

# CABINET AGENDA



**TUESDAY 25 JULY 2017 AT 7.30 PM**  
**CONFERENCE ROOM 2 - THE FORUM**

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

#### Membership

Councillor Williams (Leader)  
Councillor Griffiths (Deputy Leader)  
Councillor Elliot

Councillor Harden  
Councillor Marshall  
Councillor G Sutton

For further information, please contact Michelle Anderson or

## **AGENDA**

### **1. MINUTES (Pages 4 - 20)**

To confirm the minutes of the meeting held on 27<sup>th</sup> June 2017.

### **2. APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

### **3. DECLARATIONS OF INTEREST**

To receive any declarations of interest

A member with a disclosable pecuniary interest or a personal interest in a matter who attends a meeting of the authority at which the matter is considered -

(i) must disclose the interest at the start of the meeting or when the interest becomes apparent

and, if the interest is a disclosable pecuniary interest, or a personal interest which is also prejudicial

(ii) may not participate in any discussion or vote on the matter (and must withdraw

to the public seating area) unless they have been granted a dispensation.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Members' Register of Interests, or is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal and prejudicial interests are defined in Part 2 of the Code of Conduct for Members

[If a member is in any doubt as to whether they have an interest which should be declared they should seek the advice of the Monitoring Officer before the start of the meeting]

#### **4. PUBLIC PARTICIPATION**

An opportunity for members of the public to make statements and ask questions in accordance with the rules as to Public Participation.

#### **5. REFERRALS TO CABINET**

There were no referrals to Cabinet

#### **6. CABINET FORWARD PLAN (Page 21)**

#### **7. PUBLIC SPACE PROTECTION ORDER (Pages 22 - 32)**

#### **8. FLEXIBLE HOMELESSNESS SUPPORT GRANT & HOMELESSNESS PREVENTION ACT (Pages 33 - 80)**

#### **9. CREATION OF ADDITIONAL UNITS IN SHELTERED HOUSING ACCOMMODATION (Pages 81 - 165)**

#### **10. BUSINESS RATE RELIEF SCHEMES (Pages 166 - 174)**

#### **11. REVIEW OF THE FINANCIAL REGULATIONS (Pages 175 - 180)**

#### **12. MEDIUM TERM FINANCIAL STRATEGY (MTFS) (Pages 181 - 202)**

#### **13. EXCLUSION OF THE PUBLIC (Page 203)**

To consider passing a resolution in the following terms:

**That, under s.100A (4) of the Local Government Act 1972 Schedule 12A Part 1 as amended by the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during the items in Part 2 of the Agenda for this meeting, because it is likely, in view of the nature of the business to be transacted, that, if members of the public were present during those items, there would be disclosure to them of exempt information relating to the financial and business affairs of the Council and third party companies/organisations.**

**Local Government Act 1972, Schedule 12A, Part 1, paragraph 3.**



# Agenda Item 1

## MINUTES

## CABINET

27 JUNE 2017

**Present:**

**Members:**

**Councillors:** Griffiths (Deputy  
Leader)  
Elliot  
Harden  
Marshall  
G Sutton

<b>Officers:</b>	Robert Smyth	Assistant Director - Performance, People and Innovation
	David Skinner	Assistant Director - Finance & Resources
	James Doe	Assistant Director - Planning, Development and Regeneration
	Jim Doyle	Group Manager - Democratic Services
	Barbara Lisgarten	Legal Governance Team Leader and Deputy Monitoring Officer
	Laura Wood	Strategic Planning & Regeneration Team Leader
	Shalini Jayasinghe	Strategic Planning and Regeneration Officer (Town Centre)
	Rebecca Williams	Strategic Planning & Regeneration Officer
	Stuart Potton	

The meeting began at 7.30 pm

**CA/56/17**    **MINUTES**

The minutes of the meeting held on 23<sup>rd</sup> May 2017 were agreed by the members present and signed by the Chairman.

**CA/57/17**    **APOLOGIES FOR ABSENCE**

An apology for absence was received on behalf of Councillor Williams.

**CA/58/17**    **DECLARATIONS OF INTEREST**

None

**CA/59/17**    **PUBLIC PARTICIPATION**

**Mr Royal on behalf of West Hemel Action Group made representation in respect to Agenda item 11 relating to ‘Dacorum Borough site allocations development plan document & local allocations master plan’. He made the following statement:**

‘The West Hemel Action Group (WHAG), wish to speak on behalf of the residents of West and wider Hemel in relation to the planned adoption of the Site Allocations DPD by Dacorum Borough Council & particularly in relation to the development of the Site Allocation LA3.

I think we need to state from the outset, that WHAG and other local groups that we liaise with, for example the Bourne End Village Association, and the vast majority of the residents of Hemel and particularly West Hemel have always been, and continue to be fervently against the development at LA3. Whilst we appreciate & understand the need for house building in the UK, and have never argued against that principal, it still remains clear from all those that live, work and commute in the Hemel area, and even by some of the consultants & experts that DBC themselves have directly engaged, for example the results of the Jacobs Report relating to traffic, that development at LA3 due to the scale and location of the site, will spiral West Hemel into a “no go” zone for current & future generations.

Although the residents of Hemel consider that consultations carried out in relation to the Core Strategy before and the Site Allocations and Master plan since, were nothing more than procedural steps taken by DBC as opposed to a true activity to seek opinion and views to help develop something that works for all, DBC will have gathered enough evidence based upon numbers alone, of the major key concerns & fears held by the constituents you serve, relating to LA3. At these final and critical junctures for the Site Allocations, we ask you again to actually listen and act positively to the voice of those that you are here to work for as opposed to brush aside with disregard.

Our key points for consideration by the Dacorum Borough Council Cabinet and equally our areas for major concern are as follows:

- The Gypsy & Traveller Site – the location & timing of which, is flawed in multiple aspects and will be in contravention of national policy.
- The number of planned properties for LA3 – which are already developing into figures 22% greater than DBC had planned and consulted on over the past few years, which in turn simply adds greater negativity & impact to all the issues previously raised through consultations.
- The approach that developers are already communicating to the public through their own consultations in relation to the development of LA3.

In relation to Gypsy & Traveller sites; the whole approach to this aspect of the LA3 development is strewn with poor planning, misdirection and conflict with national policy. Through methods of stealth, DBC has misled the public in respect to the location of the Gypsy & Traveller site, referring to “potential” locations through consultations and more recently. DBC remain ambiguous in their communications, commenting that locations could move, yet through our own discussions with developers, it is clear that they have no intention moving the proposed Gypsy &

Traveller location and are working with DBC planning on that basis. The current planned approach by the developers for phasing the LA3 development, will mean that the Gypsy & Traveller site could be in situ many years ahead of any local new housing development, if any, leaving current local residents with a Gypsy & Traveller site that is blatantly in contravention with national policy for new Gypsy & Traveller sites, for example a site that does not provide inclusion with the local community, in a location that is dramatically unsuitable in every aspect. It would appear to us also that the desires and wants of a minority local travelling community are being considered ahead of those of the existing settled community, which in itself could be argued to be discriminatory.

In respect to the number of planned properties for LA3. Again, it is very apparent at this stage that yet again, local residents have been misled based upon an increase in numbers from 900 to 1100 (being 22%) a number that developers are quoting clearly & loudly. Of course we expect the DBC response to be that, these increased figures are yet to be tested through planning applications, but it strikes concern, that if DBC are working so closely with developers, as we have been led to believe, that this increase in numbers could not be dealt with before it is in the public domain. This is exacerbated further by the fact that DBC rolled over so easily to the developers requests to remove the cap on numbers through the Site Allocations process. You will understand, based upon resident's experiences to date, our reluctance to believe anything other than DBC having the developer's best interests at heart and not those that voted for them, and how this will likely translate during application reviews.

Both of the above aspects drive us to one conclusion, which is that DBC have undertaken formal consultations based upon what looks now to be false information and could in itself, suggest the consultations undertaken are flawed & void.

Finally, we have considerable concern in relation to the phasing and approach developers are intending to take in relation to the whole LA3 development. Through our own direct communications with developers and their own public communications, it is clear that they intend to start with 350 homes at the north east of the development, however this will come with no new incremental facilities, pre-development road improvements, schools, etc, and no guarantees of when these will come. Even for 350 new homes in the area, this will put an incredible strain, likely to breaking point, on existing already stretched local infrastructure & facilities, including, shops, GP's, increase in traffic, etc. This combined with the development of a Gypsy & Traveller site, so remote from initial planned & guaranteed phases of development, that it will in no way be part of the joined up integrated approach for Gypsy & Traveller sites, that provides community inclusion, that being the approach that DBC have attempted to portray. DBC must make a public stand now as part of its Site Allocations approval, that they will hold developers to task over this approach.

To close, WHAG, again on behalf of local Hemel residents, would like to express our dismay at developers holding their second public consultation on the same day as this Cabinet Meeting, thus meaning that many local residents had to make the choice over which event to attend. This is either by design, or shows a complete breakdown in communications between DBC and developers either of which is completely unsatisfactory or instils absolutely no confidence in DBC's ability to manage the developers as we move forward.

Thank you for listening.'

See discussion in item CA/066/17 'Dacorum Borough Site Allocations Development Plan Document & Local Allocations Master Plan'.

**CA/60/17     REFERRALS TO CABINET**

None

**CA/61/17     CABINET FORWARD PLAN**

That the Cabinet Forward Plan be noted.

**CA/62/17     AUTHORISATION OF VIREMENTS**

Decision

The virements as detailed on Form A attached to the Cabinet report be approved.

Reason for Decision

To seek Cabinet approval for the proposed virement for the purpose of creating budgets for the costs associated with the Parliamentary Election held 8 June 2017.

Corporate Objectives

**To standardise documentation and authorisation requirements for all virements.**

**Monitoring Officer/S.151 Officer Comments**

**Monitoring Officer:**

No comments to add to the report

**Deputy S.151 Officer**

This is Deputy S151 Officer report.

## ***Advice***

Councillor Griffiths thought that the government funded the general election costs. D Skinner explained that the council had to spend the money first and then claim it back afterwards, therefore we needed to create a budget for the costs associated with the election.

**Voting**

None.

**CA/63/17     COUNCIL TAX SUPPORT SCHEME 2018/19**

Decision

*Resolved to recommend:*

- 1. Not to revise or replace the current Council Tax Support scheme for 2018/19.**

Reason for Decision

***To consider whether to revise or replace the existing Council Tax Support scheme for the 2018/19 billing year, and if so, to approve options for consultation.***

To note the requirement to consider revision or replacement of the Council Tax Support scheme for 2018/19.

Corporate Objectives

**Effective management of the Council's finances supports the Council's vision and all five of its corporate objectives.**

#### **Monitoring Officer/S.151 Officer Comments**

##### **Monitoring Officer:**

Schedule 1A of the Local Governance Finance Act 1992 (as amended) requires that a billing authority (this Council) considers each financial year whether to whether to revise or replace its Council Tax Support Scheme.

This report satisfies that requirement and recommends no revision or replacement to the current scheme be made.

If Cabinet or Council does require revision or replacement of the scheme following consideration of this report further consultation will be required.

##### **Deputy S.151 Officer**

This is a S151 Officer report.

## ***Advice***

D Skinner explained that the scheme was working well but if it was going to be changed then now would be the best time to go to consultation so it would fit into the overall budget process.

##### **Voting**

None.

**CA/64/17      PROPOSAL TO BUILD A NEW ATHLETICS TRACK AND PAVILION AT LONGDEAN SCHOOL**



Decision

That:

1. the design, plan and costing for a new athletics track and pavilion, as outlined in section 3 of the report to Cabinet be approved.

**Resolved to recommend:**

**2. a supplementary estimate as set out in Paragraph 2.1 of Appendix 1 of the report to Cabinet.**

3. authority be delegated to the Assistant Director (Performance, People & Innovation) in consultation with the Portfolio Holder for Resident and Corporate Services to procure and complete the contract for works.

Reason for Decision

For Cabinet to review and approve the design and recommendations for building a new athletics track and pavilion at Longdean school.

Corporate Objectives

Clean, Safe and Enjoyable Environment – Having good quality, athletics provision is vital to improving participation and ensuring that residents can enjoy the borough and boost their health and wellbeing.

This review will therefore, ensure our approach to athletics continues to meet the needs of current and future residents.

#### **Monitoring Officer/S.151 Officer Comments**

**Monitoring Officer:**

Responsibilities for the ongoing management and maintenance of the site together with agreement on the allocation of financial receipts will need to be documented in a Dual Use agreement prior to commencement of the works. Furthermore, a building licence will also need to be agreed with the school prior to commencement of works.

**Deputy S.151 Officer**

To note the contents of the Part 2 report containing the revised and more detailed costings that have been received following consultation with partners.

The detailed range of costs contained within the report still meet the principles agreed by Cabinet for the project to be self-financing from anticipated receipt and will be refined once tenders have been submitted.

## ***Advice***

Councillor Harden introduced the report and highlighted the following points:

- Investing in our sporting infrastructure is vital if we are going to deliver the Council's commitment to health and wellbeing.
- A desktop review (by Labo Sport) has identified Longdean School as a potential site for a new athletics track and pavilion, and in September Cabinet approved a budget for more detailed design and costing work.
- Over the last few months Officers have been working with a range of stakeholders including Longdean school, the Athletics Club, Sportspace, Sport England, England Athletics and the FA on the potential design.
- The report therefore provides the proposed design (with costs) for a modern, flexible, user friendly pavilion and a track which could hold high quality athletics events.
- If approved, the timeline for delivering the project is 15 months. The reason for this is to take account of planning and that the track can only be laid when the weather is more mild.

Councillor Elliot felt that the current location is not right for the track and therefore looks forward to this development at Longdean school. He raised concern and sought clarification that the new site is built and open before the old one is knocked down.

D Skinner added that the council were not anticipating any receipts before the new one is fully operational and there was a planning condition to this effect.

Councillor Marshall noted that the contract costs have so far been estimated and therefore asked what would happen if the bids are higher than the budget allocated.

D Skinner said this would need to be reported back to Cabinet for them to make the decision.

R Smyth explained that the estimates have been based on professional guidance and also included extra provisional costs for contingency.

Councillor Sutton was pleased with the work so far and said we needed to move forward with this as soon as possible.

Councillor Griffiths said the new site was a very good idea. The old track had served its purpose and it was time to move on.

### **Voting**

None.

### **CA/65/17      PROPOSED LEISURE MANAGEMENT PROCUREMENT**

Decision

1. That the draft service specification and evaluation criteria for the procurement of the leisure management contract as set out in paragraphs 3 & 4 of the report to Cabinet be approved; and

2. Authority be delegated to the Assistant Director (Performance, People & Innovation) in consultation with the Leader of the Council and the Portfolio Holder for Resident and Corporate Services to finalise the service specification and evaluation criteria.

Reason for Decision

For Cabinet to review and approve the key principles for the procurement of a new leisure management contract.

Corporate Objectives

Clean, Safe and Enjoyable Environment – Leisure provision is central to delivering a borough that people can enjoy and promoting health and wellbeing. This service specification will help ensure our approach continues to meet the needs of current and future residents.

Delivering a modern and efficient Council – This will ensure that the Council maximises value for money in the provision of its sports and leisure service.

### **Monitoring Officer/S.151 Officer Comments**

#### **Monitoring Officer:**

The service specification will form an essential part of the procurement process as it will set the key service requirements against which contractors will submit bids to be evaluated and assessed. The specification from the selected bidder will then become an important part of the contractual documentation to be agreed and signed-off by the Legal Team following evaluation.

#### **Deputy S.151 Officer**

There are no direct implications of the proposed recommendation. The detailed financial implications arising from awarding the leisure management contract will be assessed in due course when submitted.

One of the key criteria for assessing the bids will be financial performance, financial reporting and data to assess performance and asset utilisation.

## ***Advice***

Councillor Harden introduced the report and highlighted the following points:

- The service specification is fundamental to delivering a leisure contract model that meets the needs of users, clubs and residents and tax payers more widely.
- It sets out the standards, rules and conditions that the successful operator will follow and it also forms the basis of the contract and performance management framework. It also clearly demarcates maintenance and management responsibilities.
- This is a major benefit because it gives us the influence and control to ensure that sports and leisure is managed in a way that best delivers our vision.

- In the past 6 weeks Officers have been scoping the new service specification and as part of this they have undertaken a number of consultations:
  - Consultation workshop with select group of Members
  - Survey of all 51 Members
  - Consultation workshop with 31 residents and clubs
  - 7 consultation discussions with sports clubs
  - Survey of local sports clubs
  - Member panel have reviewed the service specification
  - We have booked in a representative panel of local sports clubs who will review the service specification (including the Chair of Herts Sports Partnership) – next week
- The service specification also takes account of the latest good practice and it is based on the well-established template from Sport England.
- The specification (and the tender process) are a real opportunity for the Council to put in place a partnership that delivers for everybody. This is not just about an operator running the facilities, but this is about setting up a new, engaging and commercially forward thinking model that can deliver our long term vision for sports and health in Dacorum.

Councillor Marshall asked what would happen if the council wasn't happy with the annual 'Sport, Community and Physical Activity Development Plan' produced.

R Smyth replied that the plan would be submitted 2 months before the end of the year, giving time for the council to consider and approve it. As it will be done annually, the council will be able to monitor it and closely check the KPI's set to ensure delivery is what the council wants.

Councillor Marshall hoped that the plan would have substance to it.

R Smyth gave assurance that this would be the case. He added that the management was being delivered by those with the right skills and was a real example of joint working.

Councillor Griffiths asked if those involved would have safeguarding/DBS checks. She also asked what would happen if something didn't live up to the council's expectations, could it be amended in the future.

R Smyth replied that the council would ensure appropriate checks are carried out and that they receive relevant training. The council would be pro-active in responding to changes required or trends highlighted.

Councillor Harden explained that currently the council gave a grant to the sports provider but have no input into how things are run. He noted that the contract was not just looking for a sports centre management but more about supporting health and well-being, sporting trends and an increase in engaging with the community.

It was confirmed that TUPE would apply if the current provider were to be unsuccessful.

Councillor Tindall highlighted that if there was a change to the current provision therefore jobs differing slightly, the council could be liable for redundancy. This may not be a like for like contract.

R Smyth noted that the council had instructed legal advice.

## Voting

None.

## **CA/66/17     DACORUM BOROUGH SITE ALLOCATIONS DEVELOPMENT PLAN DOCUMENT & LOCAL ALLOCATIONS MASTERPLANS**

Decision

### **Resolved to Recommend:**

- 1. That the key issues raised through consultation on the Main Modifications to the Site Allocations DPD, and associated changes to the Policies Map, set out in the Report of Representations (Annex 1 of the report to Cabinet) be noted.**
- 2. That the content of the final Report received from the Planning Inspector into the Site Allocations DPD examination (Annex 2 of the report to Cabinet) be noted.**
- 3. that the Pre-Submission Site Allocations DPD (Written Statement and Map Book) incorporating Focused Changes (January 2016), as amended by main and minor modifications (Annex 3(a) and (b) of this report, in accordance with Regulation 26 of the Town and Country Planning (Local Planning) Regulations 2012) be adopted;**
- 4. that an updated version of the Policies Map to reflect (3) above be published**
- 5. that the Assistant Director - Planning, Development and Regeneration to authorise:**
  - (a) any necessary minor and non-consequential changes to the Site Allocations (Written Statement and Map Book) and associated Policies Map prior to publication;**
  - (b) the Adoption Statement for the Site Allocations in accordance with the planning regulations be published; and**
  - (c) the final version of the Sustainability Appraisal Adoption Statement (Annex 4 of this report), in accordance with environmental protection legislation be agreed.**
- 6. That the finalised master plans for the six Local Allocations (Annexes 5(a) to (f) of this report), as Supplementary Planning Documents and authorise the Assistant Director - Planning, Development and Regeneration to make any necessary minor and non-consequential changes to these documents prior to publication be adopted**
- 7. That the Policy Advice Note (May 2017) (Annex 6 of this report) be agreed for publication on the Council's website, and the Assistant Director – Planning, Development and Regeneration be authorised to update and amend this Note as necessary and to reflect discussion at Cabinet.**

## Reason for Decision

To agree adoption of the Site Allocations Development Plan Document and the master plans supporting the Local Allocations of land, together with other updates, in order to provide a clear and up-to-date basis upon which to make planning decisions within the Borough.

## Corporate Objectives

The scope of the Site Allocations DPD (and associated Local Allocations master plans) means that it helps support all 5 corporate objectives:

- *A clean, safe and enjoyable environment:* contains requirements relating to the design and layout of new development sites that help promote security and safe access.
- *Building strong and vibrant communities:* - provides a framework for local communities to prepare area-specific guidance such as Neighbourhood Plans, etc.
- *Ensuring economic growth and prosperity:*- allocates and protects land for uses that provide employment opportunities.
- *Providing good quality affordable homes:* - sets out how the Borough's overall housing target will be met, together with requirements for affordable homes.
- *Delivering an efficient and modern Council* – by helping to provide a clear framework upon which planning decisions can be made.

## **Monitoring Officer/S.151 Officer Comments**

### **Monitoring Officer:**

The Site Allocations DPD will provide a framework for development across the borough, support consistent decision making and reduce speculative applications in locations which may be unsuitable for development.

The Inspector has advised that the Site Allocation DPD provides an appropriate basis for planning in the area and, subject to the Main Modifications being made, is satisfied for the plan to be adopted.

The Monitoring Officer is content that the Site Allocations DPD, Masterplans and Policy Advice Note meet the statutory requirements and can be adopted.

### **Deputy S.151 Officer:**

No further comments to add to the report.

## **Advice**

J Doe acknowledged that the report was very long; however they were now in the final stages of the planning process. He explained that this added detail to the 2013

Core Strategy. It has been consulted on and the inspector last year was satisfied that it met the required criteria.

In response to the points raised by Mr Royal he said that there had been a master plan for the site and public consultation and involvement of the local community had taken place. The inspector has used this as an example of best practice. With regards to the number of units being developed, it had previously been capped at 900 units, however the inspector has advised there be no upper limit and therefore the developer has requested 1100 units on the LA3 site.

With regards to the gypsy and traveller site, there would be further details and time scales included in the planning application, which will look at when key road infrastructure and schools would need to be completed. Discussions are currently underway with HCC for the development and timeframes for schooling.

J Doe gave reassurance that DBC would carry out public consultation once the planning application has been received.

He highlighted that recommendation 7 referred to the Policy Advice Note which was a separate piece of work from the Site Allocations document and was just a check to see how they complied with those listed in annex 6 of the report.

Councillor Harden sought clarification for the increase of units from 900-1100. He understood it that the original development stated 900 however the inspector allowed this to be changed. He asked what controls were in place to ensure that the figure didn't raise again.

J Doe said that the original 900 units were not changing. They needed to be conservative with the estimate and it is the developer who is asking for 1100 units. Therefore the control would be down to the Development Management Committee at the planning application stage. If the application were to exceed 1500 units for example, then the council would look at appropriate building height, density and infrastructure in detail.

Councillor Elliot spoke as ward councillor for Chaulden and Warners End. He noted that he had always been opposed to the development of LA3. He felt that the 1100 proposed units should not be allowed and the Gypsy and Traveller site was inappropriate. He said he would abstain from any vote.

Councillor Marshall was grateful for the clarification of annex 6 as she was concerned that a number of important core strategies were being put to one side. She was concerned that CS12 was used quite frequently by the Development Management Committee to reject applications as it covered a vast amount of areas.

She was concerned that if Cabinet approve recommendation 7 then this would overrule the use of CS12.

J Doe confirmed that CS12 was used extensively and was very important. He said that he would work with the Portfolio Holder and Councillor Marshall, to update the section in appendix 2 'Schedule of Policies from the Core Strategy 2006-2031' to explain the strategic policy column and the use of the tick and cross in order to clarify its purpose. He assured members that if changes were made to any policies, they would have to go through extensive consultation.

Councillor Marshall asked how the parking standards would work, which were currently included in the Two Waters master plan consultation.

J Doe replied that this was a separate matter to consider. They were at the very early stages of updating the parking standards and this would feed into the Local Plan review.

Councillor Sutton explained that he had been in discussions with J Doe and his team. He respected and heard the concerns raised, but he was convinced the professional team would put community requirements and concerns at the forefront.

Councillor Griffiths asked that the consultation for such a major application would be advertised accordingly.

J Doe confirmed that for such a large application there would be wider consultation rather than the standard. He said this was a very long way ahead and therefore would include it in the consultation plan. It would certainly be advertised well.

Councillor Griffiths assured Mr Royal that the Cabinet meetings were scheduled a year in advance and therefore it was down to the developers scheduling, for holding their meeting tonight.

Mr Royal added that the community were not opposed to the Gypsy and Traveller site, they just felt that the site location was incorrect. He wondered why no-one had asked why the development was coming forward 2 years.

J Doe said that the developer had decided to submit their application. There is a high need for more housing in the area so this could be why its come forward. Due to the detailed delivery timeframe they would still be approaching 2021 before works carried out.

### **Voting**

The Committee agreed the recommendations; however Councillor Elliot abstained from this.

## **CA/67/17 DRAFT TWO WATERS MASTERPLAN FOR PUBLIC CONSULTATION**

### Decision

1. The content of the Draft Two Waters Masterplan Guidance report (Appendix 1 – Draft Two Waters Masterplan Guidance Report & Appendix 2 – Clarifications to the Draft Two Waters Masterplan Guidance report) be reviewed and noted.
2. ***The Draft Two Waters Masterplan Guidance report for public and stakeholder consultation be published.***
3. ***That Dacorum Borough Council's assets within the area covered by the Masterplan be noted.***

Reason for Decision



To seek Cabinet agreement to publish the Draft Two Waters Masterplan Guidance report for public and stakeholder consultation.

#### Corporate Objectives

- A clean, safe and enjoyable environment
- Building strong and vibrant communities
- Ensuring economic growth and prosperity
- Providing good quality affordable homes, in particular for those most in need
- Delivering an efficient and modern council

#### **Monitoring Officer/S.151 Officer Comments**

##### **Monitoring Officer:**

The Masterplan will help to guide future development of the area and ensure consistent decision making. It should reduce speculative applications and therefore less challenges to Council decisions.

##### **S.151 Officer**

Council-owned land at Two Waters Nursery has been identified as a potential school site purely to demonstrate that the cost associated with delivering a new school is viable within the proposed Masterplan area.

Legal advice is that the use of any particular site to demonstrate viability in this way does not ' earmark ' that site for a specific use in future. In other words, the Council's future decision-making over the site is in no way fettered, and the valuation of the site will not materially diminish through its use as an exemplification within this Plan.

## **Advice**

Councillor Sutton introduced the report and added that consultation and workshops had already taken place and were now seeking approval to publish.

Councillor Marshall supported the recommendations. She noted the aspiration to increase parking at the train station, but it was her understanding that DBC had advised the operators that they were not keen on having a multi-storey car park on the site.

J Doe gave assurance that parking needs were being assessed at this site and he hoped to see more detail of the specific station needs. He added that the document sets policy parameters in order to be able to look at this in the future.

Councillor Harden sought clarification for height restrictions of car parks suggested. J Doe said that the height restrictions changed for each site, ranging from six storeys to 16. They did not want isolated towers but more variety.

Councillor Harden said that there had been great consultation and felt that the Development management Committee had to take their views into account. J Doe absolutely agreed and said they added weight to the process.

Councillor Sutton complimented all the staff involved in producing a high quality, easy to understand plan.

### **Voting**

None.

### **CA/68/17     CIL GOVERNANCE UPDATE**

Decision

#### **Resolved to Recommend that:**

- 1) Officers defer requesting project submissions for the use of CIL funding until April 2018.**
- 2) Officers request expressions of interest for the use of CIL funds from July 2017.*
- 3) the amendments to the CIL submission timetable as set out in Table 2 of the report to Cabinet are agreed.*
- 4) authority is delegated to the Assistant Director (Planning, Development and Regeneration) to adjust the timetable for CIL submissions on an annual basis in consultation with the Portfolio Holder for Planning and Regeneration as the need may arise.*

Reason for Decision

The report seeks authorisation to amend the governance arrangements for the Community Infrastructure Levy (CIL)

#### Corporate Objectives Affordable Housing

Affordable Housing is not considered to be infrastructure under the CIL Regulations 2010 (as amended) and as such does not directly benefit from CIL funding. CIL funds can however be utilised on supporting infrastructure which would facilitate the delivery of housing sites within the Core Strategy and Site Allocations DPD including those providing affordable homes.

#### Building Community Capacity

As CIL revenues are not restricted by geography they can be targeted in areas where there are existing deficiencies and/or where needs are most acute. CIL revenues may be used on social enterprise and local community infrastructure which supports those in the most deprived areas. Local communities should feel empowered to carry out improvements within their neighbourhood by the distribution of a proportion of CIL funding to them under Regulation 59 of the CIL Regulations 2010 (as amended).

#### Delivering an Efficient and Modern Council

The amount of CIL funding is limited and needs to be targeted in order to maximise the infrastructure benefits to those working and living within the Borough. A clear and precise Infrastructure Business Plan will enable the long term planning of infrastructure improvements and facilitate the efficient delivery of infrastructure projects by the Council. The funds will enable the provision of modern facilities for the enjoyment of those living and working in the Borough.

#### Ensuring Economic Growth and Prosperity

Despite the majority of commercial developments not being liable to CIL payments, the development of the key employment area at Maylands and the Enterprise Zone is a corporate priority to which CIL funding may be allocated. It is anticipated that significant CIL funds will be committed to the development of supporting transport and ICT infrastructure to enable this area to thrive thereby increasing the prosperity of the area.

#### A Safe, Clean and Enjoyable Environment

CIL receipts may be allocated to the improvement of infrastructure which supports a safe, clean and enjoyable environment.

#### **Monitoring Officer/S.151 Officer Comments**

##### **Monitoring Officer:**

The recommendation to defer bid submissions until 2018 is appropriate noting the amount of CIL collected to date and will give clarity to infrastructure providers to enable bids to be prepared for April 2018.

##### **Deputy S.151 Officer**

The financial implications of this decision appear prudent basing the decision to limit potential funding to amounts that have already been collected and can therefore be utilised. The degree of uncertainty concerning utilising sums billed but not collected is prudent. The decision to therefore defer requesting project submissions and align the process with the budget timetable for 2018/19 will help to maximise the opportunities to target the funding at the most appropriate projects.

## ***Advice***

Councillor Sutton introduced the report and added that recommending Officers defer requesting project submissions for the use of CIL funding until April 2018 was important.

J Doe explained that Cabinet had considered this in November 2016. The level of receipts had not been as expected therefore they would like to delay some projects to allow the CIL contributions to increase.

Councillor Marshall noted that the CIL money received would not affect the local CIL payments to town and parish council's. J Doe confirmed this.

Councillor Marshall highlighted that residents in Berkhamsted feel that the level of CIL money spent is much higher in Hemel Hempstead compared to Berkhamsted. She felt that the council needed to communicate better with those residents and see why they have that view.

Councillor Griffiths noted that no CIL money had been spent anywhere yet.

D Skinner confirmed that there was a note in the Statement of Accounts setting out the amount we billed for and the amount we received, which were significantly different. Therefore the residents were based on perception as no money had been spent yet.

### **Voting**

None.

The Meeting ended at 8.45 pm

## CABINET FORWARD PLAN

	DATE	MATTERS FOR CONSIDERATION	Decision Making Process	Reports to Monitoring Officer/S.15 1 Officer	CONTACT DETAILS	BACKGROUND INFORMATION
1.	19/09/17	Q1 Performance Report		31/08/17	David Skinner, Assistant Director Finance & Resources, 01442 228662 <a href="mailto:David.skinner@dacorum.gov.uk">David.skinner@dacorum.gov.uk</a>	To review the Council's forecast outturn position at the end of the first quarter.
2.	19/09/17	Treasury Management Strategy outturn 2016/17		31/08/17	David Skinner, Assistant Director Finance & Resources, 01442 228662 <a href="mailto:David.skinner@dacorum.gov.uk">David.skinner@dacorum.gov.uk</a>	A statutory report on the Council's performance against a range of statutory indicators.
3.	19/09/17	The Bury – Feasibility and Way Forward		31/08/17	James Doe, Assistant Director Planning, Development & Regeneration 01442 228583 <a href="mailto:James.doe@dacorum.gov.uk">James.doe@dacorum.gov.uk</a>	To consider the feasibility and way forward for delivering a museum at the Bury, working in partnership with Dacorum Heritage Trust
4.	19/09/17	New build update for temporary accommodation at Garage Sites		31/08/17	Elliott Brooks, Assistant Director Housing 01442 228615 <a href="mailto:elliott.brooks@dacorum.gov.uk">elliott.brooks@dacorum.gov.uk</a>	To be provided
5.	19/09/17	Civic Centre Demolition		31/08/17	David Skinner, Assistant Director Finance & Resources, 01442 228662 <a href="mailto:David.skinner@dacorum.gov.uk">David.skinner@dacorum.gov.uk</a>	To award a contract for the demolition of the civic centre.
6.	19/09/17	Local Plan Review		31/08/17	James Doe, Assistant Director Planning, Development & Regeneration 01442 228583 <a href="mailto:James.doe@dacorum.gov.uk">James.doe@dacorum.gov.uk</a>	To be provided
7.	19/09/17	Hemel Hempstead Town Centre Parking Access and Movement Strategy		31/08/17	James Doe, Assistant Director Planning, Development & Regeneration 01442 228583 <a href="mailto:James.doe@dacorum.gov.uk">James.doe@dacorum.gov.uk</a> Chris Taylor, Group Manager Strategic Planning & Regeneration 01442 228405 <a href="mailto:chris.taylor@dacorum.gov.uk">chris.taylor@dacorum.gov.uk</a> Nathalie Bateman, Strategic Planning & Regeneration Team Leader 01442 228592 <a href="mailto:nathalie.bateman@dacorum.gov.uk">nathalie.bateman@dacorum.gov.uk</a>	To consider arrangements for taking forward the next stages of the parking access and movement strategy for Hemel Hempstead Town Centre
8.	17/10/17	Two Waters Master Plan		28/09/17	James Doe, Assistant Director Planning, Development & Regeneration 01442 228583 <a href="mailto:James.doe@dacorum.gov.uk">James.doe@dacorum.gov.uk</a>	To be provided
9.	28/11/17			09/11/17		
10.	12/12/17			23/11/17		

**Future Cabinet Dates 2018:** 30 January, 13 February, 27 March, 24 April, 22 May

**Future Items:**

Parking Service  
Enterprise and Investment Plan



Report for:	Cabinet
Date of meeting:	25 <sup>th</sup> July 2017
Part:	1
If Part II, reason:	

Title of report:	<b>Public Spaces Protection Orders – Hemel Hempstead Town Centre</b>
Contact:	Councillor Neil Harden Portfolio Holder for Residents and Corporate Services Councillor Janice Marshall Portfolio Holder for Environmental, Sustainability and Regulatory Services  Author/Responsible Officer: Mark Brookes – Solicitor to the Council David Austin – Assistant Director (Neighbourhood Delivery)
Purpose of report:	To propose the introduction of a Public Spaces Protection Order to provide a means of controlling a number of activities having a detrimental effect on the quality of life for those living in, working in and visiting Hemel Hempstead town centre.
Recommendations	1.To commence a non-statutory consultation on a proposal to introduce a Public Spaces Protection Order, applying to the Hemel Hempstead Town Centre, Old Town and Water Gardens area as shown on the plan at Appendix A, to prohibit/regulate the following activities:  <i>(a) Behave in a way that causes or is likely to cause harassment, alarm or distress to any other person</i> <i>(b) Use, possess or supply to another person any intoxicating substance.</i> <i>(c) Continue to consume alcohol when required to stop doing so by any authorised officer</i> <i>(d) Create or reside in a street encampment</i> <i>(e) sit on the ground in a public place, street, highway or passage in a manner to be perceived that you are inviting people to give you money.</i>

	<p>(f) Spit (including discharge of chewing gum), urinate or defecate in a public place.</p> <p>(g) Cycle or skateboard.</p> <p>(h) Feeding birds/wildfowl in the water gardens area</p> <p>2. To report the outcomes of the consultation to Strategic Planning and Environment Overview and Scrutiny Committee and Cabinet to decide to whether to progress with the PSPO and specifically what to include within the PSPO.</p>
Corporate Objectives:	<p>Safe and Clean Environment</p> <ul style="list-style-type: none"> <li>Maintain a clean and safe environment</li> </ul>
Implications:	<p><u>Financial</u></p> <p>In areas where an Order has effect, the local authority must arrange for the display of signage advising of the effect of the Order. There is no prescribed format nor size requirements for these signs, and costs will ultimately depend upon the number of signs required and the design/materials used. There will be ongoing maintenance costs to replace any damaged signage.</p> <p>There may be additional income from fixed penalty notices, which could partially defray the costs of enforcing the Order. No data is held that would allow an estimate for the likely income, as much would depend on the availability of resources to carry out enforcement activities.</p> <p>It is proposed that enforcement of the PSPO will be carried out within existing resources.</p>
'Value For Money Implications'	<p><u>Value for Money</u></p> <p>PSPO's are seen as a more cost-effective means of controlling the activities in question than under byelaws, also providing a wider range of enforcement options.</p>
Risk Implications	<p>Risk Assessment will be completed following the consultation period as it will be better informed at that stage.</p>
Community Impact Assessment	<p>Community Impact Assessment to be completed once the consultation responses are received.</p>
Health And Safety Implications	<p>Some H&amp;S implications may arise from the enforcement of orders, and will be incorporated within individual service risk assessments for authorised enforcing officers.</p>
Monitoring Officer/S.151 Officer Comments	<p><b>Monitoring Officer:</b></p> <p>The PSPO will assist with the prevention of anti-social behaviour in the town centre. There will need to be a proportionate approach to enforcement particularly where the order is being breached by young and vulnerable persons.</p>

	<b>Deputy S.151 Officer</b>  The costs of implementing and enforcing any order will need to be met from within existing approved budgets.
Consultees:	Corporate Management Team  Strategic Planning and Environment Overview and Scrutiny Committee (20 <sup>th</sup> June 2017)
Background papers:	<a href="#">Home Office – Reform of anti-social behaviour powers: Statutory guidance for frontline professionals (section 2.6)</a>
Glossary of acronyms and any other abbreviations used in this report:	PSPO – Public Spaces Protection Order  CSAS – Community Safety Accreditation Scheme  FPNs – Fixed Penalty Notices

## 1. Background

1.1. Under the Anti-social Behaviour, Crime and Policing Act 2014, local authorities may make orders to prohibit specified activities, and/or require specified activities to be carried on in accordance with certain requirements, within a designated area in the public domain, which may include public highways and footways, parks and open spaces, pedestrianised areas, or similar. Such orders are known as Public Spaces Protection Orders (PSPO).

1.2. PSPO's can be used by authorities to control a variety of problematic behaviours which satisfy two statutory conditions:

*“The first condition is that—*

- (a) activities carried on in a public place within the authority's area have had a detrimental effect on the quality of life of those in the locality, or*
- (b) it is likely that activities will be carried on in a public place within that area and that they will have such an effect.*

*The second condition is that the effect, or likely effect, of the activities—*

- (a) is, or is likely to be, of a persistent or continuing nature,*
- (b) is, or is likely to be, such as to make the activities unreasonable, and*
- (c) justifies the restrictions imposed by the notice.”*

1.3. Prohibitions or requirements on activities covered by a PSPO must be reasonable in order to:

- (a) prevent the detrimental effect from continuing, occurring or recurring, or
- (b) reduce that detrimental effect or to reduce the risk of its continuance, occurrence or recurrence.

1.4. Where a PSPO is in force, it is a criminal offence to do anything which is prohibited under the Order, or to fail to comply with requirements of the Order. Persons guilty of such offences are liable, on summary conviction, to a fine not exceeding level 3 on the standard scale (currently up to £1,000).



Offences may also be disposed of by way of a fixed penalty notice of up to £100, payable to the local authority.

- 1.5. PSPOs may be enforced by a police officer, PCSO, or a person authorised by the local authority for that purpose. The Council will seek to agree an enforcement protocol with the Police to agree support for enforcement; however, it is expected that the local authority will lead on the enforcement of any Orders made.
- 1.6. A PSPO will be valid for a period of up to 3 years, at the end of which it may be extended. Orders may also be varied or discharged by the local authority at any time during their validity.
- 1.7. Prior to making, extending, varying or discharging a PSPO, a local authority must:
  - Consult the chief officer of police and the Policing and Crime Commissioner for the applicable area; any community representatives that it is thought appropriate to consult; and the owners/occupiers of land included within the restricted area;
  - Publish the draft Order (or details of variation/discharge proposal);
  - Notify any parish/town councils within the restricted area, and the County Council;

with regards to its proposals. The authority must also consider its proposed restrictions against the rights of freedom of expression and assembly under the European Convention on Human Rights. However, it will be noted that this report is seeking authority only for a non-statutory first stage of consultation to gain the views of the public before any formal PSPO is published for statutory consultation.
- 1.8. PSPO's may apply to all persons or only to persons in/not in specified categories; at all times or only within/not in specified times; and in all circumstances or only in/not in specified circumstances.
- 1.9. The power to make PSPO's replaced and consolidated several earlier area-control orders, including designated public place orders which have previously been used by the Council in respect of street drinking and are currently under review. Where a PSPO includes prohibitions on the consumption of alcohol in a public space, there are additional enforcement powers available to police and authorised officers, allowing them to require any person not to consume alcohol in breach of the Order, and to surrender any alcohol in their possession for disposal. Failing to comply with such a requirement constitutes a different offence, subject on summary conviction to a fine not exceeding level 2 on the standard scale (currently up to £500).
- 1.10 Prohibitions on alcohol consumption will not apply to any part of a licensed premises, including beer gardens and terraces, with the expectation that the management of those premises will control the consumption of alcohol within the curtilage of their premises, under threat of a licence review if they failed to do so. Public spaces which are licensed for the sale of alcohol (e.g. parks licensed for events) are also exempted at times when alcohol is being lawfully sold there.

1.11 PSPO's may be challenged in the High Court by any person who lives in, regularly works in or regularly visits a restricted area, within 6 weeks of an Order being made or varied.

## 2. Proposal

2.1. Concerns exist around a number of activities currently occurring within Hemel Hempstead town centre, and the old town, which are considered detrimental to the quality of life for persons living in and using that area. It is also intended to include the Water Gardens within the PSPO as displacement from the town centre may move activity from the town centre into that area if it is not covered.

2.2. It is therefore proposed to introduce a PSPO covering this area, which would have the following effect:

To prohibit the following activities in public spaces within the restricted area:

- (a) *Behave in a way that causes or is likely to cause harassment, alarm or distress to any other person*
- (b) *Use, possess or supply to another person any intoxicating substance.*
- (c) *Continue to consume alcohol when required to stop doing so by any authorised officer*
- (d) *Create or reside in a street encampment*
- (e) *sit on the ground in a public place, street, highway or passage in a manner to be perceived that you are inviting people to give you money.*
- (f) *Spit (including discharge of chewing gum), urinate or defecate in a public place.*
- (g) *Cycle or skateboard.*
- (h) *Feeding of Birds/Wildfowl in the Water Gardens*

2.3 Littering is not included because littering is already an offence under the Environmental Protection Act 1990 for which the Council is authorised to serve fixed penalty notices.

2.4 The area in which it is proposed to apply such restrictions (the 'restricted area') is shown at Annex A.

## 3. Considerations

3.1. Aside from ensuring that the statutory tests, particularly in respect of proportionality and justifiability, are satisfied, there are a number of considerations around the introduction of PSPO's which would also need to be considered.

Street Encampments

3.2 This may prove controversial at consultation. A number of local authorities have been criticised for seeking to 'criminalise' homelessness. The inclusion and enforcement of a prohibition on street encampments will likely necessitate caveats as to the offer and refusal of accommodation/ assistance etc. in an effort to ensure that the Order is directed at those who have accommodation but choose to sleep rough, or imply that they sleep rough as a means of begging, as opposed to the genuinely homeless.

3.3 There is a possibility that imposing an Order on the town centre may simply displace the issues to adjacent localities, and therefore enforcement will only be instigated when the procedures in the Council's NO Second Night Out Policy have been exhausted.

### Consuming Alcohol

3.4 Section 63 of the Anti-Social Behaviour Crime and Policing Act 2014 specifically provides for a prohibition on the consumption of alcohol in breach of a PSPO and provides that a constable or authorised officer *may*, (emphasis added) subject to reasonable belief as to a breach, require a person to cease consuming alcohol and surrender the alcohol. As such it is considered that the power to enforce the prohibition on alcohol consumption is discretionary and those consuming alcohol responsibly would not necessarily face sanction as a consequence of PSPO which is intended to deal with problem drinkers and their associated anti-social behaviour. As such there ought to be no issues as regards the Order restricting markets, festivals, temporary events and such like.

3.5 A PSPO to prohibit external drinking areas beyond the town centre, including Gadebridge Park and some other local centres is being considered separate to this PSPO.

### Begging

3.6 This has been a reported issue in the town centre which is particularly linked to rough sleepers. The offence of begging is provided for by way of section 3 or 4 of the Vagrancy Act 1824, and pursuant to section 70 (1) of the Criminal Justice Act 1982 is fineable only. There has also been issues of, 'aggressive begging' as yet to be legally defined, but is generally considered to be along the lines of begging in a manner which causes harassment, fear or alarm, or approaching or pursuing people.

3.7 Given the absence of a legal definition of aggressive begging and depending on the extent to which begging is a problem in the town centre, it may be desirable in the first instance that the Order seeks to restrict begging in general. Depending on consultation responses, the Order may be subsequently amended to 'aggressive begging' as is understood to have been the case in a number of other local authorities which have imposed PSPOs. If 'aggressive begging' is preferred over 'begging' the Order may need to include some form of definition.

Using, possessing or supplying to another person any intoxicating substance

- 3.7 There has been evidence of drug use in the town centre but due to the underlying causes of such use the PSPO is unlikely to act as an effective preventative measure or act as a deterrent; however, it will be another tool for enforcement which could be used in conjunction with other intervention measures and other enforcement agencies.

Cycling and Skateboarding

- 3.8. Frequent complaints from the public have been received regarding cycling and skateboarding in the town centre and damage has been caused to parts of the new play areas within the town which have received significant council investment.
- 3.9. Many of the perpetrators are under the age of 16 and therefore a proportionate approach will be taken to enforcement including warning letters before fixed penalty notices are issued.

Behaving in a way that causes or is likely to cause harassment, alarm or distress to any other person.

- 3.10 This is a wide prohibition which can be used to prohibit various types of anti-social behaviour and is recommended to add further protection for the public against behaviour which may not fall within any of the specific categories highlighted above, but still cause harassment, alarm or distress.

Spitting (including discharge of chewing gum), public defaecation or urination.

- 3.11. Spitting, particularly chewing gum, is a major issue in the town centre and is evidenced by significant areas of newly laid paving now being covered with chewing gum.
- 3.12 There have been reports of urinating/defaecation in public areas of the town centre and therefore it is also sensible to include this prohibition for completeness.

Feeding of Birds/Wildfowl

- 3.13 This has been a reported issue in respect of the Water Gardens, particularly with regards to the feeding of geese which have caused damage to the grass verges. This area has been newly planted and therefore it is worthy of protection.

Enforcement

- 3.14 If the Order is imposed, consideration will also need to be given to enforcement as there will be raised expectations from the public which will need to be managed. For example, a PSPO does not in its own right allow people to be moved on from a particular area. A stepped and proportionate approach to sanction will need to be developed.
- 3.15. Enforcement officers will need to be mindful of the circumstances of those to whom the Order is most likely to apply i.e. the homeless (be they genuine or otherwise); and others likely to have substance and/ or alcohol misuse problems and mental health issues. Given the precarious financial position of many, the effectiveness of issuing FPNs is likely to be of limited effect; similarly, endeavouring to institute a prosecution against such individuals, particularly if they are of no fixed abode for the purpose of serving a summons.
- 3.16 Likely to be equally problematic will be securing the attendance of such individuals at court. Consideration will also need to be given to the perception of the courts and the public as regards enforcement action – whilst it may well be that some of those purporting to be homeless and without means are in fact not, and that the behaviour of some is problematic, the repeated and (ineffective) sanctioning/ prosecution of vulnerable individuals ‘who the council should be helping’ has the potential for criticism and reputational damage.
- 3.17 Furthermore, there is currently no dedicated resource for town centre enforcement and enforcement sits across a numbers of different council services. Accordingly, a coordinated and targeted approach to enforcement, working together with other enforcement agencies, will need to be developed. Many of the behaviours which the PSPO seeks to prohibit occur outside of normal working hours and therefore enforcement will need to plan for these times.

#### **4. Consultation**

- 4.1 If Cabinet is satisfied that the relevant statutory requirements are met, a robust consultation will commence at the earliest opportunity for a six week period. This will include a series of questions to establish views on the PSPO. The consultation would include all businesses inside the Restricted Area, a wider community consultation and those whom are perceived as perpetrators. Following the consultation a review of responses would be undertaken to ascertain the level of support for such an Order and a further report brought back to Overview and Scrutiny Committee and Cabinet for consideration.

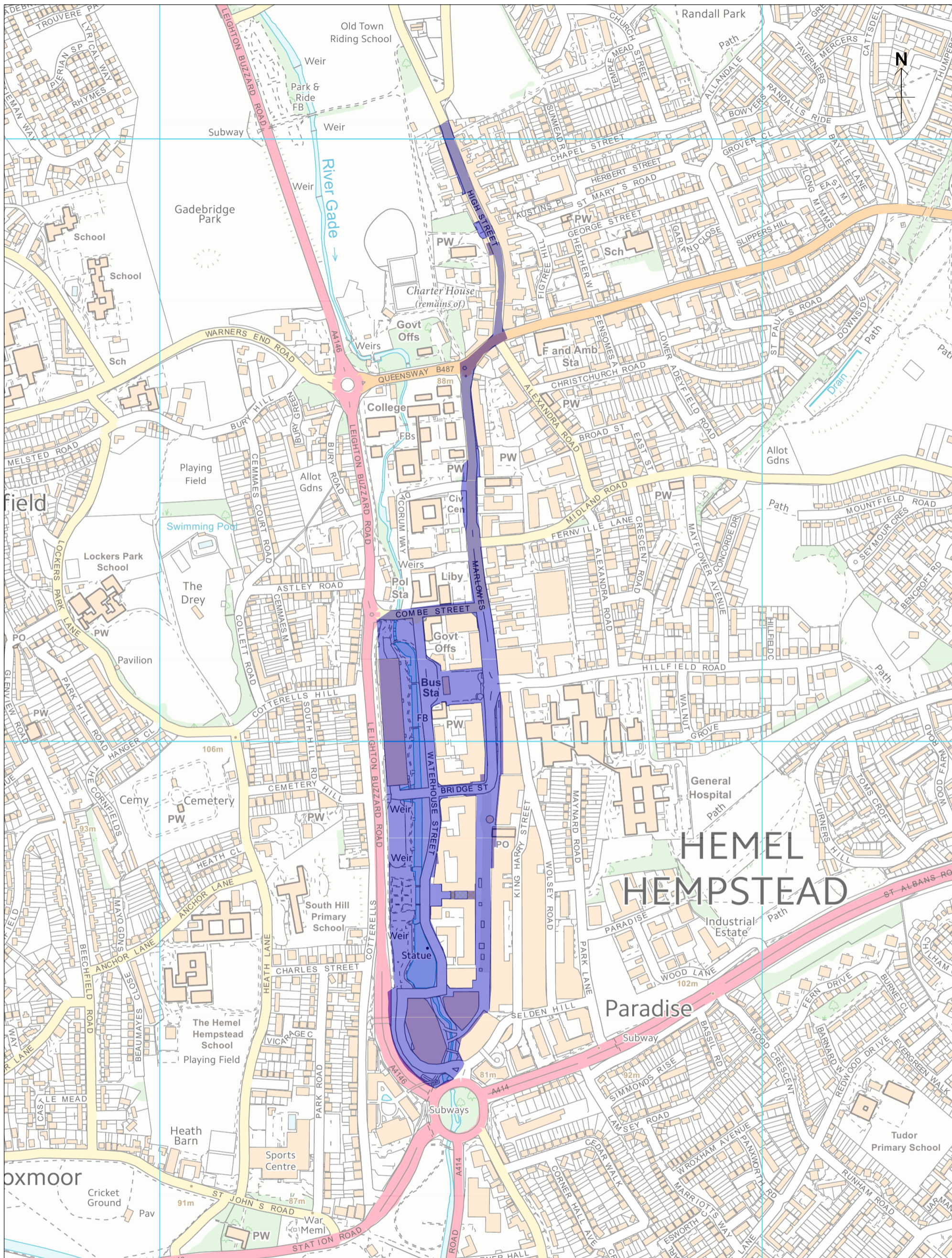
#### **5. Recommendations**

- 5.1 To consult on a draft Public Spaces Protection Order, applying to the restricted area as shown at Annex A, to prohibit/regulate the activities identified at para 2.2.



**Annex A**  
**Map of proposed restricted area**

# Public Space Protection Order



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Valuation & Estates  
Dacorum Borough Council  
The Forum  
Marlowes  
Hemel Hempstead  
Herts  
HP1 1DN

Scale: 1:6000

Date: 26/05/2017





<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>25 July 2017</b>
<b>Part:</b>	1
If Part II, reason:	

<b>Title of report:</b>	<b>Flexible Homeless Support Funding</b>
Contact:	Cllr Margaret Griffiths – Portfolio Holder for Housing  Author /Responsible Officer - Natasha Brathwaite – Group Manager Strategic Housing
Purpose of report:	For Members to consider the proposals in ring fenced funding made available for homeless prevention.
Recommendations	It is recommended:  <ol style="list-style-type: none"> <li>1. That Cabinet approve the proposals set out in Table 1 and Table 2 of section 4.7 in the report.</li> <li>2. That Cabinet recommend to Council supplementary estimates for 2017/18 to establish budgets as detailed in the body of the report and Table 1 &amp; 2 and be incorporated into budgets for 2018/19.</li> </ol>
Corporate Objectives:	Affordable Housing
Implications:	<p>The Council has undertaken a significant programme of work to improve its response in relation to the prevention of homelessness in Dacorum. This has resulted in close scrutiny of the service in the past 18 months, a review of a number of staff roles and responsibilities and development of a new Homelessness Strategy to enable the Council to achieve the 10 local challenges required to attain the Gold Standard for homelessness.</p> <p>To achieve the 10 local challenges, means that the Council will meet good practice service requirements that are recognised by the National Practitioners Support Service and to achieve the recommendations made within our Continuous Improvement Plan.</p>

Value For Money Implications'	<p>The Council is already facing increasing service demands in advance of changes in legislation and it is vital that the service is adequately prepared and resourced for the future changes set out in this report as this is going to significantly impact service delivery. In order to adequately resource and prepare the service the government has provided ring fenced grant funding which will allow the Council to fulfil its current and new statutory requirements. Effective use of these resources will positively impact on vulnerable client groups and will avoid negative implications in a number of areas, which may include anti-social behaviour, increased expenditure on bed and breakfast accommodation, failure to adhere to casework standards and, crucially, safeguarding implications.</p> <p><u>Financial</u> Full consideration has been given as to whether existing budgetary resources are sufficient to prepare for the requirements of the new legislation. It is very clear they cannot. The Council has now received notification from the government of the Flexible Homeless Support Grant that has been allocated to Dacorum for 2017/18 and 2018/19. The funding replaces the Temporary Accommodation subsidy and is ring-fenced to enable the Council to meet the costs associated with preventing homelessness and is not isolated to temporary accommodation provision.</p> <p><u>Value for money</u></p> <p>It is important that we deliver value for money for local people accessing our homelessness support services. Increased demand requires us to explore new ways to improve efficiency within our housing advice and options service so we can target resources to improve service quality, enhance effectiveness and deliver positive outcomes for our clients. We are also committed to 'demonstrating the cost effectiveness of preventing homelessness'. By investing in preventative approaches we can support people to stay in existing accommodation.</p>
Risk Implications	The intention of this report is to comply with new legislation and therefore avoid the risk of non-compliance. A schedule of training and awareness sessions is being prepared to prepare all frontline officers.
Community Impact Assessment	Community Impact Assessment carried out for the 2016-2020 Homelessness Strategy, not required in relation to grant funding proposals.
Health And Safety Implications	There are no direct Health and Safety implications from the strategy.
Monitoring Officer/S.151 Officer Comments	Monitoring Officer: The statutory changes are likely to give rise to a significant increase in legal challenges to decisions. Accordingly, it is important that a reserve fund/budget is allocated to fund associated legal costs required to defend challenges. This will need to be monitored over the next 12-18

	<p>months to assess if permanent additional staffing resource is required in the legal team.</p> <p>Deputy S.151 Officer</p> <p>The report sets out funding received and notified from central government that is ring fenced for specific purposes. The planned expenditure will have to be contained within the grant received.</p>
Consultees:	<p>Cllr Margaret Griffiths – Portfolio Holder for Housing</p> <p>Mark Gaynor – Corporate Director Housing and Regeneration</p> <p>Elliott Brooks – Assistant Director Housing</p>
Background papers:	<p>Appendix 1 - CMT Briefing Paper Homelessness Reduction Act</p> <p>Appendix 2 – FHS Methodology</p> <p>Appendix 3 – FHS formula explanation</p> <p>Appendix 4- 2016 – 2020 Homelessness Strategy June 2017</p> <p>Appendix 5 – Service demand and performance data</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>DWP – Department of Work &amp; Pensions</p> <p>TAMF – Temporary Accommodation Management Fee</p>

## **1. Background - Impact of the Homelessness Reduction Act 2017**

- 1.1 The incidence of homelessness has been growing significantly both locally and nationally over the last 18 months, as has been previously reported to Cabinet and the Housing and Community Overview and Scrutiny Committee. This trend shows no sign of slowing.
- 1.2 The increase in demand for homelessness and prevention services is set to grow significantly with the introduction of the Homelessness Reduction Act which came into force on 1 April 2017 and which the Council must comply with from 1 April 2018.
- 1.3 At a national conference attended by the service earlier this month, it was stressed by the CLG that funding had been released in sufficient time to enable local authorities to ensure they were ready to comply by the implementation date. Additionally representations were heard from a number of trailblazer authorities and the CLG who were impressing that it was good practice for local authorities to start working within the principles of the Act sooner rather than later.
- 1.4 The Act represents a massive change in the support that must be given to all persons presenting as homeless or threatened with homelessness including those who are not deemed to be vulnerable or in priority need. It also doubles the time that any temporary accommodation may need to be provided (at a minimum, but in some cases could be longer) and increases the household types that are entitled to temporary accommodation.
- 1.5 One key pressure will be to ensure that the Council does not face expensive bed and breakfast costs which would arise if preparations and service delivery are not adequate, something that in the past 18 months we have made significant efforts not to do.
- 1.6 The Homelessness Reduction Act 2017 will significantly reform England's homelessness legislation, please see **Appendix 1** for full details of the Act, challenges faced and the potential impact to the Council. As also explained in Appendix 1 there are a number of opportunities and recommendations for the service and the wider Council to consider in order for us to meet the requirements of the Homelessness Reduction Act 2017.
- 1.7 As is shown within Appendix 1 the additional requirements are significant and cannot be delivered within existing resources. Should the Council not adequately resource the service and use the funding as is intended, it will critically mean that the Council fail to meet its' new statutory duties and place a service already under significant pressure in dangerous territory, which ultimately means failure to meet the needs of vulnerable client groups.
- 1.8 The government is providing funding for these increased responsibilities by way of the Flexible Homelessness Support Grant which is ring fenced.

## **2. Flexible Homelessness Support Grant**

- 2.1 In the 2015 Autumn Statement it was announced that the Department of Work and Pensions' (DWP) Temporary Accommodation Management Fee would end and be replaced by a new funding arrangement, which would provide more control and flexibility to tackle homelessness.

- 2.2 The Council has received confirmation that the ring fenced grant award for 2017/18 is £374,695.32 and £424,283.43 2018/19. The new 'flexible homelessness support grant' is a radical replacement of the tightly controlled funding currently given to source and manage temporary accommodation for homeless individuals and their families. Its purpose is to provide flexibility to authorities in providing intervention and prevention of homelessness services, moving away from exclusive funding for procurement and funding of temporary accommodation.
- 2.3 The funding allocation for the grant is paid over two years so that local authorities will know with more certainty how much they will receive under the new system. The funding allocations for 2019/20 will be announced during 2017/18.
- 2.4 The funding has been allocated according to a formula which reflects relative homeless pressures, while at the same time aiming to protect local authorities which currently have high levels of Temporary Accommodation Management Fee eligible Temporary Accommodation. No local authority will receive an annual allocation less than the estimate that they would have received under the DWP fee in 2017/18 (assuming rising levels of demand), see **Appendix 2 and 3**.
- 2.5 Homelessness pressures have been calculated by the government by adding the number of acceptances to the number of prevention and relief cases achieved by securing a private rented sector tenancy, with the following adjustments -
- to take account of differing private sector rental costs in different areas.
  - to ensure a minimum allocation level of £40,000.
  - to ensure that no authority receives an annual allocation less than it is estimated they would have received in 2017/18 under the DWP fee.
  - to allow some headroom in the first year for authorities with high TAMF eligible Temporary Accommodation commitments so that they can benefit from the added flexibility the grant offers.
- 2.6 Data from the year to June 2016 was used by the government to assess levels of acceptances and preventions, and then projected into the future based on current trends. To estimate the current funding from the DWP fee, the following categories of P1E data (a data submission Council's make to government) as equivalents to the categories of temporary accommodation that are eligible for TAMF were used -
- Self-contained, nightly paid and privately managed
  - Private sector accommodation leased by local authority or managed by a registered provider
  - Directly with a private sector landlord
- Data from the financial year 2015/16 was used, and then this was projected to 2017/18 by assuming a 12% annual increase, as in the previous 5 years.
- 2.7 The new grant gives councils more control and flexibility over homelessness budgets. It forms part of the Government's approach to tackling homelessness, helping those at risk of homelessness and those experiencing a crisis. It also sits alongside other homelessness prevention funding and the Homelessness Reduction Act, which received Royal Assent in April 2017.
- 2.8 The grant is ring-fenced for an initial period of two years and during that time may be used only to prevent or deal with homelessness. There are no new monitoring or reporting requirements being imposed at this stage, other than an amendment to the current P1E data to capture the new duties.

### **3. Funding proposals**

- 3.1 The proposals below are made with the intention to enable the Council to meet the requirements of the Act and will make use of the Flexible Homelessness Grant. Please see below further details in relation to each proposal:

#### **Year 1**

### **3.2 Implementation of the Homelessness Reduction Act is likely to increase caseload by up to 26%**

The Strategic Housing Service anticipated the introduction of the Act and evidenced an ongoing need to deliver requirements that previously were not fulfilled by the service. As a result a growth bid for a Homelessness Prevention Officer was approved at Cabinet in February 2017 and recruitment is currently being finalised for this role.

It is crucial that the existing 5FTE Homelessness Prevention & Assessment Officers are utilised effectively to deliver the requirements of the Act and are able to focus on the increased casework management and duties that will be implemented.

Currently these officers undertake rota duty to provide triage support to the Customer Service Unit for the initial assessment of homelessness. It is proposed that a new post 1FTE Housing Advice Officer is recruited whose primary function will be to provide support to Customer Service Unit and undertake the triage of all clients presenting with a housing need.

This will ensure timely assessment of presentations, appropriate referrals to back office of clients needing intensive prevention and achievement of the early intervention and advice requirements.

### **3.3 Increase in Homelessness reviews of 50%**

The increased requirements in the Act mean that applicants are able to seek a review of all elements of the new duties and their contact with the Council, not just the temporary accommodation provided or the decision issued.

It is projected that reviews will therefore increase by up to 50%. As the legal requirements of conducting a homelessness review remain unchanged, it is likely that in some cases the Council could be conducting several reviews in respect of one client in relation to different elements of the Act.

It is important to note that whilst reviews are pending, temporary accommodation provision will continue.

Currently reviews are undertaken by an Officer independent from the original decision, typically the Team Leader and in some cases the Group Manager of the service. Typically the authority currently receives between 5-7 reviews each month.

An increase in reviews will have a significant impact on the aforementioned Officers ability to fulfil their primary function and potentially would jeopardise our ability to carry them out within the required legal timeframe.

It is therefore proposed that a new post of 1 FTE Independent Reviewing Officer be put in place, to undertake this function, in addition this Officer will be required to take

the lead in other functions such as service audit, scrutiny, training and work in close partnership with our Legal Department.

### **3.4 Provision of fit for purpose temporary accommodation, increase in demand requires increased management and maintenance of existing stock**

The Council currently has nearly 100 households in temporary accommodation.

In order to ensure that there is an ongoing commitment to restricted use of Bed & Breakfast accommodation (use of which has been significantly reduced in past 2 years, which has had a positive budget impact), the Council must invest and ensure that its temporary accommodation stock is effectively managed.

Plans are already afoot to develop additional units of temporary accommodation in accordance with our New Build Programme. Additionally conversations are currently underway in respect of new procedures regarding the management of existing general fund temporary accommodation, leased from the Estates Department and proposals to extend leases to ensure that ongoing requirements can be met.

The service has meetings scheduled with local Register Providers to discuss proposals for use of their stock as temporary accommodation, which it is hoped will relieve some of the usage of HRA stock as temporary accommodation, freeing it up for its intended purpose.

It is necessary to ensure that this growing stock of temporary accommodation (within the Council's management) is managed effectively and maintained. As the number of clients placed in temporary accommodation will grow with the increased duties, it has been identified that additional management resource of 1 FTE Lead Officer and 1 FTE Officer role, will be required, to ensure the effective management (income, anti-social behaviour, health & safety, property maintenance) of the stock.

Additionally through a recent survey, it has been identified that the General Fund accommodation at 2-4 Leys Road, currently on lease from Estates requires a number of improvements. The improvements include: CCTV upgrades, decoration to ensure that the building meets the suitability requirements laid down by government for the foreseeable future. This accommodation is vital to the Council being able to fulfil its current statutory requirements and minimise use of temporary accommodation, therefore it is proposed to undertake works, cost of which is estimated at £50,000.

### **3.5 Increase clients in temporary accommodation requiring support**

Currently the Council employs 3 FTE Education Welfare & Support Officers to provide support to all clients in temporary accommodation and those in the first 6 months of their tenancy (Council or private sector housing), to ensure that tenancies are sustained and reduce the repeat cycle of homelessness.

In addition a fourth officer was employed on a fixed term basis to provide additional support during the commencement of the Council's engagement with the Syrian Vulnerable Persons Resettlement Scheme

Currently the service supports nearly 200 households in accommodation. This service receives a small element of Housing Related Support funding from Hertfordshire County Council, this funding was reduced by 15% in 2017/18 and is likely to be reduced further in the future, having further budget implications.

It is crucial that the Council can wherever possible sustain tenancies. In order to prevent the repeat cycle of homelessness and ensure that the additional clients within the service as a result of the implementation of the Act are supported it is proposed that a new post 1 FTE Lead Officer be created and to extend the contract of the fourth Education Welfare & Support Worker mentioned above.

### **3.6 Increase in single homelessness and rough sleeping**

It is proposed that the Council will seek guidance from specialist consultants in this area of work such as Homeless Link or St Mungo's to investigate the feasibility of implementing a Housing First model to address single homeless rough sleeping in the borough.

Housing First is an approach that offers permanent, affordable housing as quickly as possible for individuals experiencing homelessness and provides the supportive services and connections to the community-based support people need to keep their housing and avoid returning to homelessness.

Ministers and CLG are promoting this approach very strongly and have linked it very clearly with the roll out of the Act. As single homelessness and rough sleeping is an increasingly visible problem within the Dacorum area, it is considered that investigating the viability of such a scheme and what this could look like should be undertaken. Currently there are currently no facilities of this type available within Hertfordshire.

### **3.7 Legislative changes requiring increased knowledge and system functionality**

Extensive staff training across the Housing and other key services will be required to ensure that the requirements are implemented appropriately.

Additionally the service will be required to upgrade existing systems (Civica, formerly known as Abris) to meet the data requirements of the new Act and ensure that the new requirements are effectively managed and monitored.

### **3.8 Ability to prevent homelessness via suitable private rented sector accommodation**

Provision of suitable private sector housing is vital in enabling the service to prevent homelessness, additionally being able to increase the private sector stock available, will alleviate pressure on the housing register and the provision of social housing stock to homeless households.

It is therefore proposed to redefine 1 FTE role within the service to deliver this work, which will require job re-evaluation.

Failure to adequately source private sector stock will most certainly see an increase in allocations to homeless households to prevent 'bed-blocking' in temporary accommodation and increase in service costs in areas such as Bed and Breakfast usage.



The Service is working closely with its' current landlords and the National Landlords Association to develop a range of initiatives that will improve the standard of the private sector in Dacorum and also increase stock available.

Additionally the service has been in liaison with the Environmental Health Department and will be leading the delivery of a new Private Sector Housing Strategy (in partnership with Environmental Health Service). It is expected that there will be costs associated with implementing the requirements of this strategy and the new duties shortly to be implemented in this sector.

### **3.9 Supporting voluntary sector initiatives aimed at preventing homelessness**

The service recognises the importance that the voluntary sector plays in the delivery of the Homelessness Strategy. It is intended that the Homeless Forum members will commission and monitor a project within the voluntary sector, which will support the Council in preventing homelessness in the borough.

It is clear that there will be a significant increase in new duties required to be implemented by the service. As a result the service feels strongly that we should continue to work closely with our third sector via the Homeless Forum and enable them to support the Council with delivery of it's 2016-2020 Homelessness Strategy, **see Appendix 4.**

### **3.10 Increase service challenges**

The service previously had approval to draw down funds from reserves in October 2015, to set up a Homelessness Prevention Fund. This fund is utilised to meet costs related to homelessness prevention, which includes but is not limited to: payment of legal costs (an area of which there has been a significant increase), training, consultancy, emergency travel assistance, reconnection – to enable applicant to return to their local area, prevention fund payments to prevent homelessness, emergency provisions. It is proposed that ongoing provision from the grant is agreed to top up this fund.

### **3.11 Increased clients with medical and support needs**

The Council is seeing a growth in the volume of clients presenting with medical and support needs, many of these clients are complex in nature and require extensive assessments. As a result the current 2017/18 budget provision for medical assessments is already under pressure and it is proposed that the funding will be utilised to alleviate pressure and provide additional resource for the remaining year.

**NB. Funding proposed for the Year 1 in respect of new posts, is the pro-rata salaries and on-costs until the end of the financial year. It is proposed that the remaining Year 1 funding be rolled over to 2018/19.**

#### **Year 2**

- 4. Implementation of the Reduction Act is likely to increase caseload by up to 26%**  
Continuation of funding for year 2 of 1 FTE Housing Advice Officer post.

#### **4.1 Increased in Homelessness reviews up to 50%**

Continuation of funding for year 2 of 1 FTE Independent Reviewing Officer.

#### **4.2 Provision of fit for purpose temporary accommodation, increase in demand requires increased management and maintenance of existing stock**

Continuation of funding for year 2 of 1 FTE Lead Officer and 1 FTE Temporary Accommodation Officer.

#### **4.3 Increase clients in temporary accommodation requiring support**

Continuation of funding for year 2 of 1 FTE Lead Officer and 1 FTE Education Welfare & Support Officer.

#### **4.4 Ability to prevent homelessness via suitable private rented sector accommodation**

The Help to Rent Service currently consists of 1 FTE Private Sector Partnership Officer and 1 FTE (managed by 2 part-time posts) Private Sector Housing Officer. Provision of an additional 1 FTE Private Sector Housing Officer is proposed to enable the service to deliver additional requirements and actions defined within the Private Sector Housing Strategy currently under development and to manage the growth within the scheme, which currently has 148 tenancies.

Provision of a private sector funding, to enable further development of the sector, which will include initiatives to generate additional landlords and retain existing landlords/stock within the scheme and funding to assist the Council in delivering the requirements of the new Private Sector Housing Strategy.

#### **4.5 Supporting voluntary sector initiatives aimed at preventing homelessness**

The service recognises the importance that the voluntary sector plays in the delivery of the Homelessness Strategy. It is intended that the Homeless Forum members will commission and monitor a project within the voluntary sector for year 3 of the 2016-2020 Homelessness Strategy, which will support the Council in preventing homelessness in the borough.

#### **4.6 Increase service challenges**

Additional top up to Year 1 funding (if required), it is intended that wherever possible funds from this pot in some cases may be regenerated, particularly in the instance of provision of payments to prevent homelessness, which are then reclaimed.

This fund is utilised to meet costs related to homelessness prevention, which includes but is not limited to: legal costs, training, consultancy, emergency travel assistance, reconnection – to enable applicant to return to their local area, prevention fund payments to prevent homelessness, emergency provisions.

#### **4.7 Summary and Financial implications of proposals**

As indicated above the flexible homelessness grant will provide £374,695.32 in 2017/18 and £424,283.43 in 2018/19. Indications from government are that the grant will continue to be paid post 2018/19 but there is no indication as to what amount this will be.

The proposals are fairly heavily weighted towards providing sufficient staff capacity to meet the predicted demands that will arise from the new legislation and the continued upward trend of homelessness already occurring.

The uncertainty over funding post 2018/19 means that caution will have to be taken over the nature of new contracts of any new staff taken on, specifically that a number of posts will have to be on a fixed term contract basis.

The funding does carry flexibility, in particular that unspent funds can be rolled forward. It is also the case that it will take some time to recruit to any new posts agreed. This will allow a 'financial cushion' to be created in the sums that can be carried into 2019/20 should the future level of grant reduce. The proposals above have taken this into account.

Table 1 Summary of Proposals

	<u>2017/18*</u>	<u>2018/19</u>	<u>2019/20</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<b>Funding Available</b>			
Funding Allocated for the year	(374,695)	(424,283)	Not yet known
Balance carried forward		(111,472)	(118,460)
<b>Total Funding Available</b>	<b>(374,695)</b>	<b>(535,755)</b>	<b>(118,460)</b>
<b>Proposed Expenditure</b>			
Staffing Costs	146,224	297,295	0
Total Other Supplies and Services	117,000	120,000	0
<b>Total Proposed Expenditure</b>	<b>263,224</b>	<b>417,295</b>	<b>0</b>
<b>Total Allocated Spend</b>	<b>263,224</b>	<b>417,295</b>	<b>0</b>
<b>Balance carried forward</b>	<b>(111,472)</b>	<b>(118,460)</b>	

\* Half yearly costs

Table 2 **Detail of Spending Proposals**

	<u>2017/18*</u>	<u>2018/19</u>	<u>2019/20</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<b>Funding Available</b>			
Funding Allocated for the year	(374,695)	(424,283)	Not yet known
Balance carried forward		(111,472)	(118,460)
<b>Total Funding Available</b>	<b>(374,695)</b>	<b>(535,755)</b>	<b>(118,460)</b>
<b>Staff Costs</b>			
Housing Advice Officer	18,107	37,426	
Independent Review Officer	24,099	48,197	
Temporary Accommodation Lead Officer	24,099	48,197	
Temporary Accommodation Officer	18,107	37,426	
Education and Welfare Lead Officer	24,099	48,197	
Education and Welfare Officer	18,107	37,426	
Private Sector Housing Officer	18,107	37,426	
Re-evaluation of Private Rented Sector Officer	1,500	3,000	
<b>Total Staff Costs</b>	<b>146,224</b>	<b>297,295</b>	<b>0</b>
<b>Other Supplies and Services</b>			
Revenue R & M Improvements to Temporary Accommodation	50,000		
Consultancy 'Housing First' model	2,000		
Training & system development	25,000	5,000	
Homeless Prevention Fund	10,000	15,000	
Medical assessment costs	5,000	5,000	
Additional support for private landlords/rent deposit		50,000	
Voluntary Sector Support	10,000	10,000	
Increased service challenges including legal costs	15,000	35,000	
<b>Total Other Supplies and Services</b>	<b>117,000</b>	<b>120,000</b>	<b>0</b>
<b>Total Allocated Spend</b>	<b>263,224</b>	<b>417,295</b>	<b>0</b>
<b>Balance carried forward</b>	<b>(111,472)</b>	<b>(118,460)</b>	

\* Half yearly costs

#### 4.8 Service information

Additional service information has been provided in Appendix 5, to provide further insight into demand on the service, footfall data (Customer Service Unit) and performance data has been provided in **Appendix 5**.

The data provided in Appendix 5 includes national P1E data and rocket performance information, for consideration in respect of the potential impact for growth in new duties and casework.

It should however be noted that this data should be reviewed with caution, as it is widely reported by CLG and other Homelessness organisations that current data provisions (P1E) are not fit for purpose and due to inconsistency of recording against definitions.

## **Homelessness Reduction Act – CMT Briefing**

### **Introduction**

The Homelessness Reduction Bill received Royal Assent and therefore became an Act of Parliament on the 27 April 2017. The new acts puts more emphasis on prevention activities by placing new legal duties on local authorities to provide meaningful support to everyone who is homeless or at risk of homelessness, regardless of whether they are in priority need or ‘intentionally homeless’, as long as they are eligible.

This briefing summarises the main changes and measures being introduced as part of the Homelessness Reduction Act 2017 and the opportunities and challenges to be faced by Dacorum Borough Council as part of implementing the act.

### **Proposed timescales for implementation**

A new Homelessness Code of Guidance is due to be published later this year which will provide practical guidance on how the legislation and related policies should be implemented and commencement of implementation is expected in 2018.

### **Details of the Homelessness Reduction Act 2017**

#### **‘Threatened With Homelessness’**

Current legislation (Housing Act 1996 as amended by Homelessness Act 2002) defines that a person is considered to be threatened with homelessness if it is likely that they will become homeless within 28 days. The Homelessness Reduction Act 2017 doubles the number of days from 28 to 56, including those who have been served with a valid Section 21 notice. A section 21 notice, is the legal notice that must be served by a landlord notifying the tenant that possession of the private sector property is required. Anyone accepted by the Council as being threatened with homelessness will be owed the new prevention duty and we must take ‘reasonable steps’ to help them avoid becoming homeless. This could include placing them into temporary accommodation.

#### **Providing Advisory Services**

The Housing Act 1996 stipulates that local authorities must ensure advice and information around homelessness and preventing homelessness is available free of charge to everyone in their district. The new act will require a more robust approach to advisory services with the need to provide information and advice on:

- Preventing homelessness;
- Securing accommodation if homeless;
- The rights of people who are homeless or threatened with homelessness, and;
- Any other support (provided by the local authority or any other local organisations) that is available for people who are homeless or likely to become homeless as well as how to access that help.

Local authorities will also need to ensure that advisory services can be tailored to meet the needs of particular groups who are at increased risk of becoming homeless i.e. care leavers (who are now considered to have a local connection to an area if they were looked after, accommodated or fostered there for a continuous period of at least 2 years), prison leavers, armed forces, domestic abuse victims, hospital leavers and those suffering with a mental health illness.

To summarise the act currently states:

Duty of local housing authority to provide advisory services.

(1) Every local housing authority shall secure that advice and information about homelessness, and the prevention of homelessness, is available free of charge to any person in their district.

(2) The authority may give to any person by whom such advice and information is provided on behalf of the authority assistance by way of grant or loan.

(3) A local housing authority may also assist any such person—

(a) by permitting him to use premises belonging to the authority,

(b) by making available furniture or other goods, whether by way of gift, loan or otherwise, and

(c) by making available the services of staff employed by the authority.

By direct comparison the new Act requirements will be as follows:

Duty of local housing authority in England to provide advisory services

- (1) Each local housing authority in England must provide or secure the provision of a service, available free of charge to any person in the authority's district, providing information and advice on –
- (a) preventing homelessness,
- (b) securing accommodation when homeless,
- (c) the rights of persons who are homeless or threatened with homelessness, and the duties of the authority, under this Part,
- (d) any help that is available from the authority or anyone else, whether under this Part or otherwise, for persons in the authority's district who are homeless or may become homeless (whether or not they are threatened with homelessness), and
- (e) how to access that help.
- (2) The service must be designed to meet the needs of

- (a) persons released from prison or youth detention accommodation,
- (b) care leavers,
- (c) former members of the regular armed forces,
- (d) victims of domestic abuse,
- (e) persons leaving hospital,
- (f) persons suffering from a mental illness or impairment, and
- (g) any other group that the authority identify as being at particular risk of homelessness in the authority's district.

(3) The authority may give to any person by whom the service is provided on behalf of the authority assistance by way of grant or loan.

(4) The authority may also assist any such person –

- (a) by permitting the person to use premises belonging to the authority,
- (b) by making available furniture or other goods, whether by way of gift, loan or otherwise, and
- (c) by making available the services of staff employed by the authority.

(5) In this section –

“care leavers” means persons who are former relevant children (within the meaning given by section 23C(1) of the Children Act 1989);

“domestic abuse” means –

- (a) physical violence,
- (b) threatening, intimidating, coercive or controlling behaviour, or
- (c) emotional, financial, sexual or any other form of abuse,

where the victim is associated with the abuser;

“financial abuse” includes –

- (a) having money or other property stolen,
- (b) being defrauded,
- (c) being put under pressure in relation to money or other property, and
- (d) having money or other property misused;

“hospital” has the same meaning as in the National Health Service Act 2006 (see section 275(1) of that Act);

“regular armed forces” means the regular forces as defined by



section 374 of the Armed Forces Act 2006;

“youth detention accommodation” means –

- (a) a secure children’s home,
- (b) a secure training centre,
- (c) a secure college,
- (d) a young offender institution,
- (e) accommodation provided by or on behalf of a local authority for the purpose of restricting the liberty of children;
- (f) accommodation provided for that purpose under section 82(5) of the Children Act 1989, or
- (g) accommodation, or accommodation of a description, for the time being specified by order under section 107(1)(e) of the Powers of Criminal Courts (Sentencing) Act 2000 (youth detention accommodation for the purposes of detention and training orders).<sup>3</sup>

#### Duty to Assess and Agree a Plan

The Homelessness Reduction Act 2017 stipulates that the support offered to eligible applicants is to be more robust than currently required. Once a local authority is satisfied that someone is homeless / threatened with homelessness and eligible for assistance an assessment should be carried out which includes;

- The circumstances that have caused homelessness / potential homelessness;
- The housing and other support needs of the applicant and their household;
- A personalised plan, setting out steps for the applicant and the Council to take to ensure accommodation is secured and/or retained.

An applicant’s assessment and plan must be kept under review and updated as necessary, until the local authority has determined that no further duty is owed.

#### Duty to Relieve Homelessness

Under the Homelessness Reduction Act 2017, the Council will have a duty to help **all** eligible homeless applicants to secure accommodation for a period of at least 6 months, regardless of whether they are ‘intentionally homeless’ or in priority need. Those in priority need will be provided with interim accommodation whilst steps are taking place to secure future accommodation.

### Failure to Co-operate

This new provision within the act will place a requirement on all applicants to cooperate with the Council's attempts to prevent or relieve their homelessness. If the Council considers that an applicant has deliberately or unreasonably refused to cooperate or take steps agreed as part of their assessment plan, a notice can be served to the individual informing them of the Council's decision, the consequences of it (e.g. ending of prevention / relief duty) and their right to request a review. This notice can only be served if a warning has been given to the applicant beforehand and a reasonable time period has elapsed since the warning was given.

### Right to Review

The Homelessness Reduction Act 2017 gives applicants the right to request a review of any decision made by the local authority (in addition to those laid down in current legislation) regarding:

- Steps set out in assessment plans;
- Giving notice to withdraw prevention or relief duties;
- Suitability of accommodation offered.

### Public Authority Duty to Refer

Under the Homelessness Reduction Act 2017, "specified public authorities" e.g. NHS services, will be required to refer details of people who they consider being homeless or threatened with homelessness to their local authority (if the person agrees to the notification being made). The Council will then need to make contact with this individual for assessment.

### Impact to the Council

- Potential advice and prevention case load will increase – DCLG estimate this will be approximately 26% but has the potential to be greater.
- Due to increased duties, the Council needs to be aware of the risk of exploitation and collusion
- Increased demand for temporary accommodation (current stock is maximised and at full capacity)
- Increased time spent in temporary accommodation due to extended duties
- New Burdens funding is not ring-fenced and not directly accessible within budgets
- Projected increase of 50% for review requests, in line with new duties
- Service administration costs will rise – DCLG estimate is 2% each year but this seems a gross underestimate
- Increased footfall to the Customer Service Unit (CSU)
- Additional service costs to upgrade the Abritas system to meet new requirements

### **Co-ordinating the Council's response to meet the requirements and address challenges**

Over the past year, the Council has been proactive in improving its homelessness services and ensuring we have begun to prepare the service for the changes introduced by the Homelessness Reduction Act 2017. The majority of this has been through the service commitment to achieving the Gold Standard National Practitioners Support Service (NPSS) Award for excellence in front line homelessness services. To date the service has achieved the Bronze Standard and is close to achieving silver in the next coming months.

In addition to this the service has been proactive in delivering against its continual improvement programme with the development of a new Homelessness Strategy and implementation of policies such as the No Second Night Out, which detail our approach to tackling rough sleeping in the borough. Dacorum have led the relaunch of The Homelessness Forum whereby the forum is responsible for the delivery of the strategy and preparing a coordinated response to legislative changes such as the Homelessness Reduction Act. In line with our commitment to working in partnership the forum has appointed a voluntary sector Chair and all involved partners have agreed the forum service standards. The Group Manager, Strategic Housing has also recently been appointed the Chair of the Hertfordshire Heads of Housing Group, this group meets quarterly to ensure a coordinated approach to tackling issues across the housing sector including the prevention of homelessness across the County. The Group Manager will be working closely with local authority partners to adopt formal terms of reference for the group and agree communication channels with the Hertfordshire Chief Executives Group.

There are a number of opportunities and recommendations for the service and the wider Council to consider in order for us to meet the requirements of the Homelessness Reduction Act 2017.

These are as follows:

#### **Maximising the use of temporary accommodation**

- Development of additional temporary accommodation on garage sites (i.e. extending beyond the agreed pilot scheme)
- Refurbishment of Leys Road temporary accommodation to make it more fit for purpose
- Review of existing 3 bedroom units of temporary accommodation and consider conversion to 1 bedroom shared units, which will assist in meeting demand for smaller units of accommodation and reduce need for utilising HRA stock
- A full review of The Elms contract to ensure good value for money and explore future opportunities
- Investigate the feasibility of implementing a Housing First model to address single homeless rough sleeping in the borough. Housing First is an approach that offers permanent, affordable housing as quickly as possible for individuals experiencing homelessness and provides the supportive services, connections to the community-based support people need to keep their housing and avoid returning to

homelessness. Ministers and DCLG are promoting this approach very strongly and have linked it very clearly with the roll out of the Act.

#### Development of advice services offered

- Increasing the range of support options available to those threatened with homelessness e.g. homeless prevention fund, rent deposit guarantee, mediation with family members / landlords, crash pad facilities
- Work is already being undertaken to clarify the roles and remits of the housing advice and options officers
- Working with forum partners such as CAD, Dens and Crisis to ensure alternative options to the Council are also available locally
- Establishing relationships with lenders, County Courts to ensure early intervention referral process is in place for households at risk of homelessness due to possession action
- Implementation of Homeless Forum sub-groups to undertake a task and finish approach to address key issues such as impacts of welfare reform and single non-priority homelessness
- Maximising the use of digital communications (i.e. social media, the website etc.) to keep people informed of their housing rights and where they can find support
- Development of new tools for creating personal housing plans with applicants
- Introduction of Tenant Academy (September 2017), which involves offering or signposting to free training opportunities to support tenants and applicants to develop new skills, improve their health and wellbeing, enhance their education and employability

#### Responding to failure to co-operate and right to review

- Development of robust policies and procedures for staff to refer to when faced with a client failing to co-operate or a review request
- Recruitment of an Independent Reviewing Officer

#### Addressing the impact on and of other services

- Work to develop a cross-service prevention culture, highlighting each teams role in preventing homelessness
- Implementing essential awareness training for key staff and service areas
- Carry out a review to ensure the impact on corporate services is understood (in particular for CSU)
- Review the operation of the Discretionary Housing Payment to provide a greater emphasis on the prevention of homelessness
- Develop a sustainable Tenancies Strategy to ensure tenancy sustainment and homelessness prevention is embedded across housing

### **Flexible Homeless Support Grant**

A report and action plan to Cabinet in relation to the ring-fenced Flexible Homeless Support Grant, which it is intended will be utilised to prepare and resource the service for the implementation of the Act. The Council has received confirmation that the ring fenced grant award for 2017/18 is £375,000 and 2018/19 £400,000. The new 'flexible homelessness support grant' is a radical replacement of the tightly controlled funding currently given to source and manage temporary accommodation for homeless individuals and their families. Its' purpose is to provide flexibility to authorities in providing intervention services, moving away from exclusive funding for procurement and funding of temporary accommodation. The report to Cabinet will detail a number of proposals that the service considers essential to address the challenges faced by the implementation of the Act, this includes additional full time posts to provide vital resource to key areas of the team to implement the service action plan and the commitments within the 2016-2020 Homelessness Strategy.

### **Conclusion**

The Homelessness Reduction Act 2017 is likely to have a significant impact on the way current services are shaped and delivered within Dacorum, it is vital that all statutory and voluntary services are bought in to working in partnership to enable the needs of Dacorum's residents to be met. Strategic Housing have been liaising closely with the NPSS practitioners to identify good practice and learning opportunities that can be implemented at the earliest approach, to ensure that we are prepared for the legislative changes. The service is continuing to work proactively to address the challenges locally and in the coming weeks a report will be presented to Housing Overview & Scrutiny Committee outlining the achievements since the introduction of the 2016-2020 Homelessness Strategy in October 2016. The service will also be submitting a report and action plan to Cabinet in relation to the ring-fenced Flexible Homeless Support Grant, which it is intending to utilise to prepare and resource the service for the implementation of the Act.

## Flexible Homelessness Support Grant – Formula Allocation

### Introduction

Temporary Accommodation Management Fee' (TAMF) was distributed to local authorities by the Department for Work and Pensions until the end of March 2017. The fee made £40 available per week per eligible temporary accommodation unit operated by authorities in London and £60 elsewhere in England. TAMF is being replaced by Flexible Homelessness Support Grant.

Department of Communities and Local Government (DCLG) statistics are recorded by Local Authorities in a quarterly statistical return called form P1E. This form collects data from English local housing authorities on their responsibilities under the homelessness legislation, including acceptances and number of households in temporary accommodation. It also includes a section on homelessness prevention and relief. Summary information from these returns is published by DCLG as official statistics, and the data is collected by Local Authorities in accordance with guidance issued by the Department<sup>1</sup>. It is therefore the most robust source of data on statutory homelessness and is used for the purposes of allocating this grant.

### Methodology

Options for the formula methodology were discussed at the engagement sessions with local authorities which were held during summer and autumn 2016. Around 130 authorities participated, including all London boroughs. The formula adopted is the one which was favoured by the large majority of authorities which participated.

The formula for Flexible Homelessness Support Grant is designed to distribute the funding according to levels of homelessness, family size and housing costs in the area.

The approach can be summarised by the following formula:

$$\text{Allocation for LA} = \frac{(\text{PRS preventions \& relief} + \text{acceptances}) \times \text{median rent}_{\text{Local authority}}}{(\text{PRS preventions \& relief} + \text{acceptances}) \times \text{median rent}_{\text{All Local authorities}}}$$

Where:

- PRS preventions and relief is the activity local authorities recorded undertaking on section e101b 2 and 3 of the P1E return
- Acceptances are households who are reported as statutorily homeless by their local authority in section e11g of the P1E return
- Rents levels are taken from the VOA Private Rental Statistics and take into account the number of large families 'accepted' as homeless in an area. Note

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<sup>1</sup> See

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/588912/P1E\\_Guidance\\_201612.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/588912/P1E_Guidance_201612.pdf)

that London has been split into two rent areas, 'Inner London' and 'Outer London'.

**Median LA rent**

$$= (\% \text{ of acceptances for small families} \times \text{median rent}_{2 \text{ bed}}) + (\% \text{ acceptances of } 3^+ \text{ children families} \% \times \text{median rent}_{4 \text{ bed}})$$

Additional measures have been taken so that:

- no authority receives less than £40,000 a year
- no authority receives less funding than the estimated total they would get under TAMF
- authorities with high levels<sup>2</sup> of TAMF eligible temporary accommodation receive an additional share of the funding in 2017/18 to create some headroom above the contribution we estimate that TAMF would have made to their TA costs.

**Example: Applying the formula to Birmingham<sup>3</sup>**

There is currently an upward national trend in the use of TAMF eligible units estimated at 12% per year. If we assume this trend continues from the baseline year of 2015/16 until at least 2018/19 (year 1 of the FHSG) then we can estimate Birmingham will have 688 TAMF eligible units in use by 2017/18. If allocations are made, as previously, paying £60 per week per unit of eligible TAMF units in use, this would give Birmingham an estimated £2,147,658 in 2017/18 and £2,405,377 in 2018/19 in TAMF funding.

Using the Flexible Homelessness Support Grant formula above for 2018/19 and the key assumptions below:

**μ (Location, Year of allocation)** is shorthand for our key demand metric '*(PRS preventions & relief + acceptances) × median rent*' and indicates for which location and year the metric is being calculated for.

1. Calculate μ for Birmingham over the last 4 quarters using existing data from the P1E.

$$\mu (\text{Birmingham, 2015/16}) = (408+3,730) \times \text{median rent}$$

2. Calculate the average rent for Birmingham.

23% of the acceptances in 2015/16 were for families who had 3+ children. So Birmingham's average rent will be based on 23 parts of the rent of a 4 bedroom property and 77 parts on the rent for a 2 bedroom property.

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<sup>2</sup> Local authorities are defined as 'high' if their volume of TAMF eligible units constitute 2% or more of the England total

<sup>3</sup> Rounding to the nearest £ and % have been used throughout this example

$$\begin{aligned} \text{Rent} &= 23\%(\pounds1127)+77\%(\pounds625) \\ &= \pounds742 \end{aligned}$$

Inserting this rental value into the formula in step 1

$$\begin{aligned} \mu (\text{Birmingham, 2015/16}) &= (408+3,730) \times \pounds741.67 \\ &= 3,069,022 \end{aligned}$$

- Using the predicted annual percentage changes in the 'key assumptions' for rent (1.4% for West Midlands) and for  $\mu$  (-2.6% for West Midlands) we extrapolate Birmingham's metric for 2018/19.

$$\mu (\text{Birmingham, 2018/19}) = 2,957,213$$

- Doing the same for England gives:

$$\mu (\text{England, 2015/16}) = 87,848,494$$

$$\mu (\text{England, 2018/19}) = 97,098,311$$

- We can now use the formula above, which shows us what percentage of the England metric is down to Birmingham's effect:

$$\text{Allocation \%} = \frac{2,957,213}{97,098,311} = 3.05\%$$

- To find Birmingham's financial allocation, multiply this share by the total funding available for that year.

$$\begin{aligned} \text{Financial allocation} &= \text{Allocation percentage} \times \text{Total annual funding for 2018/19} \\ &= 3.05 \% \text{ of } \pounds191,000,000 \\ &= \pounds5,817,071 \end{aligned}$$

- The additional measures above do not affect Birmingham directly; however they do influence the amount of available funds for distribution. Therefore applying a floor payment of £40,000 to all authorities, and compensating those areas who have lost funding compared to the estimated TAMF funding<sup>4</sup>, gives Birmingham the following final allocation = £4,155,989

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<sup>4</sup> Under the formula two Local Authorities areas would have received less funding in Year 2 of FHSO compared to Year 1. These areas have been given the same level of funding for Year 1 and Year 2 to mitigate this effect, and this has been managed by using funds outside of the formula allocation to avoid a reduction on the total FHSO available to all other areas.



## Key assumptions

As the allocations are forward looking, a number of assumptions have been made based on current trends.

1. Regional rents will continue to rise as they have done so over the last 5 years:

Region	Average annual change
East of England	1.9%
East Midlands	1.6%
London	3.8%
North East	0.6%
North West	0.7%
South East	2.3%
South West	1.6%
West Midlands	1.4%
Yorkshire and Humberside	0.9%

2. Temporary accommodation unit types that were eligible for TAMF are documented in DWP's 2011 Housing Benefit and Council Tax benefit circular<sup>5</sup>.
3. The P1E categories which are the best equivalents to the categories of temporary accommodation eligible for TAMF are:
  - a. 'Self-contained, nightly paid and privately managed', P1E section 6 2b;
  - b. 'Private sector accommodation leased by local authority or registered provider', P1E section 6 4 and;
  - c. 'Directly with a private sector landlord', P1E section 6 5.

Some of the units recorded in the third category may not be eligible for TAMF but for the purposes of these calculations we have assumed they are.

4. The use of TAMF eligible units will continue to rise by 12% annually from 2015/16, as it has done over the last 5 years.
5. The regional trends in the use of PRS prevention & relief + acceptances ( $\mu$ ) will continue as they have done so over the last 5 years

Region	Average annual change
East of England	0.2%
East Midlands	-5.7%
London	2.9%
North East	-8.3%

<sup>5</sup> See [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/245812/s1-2011.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/245812/s1-2011.pdf)

North West	-0.4%
South East	1.3%
South West	-6.6%
West Midlands	-2.6%
Yorkshire and Humberside	-2.0%

**Flexible Homelessness Support Grant** – Additional text to accompany the table of allocations

Local authority allocations

The funding has been allocated according to a formula which reflects relative homeless pressures, while at the same time aiming to protect local authorities which currently have high levels of Temporary Accommodation.

We have calculated relative homelessness pressures by adding the number of acceptances to the number of prevention and relief cases achieved by securing a private rented sector tenancy, with the following adjustments -

- to take account of differing private sector rental costs in different areas.
- to ensure a minimum allocation level of £40,000.
- to ensure that no authority receives an annual allocation less than we estimate they would have received under the DWP Temporary Accommodation Management Fee (TAMF).
- to allow some headroom in the first year for authorities with high TAMF eligible Temporary Accommodation commitments so that they can benefit from the added flexibility the grant offers.

DCLG Homelessness data from the year to June 2016 was used to assess levels of acceptances and preventions, and then projected into the future based on current trends.

DCLG Homelessness data for the financial year 2015/16 was used to estimate levels of the DWP fee, then also projected into the future based on current trends.



# Preventing and Tackling Homelessness

Dacorum Borough Council Homelessness Strategy  
2016 - 2020



## Foreword

I am pleased to introduce Dacorum Borough Councils Homelessness Strategy for 2016-2020 .

Homelessness has continued to increase in Dacorum and changes in legislation mean we must work in partnership to prevent and tackle homelessness.

With our commitment to achieving a gold standard service we can help to keep people in safe, secure and affordable homes.

Using the five commitments set out in the strategy we can capture the difference we as a housing service along with our partners make to people experiencing or at risk of homelessness.

*Councillor Margaret Griffiths*

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# 1.0 Introduction

## 2.0 Our vision

### 1.0 Introduction

Dacorum Borough Council is committed to working in partnership to prevent and tackle homelessness within the borough.

This strategy sets out how we as a housing service will consider the needs of homeless households and offer assistance to those who we have a statutory duty to support under The Housing (Homeless Persons) Act 1977, Housing Act 1996, and the Homelessness Act 2002.

It will also detail the approach taken to prevent homelessness within the borough. This includes helping people to address their housing needs to avoid becoming homeless. Additionally the strategy sets out how we as a housing service will, where possible work with those people who we have no statutory obligation to support find accommodation.

This strategy explores the impact of local and national changes on homelessness in Dacorum and sets out five commitments which it will deliver in partnership.

For the purpose of this strategy a person is considered homeless if they are;

- have nowhere to stay and are on the streets
- have been evicted, illegally evicted or forced to leave their last place of residence
- have been released from prison or discharged from hospital with nowhere to go
- are at risk of losing their home within 28 days
- have a priority need for housing e.g. care leavers

### 2.0 Our vision

In Dacorum, preventing and tackling homelessness is more than addressing peoples housing situation. It is about helping them to fulfil their potential and live a quality life.

Our vision is to create a borough where homelessness is not an option. We will work together with our partners to help every person that is homeless or at risk of homelessness to gain the right skills and resources to improve their lives and *'get back on track'*.

This strategy supports the councils corporate vision of *'...working in partnership to create a borough that enables Dacorum's communities to thrive and prosper'*.

To deliver this vision it is essential that we work with our residents to create strong and vibrant communities that enjoy safe and clean environments. We will continue to provide good quality affordable homes, particularly to those in need and ensure the economic growth and prosperity of our borough so our residents can support themselves. As a council we will explore how we can create more efficient and modern services so those who need help can access it through multiple channels.



## 3.0 National and local considerations

### 3.1 National and local impact

This strategy will take into consideration how decisions made at a national level can affect individuals living in Dacorum. We recognise that all people will at some point have experiences that could lead to homelessness. Poor life skills, relationship breakdown, mental or physical ill health and the ending of a tenancy can all contribute to this. For many people, they are able to resolve these issues themselves; however it is important for us to acknowledge that not everyone has the ability to cope or the resources to support themselves through these hard times. It is these experiences that often result in individuals becoming homeless.

### 3.2 Welfare Reform and Universal Credit

To prevent and tackle homelessness it is important for us to understand how changes to legislation such as Welfare Reform and the introduction of the Housing and Planning Act (2016) affect Dacorum residents.

The move towards Universal Credit means people will receive benefits on a monthly basis. This will put more pressure and responsibility on individuals to manage their money and budget for the month. Receiving a lump sum can also lead to complex social issues such as financial abuse for vulnerable people and the risk to individuals with drug and alcohol dependencies. This change highlights the importance of improving people's life skills to allow them to live independently.

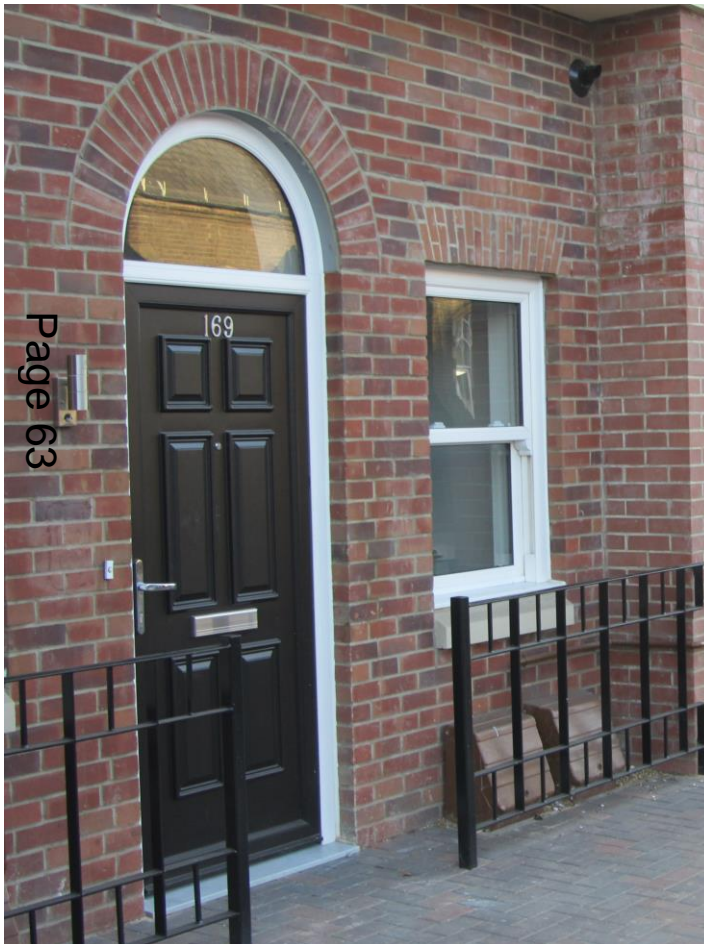
### 3.3 The Housing and Planning Act 2016

Additionally, The Housing and Planning Act 2016 marks the end of local authorities offering lifetime tenancies. Local authorities will now offer tenancies up to ten years, with some exceptions being made for families with young children and other households considered vulnerable. Alongside the benefits created for us as a council when managing our housing stock, this will require us to consider how we can support people whose tenancies are not renewed to access alternative housing and prevent them from becoming homeless.

### 3.4 A changing landscape

Changes in legislation can often cause the increased risk of homelessness for individuals. Based on this, the council is committed to regularly reviewing this homelessness strategy and shape services according to both local needs and national requirements.

The potential introduction of a homelessness reduction bill would see local authorities' responsibility to prevent homelessness needing to be evidenced by a formal duty, placing additional pressures on the service to meet demand.



## 4.0 Commitment to delivering a great service

### 4.1 Our commitments

To develop this strategy we worked with a variety of stakeholders including service users, the local voluntary and community sector and other statutory services.

Using trend analysis we also identified the key reasons people become homeless within Dacorum. This includes the termination of shorthold assured tenancies due to increased rents in the private sector.

From this insight into local need and the requirements of the National Practitioner Support Service (NPSS) ten local challenges we have developed five outcome based commitments for delivering this strategy, these are;

**Commitment one:** Continue to build partnerships across different sectors and lead Dacorum's response to preventing and tackling homelessness

**Commitment two:** Work together with partners and residents to understand the causes of homelessness and increase the help Dacorum services can offer

**Commitment three:** Improve access, security and stability within the private rented sector and allow Dacorum residents to remain in their homes

**Commitment four:** Empower Dacorum residents to make informed decisions about their housing options

**Commitment five:** Reduce the effect of homelessness on young people and families

### 4.2 Working in partnership

An increase in demand for housing and limited resources, Dacorum Borough Council is committed to working in partnership to prevent and tackle homelessness effectively.

Leading a borough wide Homelessness Forum we create the opportunity to discuss strategic issues which cross-cut all sectors with our partners. The Forum will be used to monitor the progress and effectiveness of the strategy.

Our homeless hostel 'The Elms' managed by a voluntary sector organisation allows us to adopt a No Second Night Out policy.

To effectively deliver this strategy, we will continue to maintain agreements with a variety of organisations to ensure our service can offer the highest quality advice and support to those in need. Taking an outcome based approach through the five commitments; we will monitor our performance and those of our partners to ensure by 2020, homelessness is not an option for people living in Dacorum.

### 4.3 Value for money

It is important that we deliver value for money for local people accessing our homelessness support services. Increased demand requires us to explore new ways to improve efficiency within our housing advice and options service so we can target resources to improve service quality, enhance effectiveness and deliver positive outcomes for our clients. We are also committed to 'demonstrating the cost effectiveness of preventing homelessness'. By investing in preventative approaches we can support people to stay in existing accommodation.





## 4.0 Continued

### 4.4 Equality and Diversity

As a Housing Service we believe everyone should have the opportunity to access our housing advice and options service regardless of; age, disability, gender, race, religion or belief and sexual orientation (Equality and Diversity Act 2010). We are committed to being inclusive with our approach to preventing and tackling homelessness and will ensure our policies and procedures and working practices reflect this commitment.

We know that groups within our population are more likely to be at risk of homelessness. Through customer insight we can trend the profiles of people within Dacorum presenting as homeless and shape the services we and our partners offer to improve this.

### 4.5 Setting the standard

To support the delivery of this strategy, the housing service will achieve the NPSS gold standard for homelessness. Our commitment to achieving this standard, demonstrates our desire to continuously improve and provide an excellent customer service.

Achieving this, we will; improve our response to homelessness, identify opportunities that prevent Dacorum residents from becoming homeless and work with our partners to intervene at the earliest possible point.

A gold standard homelessness service is achieved by completing the following ten local challenges;

1. To adopt a corporate commitment to prevent homelessness which has buy in across all local authority services

2. To actively work in partnership with voluntary sector and other local partners to address support, education, employment and training needs
3. To offer a Housing Options prevention service to all clients including written advice
4. To adopt a No Second Night Out model or an effective local alternative
5. To have housing pathways agreed or in development with each key partner and client group that include appropriate accommodation and support
6. To develop a suitable private rented sector offer for all client groups, including advice and support to both client and landlord
7. To actively engage in preventing mortgage repossessions including through the Mortgage Rescue Scheme
8. To have a homelessness strategy which sets out a proactive approach to preventing homelessness, reviewed annually to be responsive to emerging
9. To not place any young person aged 16 or 17 in Bed and Breakfast accommodation
10. To not place any families in Bed and Breakfast accommodation unless in an emergency and for no longer than 6 weeks



# 5.0 Preventing and tackling homelessness



## 5.1 Preventing and tackling homelessness

Homelessness has been steadily increasing in Dacorum this strategy originally launched in 2014. Trends such as an increase in rough sleepers, limited affordable housing, high rents in the private sector and an increase in people seeking housing advice as a result of domestic violence demonstrate the broad demand on our current homelessness service. This increase in demand along with limited resources mean we as a housing service must find smarter solutions to meet housing needs. This strategy highlights the core themes we are committed to delivering over the next four years in order to prevent and tackle homelessness in Dacorum.

## 5.2 Commitment one – Continue to build partnerships across different sectors and lead Dacorum’s response to preventing and tackling homelessness

Commitment one seeks to build on the well established relationships between the housing service and the voluntary and community sector and other statutory services.

By increasing our network and developing these relationships further we can address not only peoples housing needs, but help them to improve their lives by gaining the right skills. We will explore opportunities to reduce both long-term and short-term demand on services in Dacorum. To achieve this we will;

- Increase the effectiveness of the Homelessness Forum using it effectively manage joint resources and tackle key issues to tackle homelessness
- Offer holistic support to people that are homeless or at risk of homelessness by improving pathways between services
- Review agreements between the housing service and external organisation against required outcomes and value for money achieved
- Lead a borough wide response to any national changes to ensure a consistent service
- Have a communications plan to ensure that our partners and residents are aware of our response to homelessness, which impacts on the whole community
- Utilise our travel assistance fund is used to allow reconnection of homeless clients with their local area, to prevent further demand on Dacorum’s resources and services.

# 5.0 Continued

## 5.3 Commitment two – Work together with partners and residents to understand the causes of homelessness and increase the help Dacorum services can offer

Commitment two is about understanding both the needs and the experiences of people that are homeless or at risk of homelessness. Taking this informed approach we can develop preventative approaches and reduce the number of people becoming homeless in Dacorum. To achieve this we will;

- Use customer insight to map the services we offer against current and emerging need and effectively consult with customers to continue service improvement
- Develop a Housing First model to support people with complex needs experiencing homelessness into accommodation
- Eradicate rough sleeping by developing a No Second Night Out model
- Utilise our management systems and data sharing to enable us to identify potential victims of Domestic Abuse and people with mental health problems earlier and implement appropriate interventions preventing further risk or homelessness
- Support grassroots organisations to set up initiatives that tackle the causes of homelessness within Dacorum

- Develop our Positive Futures programme to provide increased opportunities for our clients to access support and achieve independence through developed life skills

## 5.4 Commitment three – Improve access, security and stability within the private rented sector and help Dacorum residents to remain in their homes

Commitment three looks to improve access and security within the private rented sector for local people, increasing their housing options. This will also help to manage the demand for social housing. We will work with residents and landlords to improve stability and help residents to remain in their homes. We will achieve this by;

- Help people to stay informed by improving access to information on housing rights, new initiatives and how to access support through channel shift and signposting
- Work with private sector landlords to improve their relationships with tenant and act as a mediator to help people stay in their homes
- Develop our 'help to rent' scheme allowing people to access housing in the private sector
- Increase the support offered for mortgage repossession prevention



## 5.0 Continued

### 5.5 Commitment four – Empower Dacorum residents to make informed decisions about their housing options

Commitment four focuses on helping people to stay informed about their housing options through high quality advice. We believe this is key to preventing homelessness. We will explore the use of channel shift so local people can access support at any given time. We will achieve this by;

- Tailor our communications so people can access information about their housing options easily
- Improve our Enhanced Housing Options toolkit and information that is available on website so people can access housing advice at all times
- Improve our contact channels so people can contact the right team and access advice at the earliest possible point
- Work with partners to increase access housing advice and options support through outreach work and pop-up events

### 5.6 Commitment five – Reduce the effect of homelessness on young people and families

Commitment five looks to give young people and families experiencing homelessness the best possible start. We understand that homelessness is a stressful experience for all. We will explore all opportunities to help families stay together and prevent individuals, particularly young people from becoming homeless. Through education we will support the next generation to avoid homelessness and work to reduce the effects of those who do experience it. To achieve this we will;

- Increase our offer of respite accommodation and mediation services to reduce breakdown in family relationships
- Reduce the use of bed and breakfast accommodation for young people and families with young children
- Improve young people's understanding of 'living independently' by offering life skills workshops and housing eligibility
- Ensure any young people or children have access to appropriate support following their experience of homelessness



## 6.0 Conclusion

### 6.1 Conclusion

Within this strategy we have set out how Dacorum Borough Council's housing service will work with strategic partnership organisations to prevent and tackle homelessness within the borough.

We are committed to considering the needs of homeless households, offering support to those we who we have a statutory duty to support and working with those in non-priority homeless households.

We will take a leading role in responding with key changes in legislation and work with partners when required to coordinate a local response.

Throughout this strategy we have emphasised the importance of partnership working and will continue to keep this at the core of our service delivery.

We will consider the needs and experiences of people that are homeless or at risk of losing their home to improve our services and effectively target resources.

Improving access to the private sector and working with private landlords we will seek to reduce demand for social housing.

By empowering local people to make informed choices about their housing options we will seek to prevent homelessness wherever possible.

We will help young people and families to reduce the effect of homelessness and ensure they stay in safe and secure temporary accommodation for a limited period of time.

We believe these five commitments will support the service to achieve the NPSS gold standard.

Overall we will work towards a borough where homelessness is not an option.



**Section E1: Applicant households for which decisions were taken between during the quarter (between 01 April 2016 and 31 March 2017)**

	White	Black	Asian	Mixed	Other	Ethnicity not stated	
	Total	Total	Total	Total	Total	Total	Grand Total
1. Eligible, unintentionally homeless and in priority need	117	16	10	2	1	7	153
2. Eligible, homeless and in priority need, but intentionally so	17	1	0	1	0	1	20
3. Eligible, homeless but not in priority need	37	5	2	0	1	2	47
4. Eligible, but not homeless	16	1	4	0	1	2	24
5. Ineligible households	4	3	0	0	0	2	9
<b>Total</b>	<b>191</b>	<b>26</b>	<b>16</b>	<b>3</b>	<b>3</b>	<b>14</b>	<b>253</b>

**Section E1a1: Decisions on households owed the re-application of duty under s195a.**

	Total
i) Ineligible	0
ii) Eligible, but not homeless	0
iii) Eligible, homeless but intentionally so	0
iv) Duty accepted	1
<b>Total</b>	<b>1</b>

**Section E1b: Of the acceptances recorded in Section 1 row 1 above, what was the applicant's age when accepted as eligible, unintentionally homeless and in priority need**

	Total
16 - 24	26
25 - 44	105
45 - 59	18
60 - 64	3
65 - 74	0
75 & Over	1
<b>Total</b>	<b>153</b>

**Section E1c: Applicant households found to be eligible for assistance, unintentionally homeless and in priority need during the quarter (between 01 April 2016 and 31 March 2017): Analysis by household type**

	Couple with dependent children or member pregnant	Lone parent household with dependant children	One person household		All other household groups		
	1. Couple with dependent children or member pregnant	Male	Female	Male	Female	4. All other household groups	Grand Total
<b>Total</b>	<b>34</b>	<b>12</b>	<b>77</b>	<b>11</b>	<b>9</b>	<b>10</b>	<b>153</b>

**Section E2: Applicant households found to be eligible for assistance, unintentionally homeless and in priority need during the quarter (between 01 April 2016 and 31 March 2017), by priority need category**

	Total
01. Applicant who is homeless because of emergency (fire, flood, storms, disaster, etc.)	1

	Number of Children				
	None	1	2	3+	Total
02. Applicant whose household includes dependant children	4	51	42	14	111
03. Applicant is, or household includes, a pregnant woman and there are no other dependant children	8	0	1	1	10
04. Applicant aged 16 or 17 years old	1	0	0	0	1
05. Applicant formerly "in care", and aged 18 to 20 years old	0	0	0	0	0
06. Vulnerable due to old age	2	0	0	0	2
07. Vulnerable due physical disability	14	0	0	0	14
08. Vulnerable due to mental illness or handicap	8	0	0	0	8
09. a. Drug dependency	0	0	0	0	0
09. b. Alcohol dependency	0	0	0	0	0
09. c. Former asylum seeker	0	0	0	0	0
09. d. Other	0	0	0	0	0
10. Vulnerable due to having been in care	0	0	0	0	0
11. Vulnerable due to having served in HM Forces	0	0	0	0	0

12. Vulnerable due to having been in custody/on remand	0	0	0	0	0
13 Vulnerable due to fleeing home because of violence/threat of violence	—	—	—	—	—
<b>Total</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>6</b>
13a. Vulnerable due to fleeing home because of domestic violence / threat of violence	3	2	0	0	5
<b>Grand Total</b>	<b>41</b>	<b>53</b>	<b>43</b>	<b>15</b>	<b>152</b>

**Section E3: Main reason for loss of last settled home for applicant households found to be eligible, unintentionally homeless and in priority need during the quarter (between 01 April 2016 and 31 March 2017)**

	Total
01. Parents no longer willing or able to accommodate	16
02. Other relatives or friends no longer willing or able to accommodate	8
03. Non-violent breakdown of relationship with partner	10
04a. Violence: Violent breakdown of relationship involving partner	18
04b. Violence: Violent breakdown of relationship involving associated persons	4
04c. Violence: Racially motivated	0
04d. Violence: Other forms of violence	6
05a. Harrassment, threats or intimidation: Racially motivated harassment	0
05b. Harrassment, threats or intimidation: Other forms of harassment	2
06. Mortgage arrears (repossession or other loss of home)	0
07a. Rent arrears on: Local authority or other public sector dwellings	0
07b. Registered Provider dwellings	0
07c. Rent arrears on: Private sector dwellings	5
08a. Loss of rented or tied accommodation: Termination of assured shorthold tenancy	63
08b. Loss of rented or tied accommodation: Reasons other than termination of assured shorthold tenancy	10
09. Required to leave accommodation provided by Home Office as asylum support	1
10. a. Left prison/on remand	2
10. b. Left hospital	2
10. c. Left other institution or LA care	0
11. a. Left HM-Forces	0
11. b. Other reason (e.g. homeless in emergency, sleeping rough or in hostel, returned from abroad)	6
<b>Total</b>	<b>153</b>

**Section E4: Referrals between authorities and applicant households accepted with no local connection anywhere during the quarter (between 01 April 2016 and 31 March 2017)**

	Total	Within your region	To/from a London borough	In another region
1. Referral to another authority (and referral agreed)	0	0	0	0
2. Referral from another authority (and referral agreed)	0	0	0	0

3. Accepted by your authority as having no local connection anywhere 0

**Section E5: Immediate outcome where applicant household found to be eligible, unintentionally homeless and in priority need during the quarter (between 01 April 2016 and 31 March 2017)**

	Total
01. Applicant placed in temporary accommodation for the foreseeable future	133
02. Applicant owed main duty but either (a) remains in accomm from which accepted as homeless or (b) is making own arrangements for temporary accom (previously "Homeless at home")	20
03a. Applicant accepted qualifying offer of assured shorthold tenancy - duty ended (even if property not ready for immediate occupation)	1
03b. Applicant accepted private rented sector offer	0
03c. Applicant refused private rented sector offer	0
04. Applicant accepted "Part 6" offer (including LA nomination to a Registered Provider) or accepted an assured tenancy made directly by an RP	0

05. Authority regards its S193 duty as ended - e.g. applicant household made own arrangements, refused a suitable offer of accommodation, or made no further contact with LA	0
<b>Total</b>	<b>154</b>

**Section E6: Applicant households accommodated by your authority as at 31 March 2017**

	1996 Housing Act cases									
				Of TOTAL households (Col(c)):		Col (d) cases only:		Of TOTAL households(Col (c)):	Col (h) cases only:	
	Pending enquiries plus intentional homeless, review, appeal, awaiting referral	Section 193 Duty owed	Total	Households with dep. children and/or pregnant woman with no other dependants	Total number of children/expected children	of which resident for 6 weeks or more		Number of 16/17 year old applicant households accommodated	of which resident for 6 weeks or more	
						Total	of which: accommodated pending a review or appeal		Total	of which: accommodated pending a review or appeal
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
1. Bed and breakfast hotels (e.g. privately managed meal(s) provided, shared facilities)	0	0	0	0	0	0	0	0	0	0
<b>2. Other nightly paid privately managed accommodation (may also be referred to as "Annexes")</b>										
a. Shared facilities	6	3	9	7	7	0	0	3	0	0
b. Self-contained (i.e. Exclusive use of facilities)	9	22	31	27	49			0		
<b>3. Hostel accommodation</b>										
a. Hostels (including reception centres and emergency units)	6	12	18	12	20			0		
b. Women's refuges	0	0	0	0	0			0		
4. Private sector accommodation leased by your authority or leased or managed by an RP (e.g. via HALS or HAMA)	0	0	0	0	0			0		
5. Directly with a private sector landlord (not 2 or 4 above)	0	0	0	0	0			0		
6. Accommodation within your own stock	13	14	27	25	49			0		
7. Accommodation within RP stock	0	0	0	0	0			0		
8. Any other types of accommodation	0	0	0	0	0			0		
<b>9. Total in accommodation arranged by the local authority at the end of the quarter (sum of 1 to 8 above)</b>	<b>34</b>	<b>51</b>	<b>85</b>	<b>71</b>	<b>125</b>			<b>3</b>		
a. Number in 9 above in accommodation in another LA district			61							
b. Number in 9 above intentionally homeless and accommodated for a reasonable preference period (S190(2)(a))	6									



c. Number in 9 above pending LA review	2				
d. Number in 9 above pending county court appeal	0				
10. Applicant owed a main duty, but either (a) remains in accomm. from which accepted as homeless or (b) is making own arrangements for temporary accomm (previously "homeless at home")		265	265	207	362

**Warning: Unexpected snapshot state name found, are you missing a tenancy cancellation? (click to drill down and see the records):**

12

**Warning: Duty accepted cases where no temporary accommodation provided but not marked as 'owed a main duty, but has waived right to be provided TA (where applicable) and (a) remains voluntarily in existing accommodation or (b) is making own arrangements for temporary accommodation (previously 'Homeless at home')'. Please review these cases and change the immediate outcome. :**

584

	Name of local authority district		Number of households
11. Of the households included in E69ac above (number in accommodation in another LA district), please identify the five local authority districts (if there are that many) which account for the largest numbers.	(a)		(b)
11a. LA district with the most E69ac households	Dacorum Borough Council		55
11b. LA district with the second most E69ac households	DBC		6
11c. LA district with the third most E69ac households	None		0
11d. LA district with the fourth most E69ac households	None		0
11e. LA district with the fifth most E69ac households	None		0

**Section E6a: Applicant households accommodated by your authority: Analysis by household type, and gender of household**

	Couple with dependent children	Lone parent household with dependent children		One person household		All other household groups	Grand Total	of which: Minority ethnic
	1. Couple with dependent children or member pregnant	Male	Female	Male	Female	4. All other household groups		
<b>Total</b>	26	3	40	7	6	3	85	17

**Section E71a: Applicant households for whom a main homelessness duty was ended during the quarter (between 01 April 2016 and 31 March 2017, and who have left temporary accommodation secured under S.193**

	Under 6 months	6 months under 1 year	1 year under 2 years	2 years under 3 years	3 years under 4 years	4 years under 5 years	5 years or more	Total
01. Ceased to be eligible for assistance under homelessness provisions (S193(6)(a))	0	0	0	0	0	0	0	0
02. Became homeless intentionally from temporary accommodation secured (S193(6)(b))	0				0	0	0	0

03. Accepted Part 6 offer of accommodation (including LA nomination) (S193(6) (c))	0	0	0	0	0	0	0	0
04. Refused a Part 6 offer of accommodation (S193(7))	0	0	0	0	0	0	0	0
05. Accepted offer of assured tenancy other than "Part 6" offer (S193(6) (cc))	0	0	0	0	0	0	0	0
06. Accepted qualifying offer of an assured shorthold tenancy(S193(7B))	0	0	0	0	0	0	0	0
06b. Accepted private rented sector offer (S193)	0	0	0	0	0	0	0	0
06c. Refused private rented sector offer (S193)	0	0	0	0	0	0	0	0
07. Otherwise voluntarily ceased to occupy accommodation (S193(6)(d))	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Section E71b: Applicant households for whom a main homelessness duty was ended during the quarter (between 01 April 2016 and 31 March 2017), and who, immediately prior to the duty being ended, were living (a) in the accom. from which they were accepted, or (b) in TA they had arranged themselves (I.e. those formally referred to as "homeless at home")**

	a. under 6 mn	b. 6 mn to 1 yr	c. 1 yr to 2 yr	d. 2 yr to 3 yr	e. 3 yr to 4 yr	f. 4 yr to 5 yr	g. 5 yr plus	Total
01. Ceased to be eligible for assistance under homelessness provisions (S193(6)(a))	0	0	0	0	0	0	0	0
02. Authority regards its S193 duty as ended - e.g. applicant household made own arrangements, refused a suitable offer of accommodation, or made no further contact with LA	0	0	0	0	0	0	0	0
03. Accepted Part 6 offer of accommodation (including LA nomination) (S193(6) (c))	0	0	0	0	0	0	0	0
04. Refused a Part 6 offer of accommodation (S193(7))	0	0	0	0	0	0	0	0
05. Accepted offer of assured tenancy other than "Part 6" offer (S193(6) (cc))	0	0	0	0	0	0	0	0
06. Accepted qualifying offer of an assured shorthold tenancy(S193(7B))	0	0	0	0	0	0	0	0
06b. Accepted private rented sector offer (S193)	0	0	0	0	0	0	0	0
06c. Refused private rented sector offer (S193)	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Section E71c: Applicant households for whom a main homelessness duty was ended during the quarter (between 01 April 2016 and 31 March 2017), and included in sections E71a or E71b where the duty ended in the acceptance of a private sector offer.**

Specifically refers to cells 6a: total 'accepted qualifying offer of an assured shorthold tenancy', and 6b: total 'accepted private rented sector offer' for both sections E71a and E71b above.

	Name of local authority district	Number of households
1. Total number of households included in rows E71a (6a and 6b) and rows E71b (6a and 6b)	(a)	(b)
1a. Total accommodated within your local authority's district		0
1b. Total accommodated in other local authority districts		0
2. Of the households included in 'total accommodated in other local authority districts' (E71c1a) above, please identify the five local authority districts (if there are that many) which account for the largest numbers, and enter the information below: Note: DO NOT include households within your own LA district.		
2a. Local authority district (other than your authority) with the most E71a and E71b households	None	0
2b. Local authority district (other than your authority) with the second most E71a and E71b households	None	0
2c. Local authority district (other than your authority) with the third most E71a and E71b households	None	0
2d. Local authority district (other than your authority) with the fourth most E71a and E71b households	None	0
2e. Local authority district (other than your authority) with the fifth most E71a and E71b households	None	0

**E9 - Decisions made under Part 7 of the 1996 Housing Act - between 01 April 2016 and 31 March 2017 Returning UK national and foreign national applicants for whom decisions were taken during the quarter Foreign National Applicants (plus UK nationals from abroad) for whom decisions were taken during the quarter**

	Unknown	national (returning to UK or arriving in UK for the first time)	Czech Republic	Estonia	Hungary	Latvia	Lithuania	Poland	Slovakia	Slovenia	Bulgaria	Romania	Croatia	Other EEA national	Non-EEA national
1. Eligible, unintentionally homeless and in priority need	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>103</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>
a. EEA worker (not subject to Worker Authorisation Scheme)	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0
b. Accession national (subject to Worker Authorisation Scheme)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c. Self employed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d. Persons granted refugee status	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e. Persons granted other protection leave	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
f. Indefinite leave to remain/enter the UK	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
g. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unknown	103	0	0	0	0	0	0	3	0	0	0	0	0	0	0
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Eligible, homeless and in priority need, but intentionally so	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Eligible, homeless but not in priority need	35	0	0	0	0	0	0	1	0	0	0	0	0	1	0
4. Eligible, but not homeless	14	0	0	0	0	0	0	0	0	0	0	0	0	1	0
5. Ineligible households	5	0	0	0	0	0	0	0	0	0	0	1	0	1	2
<b>Grand Total</b>	<b>171</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>2</b>

Section E10: All cases where positive action (1) succeeded in preventing homelessness (between 01 April 2016 and 31 March 2017). Although more than one action may be taken, please record only the most significant action for each case.

**Note that this section is NOT restricted to households who are statutorily homeless, or to households who are threatened with homelessness within 28 days - see guidance notes for more details.**

(1) Total number of cases where positive action was successful in preventing/relieving homelessness during the quarter

	Prevented	Relieved	Total
<b>Total</b>	<b>525</b>	<b>176</b>	<b>701</b>

Of which: (A) Homelessness prevented - household able to remain in existing home, as a result of:

	Prevented
Prevention Existing Home - 1. Mediation using external or internal (including family) mediators	4
Prevention Existing Home - 2. Conciliation including home visits for family / friend threatened exclusions	22

Prevention Existing Home - 2. Conciliation including home visits for family / friend threatened exclusions	22
Prevention Existing Home - 3. Financial payments from a homeless prevention fund	2
Prevention Existing Home - 4. Debt advice	3
Prevention Existing Home - 5. Resolving housing benefit problems	3
Prevention Existing Home - 6. Resolving rent or service charge arrears in the social or private rented sector	2
Prevention Existing Home - 7. Sanctuary scheme measures for domestic violence	0
Prevention Existing Home - 8. Crisis intervention - providing emergency support	3
Prevention Existing Home - 9. Negotiation or legal advocacy remaining in private rented accommodation	4
Prevention Existing Home - 10. Providing other assistance remaining private or social rented accommodation	20
Prevention Existing Home - 11. Mortgage arrears interventions or mortgage rescue	1
Prevention Existing Home - 12. Other (please specify in notes)	166
<b>Total</b>	<b>230</b>

**(B) Homelessness prevented or relieved - household assisted to obtain alternative accommodation, in the form of:**

	Prevented	Relieved	Total
1. Any form of hostel or House in Multiple Occupation (HMO) with or without support	19	14	33
2. Private rented sector accommodation with landlord incentive scheme (e.g. cashless BOND, finders fee, deposit payment, rent in advance, landlord insurance payment)	3	3	6
3. Private rented sector accommodation without landlord incentive scheme	21	3	24
4. Accommodation arranged with friends or relatives	6	2	8
5. Supported accommodation (including supported lodging schemes, successful referrals to supported housing projects)	16	4	20
6. Social housing- management move of existing LA tenant	3	0	3
7. Social housing- Part 6 offer of LA own accommodation or nomination to an RP	22	36	58
8. Social housing- negotiation with an RP outside Part 6 nomination agreement	0	0	0
9. Low cost home ownership scheme, low cost market housing solution	0	0	0
10. Other (please specify in notes)	205	114	319
<b>Total</b>	<b>295</b>	<b>176</b>	<b>471</b>

OLA MEETING  
Thursday 8<sup>th</sup> June 2017

Attendees

Tracy Lancashire- Strategic Operations Manager - Northgate  
Mark Housden - Commercial Contracts and Supplier Relationship Lead Officer  
Tracy Vause - Strategic Housing Team Leader

Apologies

Natasha Brathwaite - Group Manager Strategic Housing

		Owner	Due Date
1.	<p><b>Updates from last meeting</b></p> <p>No further information received regarding the work with 'Living stable lives'.</p>		
2	<p><b>Performance update Northgate (May)</b></p> <p>Average time for calls to be answered - 2 minute 44 seconds (target 3 minutes 30 seconds) % calls abandoned - 19.8% (Target 20%) % customers waiting more than 20 minutes - 3% (Target 5%) Average wait time - 3 minutes 3 seconds - (7 minutes 30 seconds).</p> <p>3 monthly comparison data as requested by NB</p> <p><b>March 2017</b> 658 Housing Advice calls 518 face to face enquiries 97 referrals sent through.</p> <p><b>April 2017</b> 540 Housing Advice calls 419 face to face enquiries 90 referrals sent through.</p> <p><b>May 2017</b> 685 Housing Advice calls 513 face to face enquiries 95 referrals sent through.</p>	TL	

		Owner	Due Date
3.	<p><b>Updates from service area to include workloads</b></p> <p>Hightown development - Maylands Plaza (77 properties in total). 30 1 &amp; 2 beds being advertised today.</p> <p>TV advised that normal emails are taking 10 days to respond, any urgent ones should be marked as 'high importance', CSU staff are aware.</p>		
4.	<p><b>Activity Plan review and update</b></p> <p>None</p>		
5.	<p><b>Issues - Northgate</b></p> <p>Staff enquired what the current lead times were for;- -New Housing Applications - TV advised 2-3 week backlog -Returned Medical Forms - TV advised no changes, it is still 28 days from receipt and there should be a note on CRM advising.</p>		
6	<p><b>Issues - Service Area</b></p> <p>Discussed the disappointment in the comment made on the Stakeholder Survey at length. A new response has now been submitted by Cynthia to reflect the situation. TV advised it may not have been made clear to the staff completing the survey what was expected. Agreed to work together to ensure all lines of communication remain open should any issues arise.</p>		
7	<p><b>Technology update</b></p> <p>Netcall IVR has now gone live.</p>		
8	<p><b>AOB</b></p> <p>None.</p>		

OLA MEETING  
Thursday 9<sup>th</sup> March 2017

**Attendees**

Tracy Lancashire- Service Delivery Manager Northgate  
Natasha Brathwaite - Group Manager Strategic Housing - DBC

**Apologies**

Mark Housden - Commercial Contracts and Supplier Relationship Lead Officer

		Owner	Due Date
1.	<p><b>Updates from last meeting</b></p> <p>No further information received from Sarah Hubbard regarding the work with 'Living stable lives', NB to chase up.</p>	NB	
2	<p><b>Performance update Northgate (March)</b></p> <p>Average time for calls to be answered - 3 minute 43 seconds (target 3 minutes 30 seconds) % calls abandoned - 23.9% (Target 20%) % customers waiting more than 20 minutes - 4% (Target 5%) Average wait time - 3 minutes 46 seconds - (7 minutes 30 seconds).</p> <p>3 monthly comparison data as requested by NB</p> <p>741 Housing Advice calls and 335 (please note no QMatic stats for 1 week in January) face to face enquiries were received for the month of January. 131 referrals sent through.</p> <p>663 Housing Advice calls and 486 face to face enquiries were received for the month of February. 100 referrals sent through.</p> <p>658 Housing Advice calls and 518 face to face enquiries were received for the month of February. 97 referrals sent through.</p>	TL	
3.	<p><b>Updates from service area to include workloads</b></p> <p>Charges to structure shortly - NB will email through new Structure Chart once completed.</p> <p>Will be advertising some vacant posts shortly.</p>	NB	

		Owner	Due Date
4.	<p><b>Activity Plan review and update</b></p> <p>None</p>		
5.	<p><b>Issues - Northgate</b></p> <p>None</p>		
6	<p><b>Issues - Service Area</b></p> <p>TL queried whether Incident forms were being completed by Homelessness staff. NB to ensure they are.</p> <p>TL asked if Housing staff were aware of the changes to 18-21 year olds claiming the Housing cost of Universal Credit. NB will check.</p>	<p>NB</p> <p>NB</p>	
7	<p><b>Technology update</b></p> <p>None.</p>		
8	<p><b>AOB</b></p> <p>None.</p>		





<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>25th July 2017</b>
<b>Part:</b>	<b>Part I with financial information in Part II</b>
If Part II, reason:	The Part II appendix and the annexed feasibility studies contain information relating to the financial and business affairs of the Council (LGA 1972, Part V, Schedule 12A paragraphs 3)

<b>Title of report:</b>	Creation of additional units in Supported Housing Schemes & the upgrade of communal facilities.
Contact:	Councillor Margaret Griffiths, Portfolio Holder for Housing Responsible Officer: Elliott Brooks, Assistant Director (Housing) Author - Simon Smith, Team Leader Property and Place
Purpose of report:	To outline a proposal to create 3 wheelchair accessible properties and improve office space, laundry facilities and communal areas at 3 Supported Housing sites in the Borough.  To seek delegated authority to award contracts in relation to the work that needs to be carried out at these 3 Supported Housing sites.
Recommendations	<ol style="list-style-type: none"> <li>1. That Cabinet recommend to Full Council the approval of a supplementary capital estimate to create three new homes and refurbishment of communal areas at three Supported Housing sites. The details of the required supplementary estimate is in section 1 of the Part II appendix.</li> <li>2. That Cabinet agree that the works be tendered as three separate contracts, and authority be delegated to award any contracts associated with these refurbishments to the Assistant Director (Housing) in consultation with the Portfolio Holder for Housing.</li> </ol>

Corporate Objectives:	<p>Providing good quality affordable homes for those most in need.</p> <p>The project will:          Provide three flats suitable for wheelchair users at Great Sturgess Road, The Driftway and Old House Court Supported Housing Schemes. The provision of wheelchair friendly dwellings will enhance the quality of life for residents who require a totally suitable and adapted property, enabling them to live an independent lifestyle in an affordable property.          Deliver modern, comfortable and easily accessible facilities, including new laundries and offices for the Supported Housing Officers for the tenants within the Great Sturgess Road, The Driftway and Old House Court Supported Housing Schemes. The Driftway project will also provide a new Guest Room facility. These new facilities will be at a central location enabling tenants to access them easier than they currently can.</p>
<p>Implications:</p> <p>'Value For Money Implications'</p>	<p><u>Financial</u></p> <p>The project can be fully funded from resources currently outside of the HRA business plan drawn from the sale of HRA assets on the open market.</p> <p>Value for Money</p> <p>There is a large demand for dwellings that are suitable for wheelchair users, expensive and complex adaptations are required to properties to enable wheelchair users to live in them comfortably and safely. Converting the current office/laundry into a dwelling that is suitable for a wheelchair user would both bring in revenue from the rent and also enable a wheelchair user to live an independent lifestyle.</p>
Risk Implications	<p>There is a lack of dwellings suitable for wheelchair users in the borough, this project will deliver 3 fully compliant dwellings.</p> <p>The risks associated with not approving this project are that the opportunity to fund this work outside of the HRA Business Plan will be lost.</p>
Community Impact Assessment	Community Impact Assessment for this project will be carried out prior to the designs being finalised.
Health And Safety Implications	<p>Full risk assessments will be undertaken prior to works commencing on site.</p> <p>The construction will be subject to the Construction Design and Management Regulations 2015.</p> <p>The additional flat accommodation, communal rooms and laundries will comply with current health and safety and Building regulations.</p>
Monitoring Officer/S.151 Officer Comments	<p><b>Monitoring Officer:</b></p> <p>The building contracts will need to follow a regulated</p>

	<p>procurement process in compliance with the Council's Commissioning and Procurement Standing Orders and the building works contracts should be checked by the council's legal team prior to completion.</p> <p>The decision to award the contract should be documented in an Officer Decision Sheet signed by the Assistant Director (Housing) at the appropriate time.  <b>Deputy S.151 Officer</b></p> <p>The costs of developing these units can be met from the proceeds of high value properties already received. The final approvals from reserves can be finalised once contracts have been agreed and built into the next business plan considered by members.</p>
Consultees:	<p>Councillor Margaret Griffiths, Portfolio Holder Housing,</p> <p>Mark Gaynor, Corporate Director Housing and Regeneration</p> <p>Elliott Brooks, Assistant Director Housing</p> <p>Fiona Williamson, Group Manager Property and Place</p> <p>Ben Hosier, Group Manager Commissioning, Procurement and Compliance</p> <p>Keshika Naidoo, Accountant, Housing and Regeneration</p> <p>Oliver Jackson, Team Leader, Supported Housing</p>
Background papers:	<p>JRP Feasibility Reports for Great Sturgess Road, The Driftway and Old House Court Supported Housing Schemes. (Attached to the report)</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>HRA - Housing Revenue Account  JRP – John Rowan Partnerships  OSPL – Osborne Property Services Limited  RTB – Right to Buy  TAM – Total Asset Management</p>

## Background

### 1.0 Background summary

- 1.1 The project is to relocate the communal laundries (including additional washing machine space ) and Supported Housing Officer's offices to improve the Communal Room space and modernise the internal environment. This then allows the current offices to be converted back to flats suitable as dwellings for a people in a wheelchair.
- 1.2 The three schemes were chosen as each one uses a ground floor one bedroom flat as the Supported Housing Officers office and communal laundry, The Driftway also has the scheme guest room within the converted flat.
- 1.3 The schemes have the following numbers of dwellings:
  - Great Sturgess Road 64 dwellings
  - The Driftway 52 dwellings
  - Old House Court 56 dwellings
- 1.4 Currently the offices and laundries at each scheme, and the guest room at The Driftway are on the edge of the dispersed Supported Housing Schemes making it too far for many of the tenants of the schemes to visit and use. The current communal rooms are in a central location for the schemes.
- 1.5 The communal rooms are in need of modernisation and decoration and the heating, lighting and quality of furniture and fittings is inadequate to meet the needs and comfort of the tenants. The communal rooms are regularly used for coffee mornings and functions. Increasing the size of the rooms and/or modernising them will improve the comfort and enjoyment of the tenants and enable larger and/or diverse functions to be held in the halls.
- 1.6 There is a large demand for dwellings that are suitable for wheelchair users. There are currently 44 tenants requiring a property suitable for a wheelchair user. To convert a property to be fully wheelchair compliant will include installing a graded floor shower, widening doors and corridors, reconfiguring rooms to obtain turning circles, ramped access, positioning light switches and sockets for ease of use by the tenant.
- 1.7 Converting the current offices/laundries into dwellings that are suitable for a wheelchair user would bring in revenue from the rent and also enable a wheelchair user to live an independent lifestyle.
- 1.8 JRP were commissioned to produce a feasibility study for the dispersed Supported Housing Schemes at Parkwood Drive, The Driftway and Old House Court, these are included as appendices. JRP are the Consultants in partnership with the Housing Service to ensure value for money and cost certainty is achieved on the Housing Maintenance contracts including the Total Asset Management Contract with Osborne Property Services.

## 2.0 Procurement/Project Management

2.1 This project raises a number of commissioning requirements;

- the works will be procured as a design and build contract including Principle Designer & CDM (including planning application),
- the project manager/ contract administrator & Clerk of Works - DBC employee

### 2.2 The Works

2.2.1 Officers have discussed whether to ask Osborne Property Services Limited (OPSL) to carry out these works via the Total Asset Management contract. However, it is recommended that the Council carry out a tendering process to obtain bids for these works. The reason for this approach is as follows;

- to ensure that the Council can clearly demonstrate competitive pricing for this project; and,
- To enable benchmarking of OPSL costs against the wider market.

2.2.2 Large contractors could potentially have the capacity to deliver all 3 schemes within the 59 weeks timescale however this could be unachievable for smaller contractors without the schemes being staggered – i.e. the contract taking somewhere between 60 - 177 weeks.

2.2.3 On that basis the Council will tender each scheme as a separate lot which will make the contract more attractive for smaller contractors. This could result in all three schemes being carried out by separate Contractors, but will ensure that all three schemes being carried out at the same time.

2.3 Each Scheme is estimated to take approximately 42 weeks to complete once works commence as per the table below:

<b>Key Milestone</b>	<b>Date</b>
Draft Tender document	<b>4 Weeks</b>
Tender Period/Evaluation & Approval	<b>9 Weeks</b>
Design/ Planning Submission/Approval and Building Control Submission	<b>14 Weeks</b>
Contractor's lead in period	<b>3 Weeks</b>
Contract Duration	<b>42 Weeks</b>
<b>Total</b>	<b>72 Weeks</b>

2.4 The contracts would be Project Managed by officers within the Council's Property & Place team. Any additional resources required to backfill and cover officer time will be met from the existing HRA budget.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>25 July 2017</b>
<b>Part:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	<b>Business rate relief schemes</b>
Contact:	Graeme Elliot, Portfolio Holder for Finance & Resources  Author/Responsible Officer David Skinner, Assistant Director (Finance & Resources) Chris Baker, Group Manager (Revenues, Benefits & Fraud)
Purpose of report:	To consider the introduction of discretionary business rate relief schemes to provide additional help for businesses in line with announcements made by the Chancellor in the 2017 Spring Budget
Recommendations	That Cabinet recommends Council: <ol style="list-style-type: none"> <li>1. agrees to introduce a Supporting Small Business rate relief scheme</li> <li>2. agrees to introduce a Support for Pubs rate relief scheme</li> <li>3. approves consultation with Herts County Council on option 3 for the Revaluation Relief scheme, and delegates authority to the Assistant Director (Finance &amp; Resources) in consultation with the Portfolio Holder for Finance &amp; Resources to agree to introduce a scheme based on these principles after the County's response is received</li> <li>4. agrees to introduce a 100% rural rate relief scheme</li> <li>5. agrees to introduce a Local Newspaper rate relief scheme</li> <li>6. delegates authority to the Portfolio Holder for Finance &amp; Resources to agree the introduction of future discretionary rate relief schemes which are proposed, fully funded and have detailed guidance provided by Government</li> </ol>
Corporate Objectives:	These reliefs will support the corporate objective of <b>Ensuring economic growth and prosperity</b>

Implications:	<u>Financial</u>
'Value For Money Implications'	Government has stated it will meet the full costs of reliefs granted in line with its recommendations, and so there is no financial cost to the Council. Government will also provide New Burdens funding which will cover the costs of administering these reliefs, and the issue of revised bills to affected businesses.
Risk Implications	There is a risk of reputational damage if the Council is not seen to be taking action based on these Government recommendations.
Community Impact Assessment	There are no specific equalities implications arising from the report.
Health And Safety Implications	There are no health and safety implications arising from this report.
Monitoring Officer/S.151 Officer Comments	<p><b>Monitoring Officer:</b></p> <p>No comments to add to the report.</p> <p><b>Deputy S.151 Officer</b></p> <p>This is a Deputy S151 Officer report.</p>
Consultees:	
Background papers:	<p><a href="#">Business rates information letter (2/2017)</a> – DCLG</p> <p><a href="#">Business rates information letter (4/2017)</a> – DCLG</p> <p><a href="#">Business rates information letter (3/2016)</a> – DCLG</p> <p><a href="#">The case for a business rates relief for local newspapers (Government response)</a> – DCMS and DCLG</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>BRIL – Business rates information letter</p> <p>DBC - Dacorum Borough Council</p> <p>DCLG – Department for Communities and Local Government</p> <p>DCMS – Department for Culture, Media and Sport</p> <p>LGFA – Local Government Finance Act</p> <p>RV – rateable value</p> <p>SBRR – Small Business rate relief</p> <p>VOA – Valuation Office Agency</p>

## 1. **Background**

- 1.1. The legislation controlling business rates reliefs is found in the Local Government Finance Act (LGFA) 1988.
- 1.2. This Act contains powers enabling billing authorities to introduce discretionary reliefs (in section 47 of LGFA 1988). It is worth noting that under these powers, it is not possible for relief to be granted to a local authority.
- 1.3. The cost of reliefs awarded under these discretionary powers is usually partly borne by the Council.
- 1.4. When the Government wishes to make short-term changes to reliefs, rather than making changes to the national legislation, they will ask billing authorities to create schemes using their discretionary powers.
- 1.5. The Government has stated that it will reimburse billing authorities for the full costs of awards made in line with its recommendations.
- 1.6. Business rates are a tax charged on non-domestic properties, the liability for any particular premise is based on the combination of a nationally set multiplier, and the rateable value (RV) for the property. The RV is determined by the Valuation Office Agency (VOA), which compiles a Rating List for each billing authority area.
- 1.7. The VOA is required to undertake a full revaluation of the Rating Lists every five years, this is to ensure that each RV is still at an appropriate level, reflecting the current economic climate and being broadly reflective of the rental value of the premises. The Government delayed the revaluation which was due in 2015 by two years, which means that the 2010 Rating List remained in use for seven years rather than five.
- 1.8. With every revaluation, the Government specifies a national scheme of Transitional Relief. This scheme sets limits on how much a ratepayer's bill can increase or decrease as a result of the revaluation. The Transitional Relief scheme for the 2017 revaluation is summarised in the table below (all figures subject to inflation):

<b>Rateable Value</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Caps on bill increases</b>					
Up to £20,000	5.0%	7.5%	10%	15.0%	15.0%
£20,001 - £99,999	12.5%	17.5%	20.0%	25.0%	25.0%
Over £100,000	42.0%	32.0%	49.0%	16.0%	6.0%
<b>Caps on bill decreases</b>					
Up to £20,000	20.0%	30.0%	35.0%	55.0%	55.0%
£20,001 - £99,999	10.0%	15.0%	20.0%	25.0%	25.0%
Over £100,000	4.1%	4.6%	5.9%	5.8%	4.8%

- 1.9. Following the publication of the 2017 Rating Lists, the Government decided that the Transitional Relief scheme did not provide sufficient support for some businesses, and so the Chancellor announced three additional relief schemes as part of the Spring Budget 2017. These are:

- Supporting Small Business
- Support for Pubs
- Revaluation Relief (£300 million fund)

1.10. Additionally, there were two rate reliefs announced by the Chancellor as part of the Autumn Statement 2016, which are:

- 100% rural rate relief
- Local newspaper rate relief

1.11. The following table summarises the possible local impact of these reliefs:

<b>Relief</b>	<b>Number of accounts</b>	<b>Estimated total value of relief in 2017/18</b>	<b>Funded by</b>
Supporting Small Business	20	£26k	Government grant
Support for Pubs	60	£60k	Government grant
Revaluation Relief	290-450	£382k	Government grant (to limit)
100% rural rate relief	2	£4k	Government grant
Local newspaper rate relief	0	£0	Government grant

## **2. Supporting Small Business rate relief**

- 2.1. Small Business rate relief (SBRR) is a national scheme, which reduces the rates payable by occupiers of some small properties. The scheme changed from April 2017, and can now provide 100% relief for properties with an RV of up to £12,000, reducing on a sliding scale until there is no relief for a property with an RV of £15,000. In previous years the scheme provided 100% relief where the RV was up to £6,000, reducing to nil for properties with an RV of £12,000.
- 2.2. Following the 2017 revaluation, there are some properties where the RV increase means that the ratepayer no longer qualifies for SBRR, or qualifies for a reduced level of relief. The Transitional Relief scheme does not consider the impact of SBRR changes, and so this means that some small businesses face rate increases of significantly more than 5% for 2017/18, or in some cases may face a bill of a few thousand pounds when they had previously had nothing to pay.
- 2.3. To address this, the Chancellor announced the Supporting Small Business rate relief scheme during the Spring Budget. The main part of this scheme is to limit the cash increase for any of these affected ratepayers to £600 for 2017/18 (£50 per month).
- 2.4. Initial guidance regarding the scheme was published by DCLG on 9 March 2017, in Business rates information letter (BRIL) 2/2017.
- 2.5. The announcement was made after the annual bills for 2017/18 had been sent to ratepayers. Officers identified the accounts which were likely to benefit from this relief, and contacted the ratepayers to let them know the reduced amount of monthly

instalment to pay, while we have been awaiting the detailed guidance from DCLG to enable the scheme to be formally adopted by Cabinet.

- 2.6. There are around 20 ratepayers within the Borough who will benefit from this relief.
- 2.7. The detailed guidance was published by DCLG on 20 June 2017, in BRIL 4/2017, and is contained in pages 4 – 16 of that document. The scheme itself will last for five years, which is the expected life of the 2017 Rating List.
- 2.8. Following the publication of the detailed guidance, our software provider is working on the required changes to enable us to rebill, if introduction of the scheme is approved by Cabinet. The current expectation is that the amended software will be available towards the end of September.
- 2.9. **Recommendation:** that Cabinet agrees to introduce a Supporting Small Business rate relief scheme for the years 2017/18 to 2021/22 in line with the detailed guidance from DCLG in pages 4 – 16 of BRIL 4/2017.

### **3. Support for Pubs**

- 3.1. Also within the Spring Budget, the Chancellor announced that pubs with an RV of up to £100,000 will be able to claim a business rates discount of £1,000 for 2017/18.
- 3.2. Again, initial information was provided by DCLG in BRIL 2/2017 on 9 March 2017. Following receipt of this, officers identified the accounts which seemed likely to benefit from the relief, and advised them of lower monthly instalments to pay in the interim period while waiting for the detailed guidance to be issued.
- 3.3. There are around 60 ratepayers within the Borough who will benefit from this relief.
- 3.4. Detailed guidance was published by DCLG on 20 June 2017, in pages 17 – 23 of BRIL 4/2017. This does not include a definitive description of a “pub” for the purposes of the relief scheme, but does provide enough guidance for officers to make a decision if the eligibility of any particular premises is in question.
- 3.5. **Recommendation:** that Cabinet agrees to introduce a Support for Pubs rate relief scheme for the year 2017/18 in line with the detailed guidance from DCLG in pages 17 - 23 of BRIL 4/2017.

### **4. Revaluation relief (£300 million fund)**

- 4.1. The final announcement made by the Chancellor within the Spring Budget was for funding of £300 million to local authorities to provide help to businesses most affected by the revaluation.
- 4.2. BRIL 2/2017 did not provide much additional information, but DCLG provided more information through other letters and through a consultation exercise on the operation of the scheme and the allocation of funding to local authorities. It also explained that the £300 million would be spread across four years starting from 2017/18, weighted towards the earlier years:
  - £175m in 2017/18
  - £85m in 2018/19
  - £35m in 2019/20

- £5m in 2020/21

4.3. DCLG have decided to allocate funding between local authorities based on the total rate increases for properties where: the bill is increasing by more than 12.5% following revaluation, and the 2017 RV is less than £200,000. Based on this, the Council is able to award relief to a total value of £655,000, spread as follows:

	<b>Amount of discretionary pot awarded</b>			
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Dacorum	£382k	£186k	£76k	£11k

4.4. DCLG have not yet decided whether any unspent allocation can be carried forward into future years.

4.5. Following the end of the consultation, and the election purdah periods, DCLG have confirmed in BRIL 4/2017 that they are not issuing any detailed guidance on how this scheme should be operated locally. The only conditions which have been set in order for relief to qualify for this funding are:

- The billing authority must consult with its County Council prior to agreeing a scheme
- The scheme must provide relief only to ratepayers who have seen an increase in their business rates bill due to the revaluation.

4.6. The Government will make grant payments to both the Council and Herts County Council to offset the cost of any relief under this scheme which meets these conditions. However, if the value of the relief granted exceeds the allocation shown above, the cost of this additional spend will fall on the Council.

4.7. The Government has encouraged councils to work with their neighbouring authorities to develop consistent processes in managing awards under this scheme. Officers have worked with colleagues from the other districts in Hertfordshire in designing principles for awards under this scheme. However, while the approach taken to scheme design is similar, there are likely to be differences in outcomes due to the variation in funding allocations and the demographics of the rateable premises and ratepayers between the districts.

4.8. Although the funding allocation is for a four-year period, the scheme design proposed is for 2017/18 only. Scheme designs for the remaining three years will be proposed when DCLG have decided whether unspent allocations can be carried forward, and taking lessons learned from the application of the 2017/18 scheme into account.

4.9. Officers have undertaken modelling of various options to enable the relief to be targeted at those ratepayers likely to be most in need of support. The following conditions are applicable to all of the modelled options:

- The ratepayer must be liable on both 31 March 2017 and 1 April 2017, demonstrating that they have actually been impacted by the revaluation.
- The property must have been occupied on both of these dates, and remain in occupation.
- The cash value of the business rates increase is more than £600.

- The value of any award will be capped, so that any ratepayer receiving support under this scheme has an increase of at least £600, in order to provide consistency with the Supporting Small Business rate relief scheme.
  - All awards will be calculated on a daily basis, and recalculated if the occupier vacates the property, or another change in circumstances renders them ineligible for the relief.
- 4.10. Option 1: No further qualifying criteria.
- 4.10.1. This would apply to approximately 450 accounts, with a total rates increase of approximately £2.5 million.
- 4.10.2. It would enable an award of approximately 15% of the rates increase to each account.
- 4.10.3. However, this includes some very large properties, and also smaller properties operated by large organisations, and so may not best target the smaller local businesses.
- 4.11. Option 2: Exclude large properties (RV £200,000 or more)
- 4.11.1. This would apply to approximately 400 accounts, with a total rates increase of approximately £1.3 million.
- 4.11.2. It would enable an award of approximately 30% of the rates increase to each account.
- 4.11.3. However, this still includes properties operated by large organisations (store chains etc).
- 4.12. Option 3: Exclude ratepayers who are liable for properties with a cumulative RV of £200,000 or more.
- 4.12.1. This would apply to approximately 290 accounts, with a total rates increase of approximately £0.7 million.
- 4.12.2. It would enable an award of approximately 56% of the rates increase to each account.
- 4.12.3. This is the recommended option, as it provides the greatest amount of relief to smaller, local businesses.
- 4.13. The calculation of the percentage of the rates increase which could be awarded to each account is based on the assumption that all eligible ratepayers apply for assistance, and that they remain in occupation of the property for the whole of the financial year. It is therefore recommended that the actual award percentage is left variable within the scheme, and that an application deadline is put in place. The exact award percentage will then be calculated after a review of the applications received from eligible ratepayers. In order for businesses to understand the likely value of the relief to them, an indicative award percentage can be included within the invitation to apply.
- 4.14. **Recommendation:** that Cabinet approves consultation with Herts County Council on the scheme detailed in option 3 above, and delegates authority to the Assistant Director (Finance & Resources) in consultation with the Portfolio Holder for Finance &



Resources to agree to introduce a scheme based on these principles for the year 2017/18 following receipt of the consultation response, and schemes for 2018/19 to 2020/21 after DCLG have decided whether unspent amounts can be carried forward.

## **5. 100% rural rate relief**

- 5.1. Some small businesses in rural areas are eligible to receive 50% rate relief. This is where the business is the only village shop, post office, pub or petrol station, and has an RV up to £8,500 (shop or post office) or £12,500 (pub or petrol station).
- 5.2. There are currently two businesses within the Borough which qualify for this mandatory relief.
- 5.3. Within the Autumn Statement 2016, the Government announced plans to double this to 100% relief from April 2017. However, this requires a change to the LGFA 1988, and had not been expected to come into force until April 2018. (see BRIL 3/2016).
- 5.4. The required amending legislation had been included in the Local Government Finance Bill which did not complete Parliamentary progress before the General Election. As no Local Government Finance Bill was included within the Queen's Speech, it is not clear when this change to the mandatory relief will be enacted.
- 5.5. BRIL 3/2016 states: "before the requirement to grant mandatory relief comes into force, we expect local authorities to use their local discount powers to grant 100% rural rate relief to eligible ratepayers from April 2017. Local authorities will be compensated in full for their loss of income as a result of this change."
- 5.6. **Recommendation:** that Cabinet agrees to award discretionary rate relief top-up to 100% of the rates liability to all ratepayers eligible for mandatory rural rate relief from 1 April 2017, until such time as the mandatory relief is changed to 100%.

## **6. Local newspaper rate relief**

- 6.1. This relief was originally proposed by the Chancellor during the 2016 Budget, but following a consultation exercise the detailed guidance was not published until after the Autumn Statement 2016.
- 6.2. Details of the proposed relief are found in Annex A of the Government response to the consultation "The case for a business rates relief for local newspapers". In summary, the scheme will provide a discount of £1,500 in each of the financial years 2017/18 and 2018/19 where a local newspaper occupies office space for the use of journalists and reporters.
- 6.3. There are currently no ratepayers within the Borough that would qualify for this relief, however, as the scheme runs for two years, and will be fully funded by Government, it is recommended that the Council adopts it in order to support Government policy.
- 6.4. **Recommendation:** that Cabinet agrees to introduce a Local newspaper rate relief scheme in line with the detailed guidance provided by Government, for the years 2017/18 and 2018/19.

## 7. State Aid

- 7.1. Most payments of discretionary rate relief are classed as State Aid, however the payments will be State Aid complaint where it is provided in line with the De Minimis regulations.
- 7.2. The De Minimis regulations allow a business to receive up to €200,000 (approximately £175,000) of De Minimis aid within a rolling three year period. The Council is required to establish that the proposed award will not result in the ratepayer receiving more than this level of aid.
- 7.3. This will be done as part of the application process for the rate relief schemes, but in practice is unlikely to have an impact, except within the Support for Pubs scheme.

## 8. Delegation for future scheme implementation

- 8.1. Government is frequently asking local authorities to implement discretionary rate relief schemes in order to more quickly implement Government policy, providing detailed guidance about how a scheme should be set up, and fully compensating any income loss when the guidance is followed.
- 8.2. In these cases, the only flexibility afforded to the Council is the choice of whether or not to adopt the scheme.
- 8.3. Decision-making in these cases could be streamlined by the delegation of authority to adopt this type of scheme to the Portfolio Holder for Finance & Resources. Where there remains a wider degree of flexibility to the choices being made, or there is a potential cost of implementation to the Council, then those decisions would still be made by Cabinet.
- 8.4. If this delegation was in place for this report, the only scheme being considered by Cabinet would be the Revaluation relief scheme (section 4).
- 8.5. **Recommendation:** that Cabinet delegates authority to the Portfolio Holder for Finance & Resources to introduce discretionary rate relief schemes which are proposed, fully funded and have detailed guidance provided by Government.



<b>Report for:</b>	<b>Cabinet</b>
<b>Date meeting:</b>	<b>of 25 July 2017</b>
<b>PART:</b>	<b>1</b>
If Part II, reason:	n/a

<b>Title of report:</b>	<b>Financial Regulations Review</b>
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance & Resources James Deane, Corporate Director (Finance & Operations) David Skinner, Assistant Director (Finance & Resources)
Purpose of report:	To seek Cabinet approval of the recommended changes to the Financial Regulations 2017.
Recommendations	It is recommended that Cabinet consider the amendments detailed in paragraphs 4 to 15 of this report, and recommend to Council the approval of the revised Financial Regulations.
Corporate objectives:	The efficacy of the Financial Regulations supports all of the Council's objectives.
Implications:	<u>Financial</u> Contained within the body of the report. <u>Value for Money</u> Contained within the body of the report.
Risk Implications:	Contained within the body of the report.
Monitoring Officer/ S.151 Officer Comments	<b>Deputy S151 Officer</b>  This is a S151 Officer report.  <b>Monitoring Officer</b>  No comments to add to the report.
Consultees:	Audit Committee, June 2017

Background papers:	None
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## Introduction

1. The Financial Regulations provide the framework for managing the financial affairs of the Council. They are approved by the Council and they apply to every Member and employee of the Council, and to anyone acting on its behalf.
2. In accordance with good practice, the Financial Regulations are reviewed annually to ensure that they remain relevant throughout any structural or operational changes within the Council.
3. All sections of the Regulations have been reviewed, and the following substantive amendments are proposed. (The fully revised Financial Regulations, including the recommended amendments, are attached at Appendix A.)

## Recommended update relating to *reductions to invoice values*

4. **Section 2 of annex E** of the previously approved Financial Regulations contains the following paragraphs:

*2.u) Invoices may be reduced in value if the services provided have been incorrectly charged at a higher level. Where the value of an invoice needs to be reduced, a written instruction must be provided to Financial Services detailing the reasons and the revised amount and signed by the relevant Assistant Director, (as defined under regulations defining responsibility for recovering the Council's income, above).*

*2.w) Where an invoice is cancelled, the reason for cancellation must be recorded in a written instruction and signed by the relevant Assistant Director. In all other circumstances where an invoice needs to be cancelled, the write off procedure must be used.*

5. The proposed update makes the authorisation consistent with other authorisation hierarchies within Financial Regulations and still retains the existing control principles. The written instruction also covers any workflow arrangements that may be developed over time. This regulations have been updated to refer back to the scheme of delegation in Annex D:

*2.u) Invoices may be reduced in value if the services provided have been incorrectly charged at a higher level. Where the value of an invoice needs to be reduced, a written instruction must be provided to Financial Services detailing the reasons and the revised amount and authorised in line with the Scheme of Delegation, Annex D.*

*2.w) Where an invoice is cancelled, the reason for cancellation must be recorded in a written instruction and authorised in line with the Scheme of Delegation, Annex D. In all other circumstances where an invoice needs to be cancelled, the write off procedure must be used.*

6. Annex D previously stated:

*The scheme shall cover authorisation of payments to be made to staff, contractors and suppliers, the collection of income and placing of orders including variations.*

7. To reflect changes in invoice values being included in this scheme of delegation, this has been updated to:

*The scheme shall cover authorisation of payments to be made to staff, contractors and suppliers, the collection of income and placing of orders including variations. The scheme shall also apply to the authorisation of Accounts Receivable credits and cancellation of invoices.*

**Recommended update relating to credit cards and electronic payment cards**

8. **Section D, Paragraph D10** has been updated following the Councils move away from credit cards, and introduction of electronic purchasing cards.

**Paragraph D10** previously stated:

*Petty Cash, Change Floats, and Credit Card Purchases*

*D.10) The Council's resources may be held as cash only where there is a business need. Any cash holdings must be authorised by the Section 151 Officer who will review the need for such cash holdings periodically and may, at his/her discretion, in consultation with Corporate Directors, withdraw or alter the size of cash holdings. Detailed regulations governing cash, change floats and credit cards are set out in Annex E, section 3*

This regulation has been amended to:

*Petty Cash, Change Floats, and Electronic Purchasing Card Payments*

*D.10) The Council's resources may be held as cash only where there is a business need. Any cash holdings must be authorised by the Section 151 Officer who will review the need for such cash holdings periodically and may, at his/her discretion, in consultation with Corporate Directors, withdraw or alter the size of cash holdings. Detailed regulations governing cash, change floats and electronic purchasing cards are set out in Annex E, section 3*

9. **Annex G, section 2** has been updated following the Councils move away from credit cards, and introduction of electronic purchasing cards.

**Paragraph 2.a) point vii)** previously stated:

*vii) Agree and determine a scheme for the issue and usage of corporate credit cards where the costs of ordering and procuring is excessive when judged against the value of purchases.*

This Regulation has been amended to:

*vii) Agree and determine a scheme for the issue and usage of corporate electronic payment cards where the costs of ordering and procuring is excessive when judged against the value of purchases.*

10. **Section 3 of annex E** has been updated following the Councils move away from credit cards, and introduction of electronic purchasing cards. References to credit cards have been removed and updated to reflect the controls in place for electronic purchasing cards:

**Regulations 3h) to 3k)** previously stated:

*3.h) Only the Section 151 Officer may apply for official credit cards. Credit cards will only be issued to and retained by officers who have a business need that cannot be satisfied by other means. The Section 151 Officer will review at least annually the business case for the issue and retention of each credit card and will, in consultation with the appropriate Corporate Director, withdraw all cards that seem to him/her to be no longer necessary.*

*3.i) Official credit cards will only be used for purchases of goods and services for the Council from third parties. They will never be used for personal transactions under any circumstances. They will not be used for expenses in relation to the running of any motor vehicle. Such matters being dealt with either through the issue of official orders and receipt of invoices or through personal expense claims. It is permissible for official credit cards to be used for expenses where the expense would be reimbursable in full on production of a receipt, such as for rail fares or hotels (accommodation only). In the event of any ambiguity regarding what is permissible expenditure, holders should consult the Section 151 Officer, whose decision shall be final.*

*3.j) Credit cards will never be used for obtaining cash advances.*

*3.k) Employees holding credit cards will ensure that VAT receipts are obtained, where relevant, for all transactions and that all supporting documentation is handed over promptly to permit the payment of credit card bills.*

11. These regulations have been amended to:

*3.h) Electronic Purchasing Cards (EPCs) will be issued to, and retained by officers who have a business need. Applications for Plastic Cards with Standard Spend Limits shall be counter-signed by the Group Manager of the relevant Department. In cases where the application is for a higher limit, these shall be counter-signed by the Assistant Director of the Department and thereafter the Council's Section 151 Officer on the advice of the Group Manager (Financial Services).*

*3.i) The use of EPCs, standard limits and controls are set out in the Councils separate e-purchasing cards policy, available to employees on the intranet. Employees will only be issued with an EPC after formal training on the scheme, and signing a cardholder agreement detailing proper usage.*

*3.j) EPCs will never be used for obtaining cash advances.*

*3.k) Employees holding EPCs will ensure that VAT receipts are obtained, where relevant, for all transactions and that all supporting documentation is handed over promptly to permit the payment of EPC bills.*

12. This recommendation reflects the controls that have been put in place following the introduction of electronic payment cards. The controls have been assessed by Internal Audit as providing a full level of assurance.

13. In order to reflect the introduction of embedded electronic purchasing cards, regulations 3.l) and 3.m) have been added. Embedded cards are a payment solution that allow faster payment of invoices, and provide the Council with a rebate from the card provider.:

*3.l) In addition to plastic cards, the Council has the ability to lodge embedded cards with suppliers. Embedded Cards are recommended for high value transactions, and are to be used for the Council's larger contracts and where the Council will generate a significant rebate.*

*3.m) The suitability of a supplier for the use of an embedded card will be identified by Financial Services and will be approved by the Council's Section 151 Officer.*

#### **Recommended update relating to disposal of assets**

14. The following limits are set out in Annex H of the previous version of the financial regulations:

##### **Item 10. Disposal of equipment**

The regulations relating to disposals within Section 2 of this annex apply to all assets specified in clause 2.a) with a value up to:

£5,000

##### **Item 11. Major reusable items**

Disposals of major reusable items must be authorised by the Cabinet where the disposal may achieve a receipt in excess of the following amount:

£10,000

##### **Item 12. Disposals of other intangible assets**

The appropriate Corporate Director will obtain Cabinet authorisation for the disposal of other intangible assets where the value of the asset(s) to be disposed of exceeds the following amount:

£10,000

15. Limits for items 10, 11 and 12 have been increased to £50,000. The £50k threshold has been recommended to match the approval limits of the Group Managers as stated within the Council's Procurement Standing Orders, approved by Full Council in July 2014, and Annex D of the Financial Regulations therefore ensuring a more consistent approach to existing authorisation levels.

#### **Committee scrutiny of the proposed amendments**

16. The recommendations have been scrutinised by Audit Committee (June 2017). The Committee requested some minor amendments which have been incorporated into this report and the attached Financial Regulations.





<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>25 July 2017</b>
<b>PART:</b>	<b>1</b>

<b>Title of report:</b>	<b>Medium Term Financial Strategy</b>
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance & Resources James Deane, Corporate Director (Finance & Operations)
Purpose of report:	To present to Cabinet the revised Medium Term Financial Strategy for approval.
Recommendations	It is recommended that Cabinet recommend to Council the approval of the revised Medium Term Financial Strategy for the period 2017/18 – 2021/22
Corporate objectives:	The Medium Term Financial Strategy supports the delivery of all five of the Corporate Objectives.
Implications:	Contained within the body of the report.
Risk Implications	The updated strategy reduces the risk of forward projections becoming out of date.
Equalities Implications	There are no equality implications.
Health And Safety Implications	There are no health and safety implications.
Monitoring Officer/S.151 Officer Comments	<b>Monitoring Officer:</b> No comments to add to the report.

	<b>S.151 Officer</b> This is a Section 151 Officer report.
Consultees	Corporate Management Team
Background papers	Budget Report to Cabinet, February 2017 Provisional Outturn Report to Cabinet, May 2017 Final Outturn Report to Audit Committee, June 2017
Glossary of acronyms and any other abbreviations used in this report:	COG – Chief Officer Group GF – General Fund HRA – Housing Revenue Account MTFS – Medium Term Financial Strategy NHB – New Homes Bonus PWLB – Public Works Loan Board RSG – Revenue Support Grant

### **Introduction**

1. The previous version of the Medium Term Financial Strategy (MTFS) was approved by Council in July 2016.
2. The Budget report to Cabinet and Council in February 2017 provided updated information on the Council's financial position.

### **Review of the Medium Term Financial Strategy**

3. In the current economic climate and in light of continued reforms to Local Government Finance it is essential that the MTFS is regularly reviewed to enable forward projections to remain as relevant as possible.
4. The attached Strategy has been reviewed to take into account the pre-audit closure of accounts position for 2016/17, and the 2017 Local Government Finance Settlement.
5. It is recommended that Cabinet recommend the revised MTFS to Council for approval. The Strategy will provide the framework for the development of annual budgets for 2018/19, together with the development of the five-year Capital Programme for consideration and approval by Council in February 2018.



# MEDIUM TERM FINANCIAL STRATEGY

**2017/18 – 2021/22**

<b>Author</b>	James Deane, Corporate Director (Finance & Operations)		
<b>Responsible officer</b>	James Deane, Corporate Director (Finance & Operations)		
<b>Date of publication</b>	July 2017	<b>Date of last version</b>	July 2016
<b>Version no.</b>	1	<b>Date of expiry</b>	July 2018
<b>Associated documents</b>			

Working in partnership, to create a Borough which enables the communities of Dacorum to thrive and prosper  
Affordable Housing ♦ Regeneration ♦ Building Community Capacity ♦ Safe and Clean Environment ♦ Dacorum Delivers

**DACORUM BOROUGH COUNCIL MEDIUM TERM FINANCIAL STRATEGY 2017/18–21/22**

**July 2017**

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## **1. Introduction**

- 1.1 The Medium Term Financial Strategy (MTFS) is the Council's key financial planning document. In detailing the financial implications of the Corporate Plan over a five-year period, the MTFS provides a reference point for corporate decision-making and ensures that the Council is able to optimise the balance between its financial resources and delivery of its priorities.
- 1.2 The MTFS informs the annual budget-setting process, ensuring that each year's budget is considered within the context of the Council's ongoing sustainability over the entirety of the planning period. The annual budget-setting process is detailed in the Financial Planning Framework in Section 3.
- 1.3 In order to forecast the Council's future financial position, the MTFS contains a number of assumptions, the bases of which are detailed throughout the Strategy. It should be noted that these assumptions are subject to change. The Corporate Director (Finance & Operations) will report back to Cabinet as a matter of urgency if there are changes to key assumptions in the Strategy that threaten the sustainability of the approved MTFS.

## **2. Recommendations**

- 2.1 The MTFS makes the following recommendations for approval by Council. It is recommended that:
  - 2.1.1 The financial projections within the 5-year Medium Term Financial Strategy be noted, and the Strategy approved;
  - 2.1.2 A General Fund savings target of £1.6 million be approved for the 2017/18 budget-setting process;
  - 2.1.3 A four-year General Fund savings target of £3.7 million be approved for the duration of this Medium Term Financial Strategy;
  - 2.1.4 A review of the Housing Revenue Account base budget and savings target be undertaken as part of the review of the HRA business plan and budget preparation cycle;
  - 2.1.5 The Corporate Director (Finance & Operations) works with the Council's Corporate Management Team and Portfolio Holders to deliver options that will achieve the saving targets identified within the strategy;
  - 2.1.6 The Financial Planning Framework is approved to support the budget-setting process for 2018/19;
  - 2.1.7 The Corporate Director (Finance & Operations) be requested to revise the Medium Term Financial Strategy and re-present to Cabinet and Council for approval if material changes to forecasts are required following future Government announcements.

### 3. Financial Planning Framework

- 3.1 The Financial Planning Framework, shown below, demonstrates the process by which the Council ensures that revenue and investment plans are developed in tandem, and that the annual budgets approved by Council each February are developed within the context of longer-term sustainability. It also demonstrates the consultation the Council undertakes with major stakeholders as part of the budgeting process.

<b>June/July</b>	<p>The final budgetary position for the previous year is finalised, and reported to Members for approval through the Provisional Outturn Report to Cabinet and the Final Outturn Report to the Audit Committee.</p> <p>The approved outturn position is then incorporated within a refreshed MTFS, which is recommended to Council as the basis for setting the subsequent year's budget.</p> <p>The first cut of the base budget for the following year is produced by the end of July.</p>
<b>August/September</b>	<p>Budget Holders begin developing Service Plans, in consultation with Portfolio Holders, for the following year. These plans include revenue and capital bids, and highlight new savings proposals and budgetary pressures.</p>
<b>October – November</b>	<p>Proposed budgets are scrutinised and challenged by the Corporate Director (Finance &amp; Operations) and by the Budget Review Group, both supported by the Financial Services team.</p>
<b>November – December</b>	<p>Provisional Local Government Finance Settlement announced by Government, which sets the level of grant the Council will receive over the next year(s).</p> <p>Consultation events held with Town and Parish Clerks and Members, and with members of the public.</p>
<b>January</b>	<p>Draft budget proposals presented to Joint Overview &amp; Scrutiny Committee, for Members' scrutiny.</p> <p>Feedback from Joint OSC is considered by Budget Review Group, and incorporated into final budget proposal presented to a second Joint Overview &amp; Scrutiny Committee meeting.</p>
<b>February</b>	<p>Final budget report presented to Cabinet for recommendation to Council. Council considers the recommendations of Cabinet for approval.</p>
<b>April</b>	<p>The new financial year begins, and the approved budget is then assessed under the in-year budget performance monitoring process.</p>

#### **4. Review of the Council's primary funding streams (General Fund)**

- 4.1 On 20 February 2017, the Secretary of State for the Department for Communities and Local Government, The Rt Hon Sajid Javid MP, made a statement to Parliament on the Local Government Finance Settlement 2017/18. The Settlement's key implications for Dacorum are summarised, below.

#### **Reduced central government grant to the local government sector**

- 4.2 On a national level, in 2017/18 there was a 10.8% reduction in the amount of Settlement Funding Assessment paid by government to local authorities – reducing from £18.6bn to £16.6bn. This is forecast to be followed by at least two further years' of annual reductions, resulting in a total reduction of 22% over the period to 2019/20 (from £18.6bn to £14.5bn).
- 4.3 Settlement Funding Assessment (SFA) constitutes the primary source of government support for local authorities, and refers to the combined payments of Revenue Support Grant and Baseline Funding (Business Rates).
- 4.4 Dacorum's SFA was reduced by 21.7% (£810k) in 2017/18. Assuming Government observes the remainder of the 4-year Settlement agreement, this will form part of a total 46% (£1.7m) reduction over the three-year period to 2019/20. This level of reduction is significantly higher than the national average for district councils, which was 15.1% in 2017/18 and is forecast to be 31.5% for the period to 2019/20.

#### **The concept of Core Spending Power**

- 4.5 DBC's SFA reduction has been high relative to the district council average since 2016/17, when Government began to award grant on the basis of each authority's *Core Spending Power* (CSP). Government's rationale for adopting CSP is that it enables the amount of grant reduction to be determined by each individual council's affordability rather than simply applying similar percentage reductions to all authorities. In addition to SFA, the CSP affordability calculation takes into account the amount that a council can raise locally from Council Tax and New Homes Bonus (NHB) when apportioning funding reductions.
- 4.6 In 2017/18, DBC was forecast by Government to generate around £10.5m in Council Tax income compared to a national average for districts of around £6.5m. This means that DBC can generate more income locally than most district councils and therefore, within the context of Core Spending Power, Government deem it capable of absorbing a greater reduction in grant than most district councils.

#### **Revenue Support Grant**

- 4.7 The 2017/18 Settlement (detailed in paragraph 4.4) is the second year of a funding deal, accepted by 97% of local authorities, in which funding levels were agreed until 2019/20, for *RSG, Transitional Grant and Rural Services Delivery Grant*. DBC receives funding through the first two of these grants. (£150m of Transitional Grant funding has been awarded to the sector for 2016/17 and 2017/18 to soften the impact of the continued reductions in RSG. DBC has received around £125k in each of 16/17 and 17/18.)
- 4.8 Notably, the four-year deal excludes New Homes Bonus, of which Dacorum received £3.1m in 2017/18, and Baseline Funding, of which Dacorum received £2.8m in

2017/18. Updates on both of these funding streams are included within paragraphs 4.13 – 4.25 of this strategy.

4.9 Although the four-year deal offers the closest the Council can get to funding certainty over the medium-term, it is by no means guaranteed, with the Secretary of State confirming that the deal will not protect against:

- The extra responsibilities and functions that might need to be accepted by local government as part of the move to 100% business rates retention;
- Future transfer of functions to or between local authorities, or the impact of mergers; and,
- Any other ‘unforeseen events’. (No parameters have been put on the breadth of this definition.)

4.10 The table below shows the funding position agreed for DBC over the term of the four-year deal. Note that Baseline Funding (Business Rates) was excluded by Government from the four-year deal on the basis that the new 100% Business Rates retention scheme will be introduced before the end of the period.

	2016/17	2017/18	2018/19	2019/20
Revenue Support Grant	£970k	£100k	0	0
Transitional Grant	£130k	£130k	0	0
Tariff Adjustment	0	0	0	(£1m)
<b>Total Funding</b>	<b>£1.1m</b>	<b>£230k</b>	<b>£0</b>	<b>(£1m)</b>

4.11 The table shows that DBC will receive no RSG in the final two years of the Settlement, and will also face the introduction of a ‘Tariff Adjustment’, costing £1m, in 2019/20. The Tariff Adjustment is effectively ‘negative RSG’, and its purpose is to allow Government to continue reducing an individual council’s SFA, under the Core Spending Power calculation, even after they are no longer in receipt of any RSG to reduce.

4.12 Annual Tariff Adjustments within the planning period but beyond the timeframe of the four-year deal have been forecast based on average reductions over previous years.

### Baseline Funding

4.13 Baseline Funding (also known as Retained Business Rates) contributed £2.8m to DBC in 2017/18. This is based on Government’s assessment of need within the borough, and it can be increased or decreased depending on whether the overall amount of business rates collectable across the borough increases or decreases. The amount by which the Baseline Funding can reduce is capped at 7.5%, which is known as the ‘safety net’.

4.14 Over the last three years the Council has had to provide for potential backdated refunds for extant Business Rates appeals that remained outstanding at the time the localisation of Business Rates was introduced in 2013. The Council’s audited assessment of these outstanding appeals is that enough of them will be successful to offset the forecast business growth within the borough, thereby resulting in a net reduction in the amount of business rates collectable, and a consequent reduction in Baseline Funding.



- 4.15 The assumption in the proposed version of the MTFS is that the Council will be in 'safety net' throughout the planning period and will receive the minimum amount of Baseline Funding, i.e. 7.5% less than the government's assessment of need within Dacorum.
- 4.16 Prior to the General Election on 8 June 2017, the Local Government Finance Bill, which provided the legislative framework for the introduction of 100% Business Rates Retention scheduled for 2020, had been progressing through Parliament. However, this bill was not re-introduced within the Queen's Speech, outlining the legislative programme for the government, on 21 June 2017.
- 4.17 Whilst this omission does not necessarily mean that the Business Rates Retention policy will not proceed, it does indicate that Government may have revised its intentions with regard to *how* it will proceed. At present the Local Government Association is continuing to work on the basis that the policy will move ahead. The S151 Officer will continue to monitor Government announcements over coming months and will report back to Members as appropriate.

### **Council Tax**

- 4.18 As expected, the Council Tax referendum threshold for district councils in 2017/18 was the higher of 2% or £5 on a Band D, and Government has indicated that it will maintain this threshold each year until 2019/20. In February 2017, Council approved an increase in Council Tax for the year of £5, equating to 2.71% for a Band D property.
- 4.19 The proposed MTFS assumes continued increases of £5 per annum and growth in the tax base of 0.7% per annum, equating to around 450 dwellings per year. It should be noted that in calculating the four-year Settlement for Dacorum, Government assumed that DBC will increase Council Tax by £5 per year, and that the tax base will grow by around 1.5% per year.

### **New Homes Bonus**

- 4.20 The Council received £3.1m of New Homes Bonus (NHB) from central government in 2017/18. NHB is paid to local authorities to stimulate local housing growth and takes the form of a grant payable to the Council for each additional home created within the borough.
- 4.21 As part of Spending Review 2015, Government announced a review of NHB and a planned reduction in the amount of grant paid nationally by around 50%, or £800m, in order to divert increased funds to the provision of adult social care. In December 2016, Government announced the results of this review, which will result in the level of payment to DBC reducing annually throughout the medium-term.
- 4.22 There are two principle changes to the grant calculation mechanism that result in this reduction:
- Firstly, NHB payments will be made for only 4 years in 18/19 (down from 5 years in 17/18, and from 6 years previously). All things being equal, this equates to a reduction in the annual payment to DBC of one third from 2018/19 onwards when compared to awards pre-2017/18;

- Secondly, from 2017/18 NHB will only be payable on growth in excess of 0.4% of the tax base, where previously it was payable on all growth. The proposed MTFS assumes annual tax base growth of 0.7%, (based on average growth over the last three years), which equates to around 450 additional dwellings per year, of which only around 190 dwellings (0.3%) will now attract NHB.

4.23 The table below demonstrates how DBC's NHB payments are predicted to fall over the medium-term as a result of these changes:

	Actual		Forecast			
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
New Homes Bonus	£3.5m	£3.1m	£2.1m	£1.9m	£1.2m	£1m

4.24 With the exception of £325k per year, which is used to support annual revenue budgets, the Council has always used NHB to fund capital projects. This strategy has prevented the Council's revenue budgets from becoming dependent on NHB, which has always been considered a volatile funding stream, thereby ensuring that the reductions which are now forecast do not increase the MTFS savings requirements.

4.25 In addition, the forecast reductions in NHB do not leave the Capital Programme underfunded over the medium-term, and therefore do not affect the Council's revenue position by increasing the borrowing requirement. It is recommended that Members continue with the strategy of retaining only £325k of NHB to support the provision of General Fund services.

## 5. Review of MTFS assumptions

### Update of General Fund budget assumptions based on 2016/17 outturn

5.1 The basic principle of the MTFS model is to extrapolate the current year's approved budget, in this case 2017/18, over the next four years. The extrapolation process incorporates assumptions on government grant, inflation, changes in demand for services, changing legislation, and probable risks and opportunities.

5.2 The 2016/17 outturn was approved by Audit Committee at its meeting of 28 June 2017. A fundamental part of the outturn analysis is to focus on those areas where there were over- or under-spends in order to identify whether the budget assumptions could be updated in order to improve the accuracy of the MTFS. Budgetary assumptions for 2018/19 have been updated where appropriate.

### Update of MTFS assumptions based on other information

5.3 A range of information sources have been used to inform the updated assumptions shown within the following table. The rationale behind estimates is shown in the notes below. Further sensitivity will be undertaken as new information becomes available.

	Note	2018/19	2019/20	2020/21	2021/22
<b>Income</b>					
Council Tax	1	3.3%	3.3%	3.2%	3.0%
Revenue Support Grant	2	(£100k)	n/a	n/a	n/a
Tariff Adjustment	3	n/a	(£1m)	(£1.6m)	(£2.4m)
Business Rates Retained	4	2.4%	2.3%	2%	2%
Fees & Charges	5	2.4%	2.3%	2%	2%
Investment Income	6	0.85	0.85	0.85	0.85
<b>Expenditure</b>					
Pay settlement	7	1%	1%	1%	1%
Pay: contract increments	8	0.5%	0.5%	0.5%	0.5%
Pension contributions	9	0	0	1%	0
Utilities	10	5%	5%	5%	5%
Fuel	11	5%	5%	5%	5%
Supplies & Services	12	2.4%	2.3%	2%	2%

#### Notes:

1. Increase by £5 per Band D and 0.70% increase in tax base (see paras 4.18 – 4.19).
2. Based on four-year Settlement (see paragraphs 4.7 – 4.12).
3. Based on four-year Settlement (see paragraphs 4.7 – 4.12).
4. Based on four-year Settlement (see paragraphs 4.7 – 4.12).
5. Inflation assumptions from OBR on controllable income eg excludes Planning fees
6. Sector forecast on interest rates
7. Consistent with most recent government announcement: Summer Budget 2015
8. Based on actual increments due and historical staff turnover rates
9. Increase 1% on past service costs from next revaluation in 2020/21
10. Currently under review – historical assumptions used at present
11. Currently under review – historical assumptions used at present
12. Inflation assumptions from Office of Budget Responsibility (OBR)

#### Growth

- 5.4 Growth is defined as an increase in the expenditure, or the net expenditure, budgets of the Council. In the event that essential or unavoidable growth is required within a Service area, a business case outlining the requirements should be produced by the relevant Group Manager and Assistant Director, and be signed off by the Director and S151 Officer, before being submitted for consideration by the Budget Review Group.
- 5.5 Growth in the income generating capacity of a particular Service does not mean that the additional income automatically accrues to that Service. All Council income, unless stated otherwise by statute, is considered corporate income and is used to finance the provision of all Council services. All requests from budget holders to retain additional income budget in order to finance increased expenditure are subject to the growth process outlined above.
- 5.6 If, during the budget-setting process, a budget holder reduces the cost of providing one of their services, the resultant saving does not automatically become available to them to finance the expansion of an alternative service area. All savings made across services constitute a contribution to the Council's corporate budgetary position. Any expansion of a Service area constitutes growth, which necessitates a separate growth bid.

## Fees and Charges Strategy

- 5.7 The fees and charges set by the Council are subject to annual review as part of the budget-setting process. Changes made between years are included within the annual Budget Report, and are subject to Council approval. The key principles behind charging are that:
- discretionary charges should recover costs unless the strategy is to provide a particular service at a subsidy;
  - discretionary income should be optimised through appropriate commercial charges; and,
  - robust systems of discounts or concessions should be in place for those who would otherwise find that they could not access services, where deemed appropriate.
- 5.8 Provision of many Council services is a statutory requirement and charges for access to these are determined as part of that requirement. The Council therefore has no discretion in setting these fees.
- 5.9 A thorough review of the true cost and effectiveness of providing statutory services must be undertaken on a regular basis to ensure that the fees charged meet the cost of service provision wherever possible. Where any review indicates an under-recovery of cost, alternative methods of service provision and comparison with other comparable authorities must be undertaken to identify opportunities for minimising the liability to the Council.
- 5.10 The Local Government Act 2003 includes a general power for Councils to charge for discretionary services i.e. services that an authority has the power, but no obligation, to provide. Some discretionary charges are governed by alternative legislation, in which case this general power does not then apply.
- 5.11 Increases for the annual review of fees and charges have been included in the MTFs projections based on the percentages set out in table 5.3.

## General Fund Working Balances and Earmarked Reserves

- 5.12 The Council's Reserves Strategy is integral to the MTFs because it demonstrates how the Council augments its annual ongoing running costs with plans to finance specific items of one-off expenditure over the medium-term. The Strategy is reviewed annually, and was most recently approved by Council within the 2017/18 Budget Report, in February 2017. The reserves position was most recently approved by the Audit Committee as part of the outturn process for 2016/17 and is included at Appendix C.
- 5.13 The Council holds two types of reserve. These are:
- a. **Working balances**, which are required as a contingency against unforeseen events and to ensure that the Council has sufficient funds available to meet its cash flow requirements. The Local Government Act 2003 requires the S151 Officer to report on the adequacy of financial reserves when setting the General

Fund budget requirement for the year. This requirement was met within Appendix N of the Budget Report to Cabinet in February 2017.

- b. **Earmarked reserves**, which are funds approved by Members to finance specific items of future expenditure. The Council's Financial Regulations dictate that Earmarked Reserves can be created only by Member approval, and that all subsequent transfers to and from those reserves also require Member approval.

5.14 In accordance with best practice, the General Fund Working Balance is maintained at a level between 5% and 15% of Net Service Expenditure.

## 6. General Fund medium-term savings requirements

6.1 Based on the assumptions detailed throughout this Strategy, and the need to maintain the desired level of General Fund Working Balances, the Total Savings Requirement over the life of this MTFS is £3.7m.

6.2 In 2016/17 the Council adopted a three-year savings plan in recognition of the fact that the more easily deliverable savings opportunities have already been taken and that future initiatives are likely to be more complicated and have a longer lead-in period. As a result of this, the Total Savings Requirement comprises three elements which reflect the fact that the Council has a number of initiatives already underway to deliver savings in future years. The table below provides a breakdown of the savings requirement, and is followed by a brief explanation of each element.

		2018/19	2019/20	2020/21	2021/22
a.	Savings identified, and already delivered	£400k	0	0	0
b.	Savings identified, but still to be delivered	£930k	£340k	£430k	0
c.	Savings still to be identified	£270k	£430k	£240k	£650k
	<b>Total Savings Requirement</b>	<b>£1.6m</b>	<b>£770k</b>	<b>£670k</b>	<b>£650k</b>

a. **'Savings identified and already delivered'** – refers to additional income, over and above the budgeted level, which is already being realised by the Council. These savings are lower risk as they were identified as part of the year-end process as having already contributed to the year-end surplus for 2016/17.

b. **'Savings identified but still to be delivered'** – refers to those savings initiatives identified by budget holders as deliverable in future years. These savings, particularly the £930k identified for 2018/19, must be considered high risk. If delivery of these schemes is delayed, the savings target for 2018/19 will increase.

To mitigate the risk of delayed delivery, the Finance Team has implemented a new process for 2017/18 to scrutinise budget holders' progress on a monthly basis. Updates will be reported to CMT each month and to Budget Review Group throughout the year, as well as formally to Members of OSCs and Cabinet as part of the quarterly Budget Monitoring reports.

c. **'Savings still to be identified'** – refers to additional initiatives that must be put in place prior to April 2018 in order to meet the Total Savings Requirement. These initiatives will be identified through the annual budget-setting process detailed within the Financial Planning Framework in paragraph 3.1.

## **7. Key Budget Risks (General Fund)**

- 7.1 The following paragraphs outline some of the key financial risks facing DBC over the medium-term. These risks will be monitored and Members kept updated on the implications for the MTFS.

### **Business Rates**

- 7.2 The omission of the Local Government Finance Bill from the Queen's Speech in June 2017 has created uncertainty over the previous government's plans to implement 100% Business Rates Retention (BRR) for the local government sector by 2020. Despite there being little certainty on how the scheme would work prior to the general election, the change in Government focus (and the subsequent absence of statements on the matter) suggests that there could be further delays to the implementation of a new funding scheme for the sector.
- 7.3 This uncertainty is compounded by the risk to the economy arising from the impact of ongoing Brexit negotiations on Business Rates generation. If the BRR scheme is to progress, it will link councils' financial sustainability to their ability to grow and retain rate-paying businesses and it is not yet known how multinational companies will view the UK's attractiveness as a base for investment as details of Brexit begin to emerge. There is a risk that demand for commercial property in the UK will fall as a result of the UK leaving the EU, resulting in reduced Business Rates and consequent funding pressures in the medium-term.

### **Borrowing**

- 7.4 Moody's ratings agency recently warned that the UK's credit rating could be downgraded after the general election delivered a hung parliament which could slow down Brexit negotiations, thereby prolonging economic uncertainty in the eyes of investors.
- 7.5 If this risk was to crystallise, and the cost of government borrowing was to increase, the lending rates available to the Council through the Public Works Loan Board would also increase. Based on the currently approved Capital Programme such an increase would not pose an immediate problem for the Council because there is a minimal additional borrowing requirement over the medium-term. However, this could change if the Council wished to extend the Capital Programme, thereby increasing its borrowing requirement at a time when interest rates were rising.

### **Pensions**

- 7.6 The Council's pension fund is the most volatile material liability on the balance sheet and prolonged economic uncertainty could drive up the deficit in the short-term. The size of the pension fund deficit has a direct relationship with the amount of contributions the Council is required to make to the fund, and therefore to the annual revenue cost of providing the scheme.
- 7.7 Changes to the Council's contributions are triggered by the recommendations of the fund's triennial review, the last of which was in December 2016. This review required the Council to increase its employer's contribution rate from 16% to 18.5%, c£370k per annum, from 2017 in order to meet the likely future costs for current employees. There is also the risk that increased deficit relating to past service costs will increase depending on the assumptions within the actuarial valuation.

- 7.8 The Council currently has a Pensions Reserve of £1.8m which could be used for one-off payments to reduce the deficit, pending future actuarial reviews. However, given the scale of potential payment fluctuations, this MTFs recommends a further annual contribution to the reserve of £200k per annum. This recommendation can be reviewed at the time of the next triennial review, December 2019, to ensure that it remains appropriate.

### Staffing pressures

- 7.9 In common with other local authorities within Hertfordshire, the Council is currently facing difficulties in the recruitment of staff with professional qualifications e.g. within Finance, Legal, Building Control, Planning, Environmental Health. In the short-term this can cause a revenue pressure as the Council is forced to increase its use of (more costly) agency staff in order to maintain service provision. Council officers continue to work with neighbouring authorities to identify a strategic solution to future recruitment needs.
- 7.10 The current MTFs assumes pay inflation of 1% per annum in accordance with Government's pay cap for public sector workers fixed in 2015 until 2019. If the current national debate on lifting the cap were to gather momentum, there is a risk that the Council could face pressure to increase salaries by more than the 1% assumed within the MTFs. This would result in an increased annual budgetary pressure of c£200k for each additional 1% increase.

## 8. Housing Revenue Account (HRA)

- 8.1 The HRA Business Plan plans delivery of the Council's housing objectives over a thirty-year period. The long-term perspective is necessary to ensure sound investment decisions both in terms of the Council's new build programme and in maintaining existing stock.
- 8.2 The Business Plan is kept constantly under review, and is presented for Members' approval at least annually. The most recently approved HRA Business Plan was approved by Cabinet in February 2017. The table below details the assumptions within the most recently approved plan,

Budget	Assumptions
HRA Working Balance	Minimum 5% of turnover, as per Reserves Strategy.
Major Repairs Reserve (MRR) Balance	Depreciation is ring-fenced to the MRR. The plan does not show an increasing MRR balance because in all years planned capital expenditure exceeds depreciation. The investment shortfall is met through HRA contributions to capital.
Rent	In accordance with Government policy, the Business Plan assumes an annual reduction to rents of 1% for three years. After this, the plan assumes uplift on rents of CPI + 1% to all rents.
RPI	3%, as per historic average (since 2001)
CPI	2.3%, as per historic average (since 2001)
New Build Programme	250 units planned with provision for a further 100 units, let at existing social rent levels.
Bad Debt Provision	VOIDS 0.8% of gross income. Bad debts 0.4% rising to 2% then reducing to 1% with the increases making provision for the impact of Welfare reform.

52 week rent per unit	Average rent of £104 p/w for 2017/18 with future years subject to the inflationary or deflationary assumptions detailed above.
Right to Buy	Assumes 100 per year for 4 years then reducing to 50, then 20.

### Key HRA Budget Risks

- 8.3 The rent levels within the HRA business plan are set to decrease by 1% per year for the next three years, in line with current legislation. Rents after this period are assumed to increase at CPI + 1%, as per the previous rent policy. Any future decisions by Government to impose further rent reductions will have a detrimental effect on the income levels assumed in this plan.
- 8.4 In order to finance the cost of implementing RTB for Housing Associations, the Housing and Planning Act 2016 stated that stock holding local authorities would be required to sell their high value properties. Receipts would be returned to HM Treasury, which would then allocate to HAs to cover the cost of the RTB discount. This policy was originally set for implementation in 2017 but has not been postponed, though remains likely at some point in the near future. Further detail is yet to be released on how the process would operate, though it is highly likely to result in reduced rental income for the Council as well as a diminution in the Council's overall asset value.
- 8.5 The number of properties sold under Right to Buy (RTB) legislation remains at around one hundred per year. Within the current model, the resulting loss of rental income is not yet sufficient to jeopardise the Council's medium-term ambitions. However, this will need to be kept under review as the number of sales shows no sign of abating.
- 8.6 The Council subscribes to Government's 'One for One Replacement' scheme, which entitles it to retain substantially all of the receipts from RTB sales. However, in order to retain the income, the Scheme stipulates that it can only be used as a contribution to new build schemes up to a maximum contribution of 30%, and must be utilised within three years of receipt.
- 8.7 There is a risk that the Council will be unable to retain this income because the high value of receipts (£9.5m in 2016/17) means that the Council may struggle to cash-flow its 70% share of new build project costs within the three-year timeframe. The borrowing cap imposed by government as part of the Self-Financing settlement precludes the Council from borrowing sufficient amounts to meet the costs.
- 8.8 In order to retain the receipts locally, the Council is currently working with a number of local Housing Associations (HAs) with a view to grant aiding their development projects within the borough. This is consistent with the terms of the One for One scheme. However, there remains a risk that RTB sales will continue at a rate that prevents HAs from meeting the 70% contribution rate required to retain the funding. This risk will be closely monitored to ensure that the council exhausts every opportunity to ensure that the funding is retained locally.



## 9. Capital Resources

- 9.1 Capital expenditure is defined as expenditure incurred on the acquisition or creation of assets needed to provide services, such as houses, vehicles, public buildings, play areas, ICT, etc.
- 9.2 Capital grants and borrowing can only be spent on capital items and cannot be used to support revenue budgets. However, it should be noted that revenue funds can be used to support capital expenditure. Under the Local Government Act 2003, each council can determine how much it can borrow within prudential limits. All borrowings must be financed from the total available resources of the Council.

### Flexible use of capital receipts

- 9.3 Within the 2016 Settlement, Government provided new flexibility for local authorities to use capital receipts from the sale of property, plant and equipment to support upfront revenue expenditure on transformational projects that will deliver ongoing efficiency savings. Councils can only use capital receipts from sales made since the date of this announcement, and cannot use existing capital balances for revenue spending.
- 9.4 At present, the Council's forecast capital receipts are fully committed to financing the approved Capital Programme. It is recommended that any future case for the flexible use of capital receipts first be considered by Budget Review Group, before progressing to Cabinet and Council for further approval in accordance with government guidance.

### Capital Spending Plans 2016/17 to 2020/21

- 9.5 The Council's approved Capital Programme for the current and future years was approved by Council in February 2017, and is summarised below:

<b>Capital Expenditure</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
General Fund	11.4	17.2	2.4	1.4	5.0
Housing Revenue Account	41.1	38.8	29.1	22.8	16.8
<b>Total</b>	<b>52.5</b>	<b>56.0</b>	<b>31.5</b>	<b>24.2</b>	<b>21.8</b>

### General Fund

- 9.6 The Council's Capital Programme is currently fully funded, following borrowing of £19.4m taken in May 2015. The loan is structured over a portfolio of 30 loans, with one maturing each year. The loan was taken from the Public Works Loan Board (PWLB), at favourable rates, around 60 basis points above gilts, and resulted in an average initial interest rate of 2.98%.
- 9.7 The Council is required to pay off an element of borrowing each year through a revenue charge, the Minimum Revenue Provision (MRP). The Council's Treasury Management Strategy approved by Cabinet in February 2017, sets out the Council's policy to, at a minimum, pay off the debt over the life of the asset associated with the borrowing. This policy has been applied to the MTFs forecasts.
- 9.8 The full impact of borrowing costs of the current Capital Programme on the Council's revenue budgets is reflected in the forecasts included in this strategy. However, at

the time of writing the Council is examining the potential for further investment in a number of capital projects, most notably in a housing development company. The costs associated with these projects have yet to be finalised, and thus, at this stage, there is no provision for their funding within the MTFS.

9.9 The financing of the Capital Programme will continue to be supported through the following prioritisation of funds: firstly, appropriate application of grant funding; secondly, use of revenue contributions and capital receipts generated from the sale of Council assets; and, thirdly, through undertaking prudential borrowing.

9.10 The approved General Fund Capital Programme is financed as follows:

	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Capital Receipts	4.6	7.0	0	0	0.6
Borrowing	2.6	5.4	0	0	2.7
Grants and Contributions	1.1	2.5	0.7	0.7	0.7
Revenue Contributions to Capital	3.1	2.1	1.7	0.7	1.0
<b>Total</b>	<b>11.4</b>	<b>17.2</b>	<b>2.4</b>	<b>1.4</b>	<b>5.0</b>

### Housing Revenue Account

9.11 The majority of the approved HRA capital programme is funded through depreciation and revenue surpluses. Revenue is contributed to capital on an annual basis as required to fund the shortfall between planned capital expenditure and depreciation contributions to the Major Repairs Reserve. Surplus revenue not required for capital expenditure is transferred to the HRA revenue reserves.

<b>GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY UPDATE</b>					
	<b>Original 2017/18</b>	<b>Estimate 2018/19</b>	<b>Estimate 2019/20</b>	<b>Estimate 2020/21</b>	<b>Estimate 2021/22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Service Expenditure &amp; Income</b>					
Employees	21,811	21,828	22,148	22,547	22,833
Premises	4,361	4,486	4,672	4,789	4,898
Transport	1,519	1,587	1,657	1,730	1,806
Supplies & Services	7,266	6,759	6,984	6,977	7,125
Third-Parties	1,196	1,176	1,203	1,227	1,252
Transfer Payments	47,149	47,149	47,149	47,149	47,149
Capital Charges & Bad Debts	4,509	4,512	4,516	4,518	4,521
Income	(66,213)	(67,037)	(67,619)	(68,267)	(68,485)
Recharge to HRA	(3,946)	(3,986)	(4,026)	(4,106)	(4,147)
Cummulative Savings	0	0	(273)	(709)	(953)
<b>Net Cost Of Services</b>	<b>17,653</b>	<b>16,475</b>	<b>16,412</b>	<b>15,855</b>	<b>15,999</b>
<b>Less:</b>					
Interest Receipts	(236)	(158)	(158)	(158)	(158)
Interest Payments & MRP	956	970	956	942	1,063
Reversal of Capital Charges	(4,344)	(4,344)	(4,344)	(4,344)	(4,344)
Revenue Contributions to Capital	3,124	2,111	1,882	1,260	1,037
Net movement to/(from) Earmarked Reserves	(626)	1,042	714	860	616
<b>Budget Requirement General Fund</b>	<b>16,527</b>	<b>16,096</b>	<b>15,462</b>	<b>14,415</b>	<b>14,213</b>
Parish Precepts	739	764	789	813	838
<b>Budget Requirement Including Parishes</b>	<b>17,266</b>	<b>16,860</b>	<b>16,250</b>	<b>15,229</b>	<b>15,051</b>
<b>Funded by:</b>					
Use of General Fund Balance	1	0	0	0	0
(Revenue Support Grant)/Tariff	(105)	0	990	1,640	2,440
Transition Grant	(126)	0	0	0	0
Business Rates Retained	(2,616)	(2,679)	(2,740)	(2,795)	(2,851)
New Homes Bonus/Government Grants	(3,099)	(2,086)	(1,857)	(1,235)	(1,012)
Council Tax (Surplus)/Deficit	(82)	0	0	0	0
Business Rates (Surplus)/Deficit	209	0	0	0	0
<b>Net Expenditure before Council Tax</b>	<b>11,448</b>	<b>12,095</b>	<b>12,643</b>	<b>12,839</b>	<b>13,628</b>
<b>Demand on the Collection Fund</b>	<b>(11,448)</b>	<b>(11,829)</b>	<b>(12,215)</b>	<b>(12,600)</b>	<b>(12,983)</b>
General Fund Balance B/Fwd	(2,502)	(2,502)	(2,502)	(2,502)	(2,502)
In year use	0	0	0	0	0
General Fund Balance C/Fwd	<b>(2,502)</b>	<b>(2,502)</b>	<b>(2,502)</b>	<b>(2,502)</b>	<b>(2,502)</b>
<b>Total Savings Requirement</b>		<b>1,592</b>	<b>769</b>	<b>674</b>	<b>646</b>
of which,					
<b>Savings identified, and already delivered</b>		<b>(400)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Savings identified, but still to be delivered</b>		<b>(926)</b>	<b>(340)</b>	<b>(435)</b>	<b>0</b>

<b>Savings still to be identified</b>		<b>266</b>	<b>429</b>	<b>239</b>	<b>646</b>
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## HRA Business Plan

Year	2016.17	2017.18	2018.19	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26	2023-28	2028-33	2033-38	2038-43
£'000	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30
<b>INCOME:</b>														
Rental Income	55,821	55,177	54,561	53,812	55,399	57,224	58,996	60,815	62,691	64,624	354,263	412,309	479,812	558,309
Void Losses	-448	-442	-440	-435	-449	-466	-480	-495	-510	-526	-2,883	-3,355	-3,904	-4,542
Service Charges	865	891	917	945	973	1,002	1,032	1,063	1,095	1,128	6,170	7,152	8,291	9,612
Non-Dwelling Income	80	82	85	87	90	93	96	98	101	104	571	662	767	889
Grants & Other Income	529	543	557	572	588	604	621	638	655	673	3,656	4,195	4,820	5,545
<b>Total Income</b>	<b>56,846</b>	<b>56,250</b>	<b>55,681</b>	<b>54,982</b>	<b>56,601</b>	<b>58,457</b>	<b>60,264</b>	<b>62,120</b>	<b>64,033</b>	<b>66,004</b>	<b>361,777</b>	<b>420,962</b>	<b>489,787</b>	<b>569,813</b>
<b>EXPENDITURE:</b>														
General & Special Management	-12,031	-12,675	-13,140	-13,613	-14,074	-14,544	-15,013	-15,463	-15,927	-16,405	-89,708	-103,996	-120,560	-139,762
Other Management	-14	-14	-15	-15	-16	-16	-17	-17	-18	-18	-100	-116	-134	-156
Bad Debt Provision	-249	-1,099	-1,084	-1,067	-1,099	-860	-886	-914	-942	-659	-3,611	-4,202	-4,889	-5,689
Responsive & Cyclical Repairs	-10,722	-11,912	-12,277	-12,597	-12,957	-13,361	-13,781	-14,259	-14,688	-15,150	-82,686	-95,385	-110,033	-126,926
<b>Total Revenue Expenditure</b>	<b>-23,016</b>	<b>-25,700</b>	<b>-26,515</b>	<b>-27,293</b>	<b>-28,147</b>	<b>-28,780</b>	<b>-29,697</b>	<b>-30,653</b>	<b>-31,575</b>	<b>-32,231</b>	<b>-176,104</b>	<b>-203,699</b>	<b>-235,616</b>	<b>-272,532</b>
Interest Paid	-11,643	-11,603	-11,594	-11,558	-11,486	-11,385	-11,302	-11,266	-11,209	-11,134	-53,790	-48,340	-39,699	-27,191
Finance Administration	0	0	0	0	0	0	0	0	0	0	-2	-8	-34	-11
Interest Received	135	217	192	154	113	68	71	75	76	75	406	461	536	799
Depreciation	-9,485	-11,025	-11,380	-11,634	-11,956	-12,301	-12,645	-12,998	-13,362	-13,735	-74,653	-85,677	-98,319	-112,813
<b>Net Operating Income</b>	<b>12,837</b>	<b>8,139</b>	<b>6,384</b>	<b>4,652</b>	<b>5,125</b>	<b>6,059</b>	<b>6,692</b>	<b>7,278</b>	<b>7,964</b>	<b>8,978</b>	<b>57,633</b>	<b>83,700</b>	<b>116,656</b>	<b>158,064</b>
<b>APPROPRIATIONS:</b>														
Revenue New Build Reserve	-13,005	6,000	9,349	2,201	1,985	0	0	0	0	0	0	0	0	0
Revenue Contribution to Capital	0	-12,843	-17,032	-4,219	-9,721	-5,971	-6,487	-7,029	-8,140	-8,885	-57,123	-83,084	-115,805	-154,872
<b>Total Appropriations</b>	<b>-13,005</b>	<b>-6,843</b>	<b>-7,683</b>	<b>-2,018</b>	<b>-7,736</b>	<b>-5,971</b>	<b>-6,487</b>	<b>-7,029</b>	<b>-8,140</b>	<b>-8,885</b>	<b>-57,123</b>	<b>-83,084</b>	<b>-115,805</b>	<b>-154,872</b>
<b>ANNUAL CASHFLOW</b>														
Opening Balance	2,893	2,725	4,021	2,721	5,355	2,744	2,832	3,037	3,285	3,108	3,201	3,712	4,328	5,179
Closing Balance	2,725	4,021	2,721	5,355	2,744	2,832	3,037	3,285	3,108	3,201	3,712	4,328	5,179	8,370

This excerpt was taken from the most recent version of the HRA 30-year business plan, approved by Cabinet in February 2017.

STATEMENT OF EARMARKED RESERVES											
General Fund Reserves Summary	Balance as at 31/03/2016 £'000	Net Movement 2016/17 £'000	Balance as at 31/03/2017 £'000	Net Movement 2017/18 £'000	Balance as at 31/03/2018 £'000	Net Movement 2018/19 £'000	Balance as at 31/03/2019 £'000	Net Movement 2019/20 £'000	Balance as at 31/03/2020 £'000	Net Movement 2020/21 £'000	Balance as at 31/03/2021 £'000
Civic Buildings Major Repairs Reserve	200		200		200		200		200		200
Capital Development Reserve		500	500		500		500		500		500
Earmarked Grants Reserve	274	(71)	203	(183)	20	(10)	10	(10)	0		0
Management of Change Reserve	1,441	393	1,834	(492)	1,342	(120)	1,222	(14)	1,208	(14)	1,194
Technology Reserve	163	(107)	56		56		56		56		56
Savings Efficiencies Reserve	0		0		0	604	604	377	981	244	1,225
On Street Car Parking Reserve	149	93	242	(34)	208		208		208		208
Local Development Framework Reserve	366	(266)	100	(100)	0		0		0		0
Dacorum Development Reserve	568	(212)	356	(200)	156	(70)	86	(86)	0		0
Planning Enforcement & Appeals Reserve	125	(50)	75		75		75		75		75
Planning & Regeneration Project Reserve	160	(2)	158	(93)	65	(45)	20	(20)	0		0
Litigation Reserve	214	(66)	148	216	364		364		364		364
Vehicle Replacement Reserve	350	350	700	350	1,050	350	1,400	350	1,750	350	2,100
Invest to Save	411	(163)	248		248		248		248		248
Building Control Reserve	86	(86)	0		0		0		0		0
Longdean School Repairs Reserve	7	(7)	0		0		0		0		0
Tring Swimming Pool Repairs Reserve	91	(91)	0	8	8	8	16	8	24	8	32
Youth Provision Reserve	101		101	(40)	61	(40)	21		21		21
Election Reserve	30	30	60	30	90	30	120	(90)	30	30	60
Uninsured Loss Reserve	586		586	(86)	500		500		500		500
Training & Development Reserve	114	(26)	88	(43)	45	(22)	23	(23)	0		0
Housing Conditions Survey Reserve	66	15	81	15	96	15	111	(111)	0	15	15
Dacorum Partnership Reserve	66	(8)	58	(11)	47		47		47		47
Dacorum Rent Aid - Guarantee Scheme	15		15		15		15		15		15
Rent Guarantee Scheme Reserve	15		15		15		15		15		15
The Forum Reserve	2,006	(2,006)	0		0		0		0		0
Funding Equalisation Reserve	2,943	(814)	2,129	(209)	1,920	(1,849)	71		71		71
Pensions Reserve	1,773		1,773		1,773		1,773		1,773		1,773
Maylands Plus Reserve	100	(54)	46		46		46		46		46
<b>Total Earmarked Reserves</b>	<b>12,420</b>	<b>(2,648)</b>	<b>9,772</b>	<b>(872)</b>	<b>8,900</b>	<b>(1,149)</b>	<b>7,751</b>	<b>381</b>	<b>8,132</b>	<b>633</b>	<b>8,765</b>
<b>Working Balance</b>	<b>2,502</b>	<b>0</b>	<b>2,502</b>	<b>1</b>	<b>2,503</b>	<b>0</b>	<b>2,503</b>	<b>0</b>	<b>2,503</b>	<b>0</b>	<b>2,503</b>
<b>Total General Fund Reserves</b>	<b>14,922</b>	<b>(2,648)</b>	<b>12,274</b>		<b>11,403</b>	<b>(1,149)</b>	<b>10,254</b>	<b>381</b>	<b>10,635</b>	<b>633</b>	<b>11,268</b>

# Agenda Item 13

To consider passing a resolution in the following terms:

That, under s.100A (4) of the Local Government Act 1972 Schedule 12A Part 1 as amended by the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during the items in Part 2 of the Agenda for this meeting, because it is likely, in view of the nature of the business to be transacted, that, if members of the public were present during those items, there would be disclosure to them of exempt information relating to the financial and business affairs of the Council and third party companies/organisations.

Local Government Act 1972, Schedule 12A, Part 1, paragraph 3.