2020 is £6,082,854 compared with a profiled budgetary position of £5,564,791 an overspend of £518,063.

6.3 Within the Executive Board expenditure is currently less than expected due to a delay in the work on the Local Development Plan as a result of Covid-19.

- 6.4 The Planning and Development Board is overspent due to lower income from Planning Fees. This has been partly offset by lower than expected expenditure on professional fees, and advertising and publicity budgets.
- 6.5 Within the Community and Environment Board, there is reduced income across the Leisure Centres, due to the closure of the centres as a result of Covid-19. There is also an over spend within the Recycling budget because charging for collection of green waste did not go ahead as a result of Covid-19. Employee costs on Refuse and Recycling are also overspent due to the use of more agency staff as a result of Covid-19. This however has been partially offset by underspends on employee costs, equipment, and transport maintenance and running costs within Grounds Maintenance and Street Cleaning services.
- 6.6 Resources Board variances are as detailed earlier in this report.
- 6.7 Additional expenditure has been incurred due to Covid-19 to support shielding activities, cleaning materials, signage, laptops, additional home working licenses, changes to the Revenues and Benefits CIVICA system for Covid-19 NDR business grant payments and Council Tax hardship, hire of additional refuse vehicles and running costs.
- 6.8 Additional grant has been provided this year by the Government to cover Covid-19 expenditure. The grant will be used to fund Covid-19 overspends in expenditure and some loss of income.
- 6.9 As well as expenditure directly attributable to services, and included in the Board totals, there are a number of other amounts that need to be taken into account that provide the total net expenditure for the General Fund. This includes investment income, external interest payments and adjustments to reverse capital charges included within Board expenditure, from out of Council expenditure. Investment income has fallen as the reduction in the Bank of England base rate has led to a reduction in the investment rates the Council is able to access. Whilst existing fixed rate investments were unaffected, any new / replacement investments can only access the lower rates that are now available on the market.
- 6.10 Taking these amounts into account, net expenditure for the Council to the end of September totals £5,322,827 compared with a profiled position of £4,731,725. This increases the general overspend for the period to £591,102.

## 7 Risks to Services

- 7.1 In setting the budget in January 2020, a number of key risks to the overall budgetary position of the Council were highlighted and these are shown below:-
- A pay award of 2% has been assumed in preparing the budgets. Any settlement above or below this would affect the financial position of the Authority. A ½% variation would equate to £54,900.
  - A vacancy factor has been included within the overall estimates. Should vacancies be less than expected, additional costs will be borne by the Authority.

- There are potential additional costs for the Council in carrying out its planning function. If the Council loses a planning appeal, an award of costs can be made against the Council (the appellants costs for the appeal). If the Council consistently loses appeals it will become a designated authority, which means that prospective applicants can submit their applications directly to the Planning Inspectorate. This would mean the Council would lose the accompanying planning fee. In addition, any downturn in planning applications would impact on the fee income received.
- Council expenditure on housing benefit is significant, although the majority is recouped through grant. Any reduction in performance can lead to a loss of grant and/or increase in the non-recovery of overpayments. The transfer of housing benefit into the universal credit administered nationally will impact on council resources.
- A downturn in the current economic situation could have an impact on the industrial rent income that the Council can obtain. In addition, the NDR on vacant commercial properties will impact directly on the Council's costs.
- Legislation, as well as the economic situation, could also impact on other Council services such as Homelessness, with increased demand leading to additional expenditure.
- The Council is promoting recycling activities across the Borough. Reductions in income for recycling materials could add to the existing costs of the service.
- Limited budgetary provision is available for one off spending on areas such as public enquiries on planning, un-adopted roads and contaminated land issues.
- Deterioration of the Council's assets could require costly remedial action, and could also impact on the ability of some services to generate income. Income generation could also be affected more widely by the current economic position.

## 8 Estimated Out-turn for the General Fund

8.1 The anticipated out-turn for the General Fund is detailed in the table below: -

Board		£
	<b>Approved Budget 2020/21</b>	<b>7,722,950</b>
All	Covid-19 Additional Expenditure and Loss of Income	2,150,310
All	Covid-19 Expected Grant	(1,958,140)
Overall	Covid-19 Reduction in Investment Income	175,000
Overall	Reduction in Item 8 credit to the HRA	(49,660)
All	Increase in 2020/21 pay award from 2% to 2.75%	82,190
Resources	Reduction in Council Offices NDR	(4,940)
Resources	Underspend on Members costs / Mayoral Activity	(22,000)
Resources	Vacancy savings higher than vacancy factor	(72,290)
Executive	Underspend on Local Development Plan	(65,000)
	<b>Expected Out-turn 2020/21</b>	<b>7,958,420</b>



## 9 Report Implications

### 9.1 Finance and Value for Money Implications

9.1.1 The Council's original budgeted contribution from General Fund balances for the 2020/21 financial year was £589,940. This is expected to increase by £235,470 as shown above in section 8.1. The adjustments included for Covid are based on assumptions of the ongoing impact on services and may change.

9.1.2 Income and expenditure will continue to be closely managed and any further issues that arise will be reported to this Board at future meetings.

### 9.2 Environment and Sustainability Implications

9.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control, to ensure not only the availability of services within the current financial year, but in future years.

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

## Background Papers

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

Background Paper No	Author	Nature of Background Paper	Date

**SERVICE REMAINING WITHIN RESOURCES BOARD**  
**Budgetary Control Report 2020/21 as at 30 September 2020**

Description	Approved Budget 2020/21	Profiled Budget to September 2020	Actuals to end September 2020	Variance to Date	Comments
Cost of Democratic Process	506,050	254,085	240,153	(13,932)	See 3.2
Election Expenses	25,550	15,475	15,505	30	
Registration of Electors	75,670	35,451	34,291	(1,160)	
Business Rates	94,300	107,260	109,530	2,270	
Council Tax Collection	319,710	169,425	227,644	58,219	See 3.3
Miscellaneous Finance	520	(22,050)	(24,771)	(2,721)	
Compensation and Pension Increases	186,280	25,169	106,290	81,121	See 3.4
Assisted Car Purchases	(110)	85	85	-	
Electricity at Work	24,150	13,729	14,096	367	
Finance Unused Land and Assets	1,100	524	221	(303)	
Corporate and Democratic Core	643,500	292,756	289,053	(3,703)	See 3.5
Unallocated Central Support Services	83,120	18,720	18,255	(465)	
Coleshill Shops and Flats	(64,530)	(26,370)	(26,391)	(21)	
The Pavilions, Holly Lane	(80,770)	(37,994)	(36,495)	1,499	
Carlyon Road Industrial Estate	(126,240)	(61,635)	(59,467)	2,168	
Innage Park Industrial Estate	(13,970)	(35,259)	(36,398)	(1,140)	
Polesworth Workspace Units	(5,400)	(2,685)	(2,743)	(58)	
Maya Bar and Restaurant	(11,660)	(5,470)	(5,529)	(59)	
Football Stadium	-	-	26	26	
Homeless Persons	112,290	40,202	41,052	850	
Meadow House Young People Support	-	29,437	29,437	-	See 3.7
Homeless Project Watling Street Dordon	-	(148,776)	(148,776)	-	See 3.8
Public Conveniences	56,840	18,775	17,241	(1,534)	
Customer Contact	100,640	40,611	40,086	(525)	
Rent Allowances and Administration	109,510	46,046	77,398	31,352	See 3.6
Housing Rent Rebates and Administration	173,520	64,657	83,360	18,703	See 3.6
Council Tax Support	241,280	89,300	91,334	2,034	
Car Parks	106,720	79,266	80,109	842	
Private Sector Housing Assistance	65,910	34,425	34,434	9	
CCTV	128,540	67,537	69,605	2,068	
Community Support	355,000	36,158	34,616	(1,542)	
<b>TOTALS</b>	<b>3,107,520</b>	<b>1,138,856</b>	<b>1,313,252</b>	<b>174,396</b>	

**RECHARGED SERVICES**  
**Budgetary Control Report 2020/21 as at 30 September 2020**

<b>Description</b>	<b>Approved Budget 2020/21</b>	<b>Profiled Budget to September 2020</b>	<b>Actuals to end September 2020</b>	<b>Variance to Date</b>	<b>Comments</b>
Building Maintenance Fund	-	15,926	15,926	-	
Council Offices	250	29,851	9,706	(20,145)	See 4.3
Central Telephones	-	9,550	10,461	911	
Recruitment	-	1,790	-	(1,790)	
Printing and Stationery	40	(3,077)	(3,998)	(920)	
Training	-	820	(189)	(1,009)	
Depot and Stores	20	13,453	12,556	(897)	
Postal Services	-	-	-	-	
Chief Executive Directorate	120	1,804	2,555	752	
Corporate Director - Environment	1,620	11,178	(44,468)	(55,646)	See 4.4
Corporate Director - Community Services	1,590	3,253	(24,030)	(27,283)	See 4.4
Corporate Director - Resources	2,210	7,224	(41,858)	(49,082)	See 4.4
Director of Housing	2,880	32,629	15,345	(17,284)	See 4.4
Director of Leisure & Community Development	560	3,399	(10,373)	(13,772)	See 4.4
Director of Streetscape	390	8,375	5,640	(2,735)	See 4.4
Director of Corporate Services	990	91,046	52,037	(39,008)	See 4.4
Transport Management Account	120	17,692	17,692	-	
<b>TOTALS</b>	<b>10,790</b>	<b>244,911</b>	<b>17,003</b>	<b>(227,908)</b>	
Central Vacancy Factor	(234,000)	(117,000)	-	117,000	
<b>TOTALS</b>	<b>(223,210)</b>	<b>127,911</b>	<b>17,003</b>	<b>(110,908)</b>	

## Performance Indicators (PIs) for budgets reporting to the Resources Board

	Budgeted performance	Profiled Budgeted performance	Actual performance to Date
<b>Registration of Electors</b>			
Cost per registered elector	£1.54	£0.72	£0.68
<b>Business Rates</b>			
Business Rate Collection Rate	99.00%	58.00%	51.00%
Cost per NDR Property	£39.49	£44.92	£45.47
<b>Council Tax Collection</b>			
Council Tax Collection Rate	98.00%	57.00%	56.48%
Cost per Household	£11.12	£5.90	£7.95
<b>Coleshill Shops and Flats</b>			
Occupancy Rate	100.00%	100.00%	100.00%
Annual Income per Shop	(£10,236)	(£4,389)	(£4,389)
<b>The Pavilions</b>			
Occupancy Rate	100.00%	100.00%	100.00%
Annual Income per Unit	(£11,036)	(£5,351)	(£5,161)
<b>Carlyon Road Industrial Estate</b>			
Occupancy Rate	100.00%	100.00%	100.00%
Annual Income per Unit/Plot	(£8,606)	(£4,283)	(£4,145)
<b>Innage Park Industrial Estate</b>			
Occupancy Rate	93.00%	93.00%	93.00%
Annual Income per Unit	(£5,710)	(£3,097)	(£3,090)
<b>Polesworth Workspaces</b>			
Occupancy Rate	100.00%	100.00%	100.00%
Annual Income per Unit	(£1,556)	(£778)	(£796)
<b>Rent Allowances</b>			
Number of Claimants	1,150	1,150	1,108
Rent Allowances per Claimant	£4,993	£2,496	£2,280
Cost of Administration per Claimant	£95.23	£40.04	£69.85
<b>Rent Rebates</b>			
Number of Claimants	1,100	1,100	1,000
Rent Rebates per Claimant	£4,914	£2,457	£2,388
Cost of Administration per Claimant	£157.75	£58.78	£83.36
<b>Council Tax Support</b>			
Number of Claimants	4,150	4,150	4,424
Net Cost of Administration per Claimant	£58.14	£21.52	£20.65
<b>Community Support</b>			
Number of paying lifeline customers	1,500	1,500	1,478
Net expenditure per paying lifeline customer	£236.67	£24.11	£23.42

**CONSOLIDATED GENERAL FUND POSITION**  
**Budgetary Control Report 2020/21 as at 30 September 2020**

<b>Board</b>	<b>Approved Budget 2020/21</b>	<b>Expected position at September 2020</b>	<b>Actual position at September 2020</b>	<b>Variance</b>
Executive	731,530	357,902	308,653	(49,249)
Planning and Development	264,650	119,642	164,614	44,972
Licensing Committee	47,930	25,773	25,395	(378)
Community and Environment	5,456,070	2,720,720	3,725,692	1,004,971
Resources (including staff vacancies)	2,884,310	1,266,767	1,330,254	63,487
Covid-19 Expenditure	-	-	225,292	225,292
Covid-19 Grants	-	-	(771,033)	(771,033)
Payments to Parish Councils	-	1,073,987	1,073,987	-
Other Contingencies	4,590	-	-	-
<b>Net Board Expenditure</b>	<b>9,389,080</b>	<b>5,564,791</b>	<b>6,082,854</b>	<b>518,063</b>
Investment Income	(360,000)	(180,000)	(106,961)	73,039
Use of Balances	(589,940)	(294,970)	(294,970)	-
Financing Adjustment	(716,190)	(358,095)	(358,095)	-
<b>Net Expenditure</b>	<b>7,722,950</b>	<b>4,731,725</b>	<b>5,322,827</b>	<b>591,102</b>

## Agenda Item No 11

### Resources Board

9 November 2020

#### Report of the Corporate Director - Resources

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

### 1 Summary

- 1.1 The report covers total Housing Revenue Account revenue expenditure and income for the period from 1 April to 30 September 2020.

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

**To consider if any further information is required.**

### 2 Introduction

- 2.1 Under the Service Reporting Code of Practice (SeRCOP), services should be charged with the total cost of providing the service, which not only includes costs and income directly incurred, but also support costs relating to such areas as finance, office accommodation, telephone costs and IT services and Member costs.

### 3 Overall Position

- 3.1 The Housing Revenue Account (HRA) includes all costs and income relating to the letting and management of the Council's housing stock. This has to be kept separate from General Fund expenditure. The actual position for the HRA for the period ended 30 September 2020 is a surplus of £14,834, compared with a forecast surplus position for the period of £33,498. Where possible, the forecast position has been profiled to reflect seasonal variations in expenditure and income, in order to give a better comparison with actual figures. The actual position is an unfavourable variance of £18,664 against the forecast position. Appendix A to this report provides details of the profiled and actual position for expenditure and income incurred by the HRA.

...

- 3.2 The contribution to the Repairs Fund is transferred from the Revenue Account on a monthly basis as profiled. The actual spend on repairs is shown within the Repairs Fund. Similarly budget provision within the Revenue Account for capital expenditure is transferred to capital reserves, which are then utilised to fund HRA capital expenditure included in the capital programme.

- 3.3 The overspend within Supervision and Management General relates to Housemark photobook enterprise installation and licences. This relates to a managed software product that will replace the entirely paper records and systems used by the Neighbourhood Warden service via their use of smartphones. In addition, legal costs are higher than expected due to court action on problematic tenancies. There has been no court action to date in the current financial year on rent arrears due to the restrictions on recovery action imposed by the Government during Covid19. This has been partially offset by an underspend to date on bank charges due to lower levels of rent payments being received through giro bank. This is not unexpected given the lock down and may change as the year progresses. In addition there is an underspend on recruitment costs.
- 3.4 The underspend within Supervision and Management Special Services is due to lower expenditure on utilities to date, as a result of changing suppliers and changing light fittings to LED's in communal areas in Flats and Community Centres. There are also underspends on window cleaning and supplies budgets due to the Coronavirus Pandemic and timing changes, although some of the spend may occur later in the year.
- 3.5.1 Rental income is currently higher than expected as the Council has only sold 7 Council houses to date against an expected level of 15 Council houses. This increase has covered the income loss from a higher level of voids, 1.73% against a budgeted level of 1%, an increase in the time duration the properties are empty due to the level of repairs required to bring the property back to accepted letting conditions and 20 properties currently held as void, due to the proposed new build programme in Coleshill Road/Long Street Atherstone.
- 3.5.2 Whilst rent levels due for collection are in line with expected budgets, there has been an increase in the level of arrears (rent and service charges). A year on year comparison to end September 2020 has seen an 18.05% or £55,966 increase in like for like levels. It is likely that the Coronavirus Pandemic has affected rent collection to date, and there is uncertainty about its ongoing impact. Whilst efforts continue to manage debt levels, the option of court action is currently not available. At this point of the year, the loss of rental and service charge income can be covered by the use of the budget provided for bad debts. Going forward if the arrears continue increasing this may not be sufficient.
- 3.6 Garage rental income is currently lower than expected, partially relating to the condition of some garages.
- 3.7 Investment income has reduced due to a fall in interest rates on balances held.

#### **4 Housing Repairs Fund**

- 4.1 The Housing Repairs Fund covers expenditure on all repairs and maintenance, both day to day and programmed, whether carried out by Housing Direct Works or external contractors. This includes any surplus or deficit on the operation of Housing Direct Works.

4.2 The balance on the Fund estimated at the start of the year amounted to £867,205. The balance can be used to cover timing issues between years. In 2020/21 the contribution to the fund is £3,218,490. Any over-spend in the repairs fund would impact on the use of Housing Revenue Account balances if it exceeded the balance on the fund and the contribution in the year.

... 4.3 The position on the fund at the end of September is shown in Appendix B.

## 5 **Housing Direct Works**

5.1 There is an under spend on employee costs reflecting the current level of permanent employee vacancies against the agreed budget. A number of vacancies have been temporarily filled with agency employees. Not all vacancies have initially been filled as the Coronavirus pandemic has reduced some types of works being undertaken. In addition this has allowed more work to be undertaken on capital schemes and for the General Fund reflected in the higher level of income. This has been more than offset by an increase in supplies and services due to a higher use and cost of materials.

... 5.2 Appendix C to this report provides the profiled and actual expenditure of Housing Direct Works in more detail.

## 6 **Risks to the Budget**

6.1 The key risks to the budgetary position of the Housing Revenue Account identified were identified when setting the budget in February 2020/21. The Coronavirus Pandemic has increased the risk to the Housing Revenue Account, exacerbating a number of the risks already identified.

The key risks identified at the time of setting the budget were:

- The potential ongoing impact of sustaining rent income levels with the changes from Universal Credit. This risk has increased as a result of the pandemic;
- The requirement on the Council to meet statutory housing needs and support tenants to sustain their tenancies as well as manage them in moving on as secure tenancies are replaced with flexible ones. Work in this area has continued, although it has been made more difficult by recent circumstances;
- A change in interest rates, if funds need to be borrowed;
- The requirements of an ageing stock and the need to meet the Decent Homes Standard are likely to continue to increase the demand for capital works. Work to keep the Council's assets in good condition will be prioritised and accommodated within existing budgets;
- Any reduction in the performance of Housing Direct Works will put pressure on the Council to use external contractors and therefore will impact on the level of expenditure;



- Asbestos removal is an ongoing cost pressure over the next few years until the full picture of the level of asbestos contained in council houses and the cost of removal is assessed.

## 7 Estimated Out-turn

- 7.1 The anticipated out-turn for the Housing Revenue Account for 2020/21 is detailed in the table below;

	£
<b>Approved budget - Deficit 2020-21</b>	<b>711,030</b>
Loss on investment income due to falling interest rates	47,970
<b>Expected Outturn - Deficit 2020-21</b>	<b>759,000</b>

- 7.2 The estimated out-turn for the Repairs Fund remains the same as that included in the original budget.

## 8 Report Implications

### 8.1 Finance and Value for Money Implications

- 8.1.1 The Council original budgeted contribution from the Housing Revenue Fund balance for the 2020/21 financial year of £711,030. This is expected to increase by £47,970 to £759,000 as shown above in section 7.1.

- 8.1.2 Income and expenditure will continue to be closely managed and any issues that arise will be reported to this committee for comment.

### 8.2 Environment and Sustainability Implications

- 8.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control, to ensure not only the availability of services within the current financial year, but in future years.

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

**HOUSING REVENUE ACCOUNT**

	<b>Amended Budget 2020/2021</b>	<b>Expected Spend to September 2020/2021</b>	<b>Actual Spend to September 2020/2021</b>	<b>Variance</b>	<b>Comments</b>
<b>EXPENDITURE</b>					
Repairs and Maintenance	3,218,490	1,651,900	1,651,900	-	Comment 3.2
Supervision and Management - General	1,577,820	831,866	841,114	9,248	Comment 3.3
Supervision and Management - Special Services	435,380	217,038	202,806	(14,232)	Comment 3.4
Provision for Bad Debts	229,690	114,845	114,845	-	
Interest on Loans	1,503,920	751,960	751,960	-	
Revenue Set Aside (debt Repayment)	2,000,000	1,000,000	1,000,000	-	
Capital Expenditure - New Build	1,230,460	615,230	615,230	-	Comment 3.2
Capital Expenditure	2,607,220	1,303,610	1,303,610	-	Comment 3.2
<b>Total Expenditure</b>	<b>12,802,980</b>	<b>6,486,449</b>	<b>6,481,465</b>	<b>(4,984)</b>	
<b>INCOME</b>					
Gross Rent Income from Dwellings	(11,484,500)	(6,220,771)	(6,228,046)	(7,275)	Comment 3.5
Gross Rent Income from Non-Dwellings	(402,520)	(214,910)	(208,868)	6,042	Comment 3.6
Charges for Services and Facilities	(109,960)	(36,781)	(35,888)	893	
<b>Total Income</b>	<b>(11,996,980)</b>	<b>(6,472,462)</b>	<b>(6,472,802)</b>	<b>(340)</b>	
<b>NET COST OF SERVICES</b>	<b>806,000</b>	<b>13,987</b>	<b>8,663</b>	<b>(5,324)</b>	
Investment Income- Other	(94,970)	(47,485)	(23,497)	23,988	Comment 3.7
<b>TOTAL (SURPLUS)/DEFICIT FOR THE YEAR</b>	<b>711,030</b>	<b>(33,498)</b>	<b>(14,834)</b>	<b>18,664</b>	

## Appendix B

### HOUSING REPAIRS FUND (to end of September 2020)

	£
<b>Balance available at 1 April 2020 (Estimate)</b>	<b>867,205</b>
Contribution 2020/21 (to September 2020)	1,651,900
Expected Use of Fund (to September 2020)	(1,503,560)
<b>Surplus on the Fund at 31 July 2020</b>	<b>1,015,545</b>

APPENDIX C

**HOUSING DIRECT WORKS**

**Budgetary Control Report as at 31 September 2020**

	<b>Original Budget 2020/2021</b>	<b>Expected Spend 2020/2021</b>	<b>Actual Spend 2020/2021</b>	<b>Variance</b>
<b>EXPENDITURE</b>				
Employee Costs	754,240	380,325	376,221	(4,104)
Supplies and Services	310,820	153,440	197,392	43,952
Transport	85,140	46,765	45,623	(1,142)
Income	(7,720)	(2,780)	(21,595)	(18,815)
<b>Gross controllable Expenditure</b>	<b>1,142,480</b>	<b>577,750</b>	<b>597,641</b>	<b>19,891</b>
Central Support	242,780	121,390	121,390	-
<b>Housing Direct Works Expenditure</b>	<b>1,385,260</b>	<b>699,140</b>	<b>719,031</b>	<b>19,891</b>

**Agenda Item No 12**

**Resources Board**

**9 November 2020**

**Report of the  
Corporate Director - Resources**

**Treasury Management Update  
2020/21**

**1 Summary**

- 1.1 This report shows the Treasury Management activity for the period up to the end of September 2020.

**Recommendation to the Board**

**That the Treasury Management Report for the period up to the end of September 2020 be noted.**

**2 Introduction**

- 2.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before maximising investment return.
- 2.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 2.3 The Council uses the Code of Practice for Treasury Management issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) to ensure best practice is followed. The Code suggests minimum requirements for informing Members of Treasury Management activities, and this report follows the guidance of the Code.

### **3 Economic Forecast**

- 3.1 The 2020/21 financial year began with a record fall in UK GDP of 19.5% in April, as the Covid-19 related lockdown measures were implemented. This was followed by growth of 8% for the 3 month period from June to August, as the lockdown measures gradually eased. The services, construction and production sectors all contributed to the growth level during this period, with the accommodation industry growing by 76%, as a result of continuing restrictions on international travel. However, at the end of August, UK GDP was still 9.2% below the immediate pre-pandemic level, whilst the 3 months to August also saw the UK unemployment rate rise to a 3 year high of 4.5%, and redundancies rise to an 11 year high.
- 3.2 The UK's CPI inflation rate reduced from 1.0% in July to 0.2% in August. This was consistent with temporary impacts on inflation from the Eat Out to Help Out scheme and vat reductions for hospitality, holiday accommodation and attractions. CPI rebounded a little in September to 0.5%, following the end of the discount meals scheme. The Monetary Policy Committee voted unanimously to maintain the Bank of England base interest rate at 0.10% on 16 September 2020, and has been advised of the Bank of England's plans to explore how a negative bank rate could be implemented effectively, should the outlook warrant it.
- 3.3 The Council's Treasury Advisor, Link Asset Services, is not anticipating a further interest rate change within the current financial year.

### **4 Treasury Management Strategy Statement**

#### **4.1 Review of Annual Investment Strategy**

- 4.1.1 The Treasury Management Strategy Statement (TMSS) for 2020/21 was approved by Resources Board on 27 January 2020. The Council's Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council's investment priorities as follows:
- Security of Capital
  - Liquidity
  - Yield
- 4.1.2 The Council will aim to achieve the optimum return on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate generally to keep investments short term, and only invest with highly rated financial institutions, including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Link Asset Services.
- 4.1.3 The Council's weighted average at the end of September has reduced since the end of the 2019/20 financial year. In 2020/21 there has been a significant decrease in yield rates, meaning that some maturing investments have had to be re-invested at significantly lower rates.

4.1.4 At the present time it is not anticipated that interest rates will reduce any further within the current financial year. Taking this into account, the Council will consider making short term investments, so as to reduce the risk of being locked in at the current low rates of return in the event of an interest rate rise in early 2021.

4.1.5 The average level of funds available for investment purposes during the April to September period was £33.288 million. The level of funds available for investment purposes was mainly dependent on the timing of precept payments, the NDR Appeals provision, the receipt and payments of grants and the timing of both capital and revenue expenditure.

4.1.6 Interest gained on investments up to the end of September 2020 totalled £106,960, compared to the profiled budgetary position of £180,000. The average interest rate on investments for this period was 0.57% compared to the benchmark of the 7 day LIBOR rate of 0.07% (See Appendix A). Going forward we would expect our average interest rate on investments to reduce below the current level as six of our current investments are due to mature in the current financial year, with interest rates having dropped recently.

## 4.2 Borrowing

4.2.1 The Council's Capital Financing Requirement (CFR) for 2020/21 was estimated at £61.528 million. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.

4.2.2 The table below shows the Council's external borrowings and the utilisation of cash flow funds in lieu of borrowing. This is a prudent and cost effective approach in the current economic climate.

	2020/21 Original Estimate £m	2020/21 Estimated Out-turn £m
External borrowing – Housing	46.258	46.173
Internal borrowing – General Fund	15.270	14.769
<b>CFR (year end position)</b>	<b>61.528</b>	<b>60.942</b>

4.2.3 The Council has not needed to borrow any funds on a short term basis during the year to date.

#### 4.3 Prudential Indicators

4.3.1 It is a statutory duty for the Council to determine and keep under review its “Affordable Borrowing Limits”. The Council’s Authorised Borrowing Limit and Operational Boundary Limits for 2020/21 were set at £81.438 million and £59.281 million respectively. Activity has remained within these limits for the months from April to September 2020.

### 5 Report Implications

#### 5.1 Finance and Value for Money Implications

5.1.1 Up to 30 September 2020, interest earned on investments was £106,960. The Council has not needed to borrow during the first six months of the year to fund any temporary shortfalls in the day to day cash flow.

5.1.2 Temporary internal borrowing has been possible due to the revenue and capital reserves currently being held. Once these are used, the Council will need to replace internal borrowing with external borrowing. The use of temporary internal borrowing for capital expenditure has reduced the cost of capital in the General Fund in the short term.

#### 5.2 Environment and Sustainability Implications

5.2.1 Having effective and prudent treasury management contributes towards sustainability and provides services that improve the quality of life for the communities of North Warwickshire.

#### 5.3 Risk Management Implications

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

5.3.2 Specialist advice was taken from our Treasury Management consultants to ensure that our debt profile for HRA self-financing has an appropriate balance between long and short term borrowing.

5.3.3 Continuous monitoring of the Council’s treasury position will allow external borrowing to be taken out to cover the loss of internal borrowing, at the appropriate time.

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

### Background Papers

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

Background Paper No	Author	Nature of Background Paper	Date



INVESTMENT OUTSTANDING

CURRENT LOANS & INVESTMENTS

30-Sep-20

Name of Borrowing Authority Investment General Account	Investment or Loan No.	Amount	% Invested	Type of Investment	Current Interest Rate	Date of Investment	Maturity Date
Lloyds	15709370LS	1,000,000.00	3.23%	Fixed	0.15	04-Sep-20	04-Jun-21
Lloyds	14564624LS	1,000,000.00	3.23%	Fixed	1.10	06-Dec-19	04-Dec-20
Lloyds	14702800LS	1,000,000.00	3.23%	Fixed	1.10	09-Jan-20	08-Jan-21
Santander	10736980	1,500,000.00	4.84%	Fixed	0.55	11-Sep-20	13-Sep-21
Santander	10849796	1,500,000.00	4.84%	Fixed	0.55	17-Aug-20	17-Aug-21
Santander	10940394	1,500,000.00	4.84%	Fixed	0.40	19-Aug-20	19-Feb-21
Union Bank of Switzerland AG London	Cert of Deposit	1,500,000.00	4.84%	Fixed	0.91	25-Oct-19	22-Oct-20
Union Bank of Switzerland AG London	Cert of Deposit	1,500,000.00	4.84%	Fixed	1.06	20-Mar-20	19-Mar-21
Credit Industriel et Commercial	Cert of Deposit	1,500,000.00	4.84%	Fixed	0.91	19-Dec-19	18-Dec-20
National Westminster Bank Plc	Cert of Deposit	1,500,000.00	4.84%	Fixed	0.22	12-Aug-20	12-Aug-21
National Westminster Bank Plc	Cert of Deposit	1,500,000.00	4.84%	Fixed	0.21	19-Aug-20	19-Aug-21
Federated Cash Plus	0000228LQ	3,000,000.00	9.68%	USDBF	0.58	25-Aug-16	
RLAM Cash Plus	0000057323	3,000,000.00	9.68%	USDBF	0.64	22-Jan-14	
Federated MMF	0000228LQ	5,000,000.00	16.13%	MMF	0.05		
Aberdeen Liquidity Fund MMF	57290	5,000,000.00	16.13%	MMF	0.08		
<b>TOTAL CURRENT GENERAL INVESTMENTS</b>		<b>31,000,000.00</b>			<b>0.57</b>		

**Agenda Item No 13**

**Resources Board**

**9 November 2020**

**Report of the  
Chief Executive**

**Exclusion of the Public and Press**

**Recommendation to the Board**

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

**Agenda Item No 14**

**Extract from Resources Board Minutes – 8 September 2020**

Paragraph 2 – Information which is likely to reveal the identity of an individual.

**Agenda Item No 15**

**Procurement of Contract – Report of the Director of Housing**

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)

In relation to each item listed above members should only exclude the public if the public interest in doing so outweighs the public interest in disclosing the information, giving their reasons in each case as to why that is the case.

The Contact Officer for this report is Amanda Tonks (719221).