

# CABINET AGENDA



**TUESDAY 20 SEPTEMBER 2016 AT 7.30 PM**  
**DBC BULBOURNE ROOM - CIVIC CENTRE**

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 Member Support

## **AGENDA**

### **1. MINUTES (Pages 4 - 5)**

To confirm the minutes of the meeting held on 25 August 2016

### **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 (Pages 6 - 8)**

#### **7. AUTHORISATION OF VIREMENTS (Pages 9 - 12)**

#### **8. TENANCY INVOLVEMENT STRATEGY (Pages 13 - 44)**

#### **9. PERFORMANCE REPORT QUARTER 1 (Pages 45 - 61)**

#### **10. TREASURY MANAGEMENT OUTTURN & PERFORMANCE INDICATORS 2015/16 (Pages 62 - 71)**

#### **11. FACILITIES MANAGEMENT AWARD OF CONTRACT (Pages 72 - 79)**

#### **12. OPTIONS FOR PROVISION OF ATHLETICS TRACK WITHIN THE BOROUGH (Pages 80 - 86)**

#### **13. EXCLUSION OF THE PUBLIC**

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.

## MINUTES

## CABINET

25 AUGUST 2016

**Present:**

**Members:**

**Councillors:** Williams (Leader)  
Griffiths (Deputy  
Leader)  
Elliot  
G Sutton

<b>Officers:</b>	Sally Marshall	Chief Executive
	Mark Gaynor	Corporate Director - Housing & Regeneration
	David Skinner	Assistant Director - Finance & Resources
	Christopher Gaunt	Solicitor
	Julia Hedger	Group Manager - Strategic Housing

The meeting began at 7.30 pm

**CA/80/15**    **MINUTES**

The minutes of the meeting held on 26 July 2016 were agreed by the members present and signed by the Chairman

**CA/81/15**    **APOLOGIES FOR ABSENCE**

Apologies for absence were received from councillor Harden, Portfolio Holder for Residents & Corporate Services and councillor Marshall, Portfolio Holder for Environmental, Sustainability & Regulatory Services

**CA/82/15**    **DECLARATIONS OF INTEREST**

None received

**CA/83/15**    **PUBLIC PARTICIPATION**

None received

**CA/84/15**    **REFERRALS TO CABINET**

None received

**CA/85/15**    **CABINET FORWARD PLAN**

That the Cabinet Forward Plan be noted, subject to the following amendments:

- Oct 2016 – Add a report on the Delivery of Complementary Development of the Gade Zone  
To recommend the preferred delivery route for the residential element of the Gade Zone Regeneration. (Part I and II)
- Oct 2016 – add a report on Car Parking Strategy (J Deane)
- Nov 2016 - items 9 (New Build Update September) and 14 (contract award stationer place October) both be removed and replaced with an item in November – New Build Update and Stationers Place Contract award – Part 1 report with Part 2 financial detail – Julia Hedger/Elliott Brooks

**CA/86/15     EXCLUSION OF THE PUBLIC**

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 item 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 this item, there would be disclosure to them of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information)

Local Government Act 1972, Schedule 12A, Part 1, paragraph 3 (Minute CA/087/16)

**CA/87/15     WOOD HOUSE, HEMEL HEMPSTEAD**

Full details in Part 2

The Meeting ended at 7.50 pm

## CABINET FORWARD PLAN

	DATE	MATTERS FOR CONSIDERATION	Decision Making Process	Reports to Monitoring Officer/S.15 1 Officer	CONTACT DETAILS	BACKGROUND INFORMATION
1.	18/10/16	Homelessness Strategy Review		29/09/16	Elliott Brooks, Assistant Director Housing, 01442 228615 <a href="mailto:elliott.brooks@dacorum.gov.uk">elliott.brooks@dacorum.gov.uk</a> Natasha Brathwaite, Strategic Housing Group Manager, 01442 228840 <a href="mailto:natasha.brathwaite@dacorum.gov.uk">natasha.brathwaite@dacorum.gov.uk</a>	The Homelessness Strategy is a statutory requirement that all local authorities have. The document is required to set out our approach to Homelessness in the borough. This is a 2013-2018 document, which is having a formal review
2.	18/10/16	Enterprise Zone		29/09/16	James Doe, Assistant Director Planning, Development & Regeneration 01442 228583 <a href="mailto:James.doe@dacorum.gov.uk">James.doe@dacorum.gov.uk</a>	To seek Council's agreement to sign off proposals
3.	18/10/16	Quarter 1 Strategic Risk Report		29/09/16	James Deane, Corporate Director Finance and Operations 01442 228278 <a href="mailto:james.deane@dacorum.gov.uk">james.deane@dacorum.gov.uk</a>	Quarterly update on management of the Council's strategic risks
4.	18/10/16	Car Parking Strategy		29/09/16	James Deane, Corporate Director Finance and Operations 01442 228278 <a href="mailto:james.deane@dacorum.gov.uk">james.deane@dacorum.gov.uk</a>	To be provided
5.	18/10/16	Housing Acquisitions Policy		29/09/16	Elliott Brooks, Assistant Director Housing 01442 228615 <a href="mailto:Elliott.brooks@dacorum.gov.uk">Elliott.brooks@dacorum.gov.uk</a> Simon Smith, Assets and Business Improvement Team Leader 01442 228464 <a href="mailto:simon.smith@dacorum.gov.uk">simon.smith@dacorum.gov.uk</a>	To set out the principles by which the Council's Housing Revenue Account will acquire assets including buying back properties previously sold under Right to Buy
6.	18/10/16	Delivery of Complementary Development of the Gade Zone  (Part I and II)		29/09/16	To be provided	To recommend the preferred delivery route for the residential element of the Gade Zone Regeneration.
7.	18/10/16	Disposal of Assets		29/09/16	David Austin, Assistant Director Neighbourhood Delivery 01442 228355 <a href="mailto:david.austin@dacorum.gov.uk">david.austin@dacorum.gov.uk</a>	To seek approval for the disposal of an asset (recycling equipment at Cupid Green Depot).
8.	18/10/16	Ladbrokes Site, Jarman Park  Part 2		29/09/16	James Deane, Corporate Director Finance and Operations 01442 228278 <a href="mailto:james.deane@dacorum.gov.uk">james.deane@dacorum.gov.uk</a>	An update on the Council's land holding at Jarman Park
9.	29/11/16	Impact of Housing and Planning Act		10/11/16	Mark Gaynor, Corporate Director Housing & Regeneration, 01442 228575 <a href="mailto:mark.gaynor@dacorum.gov.uk">mark.gaynor@dacorum.gov.uk</a>	To outline the changes in legislation impacting on the Housing and Planning services resulting from the Housing and Planning Act 2016, including capacity and resource implications
10.	29/11/16	Hemel Hempstead Town Centre Parking Access and		10/11/16	James Doe, Assistant Director Planning, Development & Regeneration	To consider arrangements for taking forward the

	DATE	MATTERS FOR CONSIDERATION	Decision Making Process	Reports to Monitoring Officer/S.15 1 Officer	CONTACT DETAILS	BACKGROUND INFORMATION
		Movement Strategy			01442 228583 <a href="mailto:James.doe@dacorum.gov.uk">James.doe@dacorum.gov.uk</a> Chris Taylor, Group Manager Strategic Planning and 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.batemen@dacorum.gov.uk">nathalie.batemen@dacorum.gov.uk</a>	next stages of the parking access and movement strategy for Hemel Hempstead Town Centre
11.	29/11/16	HRA Business Plan Review		10/11/16	Elliott Brooks, Assistant Director Housing, 01442 228615 <a href="mailto:elliott.brooks@dacorum.gov.uk">elliott.brooks@dacorum.gov.uk</a>	To provide the annual update of the HRA Business Plan, taking account of legislative changes and council priorities.
12.	29/11/16	Dacorum Leisure Review		10/11/16	Robert Smyth, Assistant Director Performance, People & Innovation 01442 228979 <a href="mailto:robert.smyth@dacorum.gov.uk">robert.smyth@dacorum.gov.uk</a>	To present the findings of a review of Dacorum's leisure provision
13.	29/11/16	New Build Update and Stationers Place Contract award  Part 1 report with Part 2 financial detail		10/11/16	Elliott Brooks, Assistant Director Housing, 01442 228615 <a href="mailto:elliott.brooks@dacorum.gov.uk">elliott.brooks@dacorum.gov.uk</a> Julia Hedger, Interim Group Manager – Development <a href="mailto:julia.hedger@dacorum.gov.uk">julia.hedger@dacorum.gov.uk</a>	To recommend the award of contract for the construction of new council homes at Stationers Place
14.	29/11/16	Community Infrastructure Levy Arrangements		10/11/16	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 and approve arrangements for the governance of CIL and the spending of receipts.
15.	13/12/16	Tax Base 2017/18		24/11/16	James Deane, Corporate Director (Finance & Operations), 01442 228278 <a href="mailto:james.deane@dacorum.gov.uk">james.deane@dacorum.gov.uk</a>	To set the Council Tax Base for 2017/18
16.	13/12/16	Treasury Management mid-year performance		24/11/16	David Skinner, Assistant Director Finance & Resources, 01442 228662 <a href="mailto:david.skinner@dacorum.gov.uk">david.skinner@dacorum.gov.uk</a>	An update with progress against the capital and financing position as approved by Council February 2016.
17.	13/12/16	Q2 Strategic Risk Report		24/11/16	James Deane, Corporate Director Finance and Operations 01442 228278 <a href="mailto:james.deane@dacorum.gov.uk">james.deane@dacorum.gov.uk</a>	Quarterly update on management of the Council's strategic risks
18.	13/12/16	Park Bye Laws		24/11/16	David Austin, Assistant Director Neighbourhood Delivery, 01442 228355 <a href="mailto:david.austin@dacorum.gov.uk">david.austin@dacorum.gov.uk</a>	To consider new bye laws for the main parks in the Borough
19.	13/12/16	Award of the Community Alarm Monitoring Contract		24/11/16	Elliott Brooks, Assistant Director Housing, 01442 228615 <a href="mailto:elliott.brooks@dacorum.gov.uk">elliott.brooks@dacorum.gov.uk</a> Andy Vincent, Group Manager Tenants & Leaseholders, 01442 228149 <a href="mailto:andy.vincent@dacorum.gov.uk">andy.vincent@dacorum.gov.uk</a>	To recommend award of contract for the community alarm monitoring contract.
20.	24/01/17			05/01/17		

*As at 12 September 2016*

**Future Cabinet Dates 2017:** 14 February, 21 March, 25 April, 23 May

# Agenda Item 7



<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>20 September 2016</b>
<b>PART:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	<b>AUTHORISATION OF VIREMENTS</b>
Contact:	Councillor G Elliott, Portfolio Holder for Finance and Resources David Skinner, Assistant Director (Finance & Resources)
Purpose of report:	To seek Cabinet approval to proposed virements.
Recommendations	That the virements as detailed on the attached Form A be approved.
Corporate objectives:	To standardise documentation and authorisation requirements for all virements.
Implications: 'Value For Money Implications	<u>Financial</u> The Scheme of Virements is part of the Council's financial management as included within Financial Regulations.
Risk Implications	There are no risk implications.
Monitoring Officer / Deputy S.151 Officer Comments	<b>Monitoring Officer:</b> No comments to be added to this report. <b>Deputy S.151 Officer</b> This is a Section 151 Officer report.



Consultees:	
Background papers:	Form A

## **BACKGROUND**

1. The Council is required to establish standard documentation and authorisation requirements for all virements.
2. Financial regulations determine the scheme of virement and its application. The regulations state that the scheme covers

“all transfers of budget, of any value and for any reason including for reason of organisational restructure”.

This will remain in force until such time as the regulations are reviewed. The regulations make clear that no virement can be carried out without the approval of the Corporate Director of Finance & Operations (or his/her nominated delegate), who will also be the final arbiter in any dispute. Additionally, the Director may override any authorisation and determine that approval is required by a higher level of authority.

Virement(s) requiring Cabinet authorisation

Virement for the purpose of increasing the premises budget for Planet Ice and increasing the corresponding income budget to account for previously unbudgeted costs of the Planet Ice site which will be recovered from the tenant

Expenditure type	Service Area(s)	Submitted by	Date
Revenue	Investment Property	Lucy Tash	02/09/16

Account Code	Cost Centre	Account code description	Cost Centre description	TO (DEBIT AMOUNT) £	FROM (CREDIT AMOUNT) £	REASON
2460	DG500	Premises Rents / Leases	Commercial Properties - All Centres	127,000		Planet Ice - Full year of running costs
6035	DG500	Service Charges - Insurance (Standard VAT)	Commercial Properties - All Centres		127,000	Planet Ice - Recovery of costs from the tenant
Total				127,000	127,000	

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Finance Use Only

	Ref. no	
Entered in register by		
on		
Entered on system by		
on		

Virement(s) requiring Cabinet authorisation

Virement for the purpose of transferring Tenancy Sustainment Team salary budgets from Property & Place to Tenant & Leaseholder Management from 1st August 2016, following a change in management responsibility

Expenditure type	Service Area(s)	Submitted by	Date
Revenue	Housing Revenue Account	Fay Murphy	25/08/16

Account Code	Cost Centre	Account code description	Cost Centre description	TO (DEBIT AMOUNT) £	FROM (CREDIT AMOUNT) £	REASON
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1010	HC500	Salaries	Tenant & Leaseholder Mgmt	171,330		Tenancy Sustainment Team salaries budgets - 8 months
1060	HC500	Car Leasing	Tenant & Leaseholder Mgmt	1,700		Tenancy Sustainment Team car lease budgets - 8 months
1062	HC500	Essential User Allowance	Tenant & Leaseholder Mgmt	3,308		Tenancy Sustainment Team essential user allowance budgets - 8 months
1010	HC501	Salaries	Property & Place		171,330	Tenancy Sustainment Team salaries budgets - 8 months
1060	HC501	Essential User Allowance	Property & Place		1,700	Tenancy Sustainment Team car lease budgets - 8 months
1062	HC501	Essential User Allowance	Property & Place		3,308	Tenancy Sustainment Team essential user allowance budgets - 8 months

Total

176,338

176,338

Finance Use Only

	Ref. no
Entered in register by	
on	
Entered on system by	
on	

# Agenda Item 8



Report for:	Cabinet
Date of meeting:	20 September 2016
Part:	1
If Part II, reason:	

Title of report:	<b>'Get involved' – Tenant involvement strategy</b>
Contact:	<p><b>Portfolio Holder:</b> Councillor Margaret Griffiths, Portfolio Holder for Housing</p> <p><b>Responsible Officers:</b> Elliott Brooks – Assistant Director (Housing) Andy Vincent - Group Manager (Tenants and Leaseholders)</p> <p><b>Author:</b> Emily-Rae Maxwell – Policy and Participation Team Leader</p>
Purpose of report:	The purpose of this report is to provide the Cabinet with an overview of the new tenant involvement strategy for 2016 – 2020. This includes a new structure for delivering tenant involvement.
Recommendations	1. That the revised tenant involvement strategy as set out in the report and Appendix1 to the report be approved.
Corporate Objectives:	<p>Quality tenant involvement contributes to all of the council's corporate objectives (see appendix 1 - '<i>Get involved</i>' vision).</p> <ul style="list-style-type: none"> <li>• A clean, safe and enjoyable environment</li> <li>• Building strong and vibrant communities</li> <li>• Ensuring economic growth and prosperity</li> <li>• Providing good quality affordable homes, in particular for those most in need</li> <li>• Delivering an efficient and modern council</li> </ul>
Implications:	<p><u>Financial</u></p> <p>There are no additional financial implications. The '<i>Get Involved</i>'</p>

<p>'Value For Money Implications'</p>	<p>strategy will be delivered using the Policy and Participation team budget.</p> <p>All involvement activities delivered will be assessed to ensure they are for the benefit of our tenants and leaseholder population and those accessing the housing service where appropriate.</p> <p><u>Value for Money</u></p> <p>It is important that we deliver value for money for our tenants. Robust tenant involvement that uses an outcome focused approach to engagement and scrutiny means we can capture where improvements have been made as a result of tenant involvement and any associated costs or savings. Shaping our annual service plans using our tenants' priorities helps us to allocate our resources and deliver what is important within the resources that are available. We will work with our tenants to identify more efficient ways of working, such as moving to digital channels enabling us to maximise the resources available. Sharing resources and skills with partner organisations and exploring opportunities for additional funding will also help us to deliver more for less.</p>
<p>Risk Implications</p>	<p>Failure to engage with tenants effectively can risk a breakdown in relationship between the council and tenant population.</p> <p>The housing operational risk register is presented to the Housing and Communities Overview and Scrutiny Committee on a quarterly basis.</p>
<p>Community Impact Assessment</p>	<p>Community Impact Assessment carried out – see appendix 2</p>
<p>Health And Safety Implications</p>	<p>N/A</p>
<p>Monitoring Officer/S.151 Officer Comments</p>	<p><b>Monitoring Officer:</b></p> <p>No comments to add to the report</p> <p><b>S.151 Officer</b></p> <p>There are no direct additional costs associated with this decision. The existing budget for the Policy and Participation team covers the costs of this exercise.</p>
<p>Consultees:</p>	<ul style="list-style-type: none"> <li>• Tenant and Leaseholder Committee</li> <li>• Tenant and Leaseholder Scrutiny Panel</li> <li>• Tenant Sub-Committee</li> <li>• Tenant Inspectors</li> </ul>

	<ul style="list-style-type: none"> <li>• Wider tenant and leaseholder population</li> <li>• Housing service officers</li> <li>• Cllr Margaret Griffiths</li> <li>• Corporate Director Housing and Regeneration</li> <li>• Housing and Communities Overview and Scrutiny Committee</li> </ul>
Background papers:	<p>Appendix 1 – ‘Get Involved’ strategy</p> <p>Appendix 2 – Community Impact Assessment</p> <p>Appendix 3 – Overview and Scrutiny report – Get involved</p> <p>Appendix 4 – Tenant and Leaseholder Feedback</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>TIRG – Tenant and Leaseholder Review Group</p> <p>TLC – Tenant and Leaseholder Committee</p> <p>P&amp;P – Policy and Participation</p> <p>HCOSC – Housing and Communities Overview and Scrutiny Committee</p> <p>TLSP – Tenants and Leaseholders Scrutiny Panel</p>

## **1.0 Background**

- 1.1 The Tenant involvement strategy expired in 2015. This presented an opportunity to work with tenants to refresh the direction and structure for delivering a modern and flexible tenant involvement.
- 1.2 This report outlines the approach taken by the Policy and Participation (P&P) team to develop the ‘Get involved’ 2016 – 2020 strategy and how the changes in structure will increase opportunities for tenants to shape the housing service.
- 1.3 The first meeting of the Tenant and Leaseholder Committee (TLC) took place in January 2011 and the meetings have run monthly since this time.
- 1.4 Tenants’ roles in shaping service delivery, continued to grow and in 2012 it became a requirement for every landlord to create a formal scrutiny panel(s). This allows people to highlight opportunities to improve, challenge and scrutinise delivery of housing services and act as representatives for the wider population.

## **2.0 Developing the strategy**

- 2.1 To develop this strategy the P&P team included the views of over 1200 tenants and leaseholders, staff and external stakeholders.

2.2 A range of methods were used to explore topics such as; digital engagement and formal committee structures, young people, rural areas and engaging with leaseholders.

2.3 This included establishing a Tenant Involvement Review Group (TIRG) from currently involved tenants.

### **3.0 A new strategy and structure**

3.1 The vision for the '*Get involved*' strategy is for our tenants and leaseholders to:

- to feel listened to
- feel empowered to influence decisions
- have opportunities to challenge the housing service.

3.2 Using the information gained through consultation, the P&P team developed four outcome based commitments and a new structure for delivering tenant involvement.

3.3 The four commitments are underpinned by the priorities of our tenants and leaseholders. These are:

- Commitment one: All Dacorum tenants and leaseholders have the opportunity to '*Get involved*'
- Commitment two: Dacorum Borough Council works in partnership to ensure the housing service is shaped by the needs of our tenants
- Commitment three: Young people within Dacorum's tenant population have a voice and a positive influence in their local communities
- Commitment four: Dacorum Borough Council's housing service is accountable to our tenants and leaseholders

The structure for delivering these four commitments includes three levels of involvement - see *appendix 1*.

Level One 'Our Tenants': 'Our Tenants' is about creating conversations and building relationships between the council's housing service and the whole tenant population. Using a range of communication channels such as social media and getting out and about in the community we can keep our tenants informed, share the benefits tenant involvement has for them and begin to build a network of people who want to '*Get involved*'.

Level Two 'Service Shapers': 'Service Shapers' then uses a variety of engagement activities to build up a picture of our tenants needs. Within this level of involvement using activities such as 'burst groups' we can introduce topics of interest and capture tenants and leaseholders thought and experiences. The information and insight captured at level two then informs the development of key documents or decisions. Other activities within 'Service Shapers' include 'Youth Tenant Involvement' and 'Tenant Inspectors' where individuals within the tenant population can take part in projects that benefit the wider tenant community.

Level Three 'Official Involvement': 'Official involvement' is the top level of involvement and requires the most commitment from our tenants and leaseholders. It brings together tenant and leaseholder representatives, local professionals, Councillors and the council's housing staff to regulate, scrutinise and challenge the housing service. This level of involvement includes a Tenant and Leaseholder

Committee and Tenant and Leaseholder Scrutiny Panel. All are required to meet on a quarterly basis and review key areas of the housing service. This top level committee will also be used as a formal part of any consultation process. Information collated at level two and the documents drafted using this information will be presented to committee members digitally for feedback to ensure the decision and or service change is reflective of local need.

The variety of activities and different levels seeks to create a more active and involved tenant community.

#### **4.0 Implementing the new strategy and timescales**

- 4.1 The draft strategy was presented to the former TLC in June 2016. Following this, TLC members were encouraged to offer feedback. This feedback was collated with the information collated throughout the consultation process and outstanding decisions were presented to HCOSC in July 2016.
- 4.2 The former TLC was disbanded in July 2016 and attended a celebration event hosted by the Mayor to thank them for their contribution to the housing service.
- 4.3 It was agreed by HCOSC no TLC meetings would take place between July and October 2016. This is to allow the P&P team a mobilisation period for recruiting to the new committee and launch of the *'Get involved' strategy*.
- 4.4 Tenants raised the concern of the housing service not being held to account during this mobilisation period. HSCOC and the Portfolio Holder for Housing agreed there will be minimal impact regarding the service being held to account as this the role of elected members.
- 4.5 The Tenant and Leaseholder Scrutiny Panel (TLSP) have agreed they would also break from meeting during this time and have requested support from the P&P team to recruit additional members during this period.
- 4.6 The P&P team will work with the TLSP to explore more effective methods for delivering a robust scrutiny process in line with the new Tpas standards.

#### **5.0 The Tenant and Leaseholder Committee**

- 5.1 Best practice suggests that top level committees include a mix of independents, tenants and leaseholders.
- 5.2 HCOSC reviewed all potential options for the new TLC and agreed it should include; 5 tenants, 2 leaseholders, 1 non-portfolio holding councillor, 2 independents.
- 5.3 Cllr Imarni expressed an interest in the non-portfolio holding councillor role.
- 5.4 The P&P are in the process of recruiting new committee members. An application form has been designed using best practice guidelines and advertised through a number of streams.
- 5.5 The new TLC will meet quarterly to review performance, make recommendations on strategic decisions and challenge the service to ensure it reflective of tenants needs.



5.6 Between these meetings, key documents requiring formal consultation would be circulated remotely to all TLC members and feedback will be submitted back to the P&P team via email.

5.7 Additionally TLC members will be encouraged to engage with teams in the housing service if they feel this is appropriate.

## **6.0 Achieving Tenant Participation Advisory Service Accreditation**

6.1 In the first year of delivering this strategy, the housing service will achieve the National Tenant Engagement Standards developed by TPAS.

6.2 This strategy and structure has been developed in line with the requirements as set out by the standards.

## **7.0 Recommendations**

7.1 That the revised tenant involvement strategy as set out in the report and Appendix1 to the report be approved.



# *'Get involved'*

Dacorum Borough Council Tenant involvement strategy  
2016 - 2020



## Foreword

I am delighted to introduce our new 'Get involved' strategy for 2016 – 2020.

This strategy sets out our commitment to working with our tenants and leaseholders so we can continue to find smarter way to deliver a great housing service.

I have worked with many of our involved tenants and leaseholders and their role is vital in creating long lasting change for the wider community. In a time where the demand for housing continues to increase the need to listen to our tenants and understand how we can support them has become ever more important.

That is why this strategy and new structure for delivering tenant involvement is centred on giving everyone a say.

*Councillor Margaret Griffiths*

## Contents

### 1.0 Introduction

### 2.0 Our vision

### 3.0 Tenant involvement

- 3.1 Tenant involvement
- 3.2 Our tenant population

### 4.0 Delivering a great service

- 4.1 Delivering a great service
- 4.2 Equality and diversity
- 4.3 Value for money
- 4.4 Setting the standard

### 5.0 Our commitments

### 6.0 Delivering tenant involvement

- 6.1 The 'Get involved structure'
- 6.2 Level one 'Our tenants'
- 6.3 Level two 'Service shapers'
- 6.4 Level three 'Official involvement'

### 7.0 Get involved

- 7.1 Get involved
- 7.2 Commitment One: All Dacorum tenants and leaseholders have the opportunity to 'Get involved'
- 7.3 Commitment Two: Dacorum Borough Council works in partnership to ensure the housing service is shaped by the needs of our tenants
- 7.4 Commitment Three: Young people within Dacorum's tenant population have a voice and a positive influence in their local communities
- 7.5 Commitment Four: Dacorum Borough Council's housing service is accountable to our tenants and leaseholders

### 8.0 Conclusion

# 1.0 Introduction

## 2.0 Our vision

### 1.0 Introduction

Dacorum Borough Council has a long history of working closely with its tenants and leaseholders to make informed decisions. Building strong working relationships with our involved tenants enables us to deliver a sustainable service that meets local housing need.

This four year strategy sets out how we will continue to work together to deliver a great housing service.

We have defined tenant involvement as *'the involvement of tenants and leaseholders in the management, design and delivery of our services'*.

Within this strategy, we set out a new vision and set of outcome based commitments for tenant involvement. To deliver this successfully, we have worked with over 1,000 of our involved tenants and leaseholders to develop a new structure of involvement activities.

This new structure channels the diverse skills, knowledge, and experiences held within our tenant and leaseholder population, into the core of our service delivery. Through effective governance, customer insight, channel shift and engagement this strategy showcases how we as a landlord will deliver value for money whilst improving our tenants and leaseholders quality of life.

For the purposes of this strategy the term 'tenant' refers to all residents living in Dacorum Borough Council owned properties or accessing the council's housing service.

This includes; tenants, leaseholders, all family members of tenants living in the property, homeless applicants and those living in temporary accommodation

### 2.0 Our vision

To deliver a great housing service our vision is for our tenants to feel listened to, empowered to influence decisions and have the opportunity to challenge us.

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

Tenant involvement encourages us to reflect on what we are delivering, helping us to work towards more efficient and modern services. As both a local authority and a landlord it is our priority that our tenants live in strong and vibrant communities that enjoy safe and clean environments. Working with our tenants, we can continue to provide good quality affordable homes, particularly to those in need and ensure the economic growth and prosperity of our borough.





## 3.0 Tenant involvement

### 3.1 Tenant involvement

Keeping tenants informed of decisions that affect their housing situation has become a priority for all social landlords including local authorities.

Tenants' roles have continued to grow and in 2012 it became a requirement for every landlord to create a formal scrutiny panel(s). This allows people to highlight opportunities to improve, challenge and scrutinise delivery of housing services and act as representatives for the wider population.

Our responsibility as a landlord is to support tenants to 'Get involved' and create a range of opportunities for involvement.

Increases in demand for housing and limited resources mean smarter solutions to meeting needs are essential.

This strategy emphasises several factors we feel create good quality tenant involvement, these are; communication, customer insight, engagement, innovation, scrutiny and influence.

Through effective communication, we can keep our tenants informed and manage expectation. Customer insight means we can begin to build a better understanding of the social and economic issues affecting our tenants and work in partnership to tackle these. Using innovation such as digital channels means we can improve their experience of our service and learn from the feedback we receive. Robust scrutiny allows us to focus the skills of our involved tenants and use their perspective to drive performance.

The ability to influence is what matters most to our tenant population. All levels of involvement set out within this strategy include the ability to influence. Over the four years of this strategy, we will capture the impact each of our involved tenants had in transforming the housing service.

### 3.2 Our tenant population

In Dacorum, there are approximately 60,000 properties housing over 147,000 people. Dacorum Borough Council owns over 10,400 of these properties and is responsible for 1,700 leasehold properties. In April 2016, there were approximately 10,000 people on the housing register. This means around 33,500 people are directly affected by the service we deliver.

We know that housing is key to improving a person's quality of life.

Changes in local need such as; an aging population, a rise in homelessness and managing the balance between under occupancy and overcrowding, highlight the demand for a more holistic service.

Through tenant involvement we can achieve this.



## 4.0 Delivering a great service



Page 22

### 4.1 Delivering a great service

This strategy has been developed to align with all relevant current statutory legislation and best practice guidance.

### 4.2 Equality and diversity

As a housing service we believe all council tenants should have the opportunity to ‘*Get involved*’ regardless of; age, disability, gender, race, religion or belief, or sexual orientation (Equality and Diversity Act 2010) and are committed to being inclusive with our approach to tenant involvement. We recognise that some people and groups within our tenant population find it difficult to have their voice heard. By tailoring our opportunities of involvement we will empower these tenants to have their say.

Using the Chartered Institute of Housing’s Equality and Diversity charter we are working with our tenants to review the housing service we offer. Using information and insight we can ensure our tenant involvement opportunities are communicated in the right way to the right target audience. We will ensure wherever possible our opportunities for involvement are reflective of our tenant and leaseholder population.

### 4.3 Value for money

It is important that we deliver value for money for our tenants. Taking an outcome focused approach to engagement and scrutiny we can capture where improvements have been made as a result of tenant involvement and any associated costs or savings.

Shaping our annual service plans using our tenants’ priorities helps us to allocate our resources and deliver what is important. We will work with our tenants to identify more efficient ways of working, such as moving to digital channels enabling us to maximise the resources available. Sharing resources and skills with partner organisations and exploring opportunities for additional funding will also help us to deliver more for less.

### 4.4 Setting the standard

In the first year of delivering this strategy, the housing service will achieve the National Tenant Engagement Standards developed by Tpas. This strategy aims to fulfil the first standard by building the right foundation for engagement. We will ensure that we have the right resources to deliver effective tenant involvement and work in partnership to develop the skills of our involved tenants and leaseholders so we as a housing service can deliver the right outcomes.

We will commit to gathering, providing and using the right information using customer insight. By pooling together the information from a range of stakeholders will enable us to make informed decisions on how best to support our tenants and deliver a successful and sustainable service.



## 4.0 continued

## 5.0 Our commitments



Using this information to underpin our outcomes, we can go on to evidence the impact tenant involvement has for our tenant and leaseholder population.

Through our three levels of involvement we will empower tenants to influence and scrutinise our service and be a key driver of performance and quality management.

The partnership between Dacorum Borough Council and Osborne Property Services as part of the Total Asset Management contract allows us to take a joint approach to delivering community engagement. Through this partnership we can develop grass roots initiatives based on the needs of our tenants which go on to benefit the wider population of Dacorum and build strong and vibrant communities.

Throughout the four years we will use tools such as Social Return on Investment to monitor and capture the value added to the council, our stakeholders, partners and most importantly our tenant and leaseholder population.

### 5.1 Our commitments

To develop this strategy we included the views of over 1200 tenants and leaseholders, staff and stakeholders. Activities such as focus groups enabled tenants to share their thoughts on involvement.

Through the Survey of Tenants and Residents (STAR) we were able to shape this further by identifying trends within our tenants' satisfaction and experiences of the service.

From this we have developed four outcome based commitments:

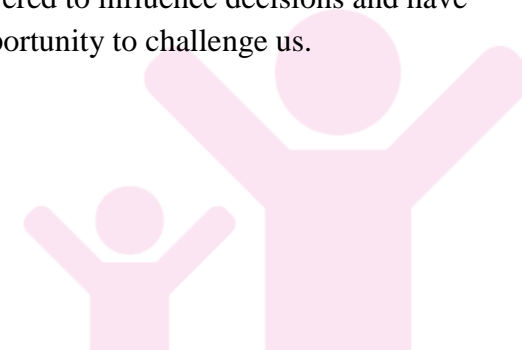
**Commitment One:** All Dacorum tenants and leaseholders have the opportunity to 'Get involved'

**Commitment Two:** Dacorum Borough Council works in partnership to ensure the housing service is shaped by the needs of our tenants

**Commitment Three:** Young people within Dacorum's tenant population have a voice and a positive influence in their local communities

**Commitment Four:** Dacorum Borough Council's housing service is accountable to our tenants and leaseholders

These commitments will underpin this strategy and ultimately enable us to deliver our vision of tenants and leaseholder feel listened to, empowered to influence decisions and have the opportunity to challenge us.



## 6.0 Delivering tenant involvement



### 6.1 The ‘Get involved’ structure

To deliver tenant involvement in Dacorum, a new structure has been developed. The structure includes three levels of involvement; *Our Tenants, Service Shapers and Official Involvement*. These different levels include a wide variety of involvement activities meaning there is something for everyone. Each level was developed using what we know has worked well and an exploration of new ideas for the future.

### 6.2 Level One ‘Our Tenants’

‘Our Tenants’ is about creating conversations and building relationships between the council’s housing service and the whole tenant population. Using a range of communication channels such as social media and getting out and about in the community we can keep our tenants informed, share the benefits tenant involvement has for them and begin to build a network of people who want to ‘Get involved’.

### 6.3 Level Two ‘Service Shapers’

‘Service Shapers’ then uses a variety of engagement activities to build up a picture of our tenants needs. Within this level of involvement activities such as ‘burst groups’ we can introduce topics of interest and capture tenants and leaseholders thought and experiences.

The information and insight captured at level two then informs the development of key documents or decisions.

Other activities within ‘Service Shapers’ include ‘Youth Tenant Involvement’ and ‘Tenant Inspectors’ where individuals within the tenant population can take part in projects that benefit the wider tenant community.

### 6.4 Level Three ‘Official Involvement’

‘Official involvement’ is the top level of involvement and requires the most commitment from our tenants and leaseholders. It brings together tenant and leaseholder representatives, local professionals, Councillors and the council’s housing staff to regulate, scrutinise and challenge the housing service. This level of involvement includes a Tenant and Leaseholder Committee and Tenant and Leaseholder Scrutiny Panel. All are required to meet on a quarterly basis and review key areas of the housing service.

This top level committee will also be used as a formal part of any consultation process. Information collated at level two and the documents drafted using this information will be presented to committee members digitally for feedback to ensure the decision and or service change is reflective of local need.



# 6.0 Delivering tenant involvement

## Level Three – Official Involvement

Tenant and Leaseholder Committee

Tenants and Leaseholders Scrutiny Panel

## Level Two – Service Shapers

Burst Groups

Youth Tenant Involvement

Regular Forums

Tenant Inspectors

## Level One – Our Tenants

Tenant Community  
Events

Communication  
Channels

Pop-Up Housing  
Surgeries

Consultation

Roadshows

Workshops

## 7.0 'Get involved'

### 7.1 'Get involved'

Dacorum Borough Council recognises that this strategy is about creating the right foundations for an even more active and involved tenant community.

To successfully deliver the four commitments within this strategy the housing involvement team will work with tenants, partner organisations and members of staff to develop a programme of events.

We will create a shared understanding of tenant involvement that both staff and tenants can relate to, using training and campaigns to raise awareness of 'Get involved'.

When involving tenants we will be open, consistent and clear on the reasons for involving them and respect a tenant's choice to be involved.

Working to include the widest possible range of tenants we will help tenants to overcome any barriers to involvement.

We will value the contribution, expertise and time our tenants give and give feedback on how they have influenced our way of working.

### 7.2 Commitment One - All Dacorum tenants and leaseholders have the opportunity to 'Get involved'

Commitment one of 'Get involved' looks to improve access for our tenants. By improving access we can also increase the number of tenants influencing our service. This will allow us to capture thoughts and experiences that better represent the wider tenant population.

To achieve this we will:

- Improve our digital channels such as social media to increase opportunities for conversations with tenants
- Ensure all 'Get involved' opportunities are held in appropriate venues and at a time that allows a range of tenants to attend
- Support tenants with specific needs to 'Get Involved' and promote equality and diversity throughout the housing service
- Build opportunities for all tenants regardless of how much time they can commit to 'Get involved'
- Develop the skills of our tenants so they can actively participate in all three levels of 'Get involved'



## 7.0 continued

### 7.2 Commitment Two - Dacorum Borough Council works in partnership to ensure the housing service is shaped by the needs of our tenants and leaseholders

Commitment Two of *'Get involved'* emphasises the importance of knowing our tenants. Understanding not just the needs of our tenants but what is important to them means we can target both our support and information where it is relevant. The aim is to improve tenants experience by offering a more personalised and tailored service.

To achieve this we will:

- Work with tenants to collect and update information that will allow us to build a better picture of their needs
- Create opportunities for tenants to tell us what is important to them and use this to develop the housing service
- Develop a better understanding of how our tenants prefer to be communicated with
- Use the knowledge we have to target support to tenants that need it
- Work with tenants to develop ideas and services

### 7.3 Commitment Three - Young people within Dacorum's tenant and leaseholder population have a voice and a positive influence in their local communities

Commitment three of *'Get involved'* shows the importance involving young people in the housing service. Through tenant involvement and wider engagement we can empower our young people to have a voice and gain new skills, to support them in the future.

To achieve this we will:

- Help young people to recognise the benefits of being involved and support them to develop new skills
- Be proactive in sharing information about housing and how this affects younger people within our tenant population
- Give young people the tools to prepare for the future so they are equipped to make informed decisions that affect their lives
- Create opportunities with young people to create a feeling of community for our tenants
- Encourage young people to break down barriers that affect our tenant population





# 7.0 continued

## 8.0 Conclusion

### 7.4 Commitment Four - Dacorum Borough Council's Housing Service is accountable to our tenants and leaseholders

Commitment four of *'Get involved'* acknowledges our tenants right to understand the decisions we make. It is important to us as a landlord to give our tenants the best service experience possible. With our commitment to continuously improving our service we can use the knowledge, experience and skills within our tenant population to drive the service forward.

To achieve this we will:

- Re-launch the Tenant and Leaseholder Committee to review our performance, the use of our budget and shape our service plans
- Refresh our Tenant and Leaseholder Scrutiny Panel and use the panel to keep tenants at the centre through in-depth reviews of our service
- Demonstrate how we as a Landlord have achieved value for money for our tenants
- Showcase the impact our involved tenants have within the housing service
- Encourage tenants to challenge, shape and improve our service through a range of communication channels.

### 8.0 Conclusion

Within the *'Get involved'* Strategy, Dacorum Borough Council commits to listening to our tenants and working in partnership with them to deliver a great housing service that provides value for money.

Using a range of activities we will create a diverse involved tenant community that helps us to develop a better understanding of what our tenants need. By creating a range of involvement opportunities *'all Dacorum Tenants and Leaseholders have the opportunity to Get involved'*. Through information and listening to our tenants we will *'work in partnership to ensure the Housing Service is shaped by the needs of our tenants'* Improving our digital communication channels and empowering young people to break down barriers we will ensure *'young people within Dacorum's tenant population have a voice and a positive influence in their local communities'*

And finally, by refreshing tenants' opportunities for official involvement we will ensure Dacorum Borough Council's housing service is accountable to our tenants and leaseholders. Through tenant involvement our tenants can live in strong, vibrant communities where they have a voice and feel listened to. Working together, we can continue to provide well managed, affordable homes for those in need and ensure the wellbeing of our tenants.





## Dacorum Borough Council - Community Impact Assessment

Please read the Guidance on completing a Community Impact Assessment

Once completed, please review and gain sign off from the relevant Group Manager.

Email the signed off copy to Customer Intelligence and Policy Officer Isobel Benton-Slim to publish.

If you have any further questions about how to complete this form, please contact Isobel Benton-Slim x2936

### 1. About the Project, service change or policy development

Responsible officer	Emily-Rae Maxwell – Policy and Participation Team Leader
Name and description of project, service or policy	
'Get Involved' – Tenant involvement strategy	

### 2. Identifying the community impact

<b>What impacts will this change have on the community?</b>			
Information which might be useful in thinking about this includes our <a href="#">equality profiles</a> , available for a number of demographic groups in Dacorum, and <a href="#">Spotlight on Dacorum</a> , which provides information about the Borough as a whole and signposts users to detailed statistics at ward / postcode level through neighbourhood statistics.			
	Positive	Negative	<b>What are the positive and negative impacts?</b>
			How will the positive impacts be enhanced? How will the negative impacts minimised/eliminated?
<b>The community in general</b> e.g. social or economic benefits or negative impacts			Positive – Increased opportunities for tenants to shape the delivery of the housing service Positive – Better communications between the housing service and our tenant population Positive – More involved tenants means we can deliver better value for money Negative – Current Tenant and Leaseholder Committee members may not be recruited to the new committee
<b>On DBC as an organisation</b> e.g. on staff or operations			Both the Tenants and Leaseholders Committee and Tenant and Leaseholder Scrutiny Panel will break from meeting between July and September.  Historically they have avoided meeting during the summer months due to holidays therefore there should be minimal impact on the service / DBC.  Our elected members and Housing Portfolio Holder will continue to hold the service to account during this period.  Negative – risk of negative feedback from Tenant and Leaseholder Committee members due to change in structure. This will be managed by the Policy and Participation team.
<b>The specific demographic considerations or characteristics</b> e.g. age, disability, gender reassignment,			To support this we are committed to reviewing the housing service using the Chartered Institute of Housing's Equality and Diversity Charter. This will

marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation - specify where impacts are different for different considerations			allow us to give our tenants a voice and remove barriers that not only stop them from being involved but impact their lives.  A Housing Involvement Officer will make an assessment of each activity and consider how we can improve access.
<b>The environment</b> e.g. effects on the climate, trees, amenity space, biodiversity, water, energy, waste, material use, air quality			Positive – The move toward digital channels reduces the cost and environmental impacts of printing Positive – Activities will be held within communities meaning less travel is required
<b>Any community issues identified for this location</b> , if the project is based in a specific area – state if this is not applicable e.g. if there are no specific issues for this location or if the project is district-wide			

What evidence have you used to assess the impact on the community? What baselines have been established and what data will be used to monitor the impact?
Consultation with a range of stakeholders including; tenants and leaseholders, staff, Tenant and Leaseholder Committee, Tenant and Leaseholder Scrutiny Panel, Councillors  All impact will be captured using the Resident Involvement Module on Orchard.

What steps have you taken or plan to take to consult the whole community or specific groups affected by the service or policy development? E.g. on-line consultation, focus groups, consultation with representative groups?
Telephone survey, focus group, current committees

### 3. Review

How will you review the impact, positive or negative once the service or policy has been implemented?		
Action	By when	By who
Collect any tenant feedback and respond accordingly	continuous	Policy and Participation
Communicate changes and involvement opportunities to the wider population	continuous	Policy and Participation
Undertake an assessment to ensure everyone has an equal opportunity to 'Get Involved'	continuous	Policy and Participation

Name of responsible officer:  
Role: Emily-Rae Maxwell  
Date: 06/07/2016

Reviewed and signed off by: (relevant Group Manager)  
Role: Andy Vincent  
Date: 06/07/2016

Please email completed Community Impact Assessment to [isobel.benton-slim@dacorum.gov.uk](mailto:isobel.benton-slim@dacorum.gov.uk) to be published.



Report for:	Housing and Communities Overview and Scrutiny Committee
Date of meeting:	20 July 2016
Part:	1
If Part II, reason:	

Title of report:	<b>'Get Involved' – Tenant Involvement Strategy</b>
Contact:	<b>Portfolio Holder:</b> Councillor Margaret Griffiths, Portfolio Holder for Housing  <b>Author:</b> Emily-Rae Maxwell – Policy and Participation Team Leader  <b>Responsible Officers:</b> Andy Vincent - Group Manager Tenants and Leaseholders, Elliott Brooks – Assistant Director Housing, Emily-Rae Maxwell – Policy and Participation Team Leader
Purpose of report:	The purpose of this report is to provide the committee with an overview of the drafted tenant involvement strategy. This includes the approach taken by the Policy and Participation team to involve tenants in the development of the strategy. Throughout the report there are a number of questions for committee members to consider. Feedback will then be used in the final report to Cabinet.
Recommendations	<ol style="list-style-type: none"> <li>1. Review the vision and commitments set out within the strategy and consider whether this will help to shape the housing service to reflect the thoughts</li> <li>2. Review the changes in structure for delivering the strategy including a change in the TLC committee and three levels of involvement</li> <li>3. Review the questions included in the report and recommendations made by the Policy and Participation team and provide feedback</li> <li>4. Offer any further feedback on the proposed approach to tenant and leaseholder involvement</li> </ol>
Corporate objectives:	Quality tenant involvement contributes to all the council's corporate objectives (see appendix 1 - 'Get Involved' vision). <ul style="list-style-type: none"> <li>• A clean, safe and enjoyable environment</li> <li>• Building strong and vibrant communities</li> <li>• Ensuring economic growth and prosperity</li> <li>• Providing good quality affordable homes, in particular for those most in need</li> <li>• Delivering an efficient and modern council</li> </ul>
Implications:	Financial



<p>'Value for money' implications</p>	<p>There are no additional financial implications. The 'Get Involved' strategy will be delivered using the Policy and Participation team budget.</p> <p>All involvement activities delivered will be assessed to ensure they are for the benefit of our tenants and leaseholder population and those accessing the housing service where appropriate.</p> <p><u>Value for money</u></p> <p>It is important to us that our tenants feel they are getting value for money. The council, along with tenant representatives, will monitor the cost for delivering tenant involvement and ensure this is delivered effectively. Sharing resources and skills with partner organisations and exploring opportunities for additional funding will also help us to deliver more for less. By giving tenants a voice we are able to shape the service we offer to better meet their needs.</p> <p>The 'Get Involved' strategy recognises the role tenants and leaseholders play in helping the housing service to achieve value for money. Within the strategy we are committed to:</p> <ul style="list-style-type: none"> <li>• Monitoring the impact of tenant involvement for tenants and the housing service</li> <li>• Being transparent in the cost of tenant involvement and identify where this has led to savings and improvements</li> </ul>
<p>Risk implications</p>	<p>Housing Risk Assessment is presented to the committee on a quarterly basis</p>
<p>Community Impact Assessment</p>	<p>Community Impact Assessment carried out – see appendix 2</p>
<p>Health and safety Implications</p>	<p>N/A</p>
<p>Consultees:</p>	<ul style="list-style-type: none"> <li>• Tenant and Leaseholder Committee</li> <li>• Tenant and Leaseholder Scrutiny Panel</li> <li>• Tenant Sub-Committee</li> <li>• Tenant Inspectors</li> <li>• Wider tenant and leaseholder population</li> <li>• Housing service officers</li> <li>• Cllr Margaret Griffiths</li> </ul>
<p>Background papers:</p>	<p>Appendix 1 – 'Get Involved' strategy</p> <p>Appendix 2 – Community Impact Assessment</p> <p>Appendix 3 – Tenant and Leaseholder Feedback</p>
<p>Historical background (please give a brief background to this</p>	<p>Formal resident involvement at Dacorum Borough Council began in 1998 with the Housing Advisory Panel (HAP) which ran until 2010.</p> <p>In 2009 the Council launched the 'Housing Futures' project to consult with residents on a proposal to Page 36 housing stock to a newly created housing</p>

<p><i>report to enable it to be considered in the right context).</i></p>	<p>provider (housing association).</p> <p>A Tenants Steering group was set up to consider all aspects of the proposal. During the Housing Futures project tenant involvement activity was limited to consulting on the transfer proposal.</p> <p>In 2010 the Council decided not to pursue the stock transfer proposal. The emergence of Self-Financing enabled the Council to meet Decent Homes and develop its own new council homes.</p> <p>The Housing Futures project identified a number of interested and talented tenants and leaseholders wishing to engage with the housing service.</p> <p>It was acknowledged that the previous Housing Advisory Panel meetings had not been productive and that a new approach was needed to move forward. A separate 'Forward Together' working group was set up to form an action plan around a new tenant involvement structure.</p> <p>The group was made up of selected HAP and Tenants Steering group members, staff and previously uninvolved tenants.</p> <p>From 'Forward Together' the format and election process for the Tenant and Leaseholder Committee was agreed. The first meeting of the Tenant and Leaseholder Committee (TLC) was in January 2011 and the meetings have run monthly since this time.</p> <p>Tenants' roles have continued to grow and in 2012 it became a requirement for every landlord to create a formal scrutiny panel(s). This allows people to highlight opportunities to improve, challenge and scrutinise delivery of housing services and act as representatives for the wider population.</p> <p>The Tenant Involvement strategy expired in 2015. With a number of issues arising with the structure of tenant involvement and a drive to involve more tenants and leaseholders the housing service saw this as an opportunity to work with tenants to create a modern and flexible approach that provides an opportunities for all to get involved.</p>
<p>Glossary of acronyms and any other abbreviations used in this report:</p>	<p>TIRG – Tenant and Leaseholder Review Group</p> <p>TLC – Tenant and Leaseholder Committee</p> <p>P&amp;P – Policy and Participation</p> <p>HCOC – Housing Co-Regulatory Overview Committee</p> <p>TLSP – Tenants and Leaseholders Scrutiny Panel</p>

## **1.0 Introduction**

1.1 Following the expiration of the '*Get Involved*' strategy, both staff and tenants took the opportunity to reflect on the housing service's approach to involvement. This report outlines the approach taken by the Policy and Participation (P&P) team to refresh the '*Get Involved*' strategy and how the changes in structure will increase opportunities for tenants to shape the housing service.

1.2 A number of methods were used to involve a variety of stakeholders in the development of this strategy. This included; a Tenant Involvement Review Group, staff feedback, surveys and focus groups with the wider tenant population and an opportunity for all current involved tenants such as the Tenant and

Leaseholder Committee (TLC) to submit their comments on the drafted strategy - see *appendix 1 for the 'Get involved' strategy*.

1.3 The feedback captured identified a number of areas that require direction from the Housing and Communities Overview and Scrutiny Committee (HCOSC). This report will outline these areas and make recommendations for members to consider

## **2.0 Proposed strategy and structure**

2.1 The vision for the *'Get Involved'* strategy is for our tenants and leaseholders to feel listened to, empowered to influence decisions and given opportunities to challenge the housing service.

2.2 Using the information gained through consultation, the P&P team have developed four commitments and a new structure for delivering tenant involvement.

2.3 The four commitments are based on the priorities of our tenants and leaseholders. These are:

- Commitment One: All Dacorum tenants and leaseholders have the opportunity to *'Get Involved'*
- Commitment Two: Dacorum Borough Council works in partnership to ensure the housing service is shaped by the needs of our tenants
- Commitment Three: Young people within Dacorum's tenant population have a voice and a positive influence in their local communities
- Commitment Four: Dacorum Borough Council's housing service is accountable to our tenants and leaseholders

2.4 The structure for delivering these four commitments includes three levels of involvement - see *appendix 1 page 9*.

**Level One 'Our Tenants'**: 'Our Tenants' is about developing conversations between the council's housing service and the whole tenant population. By using a range of communication channels such as the development of social media and getting out and about in the community we will build better relationships and improve how we communicate with our tenants.

**Level Two 'Service Shapers'**: 'Service Shapers' is an adaptable approach to involving tenants that focuses on specific topic areas. Within this level of involvement activities such as 'burst groups' allows tenants more flexibility to *'Get Involved'* as it is often achieved over a short period of time. Other activities within 'Service Shapers' include 'Youth Tenant Involvement' and 'Tenant Inspectors' where individuals within the tenant population can take part in projects that benefit the wider tenant community.

**Level Three 'Official Involvement'**: 'Official involvement' brings together tenant and leaseholder representatives, local professionals, Councillors and the council's housing staff to regulate, scrutinise and challenge the housing service. This level of involvement includes a Housing Co-Regulatory Overview Committee and Tenant and Leaseholder Scrutiny Panel. All are required to meet on a quarterly basis and review key areas of the housing service.

2.5 The variety of activities and different levels seeks to create a more active and involved tenant community.

2.6 A key change as a result of this structure includes the replacement of the TLC with the Housing Co-Regulatory Overview Committee (HCOC). The new committee will include a mix of tenants, leaseholders, members, staff and independents.

### **3.0 Stakeholder feedback and recommendations**

3.1 The following feedback has been incorporated into the drafted strategy or will be used to draft the delivery plan once the strategy and structure has been approved - see *appendix 3 for full feedback*.

- A more flexible range of activities so more tenants can get involved
- The use of digital channels such as email, social media and texting will be used to contact tenants when delivering this strategy
- To deliver commitment one we will ensure that tenants and leaseholders in rural areas have access to involvement opportunities
- Training for all tenants and leaseholders involved at level three
- The terms of reference for committee members will include a minimum requirement of one year and a maximum of four years involvement

### **3.2 Implementing the new strategy and timescales**

There will be no meetings of the current TLC between July and September. This is to allow the P&P a mobilisation period for recruiting to the new committee and launch of the *'Get Involved' strategy*.

The Tenant and Leaseholder Scrutiny Panel (TLSP) have agreed they would also break from meeting during this time and have requested support from the P&P team to recruit additional members during this period.

A concern raised by the current Tenant and Leaseholder Committee is *'who between now and then is holding the council to account on the services they deliver?'*

There will be minimal impact regarding the service being held to account due to our elected members and Portfolio Holder continuing to play this role during the mobilisation period.

Going forward the role of HCOC will be a formalised route of consultation and performance review. All feedback provided by HCOC would then be included reports to HCSOC and Cabinet.

***\*Do members feel the requested mobilisation period is appropriate?***

***\*Do members feel the housing service will be sufficiently held to account during this timeframe?***

### **3.3 Representation at the Housing Co-Regulatory Overview Committee**

There are a number of suggestions regarding the make-up of the HCOC. The aim is to recruit a total of ten committee members which includes a mix of tenants, leaseholders, members, housing officer and independents.

1. *The wider tenant population felt the committee should include: 2 independent members, 1 councillor, at least 1 officer, 3-4 tenants and 1-2 leaseholders.*
2. *TIRG felt the committee should include: 5 Tenants, 1 Leaseholder, 2 Non portfolio holding councillors, 1 officer and 1 Independent*
3. *Leaseholders have requested a fairer representation by having a minimum of 2 leaseholders*

The P&P team recommend that a housing officer is not counted as a committee member. The role of the officer is to facilitate and support the committee to meet.

***\*Which option do members feel would best represent the tenant and leaseholder population?***

***\*Do members agree that the housing officer should play a supportive role as opposed to participating in the committee?***

### 3.4 Recruitment to the HCOC

During consultation it was proposed to the current TLC that any recruitment to the new HCOC would be undertaken by council P&P team. This was to allow current committee members to apply without a conflict of interest.

The Tenant and Leaseholder Committee raised the following concerns:

- *What is stopping the staff from only picking "yes" people?*
- *Should tenants not be involved in the recruitment process?*
- *Will current committee members be given priority when recruiting for the new committee?*

The P&P team will consult with the wider tenant population to form a list of skills and qualities required when recruiting and use this to base any decision on.

Feedback from other committee members suggests that Councillors are involved in the recruitment process. This ensures that the tenant and leaseholder population are represented.

Current committee members are encouraged to apply however it is felt that any roles should be offered to all tenants and leaseholders equally.

***\*Do members feel by consulting with the wider tenant population we are able to capture the type of people tenants feel should be recruited to the committee?***

***\*Do members feel that involving Councillors in the recruitment process will be transparent and fair to all who apply?***

### 3.5 Committee Chair

Throughout consultation the approach taken to electing a committee chair remained undecided. The following three options received equal preference:

1. a Councillor to take the role as chair
2. a chair is elected by the committee once recruited
3. a chair is advertised as part of the recruitment process
4. an independent is given the role of chair

There are a number of points to consider when selecting the role of chair including the skills required for managing meetings and how this will be overseen.

***\*Which of the above options do members feel would be the most appropriate approach to selecting a chair?***

### 3.6 Regularity of meetings

Using the consultation feedback, the P&P team have suggested the committee meet formally on a quarterly basis. HCOC members will also have the opportunity to review documents and submit feedback remotely. This proved successful in developing the 'Get Involved' strategy as it gave all members the opportunity to submit their thoughts.

The current Tenant and Leaseholders raised the following concerns:

- *Is it not going to be a lot of work if meetings are only on a quarterly basis?*
- *Is this really going to scrutinise the council and services if they are only meeting 4 times a year?*

The quarterly meetings will be used to collectively review performance and update the committee on key decisions within the service. Any key documents requiring consultation would be circulated remotely to all HCOC members and feedback will be submitted via email as this is a more effective use of their time.

Additionally committee members will be encouraged to visit teams if they feel this is appropriate. HCOC members will be supported to maintain contact throughout the year.

***\*Do members feel quarterly meetings are sufficient to review KPI's?***

***\*Do members feel that documents being reviewed remotely by committee members would be an effective way of maintaining contact and giving feedback throughout the year?***

### **Conclusion**

To conclude the Policy and Participation team have worked with a variety of stakeholders to develop the proposed '*Get Involved*' strategy.

The purpose of the report is to gain direction from members on a number of outstanding areas to consider. Throughout the report, the Policy and Participation team have made recommendations to members and outlined the proposed approach to limiting any impact to our tenant population.

The team feel the new strategy and proposed structure will be a positive move forward and help to build a better relationship with our tenant and leaseholder population.

Ultimately this will help to shape the housing service to the needs of our tenants and leaseholders and provide an effective service that offers value for money.

## **Appendix 4 Tenant and leaseholder feedback on the ‘Get Involved’ strategy and delivery of tenant involvement**

### **Tenant Review Group - Feedback**

- All agreed that there is a need for change, a need for clearer remits. All agreed that TLC should play a more strategic, monitoring role and sub-committees should work more closely on consultations.
- Digital Involvement - TIRG attendees were most likely to respond to email surveys. They suggested that we need to explore more digital channels of communication to engage with younger tenants.
- Rural areas - It was suggested that focus groups be held in village halls rather than in Hemel Hempstead as they would be more accessible for rural tenants.
- TIRG members recommended that we maintain a flexible approach to consultation, by continuing to hold focus groups, going out into the community to speak to tenants and conducting telephone surveys. They also recommended that tenants involved in any formal committees be trained to an appropriate level and some attendees were keen that meetings take place on a quarterly basis.

### **Wider Tenant and Leaseholder Population – Feedback**

The Housing Involvement Officers completed telephone and face to face surveys with 101 tenants and leaseholders to inform the drafting of the strategy. All of these people were asked questions relating to digital engagement and formal committee structures, with additional questions relating to young people, rural areas and leaseholders asked to those groups for whom these issues were most pertinent.

Two focus groups were held on 10 May 2016 with a combined attendance of 15 tenants and leaseholders.

- The majority of tenants and leaseholders would prefer to receive customer satisfaction surveys by text message or email.
- Most people believe that a high-level committee would need to be offered training to attract them, with payment of committee members the second most popular opinion.
- Most tenants and leaseholders in rural areas and villages would prefer door-to-door surveying or focus groups held in locations more convenient to them.
- All rural tenants and leaseholders agreed that all consultations relating to the tenant population as a whole should involve a proportion of rural and village residents.
- The Housing Regulatory Overview Committee should include; 2 independent members, 1 councillor, at least 1 officer, 3-4 tenants and 1-2 leaseholders.
- Formal meetings should take place every 6 weeks or bi-monthly with 3-4 hours preparation before meetings.
- There was no overall consensus regarding how a chair of the committee would be selected. An elected chair from the committee, an independent chair and a councillor or council staff chair were all equally rated. There was little appetite for a revolving chair.
- The minimum length of service for the committee should be one year with an option to extend for a further year.
- The maximum number of years for committee members should be four years.

## **Tenant and Leaseholder Committee - Feedback**

**John Howard:**

### **Page 5 under 'Our Tenant Population'**

The deprived areas, mostly within Hemel Hempstead with a high density of council owned homes. You understand there are several factors that contribute to people being considered deprived, has there been any activity by the housing team to break the barriers, what are these recognised barriers and how does the tenant involvement team feel that through tenant involvement this will help remove these barriers.

### **Page 6 'Equality and diversity'**

With all the Tenant & leaseholder events & involvement strategies that have been used why are some people and groups within our tenant population finding it difficult to have their voice heard. By tailoring our opportunities of involvement we hope to encourage these tenants to have their say. Once again the word barrier is used, can the tenant involvement team give any definitions of these barriers. "This will allow us to give our tenants a voice and remove barriers that not only stop them from being involved but impact their lives."

I agree with the commitments, but in commitment 3 you don't have to be a tenant to be a voice and a positive influence in your local community, there are other groups such as neighbourhood action forums.

The level of involvement tiers I feel would appeal too many of the Tenants & leaseholders.

I feel that in the level 2 sector there should be a group responsible for monitoring the planned & unplanned work. The foundation for tenant involvement as I understand was the formation of the HAP [Housing Advisory Panel] later to be reformed at the HMEC [Housing Maintenance & Environment Committee]. Both a key factor in getting tenants & lease holders involved. My last concern is the make-up & selection process for the Housing Regulatory Overview Committee.

### **Housing Co-Regulatory Overview Committee.**

At the last T.I.R.G.[Tenant Involvement Review Group] the consensus of the personnel to make up such a committee was a panel of 10 with the following

- 5 Tenants
- 1 Leaseholder
- 2 Non portfolio holding councillors
- 1 Housing Involvement officer
- 1 Independent

Will this be a foundation for the Committee set? The past selection processes have involved a panel with Tenants & Leaseholders. May I suggest that, as **Page 40** appeared to be no common ground at the last TLC



meeting as to how this panel would actually be selected between the Tenant involvement groups & the Involvement team, that the panel be made up of local councillors who have been involved, are involved in housing or are actual tenants or lease holders themselves.

## **Tenant:**

I think you have covered everything and the structure looks fine to me, giving people an opportunity to be involved at a level that suits them. It would be great if more tenants would join in so fingers crossed!

## **Barry Newton – Tenant and Leaseholder Scrutiny Panel:**

The only sticking point I saw was selection of members of various committee members. Would recruitment in first instance will go to known existing members who express an interest? I would then suggest that once this framework is established prior to interviewing any new applicant by officers names are circulated to the established members not to select but to determine if they object to anyone, I think this would be regarded as some control over selection was being exercised by the tenants.

## **Alan Horne:**

### **Page 5 Our tenant population**

*“Within Dacorum there are a small number of deprived areas. Most of these areas are within Hemel Hempstead and are areas with a high density of council owned homes.”*

I am concerned that this statement could allow someone to identify individual households, and it sets up the perception of second class tenants and the possibility of discrimination. A more general statement about deprivation amongst tenants would be acceptable.

### **Page 6 Equality and diversity**

*“We recognise that some people and groups within our tenant population find it difficult to have their voice heard.”*

This implies that they have come forward but haven't been listened to, which is wrong, rather than they find it difficult to come forward, be it for language or cultural reasons, for which a solution needs to be found.

### **Page 6 Delivering a better service**

*“to achieve the TPAS Landlord Accreditation.”*

Only very few tenants will know what TPAS is. Accreditation for what? Could be anything. Needs to be clear that it is Resident Involvement Landlord Accreditation. Unless, of course it is only a Corporate document.

### **Page 8 The ‘Get Involved’ structure...**

#### **Level One ‘Our Tenants’:**

*“and getting out and about in the community”*

I get comments that everything happens in Hemel Hempstead and other towns are ignored.

## Level Two 'Service Shapers'

I'm not sure whether the title 'burst groups' would attract or put off tenants, it doesn't immediately indicate what is involved (Corporate words?)

## Level Three 'Official Involvement':

*"brings together tenant and leaseholder representatives, local professionals, Councillors and the council's housing staff to regulate, scrutinise and challenge the housing service."*

With the wider participation it needs to be remembered that only the landlord functions of the Housing Service can be charged to the HRA.

Without seeing the Terms of Reference, the full recruitment process, and the final makeup of the bodies, it is not possible to determine whether they can truly be defined as "Tenant Involvement". *"All are required to meet on a quarterly basis and review key areas of the housing service."* Quarterly meetings are not likely to be often enough to challenge anything.

## Rose Kosmalski:

- The sentiment for tenant involvement comes across
- Concerns the council will struggle to recruit at the high levels of involvement such as the committee
- I noticed on page 8 of the document will only meet on a quarterly basis, is this correct? In that case then yes you may find tenants that will participate in a quarterly meeting. Is it not going to be a lot of work if meetings are only on a quarterly basis? Is this really going to scrutinise the council and services if they are only meeting 4 times a year?
- Again I would like to say regarding the council staff "interviewing" the potential tenants for the two committee's, this document is all about tenant involvement but where is the involvement for tenants in the selection process. What is stopping the staff from only picking "yes" people?
- On a final note you have also stated that the formal arrangements will start in October 2016, so who between now and then is holding the council to account on the services they deliver? What sort of things will be over looked between now and then? Who will be looking at the budget?

## Mavis Cook:

The approach on the document regarding Tenant Involvement addresses the tenants, despite the effort to explain what you mean by "tenant" to include the leaseholders as service recipients.

Work needs to be done on the **Leasehold Best Value Review Report, 14 October 2014** to which I made my attached comments before launching into getting leaseholders involved.

A good relationship and working platforms between the DBC and leaseholders needs to be established (a) to also break passive partnerships and (b) create an understanding on how and where the Council is coming from to meet their needs, through a business perception, which are not the same as those of rent

paying tenants, apart from common service delivery on communal areas, planned works and environmental development which benefits both recipients and the communities at large.

Having a specific and different tone of **communicating** with the leaseholders to give them the appropriate identity, would be useful, so that they could also be encouraged to be part of the involved and collaborative partnership, and would no doubt have some input on contributions to help shape the services.

**On the 3 levels** of the involvement structure, there needs to be balanced representation from the leaseholders, on the top tier; **Level Three** - it would be fair to have 4 tenants and 2 leaseholder, a leaseholder on the **Scrutiny Panel** and some leaseholders on Level Two, especially on **Regular Forums** and possibly **Burst Groups** depending on topics, with the opportunity of dipping in and out where ever relevant.

# Agenda Item 9



<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>20 September 2016</b>
<b>PART:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	<b>Budget Monitoring Quarter 1 2016/17</b>
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance and Resources David Skinner, Assistant Director (Finance & Resources) Richard Baker, Group Manager (Financial Services)
Purpose of report:	To provide details of the projected outturn for 2016/17 as at Quarter 1 for the: <ul style="list-style-type: none"><li>• General Fund</li><li>• Housing Revenue Account</li><li>• Capital Programme</li></ul>
Recommendations	It is recommended that Cabinet: <ol style="list-style-type: none"><li>1. Consider the budget monitoring position for each of the above accounts;</li><li>2. Recommend to Council approval of the revised capital programme to move slippage identified at Quarter 1 into financial year 2017/18.</li><li>3. Recommend to Council approval of the supplementary budgets set out below. Details for these supplementary budgets are set out in the body of the report and have a net nil impact on the General Fund Working Balance:</li></ol>

	<ul style="list-style-type: none"> <li>• Decrease the Corporate Improvement and Innovation Employees budget by £46k</li> <li>• Decrease use of the Technology reserve by £46k</li> <li>• Increase the Planning Supplies and Services budget by £100k</li> <li>• Increase use of the Management of Change reserve by £100k</li> </ul> <p>4. Approve the budget virement to increase the Premises budget for Planet Ice by £127k and the corresponding Income budget by £127k, as per paragraph 3.2.</p> <p>5. Recommend to Council a supplementary Capital budget in the Housing Revenue Account of £1.05m for the Affordable Housing Development Fund, as per paragraph 7.3</p>
Corporate objectives:	Delivering an efficient and modern council
Implications:	Financial and Value for Money implications are included within the body of the report.
Risk Implications	Risk implications are included within the body of the report.
Equalities Implications	There are no equality implications.
Health And Safety Implications	There are no health and safety implications.
Monitoring Officer/S.151 Officer Comments	<p><b>Monitoring Officer</b></p> <p>No further comments to add.</p> <p><b>S.151 Officer</b></p> <p>This is a Section 151 Officer report.</p>
Consultees:	Budget Managers
Glossary of acronyms and any other abbreviations	<p>GF – General Fund</p> <p>HRA – Housing Revenue Account</p> <p>CRM – Customer Relationship Management</p>

used in this report:	HCC – Hertfordshire County Council
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## 1. Introduction

1.1 The purpose of this report is to outline the Council's forecast outturn for 2016/17 as at 30 June 2016. The report covers the following budgets:

- General Fund
- Housing Revenue Account (HRA)
- Capital Programme

## 2. General Fund Revenue Account

2.1 The General Fund revenue account records the income and expenditure associated with all Council functions except management of the Council's own housing stock, which is accounted for within the Housing Revenue Account (HRA) (see Section 6).

2.2 Appendix A provides an overview of the General Fund provisional outturn position, separating expenditure into controllable and non-controllable categories in order to focus scrutiny on those areas that officers are able to influence, i.e. the controllable.

2.3 The majority of non-controllable costs result from year-end accounting adjustments, e.g. depreciation charges. These are required to show the true value of resources used to provide the Council's services, but do not result in a cash charge to taxpayers.

### 2.4 Variances on non-controllable and corporate items

The charge made to the HRA for properties owned by the General Fund, but utilised by the HRA for dwelling purposes is forecast to be £40k higher. This is due to a lower amount of repairs and improvements at these properties.

Additional new burdens grants totalling £85k, along with an adjustment of £6k to prior year New Homes Bonus grants provide an additional £91k of unallocated grants. Included in these grants is £73k towards the cost of meeting welfare reforms and benefit cap changes. It is unknown at this stage how much of these grants may need to be utilised. The remaining grants are small in value and it is not anticipated that additional budgets will need to be given to services. Section 31 grants are retained corporately unless there is evidence of a significant new burden.

2.5 The table below provides an overview by Scrutiny area of the current forecast outturn for controllable budgets within the General Fund.

	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Finance & Resources	7,801	7,763	(38)	-0.5%
Strategic Planning & Environment	7,379	7,969	590	8.0%
Housing & Community	1,766	1,827	61	3.5%
<b>Total</b>	<b>16,946</b>	<b>17,559</b>	<b>613</b>	<b>3.6%</b>

2.7 The following sections provide an analysis of the projected outturn and major budget variances shown by Scrutiny area.

### 3. Finance and Resources

Finance & Resources	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Employees	11,027	11,084	57	0.5%
Premises	1,766	1,904	138	7.8%
Transport	32	39	7	21.9%
Supplies & Services	3,870	3,928	58	1.5%
Third-Parties	336	330	(6)	-1.8%
Income	(9,230)	(9,522)	(292)	3.2%
	<b>7,801</b>	<b>7,763</b>	<b>(38)</b>	<b>-0.5%</b>

#### 3.1 Employees - £57k over budget (0.5%)

Pressure of £127k – A pressure of £173k across services is projected linked to the vacancy provision. This target is set at 5% of direct salary costs for 2016/17. This position will continue to be monitored.

Included in the net pressure of £127k, is an underspend of £46k on the budget for the Digital Dacorum project manager in the Corporate Improvement and Innovation team. This was a fixed term post funded from the Technology reserve. The post holder has been appointed into a budgeted permanent post in the establishment, and the reserve funded budget is therefore not required. Cabinet is asked to recommend to Council a decrease in the budget for Employees costs and a corresponding decrease in the contribution from the Technology reserve.

Underspend of £70k – Following the restructure of the Council's leadership team in May 2016, a saving of £70k has arisen in the management team salaries budgets.

#### 3.2 Premises - £138k over budget (7.8%)

Pressure of £127k – This pressure relates to unbudgeted costs in respect of the Planet Ice site at Jarman Park. Although unbudgeted, these costs will be all recovered from the tenant and will not result in an overall budget pressure. The costs are rent, service charge, insurance and utilities, which the Council is required to pay initially through the terms of the lease, and then pass back to the tenant. A budget virement is proposed to increase the budget for Premises costs by £127k and increase the corresponding Income budget by £127k.

#### 3.4 Income £292k over-achievement of income (3.2%)

Over-achievement of income of £263k – The income on Investment Properties is forecast to exceed budget by £263k due to 3 key reasons. Firstly there is the recovery of costs on the Planet Ice site as mentioned above in paragraph 3.2, which equates to £127k. An additional £90k of income is forecast as a result of successful rent reviews secured this financial year. Lastly service charges are expected to generate an additional £45k of income due to improvements in the methodology for billing costs back to tenants.

### 4. Strategic Planning and Environment

Strategic Planning and Environment	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Employees	9,362	9,749	387	4.1%
Premises	965	961	(4)	-0.4%
Transport	1,479	1,451	(28)	-1.9%
Supplies & Services	3,984	4,088	104	2.6%
Third-Parties	88	88	0	0.0%
Income	(8,499)	(8,368)	131	1.5%
	<b>7,379</b>	<b>7,969</b>	<b>590</b>	<b>8.0%</b>

#### 4.1 Employees - £387k over budget (4.1%)

Pressure of £115k – There is a pressure of £115k in the budget for Employee costs in Waste Services. There has been an increase in the number of roads in the borough that are proving difficult to access, which is necessitating an additional narrow access round to collect the waste. The service is reviewing the overall round structure in detail to optimise each round and ensure that crews are working as productively as possible.

The introduction of a third wheeled bin and a food waste caddy has meant that the waste service is dealing with an increased number of containers. This has increased the potential for the number of missed bins. The service is closely monitoring this situation to ensure that waste crews only return to justified missed bins, not unjustified (ie bins which were either not accessible or not presented at the boundary of the property at the time that the crew attempted to collect).

The increase in the number of containers has also led to an increase in breakages of containers, which requires additional resource to replace the bins.



Detailed work is ongoing to identify why bins are breaking, whether this is due to operator error or damage from the vehicle, with a view to minimising breakages.

Pressure of £200k – A pressure of £200k is expected in Building Control. There are a number of vacant posts within the establishment and agency staff are currently carrying out this work, but at a more expensive rate. Work is ongoing to improve processes within the service and make efficiency savings going forward. In addition the challenges in staff recruitment and retention are being addressed and options are being appraised as to the best way of ensuring the correct levels of staffing are in place and succession planning is considered.

Pressure of £72k – A pressure of £72k is linked to the vacancy provision across services.

#### 4.2 Supplies & Services - £104k over budget (2.6%)

Pressure of £100k – A pressure of £100k has been identified in the Planning service. The data currently held on microfiche requires a more sustainable and digitally-enabled solution, to support the new ways of working in preparation for the move to The Forum. It is proposed that this expenditure be funded from the Management of Change reserve. Cabinet is requested to recommend to Council a supplementary budget of £100k to be funded from the Management of Change reserve.

#### 4.3 Income - £131k under-achievement of budget (1.5%)

Under-achievement of income of £100k – A pressure of £100k has been identified in the Commercial Waste service. In recent months the service has seen a reduction in the number of customers, due to more aggressive sales strategy of competitors, which can draw customers away from the Council. Work is taking place to understand why customers have left and highlight the benefits of the Council's local, flexible Commercial Waste service.

### 5. Housing and Community

Housing & Community	Current Budget	Forecast Outturn	Variance	
	£000	£000	£000	%
Employees	2,549	2,605	56	2.2%
Premises	805	805	0	0.0%
Transport	16	16	0	0.0%
Supplies & Services	2,055	2,041	(14)	-0.7%
Third Parties	758	758	0	0.0%
Income	(4,417)	(4,398)	19	-0.4%
	<b>1,766</b>	<b>1,827</b>	<b>61</b>	<b>3.5%</b>

#### 5.1 Employees - £56k over budget (2.6%)

Pressure of £56k – There is a pressure of £56k across services linked to the vacancy provision, which has been set at 5% across all services. This will be closely monitored as the year goes on.

## **6. Housing Revenue Account (HRA)**

6.1 The HRA is a ring-fenced account relating to the Council's Landlord functions. A guiding principle of the HRA is that revenue raised from rents and service charges must be sufficient to fund expenditure incurred. The forecast outturn position for the HRA is shown at Appendix B.

6.2 The projected HRA balance at the end of 2016/17 is in line with the budgeted balance of £2.9m.

### **6.3 Leaseholder charges - £27k over-achievement of income (5.7%)**

There is a surplus of income from insurance costs re-billed to leaseholders. This is due to an increase in the number of leaseholders, and a rise in Insurance Premium tax which has been passed back to leaseholders. The budget will be reviewed as part of the 2017/18 budget setting process.

### **6.4 Contribution towards Expenditure - £20k over-achievement of income (3%)**

Additional income has been received for legal work carried out, such as issuing a deed of variation and lifting of restrictive covenants.

### **6.5 Repairs & Maintenance - £305k over budget (3.3%)**

The overspend in repairs relates to the value and volume of Empty Homes jobs expected this year. This is being offset by underspends on other areas of responsive repairs, most notably Structural Health and Safety, based on the actual costs incurred up to Period 3 and the service's forecast of future expenditure in this category.

The forecast also includes a £50k underspend for a reduction to the Osborne performance related profit (PRP) for 2015/16. Following a challenge from officers, Osborne have agreed to reduce the amount of PRP payable for the year.

### **6.6 Supervision and Management - £111k under budget (0.9%)**

The projected underspend has arisen in 2 main areas:

£50k underspend in the Tenants and Leaseholders section from vacancies in the Supporting People service.

£110k underspend in the Housing Cleaning service from vacant posts.

These are offset by a forecast pressure of £40k relating to rent received on properties that are used to house Council tenants but are owned by the General Fund. (The corresponding entry is shown in the General Fund as a decrease in non-controllable costs).

### **6.7 Transfer to Housing Reserves - £156k under budget (0.9%)**

The overall variance on the HRA is currently forecast to reduce balances by £156k.

The Capital Programme is being reviewed to ensure that components are not replaced before they are required (an example of which is delaying roof replacements that had previously been scheduled in, based upon property conditions surveys). Due to these changes in the programme, an underspend is forecast, and a lower contribution is required to reserves to fund the Capital Programme.

## 7. Capital Programme

7.1 Appendix C shows the projected capital outturn in detail by scheme.

The table below summarises the overall capital outturn position by Scrutiny area.

The 'Rephasing' column refers to those projects where expenditure is still expected to be incurred, but it will now be in 2017/18 rather than 2016/17, or conversely, where expenditure planned initially for 2017/18 will now be in 2016/17.

Cabinet is requested to recommend to Council a revised capital programme based on the projected capital outturn reported in Appendix C. Schemes that are slipping into 2017/18 will then be re-profiled into the correct financial year.

The 'Variance' column refers to those projects which are now complete, but have come in under or over budget and those projects which are no longer required.

	Current Budget £000	Projected Outturn £000	Rephasing £000	Variance	
				£000	%
Finance & Resources	16,969	12,874	(4,098)	3	0.0%
Strategic Planning & Environment	8,142	6,871	(1,669)	398	4.9%
Housing & Community	711	645	(40)	(26)	-3.7%
<b>G F Total</b>	<b>25,822</b>	<b>20,390</b>	<b>(5,807)</b>	<b>375</b>	<b>1.5%</b>
<b>HRA Total</b>	<b>29,230</b>	<b>27,932</b>	<b>(1,840)</b>	<b>542</b>	<b>1.9%</b>
<b>Grand Total</b>	<b>55,052</b>	<b>48,322</b>	<b>(7,647)</b>	<b>917</b>	<b>1.7%</b>

## 7.2 General Fund Major Variances

There is an overall projected underspend of £5,432k on the General Fund. This is a combination of forecast overspend of £375k, and slippage of £5.8m into 2017/18.

The projected net overspend of £375k includes:

- Line 156: overspend of £238k on the Disabled Facilities Grants budget. The grant funding allocated to the Council on this scheme has increased considerably from £366k in 2015/16 to £672k in 2016/17. The forecast overspend is based on the year to date run rate.
- Line 163: overspend of £200k on Regeneration of the Town Centre. This project is almost at a close, however there are still some issues to be resolved regarding the power supply to the town centre. An overspend of £93k was reported last financial year on the project, however some further costs are expected, which at this stage are estimated to be £200k. This would bring the total overspend on the project to £293k, which is approximately 6% of the overall budget. Unbudgeted grant and S106 funding has been received to the value of £105k, which offsets some of the overspend.

The projected rephasing to future years includes:

- Line 42: slippage of £486k on the Strategic Acquisitions budget. This budget is being rephased to support the delivery schedule of projects.
- Line 52: slippage of £91k on Rossgate Shopping Centre. Stock condition surveys are planned in line with the Asset Management Strategy to ascertain the works to be undertaken. It is unlikely any significant spend will occur in 2017/18.
- Line 58: slippage of £188k on Car Park Refurbishment scheme. It had been intended for the Queensway and the Water Garden South car parks to be refurbished in 2016/17, however these works are dependent on wider considerations concerning Gadebridge Park (Queensway) and the review of access (HCC & the Council's Regeneration team) and will therefore not take place this financial year.
- Line 60: slippage of £3.1m on Berkhamsted multi-storey car park. Work is ongoing with HCC Highways and DBC Planners to progress the scheme. It is envisaged that planning permission will be granted in September 2016 and the contract awarded in December.
- Line 74: slippage of £87k on Planning Software replacement. As yet the specification has not been finalised, and the procurement process has not begun. It is therefore unrealistic to expect any spend in 2016/17.
- Line 93: slippage of £70k on Future Vision of CRM. The budgeted phasing of expenditure on this project is being reprofiled to remove the optimism bias.
- Line 146: slippage of £151k on Play Area refurbishment programme. The programme of work has been reviewed many times, as individual amounts of section 106 funding were identified to fund particular sites. This gave rise to slippage into 2016/17, however it has now been decided that only sites on the original list will be refurbished in 2016/17 and the remaining budget will form part of the play area improvements at Gadebridge Park.

- Line 148: slippage of £75k on Waste & Recycling Service Improvements. This budget was slipped forward from the 2014/15 budget for the roll-out of the new co-mingled waste service. It is intended to be used for the roll-out of the new service to flats and communal properties, however the project has been delayed and at this stage it is unlikely any expenditure will be incurred this financial year.
- Line 152: slippage of £485k on Fleet Replacement Programme. The programme of vehicles is kept under constant review to ensure vehicles are not replaced before they have reached the end of their useful life, and at this stage of the year it is expected that a number of vehicles will now be purchased in 2017/18.
- Line 168: slippage of £458k on Town Centre Access Improvements. The scope of the project has not yet been confirmed and at this stage, no major spend is expected in 2016/17.
- Line 170: slippage of £500k on Gadebridge Park. This budget is intended for the creation of a splash park, play area and access improvements in the park including the White Bridge. There is a further £1m budget in 2017/18. Discussions are still ongoing as to the exact nature of the work and it is unlikely that any significant spend will take place in 2016/17.

### 7.3 HRA Major Variances

There is a projected underspend on the HRA capital programme of £1,298k.

- Line 183: underspend of £507k on the Property and Place budgets for planned capital works. The programme is being reviewed as set out in paragraph 6.7. These budgets also contain a contingency of 5%.
- Line 191 and 192: underspend of £150k and £140k respectively on Farm Place and St Peter's Court. Although these schemes are complete, budget was slipped forward from 2015/16, which will be reallocated by virement to the New Build General line to fund other schemes in the programme.
- Line 193: underspend of £600k on Aspen Court, London Road Apsley. At the time of setting the budgets, an additional allocation of £600k was allowed for to cover previously unforeseen costs. This was incorrectly allocated to the Aspen Court, London Road budget, however it should have been allocated to the New Build General Line. The underspend on this line will therefore be re-allocated to the New Build General line. The realignment will take place once contract arrangements have been finalised.
- Line 194: Slippage of £1.8m on New Build General. This reflects re-phasing of a number of schemes to align with revised timescales.
- Line 197: overspend of £1.05m on Affordable Housing Development Fund. Although there is no budget on this line, grant payment of £1.05m has been made to Hightown Housing Association. These payments have previously been allocated from General Fund capital receipts, but are now funded from Housing Revenue Account 1-4-1 receipts due to the high level of property sales under the

Right to Buy scheme. Cabinet is requested to recommend to Council a supplementary budget for this scheme funded from 1-4-1 receipts.

	Month			Year-to-Date			Full Year Forecast		
	Adjusted Budget £000	Actuals £000	Variance £000	Adjusted Budget £000	Actuals £000	Variance £000	Adjusted Budget £000	Forecast Outturn £000	Variance £000
<b>Controllable</b>									
Finance and Resources	845	848	3	988	768	(220)	7,801	7,763	(38)
Strategic Planning and Environment	428	578	150	1,957	2,076	119	7,379	7,969	590
Housing and Community	157	232	75	612	632	20	1,766	1,827	61
<b>Controllable</b>	<b>1,430</b>	<b>1,658</b>	<b>228</b>	<b>3,557</b>	<b>3,476</b>	<b>(81)</b>	<b>16,946</b>	<b>17,559</b>	<b>613</b>
<b>Non-Controllable</b>									
Finance and Resources	(145)	(219)	(74)	(435)	(336)	99	(4,087)	(4,127)	(40)
Strategic Planning and Environment	303	0	(303)	909	0	(909)	3,927	3,927	0
Housing and Community	93	0	(93)	280	1	(279)	1,652	1,652	0
<b>Non-Controllable</b>	<b>251</b>	<b>(219)</b>	<b>(470)</b>	<b>754</b>	<b>(335)</b>	<b>(1,089)</b>	<b>1,492</b>	<b>1,452</b>	<b>(40)</b>
<b>General Fund Service Expenditure</b>	<b>1,681</b>	<b>1,439</b>	<b>(242)</b>	<b>4,311</b>	<b>3,141</b>	<b>(1,170)</b>	<b>18,438</b>	<b>19,011</b>	<b>573</b>
Reversal of Capital Charges							(4,125)	(4,125)	0
Interest Receipts							723	723	0
Revenue Contributions to Capital							5,796	5,796	0
Contributions to / (from) Reserves							(7,033)	(7,087)	(54)
Contributions to / (from) Working Balance							0	(428)	(428)
<b>Budget Requirement:</b>							<b>13,799</b>	<b>13,890</b>	<b>91</b>
<b>Met From:</b>									
Revenue Support Grant							(971)	(971)	0
Non-Domestic Rates							1,054	1,054	0
New Homes Bonus							(3,491)	(3,497)	(6)
Other General Government Grants							(125)	(210)	(85)
Council Tax Surplus							(49)	(49)	0
Requirement from Council Tax							(10,217)	(10,217)	0
<b>Total Funding:</b>							<b>(13,799)</b>	<b>(13,890)</b>	<b>(91)</b>

### Interpreting this report

#### General Fund Service Expenditure

This subtotal includes those costs which are directly attributable to specific Council services.

#### Budget Requirement

This subtotal shows the total cash requirement to operate the Council for one year. It includes the General Fund Service Expenditure plus corporate costs and income.

#### Total Funding

This subtotal shows how the Council receives sufficient funding from different sources to meet the Budget Requirement. In order to 'balance the budget', Total Funding must equal the Budget Requirement.



**Housing Revenue Account**  
Projected Outturn 2016/17 - June 2016

	Original Budget £000	Forecast Outturn £000	Forecast Variance £000	%
<b>Income:</b>				
Net Dwelling Rents	(55,849)	(55,849)	0	0.0%
Non-Dwelling Rents	(80)	(80)	0	0.0%
Tenants Charges	(388)	(388)	0	0.0%
Leaseholder Charges	(477)	(504)	(27)	5.7%
Interest and Investment Income	(206)	(206)	0	0.0%
Contribution towards Expenditure	(655)	(674)	(19)	2.9%
<b>Total Income</b>	<b>(57,654)</b>	<b>(57,700)</b>	<b>(46)</b>	<b>0.1%</b>
<b>Expenditure:</b>				
Repairs and Maintenance	10,702	11,007	305	2.8%
Supervision & Management:	11,766	11,655	(111)	-0.9%
Rent, Rates, Taxes & Other Charges	14	22	8	57.1%
Interest Payable	11,643	11,643	0	0.0%
Provision for Bad Debts	250	250	0	0.0%
Depreciation	9,506	9,506	0	0.0%
HRA Democratic Recharges	220	220	0	0.0%
<b>Total Expenditure</b>	<b>44,101</b>	<b>44,303</b>	<b>202</b>	<b>0.5%</b>
Transfer from Housing Reserves	13,553	13,397	(156)	-1.2%
<b>HRA Deficit / (Surplus)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>Housing Revenue Account Balance:</b>				
Opening Balance at 1 April 2015	(2,900)	(2,900)	0	
Deficit / (Surplus) for year	0	0	0	
Proposed Contributions to Reserves	0	0	0	
<b>Closing Balance at 31 March 2016</b>	<b>(2,900)</b>	<b>(2,900)</b>	<b>0</b>	

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
<b>General Fund</b>										
<b>Finance and Resources</b>										
<b>Commercial Assets and Property Development</b>										
42 Strategic Acquisitions	Nicholas Brown	950,000	(463,500)	0	0	486,500	0	0	(486,500)	0
43 Demolition of Old Berkhamsted Depot and new barrier	Nicholas Brown	50,000	0	0	0	50,000	0	50,000	0	0
44 Demolition of Health Centre	Nicholas Brown	350,000	0	0	0	350,000	0	350,000	0	0
45 Old Town Hall - Cafe Roof and stonework renewal	Nicholas Brown	75,000	0	0	0	75,000	0	75,000	0	0
46 Demolition of Civic Centre	Nicholas Brown	0	(1,990)	0	0	(1,990)	0	0	0	1,990
47 Bennetts End Community Centre - Replace Main Hall Pitched Roof Covering	Nicholas Brown	35,000	0	0	0	35,000	0	0	(35,000)	0
48 Highfield Community Centre - Resurface Car Park	Nicholas Brown	0	0	0	0	0	0	18,318	18,318	0
49 Adeyfield Community Centre - replace roof	Nicholas Brown	0	44,230	0	0	44,230	0	0	(44,230)	0
50 Tring Community Centre - new play area for Childrens Nursery	Nicholas Brown	0	13,110	0	0	13,110	0	13,110	0	0
51 Bennetts End Community Centre Toilet Provision	Nicholas Brown	18,000	0	0	0	18,000	0	18,000	0	0
52 Rossgate Shopping Centre - Structural Works	Nicholas Brown	0	90,910	0	0	90,910	0	0	(90,910)	0
53 Leys Road - Roof	Nicholas Brown	55,000	0	0	0	55,000	0	0	(55,000)	0
54 High Street, Tring - Replace External Cladding & Roof	Nicholas Brown	30,000	50,000	0	0	80,000	1,386	80,000	0	0
55 The Denes Shopping Centre - Renew Walkway & Canopy Covering	Nicholas Brown	50,000	0	0	0	50,000	0	50,000	0	0
56 Commercial Properties - Renew Obsolete Door Entry Controls	Nicholas Brown	20,000	0	0	0	20,000	0	20,000	0	0
57 Silk Mill - Renew asphalt tanking to stairs	Nicholas Brown	16,000	0	0	0	16,000	0	16,000	0	0
58 Car Park Refurbishment	Nicholas Brown	90,000	99,172	0	0	189,172	1,600	1,600	(187,572)	0
59 Water Gardens Car Park - Re-Lining (Asphalt) Top Floor	Nicholas Brown	435,000	0	0	0	435,000	2,950	435,000	0	0
60 Multi Storey Car Park Berkhamsted	Nicholas Brown	3,432,000	(161,436)	0	0	3,270,564	0	185,471	(3,085,093)	0
61 Kingshill Cemetery - Toilet Provision	Nicholas Brown	150,000	0	0	0	150,000	0	150,000	0	0
62 Bunkers Farm	Nicholas Brown	25,782	183,606	0	0	209,388	1,770	264,720	55,332	0
63 Refurbishment of Facilities at Woodwells Cemetery	Nicholas Brown	0	57,597	0	0	57,597	0	57,597	0	0
64 Heath Lane - Welfare Facilities	Nicholas Brown	20,000	0	0	0	20,000	0	20,000	0	0
65 Woodwells Cemetery - Improvements to Burial Areas	Nicholas Brown	20,000	0	0	0	20,000	0	20,000	0	0
		<b>5,821,782</b>	<b>(88,301)</b>	<b>0</b>	<b>0</b>	<b>5,733,481</b>	<b>7,706</b>	<b>1,824,816</b>	<b>(3,910,655)</b>	<b>1,990</b>
<b>Democratic Services</b>										
69 Election Management System Replacement	Jim Doyle	30,000	0	0	0	30,000	0	0	(30,000)	0
70 Civic Car Purchase	Jim Doyle	30,000	0	0	0	30,000	0	30,000	0	0
		<b>60,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,000</b>	<b>0</b>	<b>30,000</b>	<b>(30,000)</b>	<b>0</b>
<b>Development Management and Planning</b>										
74 Planning Software Replacement	Sara Whelan	0	86,964	0	0	86,964	0	0	(86,964)	0
		<b>0</b>	<b>86,964</b>	<b>0</b>	<b>0</b>	<b>86,964</b>	<b>0</b>	<b>0</b>	<b>(86,964)</b>	<b>0</b>
<b>Financial Management</b>										
78 Payroll (Invest to Save)	Richard Baker	0	2,447	0	0	2,447	0	2,447	0	0
79 Credit Card Surcharging (Invest to Save)	Richard Baker	16,000	0	0	0	16,000	8,375	16,000	0	0
80 Upgrade of HSM Module (BACS / DD Security)	Richard Baker	6,000	5,000	0	0	11,000	917	12,000	0	1,000
		<b>22,000</b>	<b>7,447</b>	<b>0</b>	<b>0</b>	<b>29,447</b>	<b>9,292</b>	<b>30,447</b>	<b>0</b>	<b>1,000</b>
<b>Housing &amp; Regeneration Management</b>										
84 The Forum (Public Service Quarter)	Mark Gaynor	9,350,000	1,015,400	0	0	10,365,400	2,849,351	10,365,400	0	0
85 Gade Zone	Mark Gaynor	150,000	0	0	0	150,000	5,760	150,000	0	0
		<b>9,500,000</b>	<b>1,015,400</b>	<b>0</b>	<b>0</b>	<b>10,515,400</b>	<b>2,855,111</b>	<b>10,515,400</b>	<b>0</b>	<b>0</b>

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)	
<b>Finance and Resources (continued)</b>											
<b>Information, Communication and Technology</b>											
89	Rolling Programme - Hardware	Ben Trueman	75,000	41,700	0	0	116,700	16,156	116,700	0	0
90	Software Licences - Right of Use	Ben Trueman	50,000	32,000	0	0	82,000	14,157	82,000	0	0
91	Website Development	Ben Trueman	0	69,500	0	0	69,500	(3,432)	69,500	0	0
92	Mobile Working	Ben Trueman	0	0	0	0	0	7,858	0	0	0
93	Future vision of CRM	Ben Trueman	152,000	0	0	0	152,000	0	82,000	(70,000)	0
			<b>277,000</b>	<b>143,200</b>	<b>0</b>	<b>0</b>	<b>420,200</b>	<b>34,739</b>	<b>350,200</b>	<b>(70,000)</b>	<b>0</b>
<b>People</b>											
97	Incoming Mailroom	Matt Rawdon	0	48,009	0	0	48,009	0	48,009	0	0
98	Reprographics	Matt Rawdon	0	5,247	0	0	5,247	0	5,247	0	0
99	EIS Replacement	Matt Rawdon	0	70,000	0	0	70,000	0	70,000	0	0
			<b>0</b>	<b>123,256</b>	<b>0</b>	<b>0</b>	<b>123,256</b>	<b>0</b>	<b>123,256</b>	<b>0</b>	<b>0</b>
<b>Totals: Finance and Resources</b>			<b>15,680,782</b>	<b>1,287,966</b>	<b>0</b>	<b>0</b>	<b>16,968,748</b>	<b>2,906,848</b>	<b>12,874,119</b>	<b>(4,097,619)</b>	<b>2,990</b>
<b>Housing and Community</b>											
<b>Commissioning, Procurement and Compliance</b>											
107	Telephony upgrade & virtualisation	Ben Hosier	0	4,600	0	0	4,600	0	4,600	0	0
108	Customer Services Unit Refurbishment	Ben Hosier	0	9,870	0	0	9,870	0	9,870	0	0
109	CSU Flow Management Solution	Ben Hosier	46,500	0	0	0	46,500	0	28,808	0	(17,693)
110	Replacement of Inform 360 Communications	Ben Hosier	19,000	0	0	0	19,000	18,920	19,000	0	0
111	Self Service Kiosks	Ben Hosier	47,000	0	0	0	47,000	0	47,000	0	0
			<b>112,500</b>	<b>14,470</b>	<b>0</b>	<b>0</b>	<b>126,970</b>	<b>18,920</b>	<b>109,278</b>	<b>0</b>	<b>(17,693)</b>
<b>Legal , Democratic and Regulatory Management</b>											
115	Highbarns Land Stabilisation Project	Mark Brookes	0	8,360	0	0	8,360	(1,242)	8,360	0	0
			<b>0</b>	<b>8,360</b>	<b>0</b>	<b>0</b>	<b>8,360</b>	<b>(1,242)</b>	<b>8,360</b>	<b>0</b>	<b>0</b>
<b>People</b>											
109	Capital Grants - Community Groups	Matt Rawdon	20,000	0	0	0	20,000	0	20,000	0	0
			<b>20,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>0</b>
<b>Residents Services</b>											
123	Rolling Programme - CCTV Cameras	Julie Still	25,000	0	0	0	25,000	4,607	25,000	0	0
124	Lift Replacement to Theatre - Old Town Hall	Julie Still	40,000	0	0	0	40,000	0	0	(40,000)	0
125	Verge Hardening Programme	Julie Still	350,000	7,840	0	0	357,840	10,343	350,000	0	(7,840)
126	Youth Centre Provision	Julie Still	50,000	82,807	0	0	132,807	0	133,000	0	193
			<b>465,000</b>	<b>90,647</b>	<b>0</b>	<b>0</b>	<b>555,647</b>	<b>14,950</b>	<b>508,000</b>	<b>(40,000)</b>	<b>(7,647)</b>
<b>Totals: Housing and Community</b>			<b>597,500</b>	<b>113,477</b>	<b>0</b>	<b>0</b>	<b>710,977</b>	<b>32,628</b>	<b>645,638</b>	<b>(40,000)</b>	<b>(25,340)</b>

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Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
<b>Strategic Planning and Environment</b>										
<b>Commercial Assets and Property Development</b>										
138 Hemel Sports Centre - renew heat and power system	Nicholas Brown	0	76,050	23,878	23,878	99,928	0	100,000	0	72
139 Hemel Sports Centre - renew outdoor pool water heaters	Nicholas Brown	0	4,952	(4,952)	(4,952)	0	0	0	0	0
140 Berkhamsted Sports Centre - heating system upgrade	Nicholas Brown	15,000	0	0	0	15,000	0	15,000	0	0
141 Air Handling Unit - Hemel Hempstead Sports Centre	Nicholas Brown	0	18,926	(18,926)	(18,926)	0	0	0	0	0
		<b>15,000</b>	<b>99,928</b>	<b>0</b>	<b>0</b>	<b>114,928</b>	<b>0</b>	<b>115,000</b>	<b>0</b>	<b>72</b>
<b>Environmental Services</b>										
145 Wheeled Bins & Boxes for New Properties	Craig Thorpe	20,000	0	0	0	20,000	0	20,000	0	0
146 Play Area Refurbishment Programme	Craig Thorpe	224,000	106,916	0	0	330,916	0	180,000	(150,916)	0
147 Litter Bin Upgrade	Craig Thorpe	40,000	0	0	0	40,000	0	40,000	0	0
148 Waste & Recycling Service Improvements	Craig Thorpe	0	75,000	0	0	75,000	0	0	(75,000)	0
149 Play Areas & Open Spaces - replace equipment	Craig Thorpe	0	14,722	0	0	14,722	0	14,722	0	0
150 Cupid Green Depot - Security Gates Upgrade	Craig Thorpe	81,000	0	0	0	81,000	8,885	70,329	0	(10,671)
151 Dog Kennels / Pest Control store Cupid Depot	Craig Thorpe	40,000	0	0	0	40,000	0	10,000	0	(30,000)
152 Fleet Replacement Programme	Craig Thorpe	862,000	94,231	0	0	956,231	4,455	470,987	(485,244)	0
		<b>1,267,000</b>	<b>290,869</b>	<b>0</b>	<b>0</b>	<b>1,557,869</b>	<b>13,340</b>	<b>806,038</b>	<b>(711,160)</b>	<b>(40,671)</b>
<b>Regulatory Services</b>										
156 Disabled Facilities Grants	Chris Troy	603,000	(61,346)	0	0	541,654	221,447	780,000	0	238,346
157 Home Improvement Grants	Chris Troy	0	8,893	0	0	8,893	2,100	8,893	0	0
		<b>603,000</b>	<b>(52,453)</b>	<b>0</b>	<b>0</b>	<b>550,547</b>	<b>223,547</b>	<b>788,893</b>	<b>0</b>	<b>238,346</b>
<b>Strategic Planning and Regeneration</b>										
161 Maylands Phase 1 Improvements	Chris Taylor	476,000	813,256	0	0	1,289,256	192,144	1,239,256	0	(50,000)
162 GAF - Urban Park/Education Centre	Chris Taylor	0	0	0	0	0	18,263	30,000	30,000	0
163 Regeneration of Hemel Town Centre	Chris Taylor	0	0	0	0	0	120,387	200,000	0	200,000
164 Maylands Business Centre	Chris Taylor	550,000	335,000	0	0	885,000	23,530	885,000	0	0
165 Water Gardens	Chris Taylor	177,217	2,005,260	0	0	2,182,477	222,323	2,232,477	0	50,000
166 Bus Interchange	Chris Taylor	0	300,000	0	0	300,000	0	300,000	0	0
167 Heath Park Gardens Improvements ( Fully funded from S106)	Chris Taylor	0	12,892	0	0	12,892	(2,797)	12,892	0	0
168 Town Centre Access Improvements	Chris Taylor	0	507,961	0	0	507,961	622	50,000	(457,961)	0
169 Hemel Street Furniture	Chris Taylor	166,000	0	0	0	166,000	0	136,000	(30,000)	0
170 Gadebridge Park	Chris Taylor	500,000	0	0	0	500,000	0	0	(500,000)	0
171 The Bury - Conversion into Museum and Gallery	Chris Taylor	75,000	0	0	0	75,000	0	75,000	0	0
		<b>1,944,217</b>	<b>3,974,369</b>	<b>0</b>	<b>0</b>	<b>5,918,586</b>	<b>574,471</b>	<b>5,160,625</b>	<b>(957,961)</b>	<b>200,000</b>
<b>Totals: Strategic Planning and Environment</b>		<b>3,829,217</b>	<b>4,312,713</b>	<b>0</b>	<b>0</b>	<b>8,141,930</b>	<b>811,358</b>	<b>6,870,556</b>	<b>(1,669,121)</b>	<b>397,747</b>
<b>Totals - Fund: General Fund</b>		<b>20,107,499</b>	<b>5,714,156</b>	<b>0</b>	<b>0</b>	<b>25,821,655</b>	<b>3,750,834</b>	<b>20,390,313</b>	<b>(5,806,740)</b>	<b>375,398</b>

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
<b>Housing Revenue Account</b>										
<b>Housing and Community</b>										
<b>Property &amp; Place</b>										
183 Planned Fixed Expenditure	Fiona Williamson	18,334,000	(630,178)	0	0	17,703,822	3,753,103	17,196,531	0	(507,291)
		<b>18,334,000</b>	<b>(630,178)</b>	<b>0</b>	<b>0</b>	<b>17,703,822</b>	<b>3,753,103</b>	<b>17,196,531</b>	<b>0</b>	<b>(507,291)</b>
<b>Strategic Housing</b>										
191 New Build - Farm Place Berkhamsted	Julia Hedger	45,040	105,505	0	0	150,545	0	0	0	(150,545)
192 Galley Hill / St. Peters Court / The Nokes	Julia Hedger	0	140,125	0	0	140,125	0	0	0	(140,125)
193 Aspen Court / London Road, Apsley	Julia Hedger	322,534	837,800	0	0	1,160,334	307,540	560,000	0	(600,334)
194 New Build General	Julia Hedger	7,395,443	416,688	0	0	7,812,131	695,995	6,862,921	(1,840,214)	891,004
195 Able House	Julia Hedger	2,084,636	178,309	0	0	2,262,945	205,942	2,262,945	0	0
196 New Build - Longlands	Julia Hedger	0	0	0	0	0	0	0	0	0
197 Affordable Housing Development Fund	Julia Hedger	0	0	0	0	0	0	1,050,000	0	1,050,000
		<b>9,847,653</b>	<b>1,678,427</b>	<b>0</b>	<b>0</b>	<b>11,526,080</b>	<b>1,209,477</b>	<b>10,735,866</b>	<b>(1,840,214)</b>	<b>1,050,000</b>
<b>Totals: Housing and Community</b>		<b>28,181,653</b>	<b>1,048,249</b>	<b>0</b>	<b>0</b>	<b>29,229,902</b>	<b>4,962,580</b>	<b>27,932,397</b>	<b>(1,840,214)</b>	<b>542,709</b>
<b>Totals - Fund: Housing Revenue Account</b>		<b>28,181,653</b>	<b>1,048,249</b>	<b>0</b>	<b>0</b>	<b>29,229,902</b>	<b>4,962,580</b>	<b>27,932,397</b>	<b>(1,840,214)</b>	<b>542,709</b>
<b>Totals</b>		<b>48,289,152</b>	<b>6,762,405</b>	<b>0</b>	<b>0</b>	<b>55,051,557</b>	<b>8,713,413</b>	<b>48,322,709</b>	<b>(7,646,954)</b>	<b>918,106</b>



<b>Report for:</b>	<b>CABINET</b>
<b>Date of meeting:</b>	<b>20 September 2016</b>
<b>PART:</b>	<b>I</b>
If Part II, reason:	

<b>Title of report:</b>	<b>TREASURY MANAGEMENT OUTTURN AND PERFORMANCE INDICATORS 2015/16</b>
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance and Resources James Deane, Corporate Director (Finance and Operations) Richard Baker, Group Manager (Financial Services)
Purpose of report:	To report upon the performance outturn for treasury management in 2015/16.
Recommendations	That Cabinet recommends to Council acceptance of the report on Treasury Management performance in 2015/16 and the Prudential Indicators for 2015/16 actuals.
Corporate objectives:	Dacorum Delivers - Optimising investment income for General Fund and Housing Revenue budgets whilst managing investment risk is fundamental to achieving the corporate objectives.
Financial Implications:	In accordance with Central Government Guidance on Local Government Investments, and the CIPFA Treasury Management Code of Practice, the order of the Council's investment priorities is 1. Security; 2. Liquidity; and, 3. Return. This may result in the Council achieving a lower rate of return than an organisation operating a more aggressive investment strategy in a less regulated sector.
Risk Implications:	Good corporate governance encompasses risk management and making sure that the Council makes decisions with the full knowledge of the associated risks and opportunities. The risk of not reviewing and updating our corporate governance arrangements have been addressed by this report.



Equalities Implications:	None
Health And Safety Implications:	None
Monitoring Officer / S151 Officer Comments:	<b>Monitoring Officer-</b> No comments to add to the report. <b>Deputy Section 151 officer-</b> This is a S151 Officer report
Consultees:	Capita Treasury Services
Background papers:	Cabinet 10 February 2015 – Treasury Management Strategy (Appendix K to Budget 2015/16 Report)

## 1. Regulatory Background

- 1.1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2015/16. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 During 2015/16 the minimum reporting requirements were that Full Council should receive the following reports:
- an annual treasury strategy in advance of the year;
  - a mid-year treasury update report;
  - an annual review following the end of the year describing the activity compared to the strategy (this report).
- 1.3 This report provides the outturn position for the Council's treasury activities and highlights compliance with policies previously approved by Members.

## 2. The Economy and Interest Rates

- 2.1 The original expectation at the start of 2015/16 was for the first increase in Bank Rate to occur in the third quarter 2015. However, by the end of the year, market expectations for an increase had moved back radically to quarter 2 2018. Investment interest rates continued to remain at very low levels during 2015/16.
- 2.2 Bank Rate, therefore, remained unchanged at 0.5% for the seventh successive year. Economic growth (GDP) in the UK surged strongly during both 2013/14 and 2014/15 to make the UK the top performing advanced economy in 2014. However, 2015 has been disappointing with growth falling steadily from an annual rate of 2.9% in quarter 1 2015 to 2.1% in quarter 4.
- 2.3 The UK elected a majority Conservative Government in May 2015, removing one potential area of uncertainty but introducing another due to the promise of a referendum

on the UK remaining part of the EU. The government maintained its tight fiscal policy stance but the more recent downturn in expectations for economic growth has made it more difficult to return the public sector net borrowing to a balanced annual position within the period of this parliament.

### 3. Overall Treasury Position as at 31 March 2015 and 31 March 2016

3.1 At the beginning and the end of 2015/16 the Council's treasury position was as follows:

	31 March 2015 Principal	Rate/ Return	Average Life years	31 March 2016 Principal	Rate/ Return	Average Life years
<b>General Fund</b>						
Total external debt	-			£19.8m	2.98%	19
Total internal debt	(£4.7m)			(£3.2m)		
Other (finance leases & negative CFR)	£0.2m			£0.2m		
Capital Financing Requirement	(£4.5m)			£3.2m		
Over / (under) borrowing	-			£13.4m		
<b>Housing Revenue Account</b>						
Total external debt	£346.7m	3.35%	15	£346.7m	3.35%	14
Total internal debt	£4.69m			£3.2m		
Other (finance leases & negative CFR)	-			-		
Capital Financing Requirement	£351.2m			£349.9m		
Over / (under) borrowing	-			-		
Total investments	£59.2m	0.51%	0.24	£67.2m	0.62%	0.44
Net external debt	£287.5m			£299.4m		

#### Borrowing

3.2 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). The Council's CFR was £353.1m at the end of the year. This includes the borrowing from the Public Works Loan Board following the introduction of Self Financing, and the borrowing taken up in the current year for general fund capital expenditure requirements. The General Fund borrowing was undertaken in advance of need to take advantage of historically low interest rates available. No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

#### General Fund

3.3 The positive Capital Financing Requirement (CFR) indicates that the Council had a need to borrow. The General Fund reduction of £7.7m 2015-16, from (£4.5m) to £3.2m, relates to the financing of in-year expenditure on the Capital Programme.

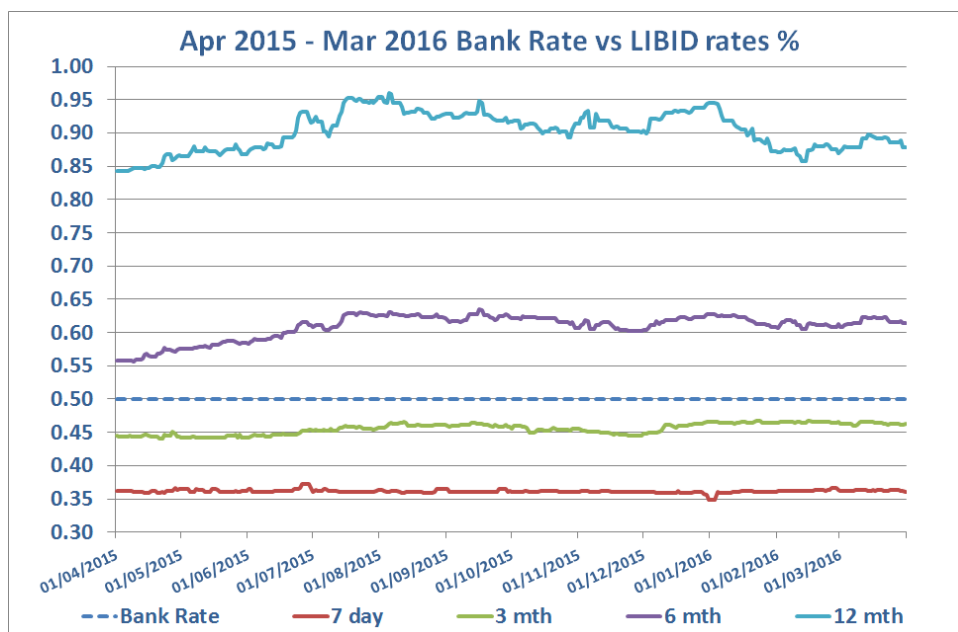
#### Housing Revenue Account



3.4 HRA funds available for the future financing of the Capital Programme are held outside of the CFR in the Major Repairs Reserve and Earmarked Reserves, totalling £25.7m.

#### 4. Investment Rates and Outturn in 2015/16

4.1 Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for seven years. The following table shows bank and LIBID rates during the year.



4.2 The Council's investment policy, approved by Council in February 2015, sets out the approach for choosing investment counterparties. It is based on a system of credit ratings provided by the three main credit rating agencies, and supplemented by additional market data (such as rating outlooks, credit default swaps and bank share prices) provided by Capita, the Council's treasury advisors.

4.3 The Council maintained an average balance of £74.4m of internally managed funds throughout 2015/16, earning an average rate of return of 0.62%, compared with the budget assumption of average investment balances of £51.08 at 0.40% investment return.

4.4 The weighted average maturity (WAM) for investments held by the Council at 31 March 2016 was 146 days. This compares to a weighted average maturity at 31 March 2015 of 89 days.

4.5 Investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

#### 5. Prudential and Treasury Indicators

5.1 During 2015/16, the Council complied with its legislative and regulatory requirements set out in the Treasury Management Strategy. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2014/15 Actual £000	2015/16 Original Budget Estimate £000	2015/16 Actual £000
Capital expenditure			
• General Fund	16,335	26,826	17,993
• HRA	25,468	27,282	31,523
• <b>Total</b>	<b>41,803</b>	<b>54,108</b>	<b>49,516</b>
Capital Financing Requirement:			
• General Fund	(4,537)	14,900	3,200
• HRA due to housing finance reform	351,265	349,950	349,950
• <b>Total</b>	<b>346,728</b>	<b>364,850</b>	<b>353,150</b>
External debt	346,739	361,639	366,707
Investments			
• Longer than 1 year			
• Under 1 year	59,242	37,270	67,210
• <b>Total</b>			

5.2 In order to ensure that borrowing levels are prudent over the medium term, Local Authority external borrowing can only be for capital purposes, i.e. it cannot be used to support revenue expenditure. Net borrowing should not, therefore, exceed the Capital Financing Requirement (CFR), i.e. the Council's need to borrow. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs. The advance borrowing shown above by external debt exceeding the CFR is due to the General Fund borrowing in advance of need to take advantage of historically low interest rates.

5.3 The **Authorised Limit** - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. During 2015/16 the Council has maintained gross borrowing within its authorised limit.

5.4 The **Operational Boundary** – the operational boundary reflects the current borrowing position with an allowance for additional borrowing for cash flow purposes during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

2015/16	
Authorised limit	£375.000m
Operational boundary	£361.965m

5.5 **Actual financing costs as a proportion of net revenue stream** - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Ratio of financing costs to net revenue stream	31 March 2015 Actual	2015/16 Original Limits	31 March 2016 Actual

Non - HRA	(0.37%)	0.80 %	0.42%
HRA	20.34%	19.98%	19.73%

5.6 The reduction on the General Fund ratio since the original estimate reflects the reduced financing costs due to slippage on the capital programme. The slight reduction in the ratio on the HRA reflects slightly higher income received against original estimate.

5.7 The following table shows the **incremental impact on Council Tax and Housing Rents** on capital decisions.

Incremental impact of capital investment decisions	31 March 2015 Actual	2015/16 Original Limits	31 March 2016 Actual
Increase in council tax (band D) per annum	£33.60	£10.24	£3.08
Increase in average housing rent per week	(£331.32)	£297.92	(£620.93)

5.8 The reduced impact on the General Fund against original limits reflects the additional interest income received on balances held arising from slippage and higher interest rates than budgeted. The reduced impact on Housing Rents reflects an increase in Right to Buy receipts available against original budget which are utilised before making revenue contributions to capital.

5.9 The following table shows the **net debt position** for the Council. There has been no material change in net debt between years.

	31 March 2015 Principal	Rate/ Return	Average Life years	31 March 2016 Principal	Rate/ Return	Average Life years
Fixed rate funding:						
-PWLB	£346.7m	3.35%		£366.7m	3.15%	
<b>Total external debt</b>	<b>£346.7m</b>	<b>3.35%</b>	<b>15</b>	<b>£366.7m</b>	<b>3.15%</b>	<b>14</b>
<b>CFR</b>	<b>£346.7m</b>			<b>£353.1m</b>		
<b>Over/ (under) borrowing</b>	<b>£0m</b>			<b>£13.4m</b>		
<b>Total investments</b>	<b>£59.2m</b>	<b>0.51%</b>	<b>0.24</b>	<b>£67.2m</b>	<b>0.62%</b>	<b>0.44</b>
<b>Net debt</b>	<b>£287.5m</b>			<b>£299.4m</b>		

5.10 The following table shows the **maturity structure of the debt portfolio**:

	31 March 2015 actual	31 March 2016 actual
Under 12 months	-	0.38m
12 months and within 24 months	-	1.32m
24 months and within 5 years	£6.2m	£11.32m
5 years and within 10 years	£15.1m	£16.60m
10 years and above	£325.4m	£336.90m

5.11 The following table shows the **maturity structure of the investment portfolio**:

	<b>2014/15 Actual £</b>	<b>2015/16 Actual £</b>
Investments		
Longer than 1 year	-	-
Under 1 year	59.2m	67.2m
Total	59.2m	67.2m

5.12 The following table shows the **exposure to fixed and variable rates on investments** at year end:

	<b>31 March 2015 Actual</b>	<b>2015/16 Original Limits</b>	<b>31 March 2016 Actual</b>
Fixed rate (principal or interest)	71%	100%	70%
Variable rate (principal or interest)	29%	40%	30%

Appendix A – HRA External Borrowing

<b>Lender</b>	<b>Principal</b>	<b>Type</b>	<b>Interest Rate</b>	<b>Maturity</b>
PWLB	£567,166	Fixed interest rate	1.50%	2 Years
PWLB	£2,068,572	Fixed interest rate	1.76%	3 Years
PWLB	£3,585,697	Fixed interest rate	1.99%	4 Years
PWLB	£4,590,217	Fixed interest rate	2.21%	5 Years
PWLB	£3,480,273	Fixed interest rate	2.40%	6 Years
PWLB	£1,370,129	Fixed interest rate	2.56%	7 Years
PWLB	£2,309,505	Fixed interest rate	2.70%	8 Years
PWLB	£3,334,576	Fixed interest rate	2.82%	9 Years
PWLB	£4,442,038	Fixed interest rate	2.92%	10 Years
PWLB	£5,637,006	Fixed interest rate	3.01%	11 Years
PWLB	£5,110,074	Fixed interest rate	3.08%	12 Years
PWLB	£6,339,797	Fixed interest rate	3.15%	13 Years
PWLB	£7,664,605	Fixed interest rate	3.21%	14 Years
PWLB	£9,089,448	Fixed interest rate	3.26%	15 Years
PWLB	£10,620,253	Fixed interest rate	3.30%	16 Years
PWLB	£12,546,288	Fixed interest rate	3.34%	17 Years
PWLB	£14,313,519	Fixed interest rate	3.37%	18 Years
PWLB	£16,205,585	Fixed interest rate	3.40%	19 Years
PWLB	£18,230,083	Fixed interest rate	3.42%	20 Years
PWLB	£20,394,596	Fixed interest rate	3.44%	21 Years
PWLB	£32,380,217	Fixed interest rate	3.46%	22 Years
PWLB	£35,524,201	Fixed interest rate	3.47%	23 Years
PWLB	£38,864,428	Fixed interest rate	3.48%	24 Years
PWLB	£42,416,950	Fixed interest rate	3.49%	25 Years
PWLB	£45,654,253	Fixed interest rate	3.50%	26 Years

*General Fund External borrowing*

<b>Lender</b>	<b>Principal</b>	<b>Type</b>	<b>Interest Rate</b>	<b>Maturity</b>
PWLB	£237,280	Fixed interest rate	1.05%	0.1 Years
PWLB	£149,000	Fixed interest rate	1.25%	0.1 Years
PWLB	£378,554	Fixed interest rate	1.28%	1 Year
PWLB	£370,984	Fixed interest rate	1.53%	2 Years
PWLB	£363,563	Fixed interest rate	1.78%	3 Years
PWLB	£356,292	Fixed interest rate	2.00%	4 Years
PWLB	£349,166	Fixed interest rate	2.19%	5 Years
PWLB	£342,183	Fixed interest rate	2.35%	6 Years
PWLB	£335,340	Fixed interest rate	2.48%	7 Years
PWLB	£328,633	Fixed interest rate	2.59%	8 Years
PWLB	£326,082	Fixed interest rate	2.68%	9 Years
PWLB	£334,821	Fixed interest rate	2.76%	10 Years
PWLB	£344,062	Fixed interest rate	2.83%	11 Years
PWLB	£353,799	Fixed interest rate	2.90%	12 Years
PWLB	£364,059	Fixed interest rate	2.95%	13 Years
PWLB	£374,799	Fixed interest rate	3.00%	14 Years
PWLB	£386,043	Fixed interest rate	3.05%	15 Years
PWLB	£397,817	Fixed interest rate	3.09%	16 Years
PWLB	£410,110	Fixed interest rate	3.12%	17 Years
PWLB	£422,905	Fixed interest rate	3.16%	18 Years
PWLB	£436,269	Fixed interest rate	3.18%	19 Years
PWLB	£450,142	Fixed interest rate	3.21%	20 Years
PWLB	£464,592	Fixed interest rate	3.23%	21 Years
PWLB	£479,598	Fixed interest rate	3.24%	22 Years
PWLB	£495,137	Fixed interest rate	3.26%	23 Years
PWLB	£511,279	Fixed interest rate	3.27%	24 Years
PWLB	£527,997	Fixed interest rate	3.27%	25 Years
PWLB	£545,263	Fixed interest rate	3.28%	26 Years
PWLB	£563,148	Fixed interest rate	3.28%	27 Years
PWLB	£581,619	Fixed interest rate	3.28%	28 Years
PWLB	£600,696	Fixed interest rate	3.28%	29 Years
PWLB	£620,399	Fixed interest rate	3.27%	30 Years

<b>Lender</b>	<b>Principal</b>	<b>Type</b>	<b>Interest Rate</b>	<b>Maturity</b>
PWLB	£640,686	Fixed interest rate	3.27%	31 Years
PWLB	£661,636	Fixed interest rate	3.27%	32 Years
PWLB	£683,272	Fixed interest rate	3.26%	33 Years
PWLB	£705,546	Fixed interest rate	3.25%	34 Years
PWLB	£728,477	Fixed interest rate	3.25%	35 Years
PWLB	£752,152	Fixed interest rate	3.24%	36 Years
PWLB	£776,552	Fixed interest rate	3.23%	37 Years
PWLB	£801,603	Fixed interest rate	3.23%	38 Years
PWLB	£728,478	Fixed interest rate	3.22%	39 Years



<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>20 September 2016</b>
<b>Part:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	Facilities Management Service – Award of Contract
Contact:	Graeme Elliot, Portfolio Holder for Finance & Resources David Skinner, Assistant Director (Finance & Resources)  Author/Responsible Officer Ben Hosier, Group Manager Commissioning, Procurement & Compliance
Purpose of report:	To seek Cabinet approval to award a contract for the delivery of Facilities Management Services.
Recommendations	<ol style="list-style-type: none"> <li>1. To award a 5-year contract (with an option to extend for a further 2 years) to Interserve (Facilities Management) Ltd for the delivery of the Facilities Management Services (FMS).</li> <li>2. To delegate authority to the Corporate Director Finance &amp; Operations in consultation with the Portfolio Holder, Finance &amp; Resources, to initiate the 2 year extension period subject to satisfactory financial and operational performance, and that any extension is within budget.</li> <li>3. To delegate authority to the Portfolio Holder, Finance &amp; Resources to extend the scope of this contract to include the buildings/assets in Phase 2 (Berkhamsted Civic Centre, Tring Town Hall and Hemel Hempstead Old Town Hall), subject to the delivery of a business case demonstrating the benefits of such inclusion, and that any extension of scope is within budget.</li> <li>4. To report back to Cabinet to seek approval to extend the scope of this contract to include the</li> </ol>



	<p>buildings/assets in Phase 3 (any other buildings/assets where it was felt it may be beneficial to be included), subject to the delivery of a business case demonstrating the benefits of such inclusion, and that any extension of scope is within budget.</p>
Corporate Objectives:	<p>The delivery of the FMS at the Forum supports the delivery of an efficient and modern Council which is one of the priorities of the Council's vision.</p>
Implications:	<p><u>Financial</u></p> <p>The cost of the FMS is made up from 2 elements.</p> <ul style="list-style-type: none"> <li>• The first element is the lump sum charges and these are the known costs for services that will be constantly delivered each month (portage services, security, cleaning etc.).</li> <li>• The second element is the 'New Works' process, these costs are unknown and will be delivered on an ad-hoc basis as required (building repairs over £500 (comprehensive liability threshold), specialist waste disposal, locksmith services etc.).</li> </ul> <p>Due to the second element of the costs we are unable to provide a precise contract value, but can confirm that the cost of the FMS contract will be covered from within existing budgets.</p>
'Value For Money Implications'	<p><u>Value for Money</u></p> <p>The award of this contract from the Crown Commercial Services (CCS) framework agreement will have the following implications on value for money;</p> <ul style="list-style-type: none"> <li>• A consistent approach to specifications, a common set of service level requirements and standards, a standard set of terms and conditions, scope and key performance indicators.</li> <li>• Addresses sustainability issues by incorporating the Government Buying Standards, energy efficiency, water consumption and waste minimisation.</li> <li>• Reduced fees for poor performance meaning that poor performance will result in reduced payments to the suppliers.</li> <li>• Value for money is gained through better management of cost and performance data.</li> <li>• NEC3 Term Services Contract is the form of contract to be used for call-off contracts; it includes 10 key performance indicators including one for innovation/gain share.</li> <li>• Savings in the region of 15% through better buying, leverage, aggregation and standardisation.</li> </ul>
Risk Implications	<p>The awarding of this contract has been carried out in full compliance with the Council's procurement rules and as a consequence the risk of any challenge from an unsuccessful</p>

	<p>bidder is very low.</p> <p>With regards to the risks associated with the delivery of the FMS contract, these have been addressed through the evaluation of the bids for the 'Mobilisation' period and for the ongoing 'Operational Delivery' of the contracts.</p> <p>Appropriate risk management methodologies are built into the contract and the monitoring of performance to ensure that risks are identified and managed throughout the duration of the contract.</p> <p>Additional quality assurance was requested from Cushman and Wakefield and Eversheds to review the specification and drafting of the contract.</p>
Community Impact Assessment	A Community Impact Assessment is not required for the award of the FMS contract.
Health And Safety Implications	<p>Health &amp; Safety is of paramount importance for the delivery of the FMS contract.</p> <p>Appropriate Health &amp; Safety requirements have built into the contract and the monitoring of performance to ensure that Health &amp; Safety issues are identified and managed throughout the duration of the contract.</p>
Monitoring Officer/S.151 Officer Comments	<p><b>Monitoring Officer:</b></p> <p>The proposed award of contract follows a regulated procurement process which was procured via the CCS Framework Agreement.</p> <p>The procurement process has been quality assured through support on the technical specification by Cushman and Wakefield and legal support (contract drafting) by Eversheds Solicitors. Accordingly, the Monitoring Officer is satisfied that the contract can be awarded.</p> <p><b>Deputy S.151 Officer</b></p> <p>The lump sum charges can be met from within existing approved base budgets. There is also sufficient budget for a prudent estimate of "new works". Any additional works that incur significant costs would be subject to normal financial control measures which would include monitoring and reporting and if necessary seeking additional approvals either in year or through the budget setting process.</p>
Consultees:	<p>Cabinet</p> <p>Corporate Management Team</p> <p>David Skinner, Assistant Director (Finance &amp; Resources)</p> <p>Nicholas Brown, Group Manager (Commercial Assets &amp; Property Development)</p> <p>Ben Hosier, Group Manager (Commissioning, Procurement &amp; Compliance)</p> <p>Tony Moore, Surveyor (Building Services) Surveyor</p> <p>Mark Housden, Lead Officer (Commercial Contracts)</p>

	Anne Stunell, Team Leader (Human Resources)
Background papers:	Procurement report attached (Part II)
Glossary of acronyms and any other abbreviations used in this report:	<p>FMS - Facilities Management Service</p> <p>CCS – Crown Commercial Services</p> <p>KPI – Key Performance Indicator</p> <p>PI – Performance Indicators</p> <p>MI – Management Information</p>

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

Document is Restricted



<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>20 September 2016</b>
<b>Part:</b>	<b>1</b>
If Part II, reason:	<b>The Appendix to the Report is Part II because it contains</b> information relating to the financial and business affairs of the Council. (LGA 1972, Part V, Schedule 12A paragraph 3)

<b>Title of report:</b>	<b>Options for provision of athletics track within the borough</b>
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance and Resources David Skinner - Assistant Director ( Finance & Resources)
Purpose of report:	To consider the options for the provision of an athletics track within the Borough and the best possible location for the track.
Recommendations	That based on the principles outlined in this report, Cabinet:-  <ol style="list-style-type: none"> <li>1) Approve that further, more detailed work be undertaken for the possible relocation of the athletics track from Jarman Park to Longdean School, to be funded from the sale of the location of the current track;</li> <li>2) Recommend to Council the approval of a capital budget of £150k to progress more detailed design and planning works for the relocation of the athletics track from Jarman Park to Longdean School.</li> <li>3) Note that a further report will be brought to Cabinet, within the next few months, detailing: the outcome of the detailed design work; the specific budget requirements; and, a marketing strategy for the site of the current athletics track.</li> </ol>
Corporate	Building strong and vibrant communities

Objectives:	<p>Ensuring economic growth and prosperity</p> <p>Delivering an efficient and modern council</p>
Financial Implications:  'Value For Money Implications'	<p><u>Financial</u></p> <p>The anticipated financial receipt as set out in the part 2 element of this report would allow for a supplementary capital estimate to be made to allow construction of the a new athletics track and associated infrastructure (changing, spectator facilities, storage and parking).</p> <p><u>Value for Money</u></p> <p>The project should allow for the delivery of a new athletics track at no net cost to the Council.</p>
Risk Implications	<p>Delivery of the scheme is subject to planning approval and detailed design work at both the new site in Longdean and also to enable disposal of the current site at Jarman Park and to demonstrate the re-provisioned site.</p>
Community Impact Assessment	
Health And Safety Implications	<p>Health and Safety issues will be considered as part of the project risk assessment for delivering the project.</p>
Monitoring Officer/S.151 Officer Comments	<p><b>Monitoring Officer:</b></p> <p>This report seeks approval for further work to develop the proposal for the re-location of the athletics track. Accordingly, further comment will be reserved until full detail has been provided on key issues relating to the development such as achieving best consideration for the existing site, planning and commercial risk from the sale and re-provision, and proposed use arrangements/agreements with the school and other users.</p> <p><b>S.151 Officer</b></p> <p>The costs and income outlined in Part 2 of this report provides financial justification for further works to be undertaken on this project. As per the recommendation, above, a further report will be brought to Members for final budgetary approval once more detail is available.</p>
Consultees:	<p>Nicholas Brown, Group Manager (Commercial Assets and Property Development)</p>
Background papers:	
Glossary of	<p>DBC – Dacorum Borough Council</p>

acronyms and any other abbreviations used in this report:	D&TAC – Dacorum & Tring Athletic Club
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## **1. Executive Summary**

- 1.1. There is an opportunity arising from the work at Longdean School to deliver a new facility that will benefit the school through increased use and the Council through reduced running costs and the release of the current land at Jarman Park.
- 1.2. A stakeholder group has commissioned and discussed a number of surveys which indicate that sound like for like provision is possible at the school.
- 1.3. The income and expenditure has been costed out which suggest that it feasible for the Council to proceed,
- 1.4. Approval in principle is required to approve funds and the progress of further work.

## **2. Background**

- 2.1. Options to relocate the athletics track from its existing site on Jarman Park have been explored by DBC officers, Sportspace and other stakeholders over recent years. The intention has been that the new track would be a replacement for the existing eight lane track and clubhouse at Jarman Park, owned by Dacorum Borough Council, and operated on behalf of the council by Dacorum Sports Trust (Sportspace) and the primary home of Dacorum and Tring Athletics Club (D&TAC).
- 2.2. Longdean school have expressed an interest in having the new track situated at the school and Sportspace support this proposal as there will be operational efficiencies to be gained by being co-located with the existing provision on the new school site.
- 2.3. The working group consisting of members from DBC, Sportspace, D&TAC and Longdean School has commissioned a feasibility and viability report from Labosport via England Athletics.
- 2.4. The facility will be on land owned by Longdean School and, for the purposes of the financial modelling of running costs is it assumed that they will have priority daytime use during the schools athletics season.

## **3. Feasibility and Viability**

- 3.1. The feasibility and viability report surveyed the key partners to ascertain the best location for the facility mix on the proposed school site. It is proposed that a new site would provide like for like provision of the existing track and ancillary facilities as at Jarman Park. The report examined technical layouts, estimated capital and revenue costs and provided a recommended option based on affordability and viability.
- 3.2. The stakeholder group considered different locations on the school site and the merits of these and the practicalities of building on the site has been looked at and were discussed during a meeting of the stakeholder group on

the 11<sup>th</sup> July 2016. The group concluded that the facility should be developed in the south west corner of the site. The main reasons for this are based on the topography and the proximity to other provision within the school and the space required for ancillary facilities.

- 3.3. The existing clubhouse facilities at Jarman Park are contained in a single storey building approximately 35m x 15m, they contain a mix of changing rooms, equipment storage, a club room, kitchen facilities and officials rooms. There is some spectator seating along the main straight, this takes the form of 3 rows of fixed seats from the start line to half way up the main straight and is located outside the long jump / pole vault runway. The facilities in the changing / clubhouse building are functional but have been expressed by the club as being small. For the purposes of this report a slightly enlarged facility with similar facilities provided within and a viewing gallery above has been envisaged.
- 3.4. The proposed site is able to accommodate the following athletics facilities:-
- Standard size (36.5m Kerb Radius) 8 Lane circuit with 2 sprint straights, surfaced with a porous type material).
  - Inner steeplechase water jump pit.
  - One full high jump fan.
  - One single width double ended long / triple jump runway outside of southern straight.
  - One single width double ended pole vault facility at the eastern end of the infield.
  - 2 javelin runways one at either end.
  - One concentric circle hammer / discus cage.
  - One shot put throwing circle and hard porous landing sector inside track.
  - All associated fixed equipment.
  - Floodlighting
  - Access improvements
- 3.5. The existing facilities are managed by Dacorum Sports Trust (Sportspace). It is assumed that all annual maintenance is carried out by them. The estimated costs of the annual and longer term maintenance for the athletics track are a total of £52,000 excluding VAT.
- 3.6. The life cycle costs for changing rooms and ancillary areas would have to be worked out when a design is established, but this would take advantage of many new technologies to reduce maintenance and costs of services etc. Such as maintenance free exterior finishes, ground heat source / solar panel plus battery storage to reduce electricity costs, recycling of rainwater etc.

#### **4. Disposal of current site**

- 4.1. GL Hearn was commissioned by Dacorum Borough Council in September 2015 to produce a high level options and viability appraisal of the Jarman Fields Athletics Track. The purpose of the study was to articulate the development potential of the site.
- 4.2. For the report, GL Hearn worked alongside masterplanners LDA Design. The report set out planning considerations associated with developing the site, the



current residential market context, urban design considerations and site capacity. From a market perspective the most attractive and valuable form of development would be wholly residential.

- 4.3. The review by GL Hearn of relevant planning policy suggests that it will be necessary to demonstrate that the existing leisure facilities on the site are either surplus to requirements or that improved facilities are to be provided elsewhere. In addition the current allocation of the site as 'open space' could also be an impediment to securing a residential planning consent.
- 4.4. The residential development market is currently strong. There has been a lack of new development in the vicinity of the site in recent years and we would expect an opportunity of this type to attract significant interest from both local and national housebuilders.
- 4.5. Whilst GL Hearn consider that the market would be extremely interested in this opportunity consideration of the planning risks associated with it would be likely to act as a deterrent to bidders. Certainly it would be expected any bids to be subject to planning – an unconditional sale would come with significant discounts to reflect planning risk. The Council can mitigate planning risk by delivering a re-provisioned facility (as set out in this report).
- 4.6. The financial outputs of the GL Hearn report are based on the assumption of normal ground conditions. A recent report produced for the Council does highlight a medium to high risk of contamination from land gas egress for the purposes of future residential site users. With this in mind there is clearly a risk that costs will need to be incurred in remediation. These are set out in the part 2 report based on further reports commissioned to examine ground conditions and likely remediation costs.

## **5. Phase 3 – Next steps**

- 5.1. Subject to Cabinet and Council approval:
- 5.2. There would be two parallel strands of work – the specification and procurement subject to agreeing the delivery methodology and the sale of the current site.
- 5.3. A full design brief will be established, a full working design will need to be progressed this will require the services of an Architect team and a specialist sports construction consultancy. Once an agreed design is established a full construction cost estimate will be required from a Quantity Surveyor. Planning would be the next requirement, followed by a tendering exercise to choose a suitable main contractor and sub-contract packages. It is estimated that this should take 25 weeks.
- 5.4. A report will then be brought to Cabinet detailing the outcome of the detailed design work, the specific budget requirements and a marketing strategy for the site of the current athletics track.
- 5.5. Satisfying any planning conditions or S.106 planning obligations prior to commencement of works (to run concurrently with 5.3 above)
- 5.6. Construction will begin once planning permission has been secured. Specific timeframes for construction will not be known until tender bids have been

received and evaluated, but it is expected to take around 30 weeks once a contractor has been appointed.

- 5.7. Officers will need to secure agreement with Longdean School and Sportspace regarding community use and access to the track that is consistent with existing arrangements.

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

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